



Metropolitan Transportation Authority

July 2013

MTA Board Action Items



**MEETING AGENDA
METROPOLITAN TRANSPORTATION AUTHORITY BOARD
July 24, 2013 10:00 a.m.**

347 Madison Avenue
Fifth Floor Board Room
New York, NY

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Date of next MTA Board meeting: Wednesday, September 18, 2013 at 10:00 a.m.

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

**Wednesday, June 5, 2013
10:00 a.m.**

The following members were present:

**Hon. Fernando Ferrer, Acting Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. James L. Sedore, Jr.
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke**

The following members were absent:

**Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark Page**

Thomas Prendergast, Interim Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Board Member Vincent Tessitore, Jr., Carmen Bianco, Acting President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP/NYCT DoB, President MTA Bus, and Michael Horodniceanu, President, MTA Capital Construction, 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 nine (9) public speakers. None of the speakers addressed matters relating to MTA agenda items. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records, and to the other agencies' minutes of this date, for a list of the speakers and the content of speakers' statements.

2. **CHAIRMAN'S REMARKS.**

Acting Chairman Ferrer called for a moment of silence in honor of Robert Luden, a Metro-North foreman who was fatally injured working on the tracks in Connecticut last week. Acting Chairman Ferrer stated that everyone at MTA and Metro-North is saddened by Mr. Luden's death and he extended condolences to Mr. Luden's family.

Mr. Ferrer announced the reopening of the A train service to the Rockaways. Mr. Ferrer noted that the A line was completed one month earlier than expected, due to the incredible work and tremendous efforts of NYCT employees and contractors to rebuild this critically important stretch of the MTA system that was destroyed by Super Storm Sandy.

Acting Chairman Ferrer, noting that the efforts to fully recover from Super Storm Sandy are far from over, stated that lingering and persistent Sandy-related damages will soon force closures at both the Montague and Greenpoint tunnels, a subject upon which Carmen Bianco, Acting President of NYCTA, would be making a detailed Board presentation.

Acting Chairman Ferrer noted that some members of the Board and the public have expressed concerns about the frequency of Board meetings adopted this year under the new schedule. He announced that the issue would be discussed at the next Governance Committee meeting, which has been moved up from September to July.

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on April 24, 2013.

4. **COMMITTEE ON FINANCE.**

- A. **Action Item.** Upon motion duly made and seconded, the Board approved the following action item, described in further detail in the staff summary and documentation filed with the meeting materials.

1. **2013 State Public Work Enforcement Fund ("PWEF") Assessment.** Authorized actions relating to the payment of the State assessment on the MTA and its constituent agencies for the PWEF for calendar 2013.

Regular Board Meeting
June 5, 2013

B. Information Item.

1. 2012-2013 Station Maintenance Billing. The Board was provided information relating to the station maintenance billings to New York City and the counties for the period of April 1, 2012 to March 31, 2013.

C. Procurement Items. Upon motion duly made and seconded, the Board approved the following procurement items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

1. Lingualinx – All-Agency Translation and Layout Services – No. 12239-0100.
Approved a competitively negotiated contract to provide as-needed, multi-language translation and layout services of brochures, notices and advertisements for the MTA and its agencies.
2. Viacom Computer Services – NetApp Professional Services – No. 13065-0100.
Approved a competitively negotiated contract with Viacom Computer Services (a valued-added reseller of NetApp Hardware, Software, and Services under NY State Contract No. PT60947) to provide NetApp consultant services in support of the move from IBM SIDC facility to MTA New York City Transit's 2 Broadway and 130 Livingston Street (LPDC) locations.
3. Compulink Technologies, Inc. – EMC Professional Services – No. 13066-0100.
Approved a competitively negotiated contract with Compulink Technologies, Inc. (a value-added reseller of EMC Hardware, Software, and services under NY State Contract No. PT60953) to provide EMC consultant services in support of the move from IBM SIDC facility to MTA New York City Transit's 2 Broadway and 130 Livingston Street (LPDC) locations.
4. Systems Management Planning, Inc. – F5 Training (Five Days Onsite) – No. 13062-0100. Approved a competitively negotiated contract with Systems Management Planning, Inc. (a value-added reseller of F5 Networks, Inc. Comprehensive Telecommunications Equipment and Solutions under NY State Contract No. PT64450) to provide on-site IT training.

D. 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.

Metropolitan Transportation Authority

1. Transfer to The Village of Mineola property known as Section 9, Block 675, Lot 4 in the Village located to the south of the Mineola Intermodal Center at the Mineola Station of the MTA Long Island Rail Road, Nassau County, N.Y.

Regular Board Meeting
June 5, 2013

New York City Transit Authority

2. License agreement with AT&T Corp. for the continued operation and maintenance of one 432 fiber-strand cable, to replace an existing 96 fiber-strand fiber optic cable running from a point near the intersection of Fulton Street and Front Street in Manhattan through NYCTA's Cranberry Street Tunnel to a manhole at Furman Street in Brooklyn, N.Y.
3. Clarification and revised terms regarding a sublease at 2368 12th Avenue involving 12th Avenue Realty Corporation and Mizey Realty, Co., Inc., New York, N.Y.
4. Lease agreement with Forest City Pierrepont Associates for temporary office space, to address emergency Sandy-related needs of NYCT Capital Program Management, located at One Pierrepont Plaza, Brooklyn, N.Y.
5. Surrender to City of New York of master-leased property located at 707 East 211th Street (deactivated substation), Bronx, N.Y.

Metro-North Railroad

6. License agreement with The City of White Plains for the installation and maintenance of a subsurface utility duct bank in support of Metro-North's building operation at 525 North Broadway in North White Plains, N.Y.
7. License agreement with the Village of Cold Spring for replacement, operation and maintenance of sewer pump under Metro-North's Cold Spring Station parking facility in Cold Spring, N.Y.
8. Lease agreement with Gateway Foods Holding LLC d/b/a Tim Hortons for the retail sale of premium coffee, teas, espresso-based beverages, soda, juice, fresh baked goods, snacks and other "to-go" foods located at White Plains Station on Metro-North's Harlem Line, White Plains, N.Y.
9. Lease agreement with Gateway Foods Holding LLC d/b/a TEAM Newsstand for the retail sale of magazines, newspapers, candies, snacks, etc at the White Plains Station on Metro-North's Harlem Line, White Plains, N.Y.
10. Lease agreement with Moe International, Inc. for the operation of café and gourmet takeout at the Bronxville Station on Metro-North's Harlem Line, Bronxville, N.Y.
11. Lease amendment with Grand Central Oyster Bar, Inc. relating to The Oyster Bar Restaurant in the lower concourse at Grand Central Terminal, New York, N.Y.

Regular Board Meeting
June 5, 2013

MTA Capital Construction

12. Acquisition of permanent and temporary easements to construct a customer elevator at 280 Park Avenue (privately owned plaza serving a 41 story office building on the north side of East 48th Street between Madison and Park Avenues) (Block 1284, Lot 26), New York, N.Y.

Staten Island Rapid Transit Operation Authority

13. Temporary license with Mountain of Fire and Miracles Ministries for a portion of MTA SIRTOA employee parking lot located at 735 Bay Street, Richmond County, N.Y.

5. OTHER MTA BUSINESS.

Updated Title VI Policies. Upon motion duly made and seconded, the Board adopted updated Policies under Title VI of the Civil Rights Act of 1964 governing MTA New York City Transit, MTA Bus Company, MTA Long Island Rail Road and MTA Metro-North Railroad, in satisfaction of FTA requirements set forth in its revised Title VI Circular. Board member Charles Moerdler abstained from the vote.

6. NYCTA PRESENTATION - SUPER STORM SANDY: UNDER RIVER TUBE RECOVERY AND RESILIENCY.

Acting President Carmen Bianco, NYCTA, provided the Board with an overview of the damage caused by Super Storm Sandy on the NYCTA's under river tubes, and the necessary recovery and resiliency efforts that the Authority intends to undertake as a result of the Storm. Acting President Bianco praised the NYCTA workers for their efforts in restoring the service. The details of the presentation and Board members' comments with respect thereto are included in the videotape of the meeting produced by the MTA and maintained in MTA records.

7. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board voted to convene an executive session in accordance with Section 105(1) of the Open Meetings Law. Upon motion duly made and seconded, the Boards of FMTAC and MTA authorized certain actions to be taken relating to a proposed capital markets-based transaction. Board member Charles Moerdler voted in opposition. Board member David Paterson was not present for the vote. Upon motion duly made and seconded, the Board voted to return to open session.
8. **ADJOURNMENT.** Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:40 A.M.

Respectively submitted,

Victoria Clement
Assistant Secretary

Regular Board Meeting
June 5, 2013

**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, June 5, 2013
10:00 a.m.**

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. James L. Sedore, Jr.
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark Page

Thomas Prendergast, Interim Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Board Member Vincent Tessitore, Jr., Carmen Bianco, Acting President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Rail Road, James Ferrara, President, TBTA, Darryl Irick, SVP/NYCT DoB, President MTA Bus, and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.

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

2. **PUBLIC COMMENT PERIOD**

Nine (9) public speakers addressed MTA New York City Transit/MTA Bus issues.

Marjorie King, First Transit, protested the layoffs of First Transit workers and asked the Board to investigate the matter.

John Yau, First Transit, commented on the replacement of First Transit employees.

Stacy Caver, First Transit, expressed concerns relating to the layoffs of First Transit workers.

Vincent Austin, First Transit, spoke against the layoffs of First Transit workers.

Irene Smith, First Transit, opposed the layoffs of First Transit workers.

Gene Russianoff, Straphangers Campaign, and John Raskin, Riders Alliance, urged the Board to use funds to restore bus and subway service.

Murray Bodin commented on the MTA's spending.

John Simino, First Transit, spoke against the layoffs of First Transit workers.

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

Details of Acting Chairman Ferrer'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 MTA New York City 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 New York City Transit, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Railway Transit Operating Authority, and MTA Bus Company held on April 24, 2013.

5. **COMMITTEE ON FINANCE**

Real Estate Item(s):

MTA New York City Transit: Upon motion duly made and seconded, the Board approved: (i) a License agreement with AT&T Corp. for the continued operation, maintenance and upgrade of an existing fiber optic cable facility running through the Cranberry Street tunnel from Manhattan to Brooklyn; (ii) a clarification regarding a sublease at 2368 12th Avenue; (iii) a short-term lease at One Pierrepont Plaza, Brooklyn to address emergency Sandy-related needs of New York City

Transit Capital Program Management; and (iv) a surrender to the City of New York of a master-leased property at 211th Street in the Bronx.

6. COMMITTEE ON TRANSIT & BUS OPERATIONS
NYC Transit & MTA Bus Company

Action Items:

Implement B67 Bus Extension to the Brooklyn Navy Yard: Upon motion duly made and seconded, the Board approved the implementation of a new B67 route extension to connect Downtown Brooklyn, DUMBO and the Brooklyn Navy Yard.

Implement New B32 Bus Service in Brooklyn and Queens: Upon motion duly made and seconded, the Board approved the implementation of a new B32 bus route to serve Williamsburg, Greenpoint and Long Island City.

Implement New Q70 Limited-Stop Service and Revisions to Q33 Service in Queens: Upon motion duly made and seconded, the Board approved the implementation of the new Q70 Limited-Stop Service and revisions to the Q33, which currently provides local bus access between Jackson Heights and LaGuardia Airport.

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 New York City Transit/SIR/MTA Bus Company.

Procurements:

Non-Competitive Procurements: Upon motion duly made and seconded, the Board approved the non-competitive procurements requiring a majority vote (Schedules G and 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 New York City Transit/SIR/MTA Bus Company.

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

7. **OTHER MTA BUSINESS**

Action Item(s):

Updated Title VI Policies: Upon motion duly made and seconded, the Board approved updated Policies in accordance with Title VI of the Civil Rights Act of 1964 governing MTA New York City Transit, MTA Bus Company, MTA Long Island Rail Road and MTA Metro-North Railroad, and in satisfaction of the FTA requirements set forth in the FTA's revised Title VI Circular. Board Member Moerdler abstained from the vote.

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 New York City Transit/SIR/MTA Bus Company.

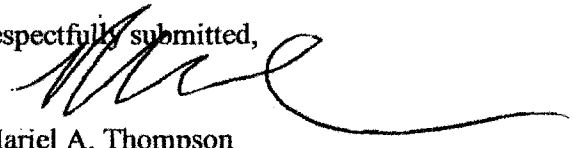
8. **EXECUTIVE SESSION**

Upon motion duly made and seconded, the Board voted to convene an executive session to consider matters concerning the exchange of securities pursuant to Public Officers Law §105(1)(h). Upon motion duly made and seconded, the Board reconvened in public session.

9. **ADJOURNMENT**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:40 a.m.

Respectfully submitted,



Mariel A. Thompson
Assistant Secretary

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company
Wednesday, June 5, 2013
10:00 a.m.

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. James L. Sedore, Jr.
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark Page

Thomas Prendergast, Interim Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Board Member Vincent Tessitore, Jr., Carmen Bianco, Acting President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP/NYCT DoB, President MTA Bus, and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.

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

Acting Chairman Ferrer called the meeting to order.

1. Public Speakers: There were nine public speakers.

Gene Russianoff of the Straphangers Campaign and John Raskin, Executive Director of the Riders Alliance read a letter that was sent to MTA leadership by eight candidates for mayor of the City of New York and dozens of state and city officials. The letter urges the MTA to use the higher than anticipated funds it received from the state to restore, increase and enhance commuter service.

The subject matter of the remaining public speakers' comments is contained in the video recording of the meeting, produced by the MTA and maintained in MTA records, and to the other agencies' minutes of this date.

2. Acting Chairman Ferrer led the Board in observing a moment of silence in memory of Metro-North track foreman Robert Luden who was struck and killed by a train in Connecticut on May 28, 2013.

Acting Chairman Ferrer noted that members of the Board and the public have expressed concern about the frequency of the Board meetings under the new schedule that was adopted this year. The issue will be addressed at the next Governance Committee meeting which has been moved up from September to July.

The details of Acting Chairman Ferrer's opening remarks are contained in the video recording of this meeting, produced by the MTA and maintained in MTA records, and in the MTA and other agencies' minutes of the meeting held this day.

3. Approval of Minutes

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of April 24, 2013 were unanimously approved.

4. Committee on Finance:

Action Items:

The Board voted on action items. Among the items approved were the following items that relate to Metro-North.

- 2013 PWEF Assessment

A staff summary setting forth the details of the above item is filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

Information Item:

- 2012-2013 Station Maintenance Billing

A staff summary setting forth the details of the above item is filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

Procurements:

The Board voted on MTA Headquarters procurements. Among the items approved were the following competitive procurements that relate to Metro-North.

- An all-agency, competitively negotiated, miscellaneous procurement contract with Lingualinx to provide as-needed, multi-language translation and layout services of brochures, notices and advertisements.

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 Action Items:

Upon motion duly made and seconded, the Board unanimously approved the following real estate items recommended to it by the Committee on Finance that relate to Metro-North.

- License agreement with City of White Plains for the installation and maintenance of a subsurface utility duct bank in support of Metro-North's building operations at 525 North Broadway, White Plains, New York.
- License agreement with the Village of Cold Spring, to replace, operate and maintain a sewage pump under Metro-North's Cold Spring Station parking facility in Cold Spring, New York.
- Lease agreement with Gateway Foods Holding LLC for the operation of a coffee concession at the White Plains Station in White Plains, New York.
- Lease agreement with Gateway Foods Holding LLC for the operation of a newsstand at the White Plains Station in White Plains, New York.
- Lease agreement with Moe International, Inc. for the operation of a Café at the Bronxville Station in Bronxville, New York.
- Settlement of dispute with Grand Central Oyster Bar, Inc.

Staff summaries 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.

5. Committee on Metro-North Railroad Operations:

Action Item:

Upon motion duly made and seconded, the Board unanimously approved the following action item recommended to it by the Committee on Metro-North Railroad Operations.

- Supplemental Agreement between Metro-North and the New York State Department of Transportation (NYSDOT) for the superstructure replacement

of the North Barry Avenue Bridge (NH 20.89) in Mamaroneck, Westchester County, New York. Funding agreement with NYSDOT for the replacement of the North Barry Avenue overhead vehicular bridge in Mamaroneck on the New Haven Line. NYSDOT will provide 80% of project costs with federal funding; Metro-North's Capital Program will fund the remaining costs.

The details of the above item are set forth in the staff summary filed with the records of this meeting.

Procurements:

Upon motion duly made and seconded, the Board unanimously approved the following non-competitive procurements recommended to it by the Committee on Metro-North Railroad Operations.

- A three-year maintenance and support contract with NetBoss Network Management System, the OEM original software developer and the sole authorized provider of all NetBoss hardware, software, and associated maintenance and support services. NetBoss provides diagnostic information, fault management and trouble-reporting services for the entire Metro-North network communication system.

Upon motion duly made and seconded, the Board unanimously approved the following competitive procurements recommended to it by the Committee on Metro-North Railroad Operations.

- A competitively solicited, three-year miscellaneous service contract with Fred A. Cook, Jr., Inc. to provide clearing and cleaning of storm sewers, sanitary lines and manholes along Metro-North's right-of-way and in Grand Central Terminal.
- A request for additional funding in the amount of \$75K for the maintenance of various material handling equipment (including propane and electric forklifts, electric pallet jacks, shrink-wrap machines, scissor lifts, man lifts, and all charging station equipment) used in facilities by Metro-North's Maintenance of Equipment Department.

The details of the above items are set forth in the staff summaries and other materials filed with the records of this meeting.

Upon motion duly made and seconded, the Board unanimously approved the following ratification recommended to it by the Committee on Metro-North Railroad Operations.

- A competitively, negotiated and awarded purchase contract with Wesco Distribution for the replacement of cable required as a result of a traction power feeder cable failure on January 25, 2013 between New Rochelle and Mt. Vernon.

The details of the above item are set forth in the staff summary filed with the records of this meeting.

6. Other MTA Business:

Action Item:

Upon motion duly made and seconded, the members of the Board present approved the following action item recommended to it by the Diversity Committee. Board Member Moerdler abstained from the vote.

- Updated Title VI Policies. Adoption of updated policies under Title VI of the Civil Rights Act of 1964 in satisfaction of FTA requirements set forth in its revised Title VI Circular – major service and fare change analysis policy and system-wide service standards and policies.

The details of the above item are set forth in the staff summary and report filed with the records of this meeting.

7. Executive Session:

Upon motion duly made and seconded, the Board unanimously voted to convene in Executive Session pursuant to Public Officer's Law 105(i)(h) to discuss the acquisition/exchange of securities. Upon motion duly made and seconded, the Board unanimously voted to re-convene in Public Session.

8. Adjournment:

Upon motion duly made and seconded, the members of the Board present voted to adjourn the meeting at 11:40 a.m.

Respectfully submitted,



Linda Montanino
Assistant Secretary

Minutes of the Regular Meeting
Long Island Rail Road Company
347 Madison Avenue
New York, NY 10017

Wednesday, June 5, 2013
10:00 a.m.

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. James L. Sedore, Jr.
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark Page

Thomas Prendergast, Interim Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Board Member Vincent Tessitore, Jr., Carmen Bianco, Acting President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP/NYCT DoB, President MTA Bus, and Michael Horodniccanu, President, MTA Capital Construction, also attended the meeting.

Acting Chairman Ferrer called the meeting to order.

1. **Public Speakers:**

There were nine public speakers.

Gene Russianoff of the Straphangers Campaign and John Raskin, Executive Director of the Riders Alliance, read a letter sent to MTA leadership by eight candidates for mayor of New York City and dozens of state and city officials. The letter urges the MTA to use the

higher than anticipated funds it received from the state to restore, increase and enhance commuter service.

The subject matter of the remaining public speakers' comments is contained in the video recording of the meeting, produced by the MTA and maintained in MTA records, and in the other agencies' minutes of this date.

2. **Opening Remarks:**

Acting Chairman Ferrer led the Board in observing a moment of silence in memory of a Metro-North track foreman who was struck and killed by a train. Acting Chairman Ferrer indicated that members of the Board and the public have expressed concern about the frequency of Board meetings under the current schedule that was adopted this year. The issue will be addressed at the next Governance Committee meeting which was moved up from September to July.

The details of Acting Chairman Ferrer's opening remarks are contained in the video recording of the meeting, produced by the MTA and maintained in MTA records, and in the other agencies' minutes of this date.

3. **Approval of Minutes:**

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of April 24, 2013 were unanimously approved.

4. **Committee on Finance:**

Action Item:

The Board voted on an action item, authorizing actions relating to the payment of the State assessment on the MTA and its constituent agencies for the Public Work Enforcement Fund for calendar year 2013. A staff summary setting forth the details of the above item is filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

Information Item:

A staff summary setting forth the details of station maintenance billings to New York City and certain counties for the period of April 1, 2012 to March 31, 2013 is filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

Procurements:

The Board voted on MTA Headquarters procurements. Among the items approved was the following competitive procurement that relates to LIRR:

- An all-agency, competitively negotiated, miscellaneous procurement contract with Lingualinx to provide as-needed, multi-language translation and layout services of brochures, notices and advertisements.

A staff summary setting forth the details of the above item is 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 unanimously approved, among other items, the following item recommended to it by the Committee on Finance.

- Disposition to the Village of Mineola of Section 9, Block 675, Lot 4 in the Village, located to the south of the Mineola Intermodal Center at the LIRR Mineola Station, to be dedicated as a public street.

A staff summary setting forth the details of the above item is filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

5. **Long Island Rail Road Procurements:**

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

- Approval of a non-competitive Miscellaneous Services contract in the negotiated amount of \$1,509,331 for a five (5) year period plus a one-year option, to Siemens Industry, Inc. for 24/7 on-call preventative maintenance and remedial repair of the SCADA System located at Jamaica Central Control;
- Approval of the exercise of a contract option for a two-year period with Electro-Motive Diesel, Inc., through December 2015, for additional spare parts required to operate LIRR's Diesel Electric/Dual Mode fleet of 45 locomotives, in the estimated amount of \$24,000,000; and
- Approval of a ratification of a personal services contract in the amount of \$67,500 with Lucius Pitkin, Inc., for engineering analysis of the integrity of track components, including metallurgical testing, in connection with a Declaration of Emergency issued after the March 18, 2013 derailment along LIRR's Main Line in Rego Park, Queens.

Board Member Moerdler voted against the first two items. Staff summaries and reports setting forth the details of the above items are filed with the records of this meeting.

MTA Capital Construction Procurements:

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

1. A modification to Contract No. 98-0040-01R for additional design services, repackaging, increase to the Other Direct Costs budget and overhead adjustments in an amount of \$2,955,936.
2. A modification to Contract No. CH053 for the removal of two signal towers and three catenary structures. This is a scope and budget transfer in the amount of \$336,000.

3. Modifications to Contract No. CH054A to furnish and deliver power cases and other equipment in connection power separation in Harold Interlocking and Woodside Facility in the amount of \$810,000.
5. Ratification of a modification to Contract No. CQ031 for construction of a concrete ductbank and re-routing of the 2.4 kV power line north of the Tunnel A Approach Structure in the amount of \$1,275,000.
6. Ratification of a modification to Contract No. CQ032 to relocate a signal vault and structural invert and to reroute electrical conduits to account for a rock plinth which obstructs the originally designed layout in the amount of \$1,273,829.
7. Ratification of a modification to Contract No. CH053 for the temporary rerouting of existing power lines in the amount of \$410,000.

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

6. **Other MTA Business:**

Action Item:

Upon motion duly made and seconded, the members of the Board present approved the following action item recommended to it by the Diversity Committee. Board Member Moerdler abstained from the vote.

- Updated Title VI Policies, under the Civil Rights Act of 1964 in satisfaction of FTA requirements – major service and fare change analysis policy and system-wide service standards and practices.

A staff summary setting forth the details of the above item is filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

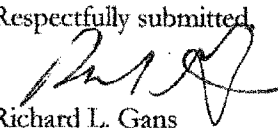
7. **Executive Session:**

Upon motion duly made and seconded, the Board unanimously voted to convene in Executive Session pursuant to Public Officer's Law 105(1)(h) to discuss the acquisition/exchange of securities. Upon motion duly made and seconded, the Board unanimously voted to re-convene in public session.

8. **Adjournment:**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:40 a.m.

Respectfully submitted,


Richard L. Gans
Secretary

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
June 5, 2013

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

10:00 a.m.

The following members were present:

Hon. Fernando Ferrer, Acting Chairman, MTA
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Mark D. LeBow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

Not Present:

Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark Page

Thomas Prendergast, Interim Executive Director; Nuria Fernandez, Chief Operating Officer; Catherine Rinaldi, Chief of Staff; James B. Henly, MTA General Counsel; Stephen J. Morello, Counselor to the Chairman; Board Member Andrew Albert; Board Member James Blair; Board Member Vincent Tessitore, Jr.; Carmen Bianco, Acting President, New York City Transit; Helena Williams, President, Long Island Rail Road; Howard Permut, President, Metro-North Railroad; James Ferrara, President, Triborough Bridge and Tunnel Authority; Darryl Irick, President/Senior Vice President, MTA Bus Company/New York City Transit, Department of Buses; and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.

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

Acting Chairman Ferrer called the meeting to order.

1. Public Speakers

There were nine public speakers. Mr. Murray Bodin, Concerned Grandparents, stated that the Triborough Bridge and Tunnel Authority and traffic engineers across the country are ignoring the Manual on Uniform Traffic Control Devices and that traffic signs that refer to the Henry Hudson Bridge toll plaza are incorrect because the toll plaza no longer exists, even though the tollbooths have not been removed, due to electronic toll collection.

The remaining public speakers did not specifically comment on issues regarding the Triborough Bridge and Tunnel Authority. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records, and the MTA's and other agencies' minutes of the meeting of this date, for the content of the speakers' statements.

2. Acting Chairman Ferrer's Opening Comments

Acting Chairman Ferrer opened his remarks with a moment of silence for a Metro-North Railroad foreman who was killed while working on the tracks in Connecticut. With regard to Tropical Storm Sandy recovery efforts, he reported that A train service to the Rockaways has been restored but lingering and persistent Sandy-related damages will soon force closures at the Montague Street and Greenpoint tunnels, which will cause serious impacts on service. Efforts to restore and fortify the MTA system and network that was devastated by Tropical Storm Sandy continue.

The details of Acting Chairman Ferrer's comments are contained in the video recording of this meeting, produced by the MTA and maintained in MTA records, and the MTA's and other agencies' minutes of the meeting of this date.

3. Approval of the Minutes of the Regular Meeting April 24, 2013

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on April 24, 2013 were unanimously approved.

4. Committee on Finance

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

(a) Action Items:

- One MTA HQ action item to authorize MTA staff to remit to the State Department of Labor; (a) payment of the State assessment on the MTA and its constituent

agencies for the Public Work Enforcement Fund for calendar year 2013 and (b) the adjustment for the 2012 underpayment.

(b) Procurements:

- Four competitive procurement actions in the amount of \$285,538.

(c) Real Estate Items:

- 13 real estate action items.

A copy of the staff summaries and documents 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.

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

Commissioner Cappelli stated that the TBTA Committee Meeting met and voted unanimously to recommend procurements but did not have enough members present for a quorum.

Procurements

Commissioner Cappelli stated that there were nine procurements totaling \$7.8 million.

Non-Competitive Procurements

Commissioner Cappelli stated that there were no non-competitive procurements.

Competitive Procurements

Commissioner Cappelli stated that there were seven competitive procurements totaling \$4 million. Upon a motion duly made and seconded, the Board unanimously approved the following competitive procurement items recommended to it by the Committee for MTA Bridges and Tunnels Operations:

Miscellaneous Service Contracts

Atlantic Detroit Diesel-Allison, LLC	Contract No. 12-MNT-2895(B) In August 2012, B&T issued a joint solicitation for a Contractor to provide preventive maintenance and repair of emergency generators at various B&T and MTA facilities. The services under this procurement are required to maintain peak performance of B&T's generators in the event that they are needed in an emergency (e.g., a power outage at a bridge or an office building). The solicitation notice was publicly advertised and sent to sixty-three (63) firms; eight (8) firms requested copies of the solicitation. In	\$518,260.00
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January 2013, B&T submitted its recommendation for the MTA facilities to the Board for award to a separate contractor. In that Staff Summary, the Board was advised that our evaluation of the apparent low bidder, Atlantic Detroit Diesel-Allison, LLC (ADDA), was ongoing and that our award recommendation for this service would be presented to the Board for approval at a later date. On October 12, 2012, there were three bids submitted for maintenance and repair of B&T's generators. They were as follows:

Bidders	Bid Amount
Atlantic Detroit Diesel-Allison, LLC	\$518,260
GenServe, Inc.	\$570,430
National Grid Energy Management, LLC	\$1,411,600

The scope of services under the prospective contract is the same as that compared with the prior contract. The term of the new contract has been revised from three to five years and the rates for preventive maintenance services at the sites are fixed for the five year period. A comparison of the preventive maintenance rates over the first three years of the prospective contract are on average 18.6% lower than those under the current contract. Atlantic Detroit Diesel – Allison, LLC's ("ADDA") overall bid of \$518,260 is 23.7% higher than the user's estimate of \$418,825. This disparity may primarily be attributed to understated projections for labor and operating expenses. After evaluation of the bids, it was determined that ADDA is a responsive, responsible bidder. Based on competition, the prices are considered fair and reasonable. No M/WBE goals were established by the MTA Department of

Diversity and Civil Rights. Funding is available in the Operating Budget under GL #711604.

Mark-Rene, Inc. dba. I. Calderon	Contract No. 12-MNT-2901	\$125,910.00
	In January 2013, B&T issued a solicitation for a Contractor to provide all labor, materials and equipment necessary to perform locksmith services on a "per call" basis at various B&T and MTA facilities. The service requirements were publicly advertised. The solicitation notice was sent to thirty (30) firms. Four (4) firms requested copies of the solicitation. On February 8, 2013, two bids were submitted as follows:	
Bidder – MTA	Bid Amount	
Mark-Rene, Inc. dba I. Calderon	\$125,910.00	
Highway Locksmiths, Inc.	\$166,896.60	

This request is for approval to award a contract to Mark-Rene, Inc. dba I. Calderon ("I. Calderon") on behalf of the MTA. B&T has rejected the single bid it received under this procurement and has resolicited the service.

The scope of services under this contract is the same as that under the prior contract. The prices quoted for the MTA are on average 31.6% lower than the current prices. I. Calderon's bid of \$125,910 is 28.3% less than the user's estimate of \$175,656. After evaluation of the bids, it was determined that I. Calderon is a responsive, responsible bidder. Based on competition, the prices are considered fair and reasonable.

No M/WBE goals were established by the MTA Department of Diversity and Civil Rights. Funding is available in the MTA's Operating Budget.

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

Modjeski & Masters, Inc.	Contract No. PSC-11-2884 Additional funding for a preliminary study and design services for Project RK-23, Reconstruction and Rehabilitation of the Manhattan Approach Ramps to the Robert F. Kennedy Bridge.	\$260,153.50
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Modifications to Purchase & Public Works Contracts

E-J Electric Installation Co.	Contract No. RK-65D Additional work and adjustments to estimated quantities under Contract RK-65D, Existing Utility Relocation at the RFK Bridge and Randall's Island.	\$1,957,240.28
Canon Business Solutions, Inc.	Contract Nos. 3000001328 and 3000001329 Additional funding for B&T under the MTA All-Agency Copier Equipment Contract.	\$665,000.00
Iron Bridge Group, Inc.	Contract No. HH-07 Additional work under Contract HH-07, Structural Rehabilitation at the Henry Hudson Bridge.	\$448,350.00

Ratifications

Commissioner Cappelli stated that there were two ratifications totaling \$3.8 million. Upon a motion duly made and seconded, the Board unanimously approved the following ratifications recommended to it by the Committee for MTA Bridges and Tunnels Operations:

Ratification of Completed Procurement Actions

John P. Picone, Inc.	Contract No. CB-09 Amendment for recovery and restoration work at two facilities as a result of Tropical Storm Sandy under Contract CB-09, Substructure and Underwater Work at the Cross Bay Veterans Memorial Bridge.	\$3,150,000.00
TAP Electrical Contracting Service, Inc.	Contract No. BB-45 Amendment for temporary repairs to the lighting system at the Queens Midtown Tunnel as a result of Tropical Storm Sandy under Contract BB-45, Replacement of Switchgear and Power Distribution System at the Brooklyn Battery Tunnel.	\$644,574.96

6. New York City Transit Presentation on Sandy-Related Repairs/Impacts on Service

Acting President, New York City Transit, Carmen Bianco, presented and discussed Tropical Storm Sandy-related repairs and impacts on New York City Transit subway service. The details of Mr. Bianco's presentation are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

7. Executive Session

Upon a motion duly made and seconded, the Board voted to convene in Executive Session pursuant to §105(1)(h) of the Public Officers Law to address a matter related to the proposed acquisition, sale or exchange of securities under circumstances where publicity would substantially affect the value thereof.

8. Public Session

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

9. Adjournment

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 11:40 a.m.

Respectfully submitted,



Julia R. Christ
Acting Assistant Secretary

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

**Wednesday, June 5, 2013
10:00 a.m.**

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. James L. Sedore, Jr.
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark Page

Thomas Prendergast, Interim Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Board Member Vincent Tessitore, Jr., Carmen Bianco, Acting President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP/NYCT DoB, President MTA Bus, and Michael Horodniceanu, President, MTA Capital Construction, 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 Triborough Bridge and Tunnel Authority, the Long Island Rail Road, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

Acting Chairman Ferrer called the meeting to order.

Public Comment Period

There were nine public speakers and none of the subject matter of their comments was related to MTA Capital Construction. The subject matter of their comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held on June 5, 2013.

Acting Chairman's Remarks

Acting Chairman Ferrer called for a moment of silence in honor of Robert Luden, a Metro North employee who was fatally struck by a train while on duty.

The Acting Chairman announced that the frequency of Board meetings will be discussed at the next Governance Committee meeting which has been moved up from September to July.

The remainder of the Acting Chairman's remarks are recorded and filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held on June 5, 2013.

Approval of Minutes

Upon motion duly made and seconded, the Board approved the minutes of the regular meeting of the Board of the Metropolitan Transportation Authority held on April 24, 2013.

Real Estate Item

Upon motion duly made and seconded, the Board gave its approval to proceed with the acquisition by negotiated agreement or condemnation of permanent and temporary easements in a privately owned public plaza located at 280 Park Avenue in Manhattan, Tax Block 284, Lot 26, for the purpose of constructing a new elevator for access to Grand Central Terminal for the East Side Access Project. A copy of the Staff Summary and details of this item is filed with the records of the meeting of the Board of the Metropolitan Transportation Authority held on June 5, 2013.

Procurement Items

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

1. A modification to the Second Avenue Subway Project's Track, Signal Power, Communication Systems contract for changes to the traction power transformers to be installed at the 72nd, 86th and 96th Street Stations
2. A modification to the No. 7 Line Extension Project's Furnishing and Installing and Systems contract for the installation of three permanent stairs at Site J.
3. A modification to the East Side Access Project's General Engineering Consultant contract for repackaging, additional design services, increase to the Other Direct Costs budget and overhead adjustments.
4. A modification to the East Side Access Project's Harold Structures Part I contract for the removal of two signal towers and three catenary structures.

5. A modification to the East Side Access Project's Harold Structures Part IIA contract to furnish and deliver Power Cases and equipment needed for power separation in Harold Interlocking and a Woodside Facility.

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

1. A modification to the Second Avenue Subway Project's Preliminary and Final Engineering Services contract for the payment of overhead adjustments.
2. A modification to the Second Avenue Subway Project's Civil, Structural and Utility Relocation contract to address the resequencing of utility relocation, slurry wall and decking work.
3. A modification to the Fulton Center's A/C Mezzanine Reconstruction and J/M/A Vertical Circulation contract for new technology changes in the A/C West and A/C East Mezzanines of the Broadway-Nassau Street Station.
4. A modification to the East Side Access Project's Queens Bored Tunnels contract for the construction of a concrete ductbank and re-route of the 2.4 kV power line north of the Tunnel A Approach Structure.
5. A modification to the East Side Access Project's Plaza Substation and Queens Structures contract to relocate a signal vault, revise a structural invert and reroute electrical conduits to account for a rock plinth which obstructs the originally designed layout.
6. A modification to the East Side Access Project's Harold Structures Part I contract for the temporary rerouting of existing power lines.

A copy of the resolutions, Staff Summaries and details of the above items are filed with the records of the meeting of the Board of the Metropolitan Transportation Authority held on June 5, 2013.

Executive Session

Upon motion duly made and seconded, the Board voted to convene in Executive Session to consider matters concerning the acquisition of securities, in accordance with Section 105(1)(h) of the Open Meetings Law.

Upon motion duly made and seconded, the Board reconvened in public session.

Adjournment

Upon motion duly made and seconded, the Board voted to adjourn the public meeting at 11:40 a.m.

Respectfully submitted,


David K. Cannon
Assistant Secretary

Staff Summary



Metropolitan Transportation Authority

Page 1 of 2

Subject MTA 2010-2014 Capital Plan Amendment
Department MTA Capital Programs
Department Head Name Craig Stewart
Department Head Signature
Project Manager Name Stephen Berrang, Stephanie DeLisle

Date July 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	07/22			
2	Board	07/24			

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal
5	Chairman/CEO	2	Chief Operating Officer
4	Chief of Staff	3	Chief Financial Officer

Purpose:

To obtain MTA Board approval of an amended 2010-2014 Capital Program Plan, annexed, which (1) makes project-level adjustments reflecting the full funding for the Plan approved by the MTA Board on December 21, 2011; and (2) adds projects totaling \$5.770 billion for agency mitigation initiatives identified in the wake of Superstorm Sandy. The \$5.770 billion is comprised of \$5.674 billion of mitigation projects in the Capital Program Review Board (CPRB)-covered plan for New York City Transit, Long Island Rail Road, Metro-North Railroad, and MTA Bus Company as well as \$96 million of mitigation projects in the Bridges & Tunnels capital plan, which is not subject to CPRB approval. MTA Board approval also is requested to authorize MTA submission of the CPRB-covered plan amendment to the CPRB to secure approval in accordance with state law.

Discussion:

The CPRB approved the 2010-2014 Capital Program on June 1, 2010. However, the initial Plan as approved provided funding for only the first two years (2010 and 2011), and the MTA was expected to come back to CPRB with a funding proposal for the last three years. The MTA Board approved a revised Plan meeting this commitment on December 21, 2011 and CPRB approval was obtained on March 27, 2012. The revised approved Plan identified funding for all years of the program, with the Plan revised to reduce the overall size of the program by \$1.991 billion, to be achieved through efficiency initiatives to be undertaken by New York City Transit (\$1.192 billion), Long Island Rail Road (\$238 million), Metro-North Railroad (\$159 million), MTA Bus Company (\$28 million), and MTA Bridges & Tunnels (\$374 million). These changes brought the total value of the revised CPRB Plan to \$22.195 billion (\$24.274 billion including Bridges & Tunnels).

Specific project efficiencies were not identified at the time. The MTA committed to assess all projects for ways to reduce costs while still delivering the benefits of the program, and to report back on any adjustments needed to achieve the efficiencies.

A. Project-Level Adjustments Incorporating Cost Savings and Other Project Modifications. The annexed proposed amended Plan reflects adjustments to projects to incorporate cost reductions consistent with the commitment to reduce the size of the program by \$1.991 billion. In addition, this amendment would change certain elements of the 2010-2014 Capital Program to accommodate changes to priorities, budgets and schedules that have occurred since it was first adopted in 2010.

Pursuant to the Public Authorities Law, agencies may make commitments up to 10% above the amount included in each element of the Capital Program without the need for an amendment. Certain elements in this plan must be amended to accommodate current planned commitments including the first phase of NYCT's New Fare Payment System, replacement of NYCT's Bus Command Center and Bus Radio system, and the first phase of LIRR's Second Track from Farmingdale to Ronkonkoma. Amending these elements will re-balance the Capital Program to reflect current priorities and allow planned projects to proceed. This will also allow MTA reporting, such as the Dashboard and other metrics, to be based on an up-to-date capital program.

The amendment now before the Board specifically identifies the \$1.991 billion in efficiency initiatives that the agencies are undertaking to reduce the size of the original Capital Program. The agencies will meet their targets by refining specific project scopes and cost estimates and by incorporating bid experiences, schedule changes, and market conditions into their estimates while ensuring the Plan remains focused on the objectives. The adjustments are described in the full amendment document attached to this staff summary. The amendment also reflects the addition of \$2.2 million in new funding for elevators in Grand Central Terminal as part of the East Side Access project and \$0.7 million from the State of Connecticut for MNR telephone interconnection upgrades on the New Haven Line.



B. Addition of Sandy Mitigation Projects. On December 19, 2012, the MTA Board approved an amendment to the 2010-2014 Capital Program to add \$4.755 billion (including \$778 million for Bridges & Tunnels) for repair and restoration of MTA agency assets damaged as a result of Superstorm Sandy. The CPRB approved the Sandy restoration amendment on January 23, 2013, increasing the CPRB plan to the current level of \$26.172 billion (\$29.029 billion including Bridges and Tunnels). The December 2012 amendment did not include mitigation projects being developed to protect MTA assets against future severe weather events and to enhance the resiliency of the system in the aftermath of events like Sandy.

The annexed amendment identifies a total of \$5.770 billion of proposed mitigation work. This includes \$5.674 billion for New York City Transit, Long Island Rail Road, Metro-North Railroad, and MTA Bus Company, and \$96 million for Bridges and Tunnels. The proposed mitigation measures seek to prevent or reduce water intrusion in stations, tunnels, and support facilities; fortify, alter, or relocate key infrastructure and right-of-way equipment; improve operational flexibility; and enhance the system's resiliency and ability to recover from major events. To ensure the agencies' core capital programs are not affected, the amendment designates the proposed mitigation projects as disaster recovery efforts, which is the same way that the previously approved Sandy restoration projects were treated.

The MTA expects that the proposed mitigation work predominately will be funded through reimbursements obtained from the federal government (including the Federal Transit Administration (FTA) and the Federal Emergency Management Agency (FEMA)). It is expected that the local share for these projects will be funded by previously approved bonding (up to \$950 million) and additional pay-as-you-go (PAYGO) capital. The availability of previously-approved bonding to support the local share of proposed mitigation projects is primarily attributable to the adoption by the federal government of a higher federal reimbursement percentage for the FTA Emergency Relief funding of Sandy projects than was originally assumed. The FTA is providing 100% reimbursement for certain operating expenses and up to 90% reimbursement for approved repair, restoration and mitigation projects versus the previously assumed 75% standard FEMA reimbursement. Moreover, business interruption insurance proceeds and federal operating expense reimbursements (up to \$331 million, the maximum Superstorm Sandy recovery impact on the operating budget) which were expected to be received over three years are now expected to be received earlier. This will allow the MTA to repay the \$75 million OPEB loan (taken to fund Sandy-related expenses) earlier than projected, and will also free-up additional monies for PAYGO capital. Should MTA need to progress specific mitigation projects earlier than the expected pace of reimbursement from the federal government, the MTA may temporarily fund transit, commuter and TBTA work utilizing the interim financing mechanisms approved by the Board in December 2012 and included in the amendment to the Capital Program approved in January 2013.

The addition of \$5.770 billion in mitigation work and of \$3 million in dedicated funds in the core program increases the overall 2010-2014 Capital Program from the currently approved level of \$29.029 billion (including Bridges & Tunnels) to \$34.801 billion. The portion of the capital plan subject to CPRB review increases from \$26.172 billion to \$31.849 billion. Sandy-related changes to the Bridges & Tunnels capital plan totaling \$96 million are not subject to CPRB review.

The Board is asked to approve the annexed Capital Program amendment, which (a) updates to the 2010-2014 MTA Capital Program to reflect project-level adjustments meeting the funding approved by the Board on December 21, 2011 through efficiencies initiatives; and (b) modifies the 2010-2014 MTA Capital Program to reflect the addition of mitigation projects developed in response to the damage caused by Superstorm Sandy. The Board is further requested to approve submission of the plan amendment for the 2010-2014 Capital Program to the CPRB in accordance with statutory requirements.

Impacts on Funding:

The proposed amendment increases the 2010-2014 Capital Program to \$34.801 billion and relies on new and previously approved funding sources to fund the mitigation projects in the plan. Anticipated federal funding will be the primary source of new revenue to support these mitigation projects (with MTA's ability to proceed with individual mitigation projects subject to future federal guidance and project grant approvals). Interim borrowings by MTA and MTA Bridges and Tunnels may be required to cover any timing delays in the receipt of the anticipated federal reimbursement. The local share of costs for any approved federal mitigation project grants is expected to be covered by previously approved bonding and PAYGO capital.

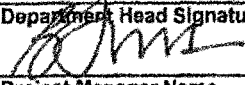
Alternatives:

There are no viable alternatives to the proposed action. Advancement of mitigation work is important to prevent future service delays, safety risks, and reliability impacts in the case of future severe weather events. Federal funding for these projects is essential, as it would not be tenable to divert existing funds supporting important ongoing state of good repair and other capital projects for these mitigation projects if federal funding is not received.

Recommendation:



That the MTA Board approve the proposed amendment to the 2010-2014 Capital Program to reflect project-level adjustments meeting the December 21, 2011 approved funding levels, to fund storm mitigation projects, and authorize the proposal to be submitted to the MTA Capital Program Review Board for its consideration and approval (exclusive of the Bridges and Tunnels plan amendments, which do not require CPRB review).

Staff Summary

Subject Continuing Authorization to modify existing interest rate and commodity swap agreements to conform to Dodd-Frank Act requirements
Department Finance
Department Head Name Robert E. Foran, Chief Financial Officer
Department Head Signature 
Project Manager Name Patrick J. McCoy, Director of Finance

Date July 24, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.				
2	Board				

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

Purpose

To obtain Board approval of the annexed resolution, authorizing MTA, MTA New York City Transit, and MTA Bridges and Tunnels as needed (a) to enter into agreements relating to changes in laws impacting swap transactions as a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Act"), including the International Swap Dealers Association, Inc. ("ISDA") March 2013 DF Protocol and future ISDA Protocols (collectively, the "DF Protocols") and/or direct agreements to be entered into with individual swap dealers; and (b) to make necessary amendments and elections to existing swap agreements pursuant to such DF Protocols and direct agreements. Such resolution also ratifies all prior actions taken with respect thereto or with respect to the ISDA August 2012 DF Protocol.

Background

At the March 2013 Board meeting the MTA Board approved a resolution (a) designating MTA, MTA New York City Transit, and MTA Bridges and Tunnels as "Protocol Participants" to the International Swap Dealers Association, Inc. ("ISDA") August 2012 Dodd Frank Protocol as published by ISDA on August 13, 2012 (the "DF Protocol"); and (b) authorized these agencies to make necessary amendments to existing swap agreements pursuant to the DF Protocol.

The March 2013 Resolution related to the adoption of the first set of Protocols related to implementation of the Act requirements; this new annexed Resolution relates to the second round of Protocol requirements and any Future Protocols that may be necessary to remain compliant with the Act.

Compliance with the requirements of the Act and the rules and regulations thereunder is required of regulated entities. The DF Protocols are designed to supplement existing written agreements governing the terms and conditions contained in swap transactions and to allow for elections of each counterparty with respect to certain requirements of the Act. The DF Protocols add

Staff Summary



notices, representations and covenants and allow for elections to be made responsive to Dodd-Frank Title VII requirements that must be satisfied at or prior to the time that swap transactions are offered and executed (including terminations).

The DF Protocols, developed as part of ISDA's Dodd-Frank Documentation Initiative, are intended to assist the derivatives industry in implementing and complying with the regulatory requirements imposed by the Act. These requirements are principally regulated and enforced by both the U.S. Commodity Futures Trading Commission ("CFTC") and the Securities and Exchange Commission ("SEC"). In order to facilitate this implementation, ISDA plans to launch future Protocols to simplify documentation changes for upcoming CFTC and SEC final rules.

Discussion

MTA, MTA New York City Transit and MTA Bridges & Tunnels are considered "special entities" under the Act. Although "special entities" are not technically covered by these new rules, they are nonetheless required to comply with the Act to be able to enter into new transactions, amend existing transactions, transfer, novate or terminate existing transactions with covered entities. In addition, all of MTA's counterparties to existing interest rate and commodity swap agreements are regulated entities under Dodd-Frank. In order to continue executing transactions, including fuel hedging, terminating or amending terms of any transaction, and in some cases even having discussions with these counterparties, MTA, MTA New York City Transit and MTA Bridges and Tunnels must amend relevant documentation to include provisions governing the relationship between counterparties.

The contemplated amendments and elections do not require significant changes to the procedures that MTA already follows when executing swap transactions, and it is not expected that future amendments and elections would require significant changes. However, the amendments now make certain practices required and require additional monitoring as well as the need for additional representations and agreements.

The industry has been adopting the DF Protocols as a cost effective and efficient way of amending swap agreements. Staff is working with counsel to understand and prepare to implement the DF Protocols as we believe it is in the best interest of the MTA to participate in the DF Protocols and additionally to enter into direct agreements with counterparties, where appropriate.

Alternatives

Not to adopt the DF Protocols and direct agreements. This is not recommended because MTA and TBTA would be unable to enter into any new interest rate or fuel hedge transactions, make any amendments to existing swap transactions, or transfer, novate or terminate any transactions. Failing to adopt the DF Protocols and direct agreements would unnecessarily constrain and limit MTA's ability manage its derivative portfolio.

Recommendation

That the Board adopt the annexed resolution authorizing (a) the amendment of all existing ISDA Master Agreements from time to time and the making of elections from time to time regarding ISDA Master Agreements and related swap transactions as generally described in this Staff Summary, (b) designated staff to execute any and all necessary, desirable or appropriate agreements to effectuate such amendments and elections and (c) ratifying prior actions related thereto.

RESOLUTION

WHEREAS, the Metropolitan Transportation Authority (the "MTA") is a party to ISDA Master Agreements with nine counterparties, under which twenty four swap transactions are currently outstanding; and

WHEREAS, the MTA New York City Transit is a party to an ISDA Master Agreement with one counterparty, under which one swap transaction is currently outstanding; and

WHEREAS, the MTA Bridges & Tunnels is a party to an ISDA Master Agreement with four counterparties, under which six swap transactions are currently outstanding; and


WHEREAS, MTA has determined that it is in its best interests from time to time to amend all such ISDA Master Agreements and to make certain elections in order to complete documents relating to the ISDA March 2013 DF Protocol (which documentation shall include, but not be limited to, the ISDA March 2013 DF Protocol Agreement, ISDA March 2013 DF Protocol Questionnaire, ISDA March 2013 DF Supplement and the Adherence Letter), and any future additional Protocols developed by the International Swaps and Derivatives Association, Inc. ("ISDA") and to execute any other documents or take any other actions required from time to time in order to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations promulgated thereunder.

NOW, THEREFORE, BE IT:

RESOLVED, that MTA, MTA New York City Transit, and MTA Bridges & Tunnels are hereby authorized to amend all existing ISDA Master Agreements to make elections required to complete documents, and to take any other required actions for the purposes described above, on the terms and conditions approved by the Chairman, Vice Chairman, the Chief Executive Officer and/or Executive Director of the MTA, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance;



RESOLVED, that each of the Chairman, Vice Chairman, the Chief Executive Officer and/or Executive Director of MTA, the Chair of the Finance Committee, the Chief Financial Officer of MTA, and the Director, Finance acting singly, is hereby authorized, empowered and directed, on behalf of MTA, to execute and deliver any and all documents and writings and to take all such actions as each of them may deem necessary, desirable or appropriate to effectuate amendments, elections and other actions by the foregoing resolution; and

RESOLVED, that the MTA Board hereby ratifies any and all actions heretofore taken by officers or employees of MTA in furtherance of the transactions authorized by the foregoing resolutions and in connection with the ISDA August 2012 DF Protocol.

Subject
Transportation Revenue Anticipation Notes
Department
Finance
Department Head Name
Robert E. Foran, Chief Financial Officer
Department Head Signature

Project Manager Name
Patrick J. McCoy, Director of Finance

Date
July, 24, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	7/22			
2	Board	7/24			

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

PURPOSE

The MTA Finance Department is seeking MTA Board authorization of the necessary documentation and activities to issue revenue anticipation notes under the Transportation Revenue Resolution ("RANs") to provide for short-term liquidity of up to \$350 million. The notes will be used from time to time, and may be repaid and reissued, to address potential unanticipated operating funding needs.

DISCUSSION

As part of MTA's overall preparedness efforts and in order to provide operating and financing flexibility, MTA Finance has identified a need to secure on-going operating liquidity to address unanticipated or crisis events that could impact day to day operations. As difficult situations such as the attacks of 9-11 and more recently large weather-related storms such as Irene and Sandy have shown, system wide service interruptions and shutdowns are possible. While the Authority has taken significant measures to reduce these risks, MTA Finance believes it is in the best interests of the organization to have a standing pool of liquidity to provide a secure level of resources to help operate the system during times of acute stress as well as to address seasonal liquidity needs..

The liquidity facility would take the form of a revolving credit agreement or other form of loan arrangement pursuant to which the RANs would be issued, and repaid and reissued, as and when needed to a financial institution. Such a liquidity facility can be secured at a low cost and would provide significant flexibility in the day to day management of the MTA's operating budget, particularly during periods of unexpected costs and service disruptions.

Concurrent with the expiration of a Letter of Credit ("LOC") entered into with Royal Bank of Canada ("RBC") in 2010 for the Authority's capital Commercial Paper CP-2 Subseries C program, MTA Finance was approached by RBC with favorable renewal terms for a direct placement structure. Upon discussion with RBC it was determined that the freed-up amount of Balance Sheet capacity could be best utilized for operating liquidity purposes in the form of a revolving line of credit secured by the direct sale of RANs to RBC. While progress has been made negotiating the detailed terms of such a loan arrangement with RBC, no final agreement of terms has been reached. Therefore, in order to provide flexibility for the MTA Finance Department to promptly seek an alternative financial institution to provide such a liquidity facility should negotiations with RBC prove unsuccessful, the annexed resolution provides general authority to enter into a loan arrangement of the type described herein rather than approving a specific transaction with RBC.

It is currently anticipated that the RANs will secure a standing 2 year revolving credit facility with RBC with individual RANs issued under the facility having a maximum term of 18 months. It is further anticipated that no RANs will be issued until a draw upon the facility is made by the MTA and that such RANs will be issued in compliance with MTA's existing Transportation Revenue General Resolution and will be payable from (1) operating subsidies received by the MTA, and (2) farebox operating revenues to the extent such subsidies are delayed or insufficient to repay the RANs.

Board approvals are sought as follows::

1. MTA Board approval of the annexed resolution (the "Resolution"), documents and activities in connection with the issuance of RANs in an aggregate principal amount necessary to finance, on a short-term basis, up to \$350 million of operating needs for MTA wide systems. The Resolution authorizes Metropolitan Transportation Authority to issue RANs under the Transportation Revenue Obligation Resolution, in one or more subseries in an aggregate principal amount at any time outstanding necessary to finance, on a short-term basis, up to \$350 million of operating costs of the MTA system, including amounts needed to provide for applicable issuance costs and any original issue discount.

2. With respect to the above-referenced transaction set forth in paragraph 1, MTA Board approval delegating authority to the Chairman and Chief Executive Officer, the Vice Chairman, the Chief Financial Officer and the Director of Finance to (a) award the obligations to RBC and/or one or more other financial institutions which are members of the Federal Home Loan Bank System and rated at least investment grade by any two nationally recognized rating agencies to execute and/or deliver in each case, where appropriate the documents listed below; and (b) authority to take such other actions as may be necessary or desirable to effectuate such transactions. The anticipated documents consist of: :

- Revolving Credit Agreements or similar loan arrangements with financial institutions,
- Required disclosure documents,
- Deposit Agreement
- Paying Agent Agreement

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

3. In addition, with respect to the above referenced transaction set forth in paragraph 1, approval of the respective Boards of NYCTA, MaBSTOA, LIRR, MNCRC, and MTA Bus and TBTA, delegating authority to the Chairman and Chief Executive Officer, the Vice Chairman, the Chief Financial Officer and the Director of Finance of MTA to (a) execute and deliver a Deposit Agreement in substantially the form of the Deposit Agreement attached as Exhibit B to the Resolution referred to in paragraph 1, with such changes as approved by any one or more of the foregoing officers; and (b) to perform the obligations of such respective entities under the Deposit Agreement and to take such other actions as may be necessary or desirable to effectuate such transaction.

4. On behalf of Boards of MTA and its subsidiaries and affiliates, to authorize the Chairman and Chief Executive Officer, the Vice Chairman, the Chief Financial Officer and the Director of Finance of MTA and its subsidiaries and affiliates, as appropriate, and in each case, the Chief Financial Officer of the MTA to take such other actions as may be necessary or desirable to effectuate the issuance of the operating liquidity notes.

ALTERNATIVES:

To not secure a pool of operating liquidity.

RECOMMENDATION:

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

METROPOLITAN TRANSPORTATION AUTHORITY

**SERIES 2013 TRANSPORTATION REVENUE ANTICIPATION NOTE RESOLUTION
(Working Capital Revolving Credit Facility)**

Adopted July 24, 2013

SERIES 2013 TRANSPORTATION REVENUE ANTICIPATION NOTE RESOLUTION
(Working Capital Revolving Credit Facility)

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

SECTION 1. (a) Pursuant to Title 11 of Article 5 of the Public Authorities Law, as amended (the "Act"), there is hereby authorized to be issued in one or more subseries from time to time by the Authority notes, designated "Revenue Anticipation Notes (Working Capital Revolving Credit Facility), Series 2013" (the "Notes"), in the aggregate principal amount of not to exceed Three Hundred Fifty Million (\$350,000,000) at any one time outstanding for the purpose of paying a portion of the Operating and Maintenance Expenses (as defined in the General Resolution Authorizing Transportation Revenue Obligations adopted by the Authority on March 26, 2002, as supplemented, the "Transportation Resolution") or providing working capital for any one or more Related Transportation Entities in accordance with the provisions of the Transportation Resolution (including any amounts necessary to pay all costs incurred in connection with the issuance of the Notes). Such Notes shall constitute Revenue Anticipation Notes as defined in the Transportation Resolution.

(b) Such Notes shall be issued directly to any financial institution or institutions referred to in a revolving credit agreement or agreements or other similar form or forms of loan arrangement as may be approved by the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority executing such agreement (the "Revolving Credit Agreement") as provided in Section 16 hereof.

SECTION 2. The Notes shall be issued in fully-registered form shall be in the denomination of \$100,000 or any integral multiple of \$1,000 in excess of \$100,000 and shall be numbered from one (1) consecutively upwards. The Notes shall be dated the date or dates, mature on the date or dates (not later than the date which is eighteen months after the date of issuance of any individual Note), and shall bear interest from such date or dates at the rate or rates set forth or described in the certificate or certificates of the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority delivered pursuant to Section 16 hereof; any such certificate is referred to herein as a Section 16 Certificate. The rate or rates of interest on the Notes shall be calculated on the basis of actual days elapsed over a three hundred sixty (360) day or three hundred sixty-five (365) day year as specified in a Section 16 Certificate. The Notes shall be designated as "Revenue Anticipation Notes (Working Capital Revolving Credit Facility), Series 2013" or such other title or titles set forth in a Section 16 Certificate.

SECTION 3. Unless otherwise provided in a Section 16 Certificate, the payment of the principal of and interest on the Notes on the maturity dates thereof shall be made in lawful money of the United States of America in immediately available funds at the principal corporate trust office of The Bank of New York Mellon, New York, New York, which is hereby appointed Paying Agent for the Notes (the "Paying Agent"), upon presentation and surrender, subject to the provisions of the Letter of Representations (as hereinafter defined), if any, of the Notes to the Paying Agent at maturity. Unless otherwise provided in a Section 16 Certificate, interest on the Notes payable prior to the maturity dates thereof shall be paid in lawful money of the United States of America in immediately available funds by wire transfer to the registered owner from the Paying Agent without the necessity of presentation of the Note. The Chairman, the Vice Chairman, the Chief Financial

Officer or the Director of Finance of the Authority is hereby authorized to enter into such agreements and make such other arrangements with the Paying Agent as such officer deems necessary or appropriate to enable the Paying Agent to accomplish its duties under this resolution.

SECTION 4. The Notes shall be executed in the name of the Authority by the facsimile signature of the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority and the seal of the Authority (or a facsimile thereof) shall be affixed, impressed, imprinted, engraved or otherwise reproduced thereon and attested by the Secretary or an Assistant Secretary of the Authority. The Notes shall be issued in substantially the form attached hereto as Exhibit A, with such changes therein or variations thereof as the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority may deem necessary or appropriate upon the issuance thereof. The Authority may, pending the delivery of the Notes in definitive form, issue and deliver the Notes in temporary form.

If determined to be necessary or desirable by the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority as set forth in a Section 16 Certificate, it is anticipated that CUSIP identification numbers will be printed on the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for said Notes. All expenses in relation to the printing of CUSIP numbers on said Notes shall be paid for by the Authority.

SECTION 5. If determined to be necessary or desirable by the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority as set forth in a Section 16 Certificate, the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority is hereby authorized to take all actions required for the Notes to be eligible under the rules and regulations of The Depository Trust Company ("DTC"), 55 Water Street, New York, New York, for investment and rating as uncertificated securities and, to the extent required, to execute and deliver the Letter of Representations, among DTC, the Authority and the Paying Agent, in form satisfactory to DTC (the "Letter of Representations"). DTC is hereby appointed as the initial Securities Depository (as hereinafter defined) for the Notes, with Cede & Co., as nominee thereof, being the initial Securities Depository Nominee (as hereinafter defined) and initial registered owner of the Notes. The Authority, the Paying Agent and any agent of the Authority may treat any Securities Depository Nominee in whose name any Note is registered as the owner of such Note for all purposes under this resolution. For so long as the Securities Depository Nominee is the registered owner of the Notes, procedures with respect to the transfer of ownership of and payment of principal of and interest on such Notes so held shall be in accordance with arrangements among the Authority, the Paying Agent and the Securities Depository.

So long as the Notes are registered in the name of the Securities Depository Nominee, the Authority and the Paying Agent shall have no responsibility or obligation to any Securities Depository participant, indirect participant or beneficial owner of the Notes. Without limiting the immediately preceding sentence, the Authority and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of any Securities Depository, any Securities Depository Nominee or any Securities Depository participant or indirect participant with respect to any beneficial ownership interest in the Notes, (ii) the delivery to any Securities Depository participant, indirect participant, beneficial owners or any other person, other than the

Securities Depository Nominee, of any notice with respect to the Notes, or (iii) the payment to any Securities Depository participant, indirect participant, beneficial owner or any other person, other than the Securities Depository Nominee, of any amount with respect to the principal of or interest on the Notes.

The Authority, in its sole discretion and without the consent of any other person, may terminate the services of any Securities Depository with respect to the Notes. Notice of such termination shall be given by the Authority to the Paying Agent prior to or simultaneously with such termination.

Consistent with book-entry provisions, one typewritten certificate for each \$350,000,000, or such other amount as shall be consistent with the practices of DTC, or portion thereof in aggregate principal amount of Notes bearing each interest rate applicable to the Notes shall be prepared for the Notes and registered in the name of the Securities Depository Nominee. There shall be no physical distribution of certificates to beneficial owners of such Notes. In the event that the Notes do not qualify to be held by the Securities Depository or that either the Authority determines to discontinue the book-entry only system or DTC determines to discontinue providing its service with respect to the Notes and there is no successor Securities Depository, certificates for the Notes in substantially the form set forth in Exhibit A hereto shall be delivered.

As used herein, "Securities Depository" means a recognized securities depository selected by the Authority to maintain a book-entry system in respect to the Notes, and shall include any substitute for or successor to the securities depository initially acting as Securities Depository.

As used herein, "Securities Depository Nominee" means, as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration books maintained by the Authority the certificates for the Notes to be delivered to and immobilized at such Securities Depository during the continuation with such Securities Depository of participation in its book-entry system.

SECTION 6. The Notes shall be special obligations of the Authority payable solely from the items pledged for the payment thereof specified in this Section 6 in accordance with their terms and the terms of this resolution. There is hereby pledged for the payment of the principal of and interest on the Notes (i) the first Payments (as defined in Section 8 of this resolution) received on or after the date or dates or upon the occurrence of any event or events set forth or described in a Section 16 Certificate by any Related Transportation Entity up to any amount equal to principal of and/or interest on the Notes, (ii) all of the monies deposited or caused to be deposited in the Payment Fund (as hereinafter defined) pursuant to the Deposit Agreement (as hereinafter defined) (such monies being hereinafter referred to as the "Deposited Monies"), and (iii) the Payment Fund including any investment income thereon (collectively, the "Pledged Amounts"). The Authority may, in its discretion, but is not obligated to, deposit or cause to be deposited Payments into the Payment Fund at times earlier than and in addition to any date or dates set forth or described in a Section 16 Certificate and prior to the occurrence of any event or events set forth or described in a Section 16 Certificate. In addition, the Authority may, in its discretion, but is not obligated to, apply any other legally available funds to the payment of principal and/or interest on the Notes. The lien of Interagency Agreement and the Transportation Resolution (together, the "Existing Lien Documents") on the Payments is subordinate to the lien created by this resolution. Neither the State

of New York (the "State") nor The City of New York (the "City") nor any other local government unit shall be liable on the Notes, and the Notes shall not be a debt of the State, the City or any other local government unit. The pledge hereby created shall be valid and binding from and after the date of the issuance of the Notes; the Pledged Amounts hereby pledged shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act; and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof.

SECTION 7. A separate fund, the Revenue Anticipation Notes, Series 2013 Payment Fund (the "Payment Fund") consisting, if so provided in a Section 16 Certificate, of separate accounts for each Note or group of Notes issued under this resolution, to be held by the Paying Agent for the benefit of the holders of the Notes into which Payment Fund there will be deposited the Deposited Monies, is hereby established and such Payment Fund will be maintained as a separate fund at the Paying Agent for the benefit of the holders of the Notes separate and apart from all other monies of the Authority and the Paying Agent. If so provided in a Section 16 Certificate, each separate account for a Note or group of Notes shall be maintained separate and apart from all other monies of the Authority, including any such account held for any other Note or group of Notes, for the benefit of the holders of such Note or group of Notes. Amounts in the Payment Fund or any account therein may be invested in obligations described in clauses (i), (ii), (iii), (iv), (vi) and (ix) in the definition of Authorized Investments in the Transportation Resolution which are not callable prior to their maturity and which mature not later than the date on which the proceeds thereof are required to be used to pay the Notes. Interest received on such obligations shall be deposited into and retained in the Payment Fund or the appropriate account therein. So long as the Notes shall remain outstanding and unpaid unless the provisions of Section 17 of this resolution have been satisfied, except as permitted hereby, the Pledged Amounts may not be used for any purpose other than the payment of the outstanding principal of and interest on the Notes.

SECTION 8. So long as the Notes shall remain outstanding and unpaid unless the provisions of Section 17 of this resolution have been satisfied, unless otherwise provided in a Section 16 Certificate, the Authority covenants and agrees (i) that it will at all times comply with its obligations in connection with payment of the monies (a) which the State (along with the City and certain counties) is legally obligated to pay to the Authority for the benefit of any Related Transportation Entity under Section 18-b of the Transportation Law and Sections 88-a, 89-c and 92-ff of Article VI of the State Finance Law, (b) which TBTA is legally obligated to pay to the Authority for the benefit of LIRR and MNCRC under Section 569-c of the Public Authorities Law and to the Transit Authority under Section 1219-a of the Public Authorities Law, (c) which the City and Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties (the "Transportation District") are legally obligated to pay to the Authority for the costs of operation, maintenance and use of each passenger station of the Commuter System located within their respective areas under and pursuant to Section 1277 of the Act for the twelve month period or periods ended on the date or dates set forth or described in a Section 16 Certificate, (d) certain mortgage recording taxes and real property taxes with respect to certain real property located in the City required by State statute to be paid to the Transit Authority, and (e) that are made available from amounts allocable to the payment of capital costs to reimburse the Authority or any other Related Transportation Entity for expenses related to employees working on capital projects (collectively, the "Payments"); (ii) that it will at all times use its best efforts to take all actions legally available to it and determined by the Authority to be necessary to enforce the payment of the

Payments which the State, TBTA, the City or the counties in the Transportation District, as the case may be, are legally obligated to pay at such time as is necessary to assure the payment of the Notes; (iii) that it will not repeal this resolution, amend or terminate the Deposit Agreement, by and among the Authority, the Transit Authority, MaBSTOA, MTA Bus Company, LIRR, MNCRC and TBTA relating to the Notes, in substantially the form annexed hereto as Exhibit B (the "Deposit Agreement"), or take any other action impairing the authority given hereunder with respect to the payment of the Notes; (iv) that it will not repeal, amend or modify any action taken by the Board of the Authority from time to time relating to the monthly advance of amounts described in clause (b) of this Section 8 so as to delay the timing or reduce the amounts to be transferred by TBTA to the Authority or any other Related Transportation Entity in any month; and (v) that it will, until the Notes are paid, deposit into the Payment Fund at the time and in the amounts provided pursuant to Section 6 hereof and all Payments necessary so that the amount on deposit in the Payment Fund or any separate account therein (valuing any investments on deposit therein as well as any investment obligations which the Paying Agent is instructed to purchase with the Payments then being deposited into the Payment Fund or any separate account therein at their full principal amount at maturity and including any investment income received or to be received on such investments) shall equal the amount necessary to pay principal and/or interest on the Notes then issued and outstanding.

SECTION 9. The Authority represents and warrants that:

(a) it is a body corporate and politic constituting a public benefit corporation of the State, duly created and validly existing under the provisions of the Act, with full power and legal right to adopt this resolution and approve, execute and deliver the Deposit Agreement and perform its obligations hereunder and thereunder. The adoption of this resolution and the approval of the Deposit Agreement has been duly accomplished in a manner consistent with the requirements of the Act;

(b) the provisions of this resolution and the Deposit Agreement do not conflict with or violate the Authority's bylaws, any statute, rule, regulation, court order or act applicable to the Authority or any contract or other agreement entered into or any action taken by the Authority;

(c) no outstanding notes have heretofore been authorized or issued by the Authority secured by the Payments received by the Authority for the benefit of the Related Transportation Entities and such Payments have not been pledged or assigned by the Authority to secure any other outstanding obligation or indebtedness of the Authority, except as provided in the Existing Lien Documents (the lien of the Existing Lien Documents on the Payments is subordinate to the lien created by this resolution);

(d) as of the date hereof and except as created or provided by this resolution, there are no pledges, assignments, judgments, mortgages, encumbrances, charges upon or liens against the Pledged Amounts that would create any interest equal, prior or superior to the pledge created under this resolution of the Pledged Amounts, other than the liens and pledges created pursuant to the Existing Lien Documents which are subordinate to the lien of this resolution on Payments; and

(e) except to the extent provided in the Existing Lien Documents, no outstanding notes have heretofore been authorized or issued by the Authority secured by the Deposited Monies and

the Deposited Monies have not been pledged or assigned by the Authority to secure any other outstanding obligation or indebtedness of the Authority.

SECTION 10. So long as the Notes shall remain outstanding and unpaid unless the provisions of Section 17 of this resolution have been satisfied, unless otherwise provided in a Section 16 Certificate, the Authority covenants and agrees that:

(a) it will execute and deliver all such further instruments and take all such further action as may be required to carry out the provisions of this resolution;

(b) it will comply with Section 610 of the Transportation Resolution;

(c) except to the extent permitted herein or in the Existing Lien Documents, it will not authorize or issue notes payable from or secured by the Payments and the Payments will not be pledged or assigned by the Authority to secure any other obligation or indebtedness of the Authority;

(d) except to the extent permitted herein or in the Existing Lien Documents, it will not authorize or issue any notes or other evidences of indebtedness secured by the Pledged Amounts and the Pledged Amounts will not be pledged or assigned by the Authority to secure any other obligation or indebtedness of the Authority;

(e) except to the extent permitted herein or in Existing Lien Documents, it will not pledge or assign, create, allow to attach, or suffer to be created or exist any judgment, mortgage, pledge, encumbrance, assignment, charge on or lien against the Payments received by the Authority for the benefit of any Related Transportation Entity;

(f) except to the extent permitted in the Existing Lien Documents, it will not pledge or assign, create, allow to attach, or suffer to be created or exist any judgment, mortgage, pledge, encumbrance, assignment, charge on or lien against the Pledged Amounts that would create any interest equal, prior or superior to the pledge created under this resolution of the Pledged Amounts ;

(g) it will comply with its covenants and agreements contained in the Deposit Agreement, and enforce, for the benefit of the holders of the Notes, the covenants and agreements of the Transit Authority, MaBSTOA, MTA Bus Company, LIRR, MNCRC and TBTA contained in the Deposit Agreement; and

(h) any amounts which the State is legally obligated to pay to the Authority for the benefit of any Related Transportation Entity under Section 92-ff of the State Finance Law for deposit in the Corporate Transportation Account in the Metropolitan Authority Special Assistance Fund established pursuant to Section 1270-a of the Public Authorities Law are hereby designated for the payment of operating costs of one or more Related Transportation Entities and available to be paid into the Payment Fund as Payments.

The provisions of clauses (c), (d), (e) and (f) hereof shall not prohibit the Authority from issuing (A) any Obligations or Parity Debt (each as defined in the Transportation Resolution) or (B) any notes or other evidences of indebtedness ("Other Indebtedness") payable from or secured by Payments or Pledged Amounts if, in the case of such Other Indebtedness, (i) any claim to, lien

on, pledge of, or right to receive such Payments or Pledged Amounts for the benefit of such Other Indebtedness is expressly made subordinate to any such claim, lien, pledge or right for the benefit of the Notes; (ii) except as set forth in a Section 16 Certificate, such Other Indebtedness has no interest payment dates, redemption dates or maturity dates on or prior to the latest maturity date of any Note issued under this resolution then outstanding and does not grant to any holder of such Other Indebtedness, or trustee therefor, any right to accelerate any of such dates; and (iii) except as set forth in a Section 16 Certificate, such Other Indebtedness requires no deposit in respect of any payment thereon or in any fund or account maintained in connection with such Other Indebtedness from the Payments or Pledged Amounts prior to the latest maturity date of any Note issued under this resolution then outstanding or such later date on which the Notes have been paid or such earlier date on which the provisions of Section 17 of this resolution have been satisfied.

Notwithstanding any other provision of this resolution, the Authority may issue bonds, notes or other obligations payable from amounts payable to the Authority under Section 92-ff of Article VI of the State Finance Law in accordance with Chapter 29 of the Laws of 2009. The Authority covenants and agrees that, except as set forth in a Section 16 Certificate, no amounts payable to the Authority under said Section 92-ff shall be deposited for the benefit of or applied to the payment of principal of and interest on such bonds on or prior to the date set forth in a Section 16 Certificate or such later date on which the Notes issued and outstanding have been paid or such earlier date on which the provisions of Section 17 of this resolution have been satisfied.

SECTION 11. The Authority shall transfer the proceeds, net of costs of issuance, received from the sale of the Notes to the Trustee under the Transportation Resolution for deposit in the Revenue Fund created and established thereunder. Any amounts transferred pursuant to clause (d) of Section 504 of the Transportation Resolution shall be applied to the payment of Operating and Maintenance Expenses or working capital of a Related Transportation Entity as the Authority may determine in accordance with the provisions of the Transportation Resolution.

SECTION 12. The Authority may deem and treat the holder of a Note as the absolute owner thereof for the purpose of receiving payment of, or on account of, the principal and interest due on said Note and for all other purposes. The Authority agrees to indemnify and save the Paying Agent harmless from and against any loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence or default hereunder, in so treating such holder.

SECTION 13. In accordance with section 1271 of the Act, the Authority does hereby include the pledge and agreement of the State with the holders of the Notes that the State will not limit or alter the denial of authority under subdivision 9 of Section 1269 of the Act or the rights vested in the Authority by the Act to fulfill the terms of any agreement made with such holders, or in any way impair the rights and remedies of such holders until the Notes, together with the interest thereon, are fully met and discharged.

SECTION 14. This resolution shall be deemed to constitute a contract between the Authority and the holders from time to time of the Notes and such holders shall be entitled to all of the rights and remedies provided or permitted by law, to the extent permitted by the Act and this resolution.

SECTION 15. The right of the holders of the Notes to appoint or cause to be appointed a trustee under Section 1273 of the Act and to declare the Notes due and payable or cause the Notes to be declared due and payable prior to the maturity date thereof under paragraph (e) of subsection 2 of Section 1273 of the Act or otherwise is hereby abrogated.

SECTION 16. There is hereby delegated to the Chairman, the Vice Chairman, the Chief Financial Officer and the Director of Finance of the Authority the power to determine when and whether to issue any Notes; whether to issue the Notes in one series or in multiple subseries; the financial institution or institutions to whom such Notes will be issued and the fees payable to such institution or institutions pursuant to one or more Revolving Credit Agreements which may include such payment for amounts available to be borrowed but not at the time borrowed under such Revolving Credit Agreement (provided that such payments shall not exceed 2% of the amount available to be borrowed but unborrowed under such Revolving Credit Agreement); the principal amounts of Notes to be issued; the interest rate or rates or the manner of determining the interest rate or rates on the Notes; the period for which interest shall accrue, the dated dates and maturity dates of the Notes; whether the Notes shall bear CUSIP identification numbers and whether the Notes shall be registered with DTC; and any other matter to be determined in a Section 16 Certificate pursuant to any provision hereof, including, without limitation, any changes to Section 6, 7, 8 or 10 hereof.

The Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority is hereby authorized to enter into and to execute and deliver a Revolving Credit Agreement or Agreements with one or more financial institutions that are members of the Federal Home Loan Bank System and are rated at least investment grade by two nationally recognized rating agencies that rate Obligations of the Authority at the request of the Authority. Such Revolving Credit Agreement or Agreements shall be in a form containing provisions substantially similar to those reflected in this resolution with such changes, omissions, insertions and revisions, including limiting the items constituting Payments or the time of application thereof, as may be approved by the officer executing such agreement or agreements, such execution being conclusive evidence of the approval of and concurrence in the selection of such lenders and the form of such Revolving Credit Agreement or Agreements.

The Deposit Agreement substantially in the form annexed hereto as Exhibit B is hereby approved in all respects and the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority is hereby authorized to execute and deliver such Deposit Agreement for and on behalf of and in the name of the Authority with such changes, omissions, insertions and revisions as may be approved by the officer executing the Deposit Agreement, such execution being conclusive evidence of such approval.

When reference is made in this resolution to the authorization of the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority to do any act, such act may be accomplished by any of such officers individually.

There is hereby delegated to the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority the power to make any changes in or additions to this resolution necessary (i) to allow the Notes to constitute Revenue Anticipation Notes (as defined in the Transportation Resolution) payable from and secured by a lien on the Payments prior to the lien

created under the Transportation Resolution or (ii) to attain or maintain specific ratings, if any, on the Notes deemed advantageous to the Authority including, without limitation, changes to the Section 6, 7, 8 or 10 hereof.

The Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority shall execute one or more Section 16 Certificates evidencing the determinations made pursuant to this resolution and any such Section 16 Certificate shall be conclusive evidence of the determinations of the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority, as stated therein. Each Section 16 Certificate shall be delivered to the Paying Agent prior to the delivery of the related Notes. Determinations set forth in a Section 16 Certificate shall have the same effect as if set forth in this resolution.

The Chairman, the Vice Chairman, the Chief Financial Officer and the Director of Finance are, and each of them hereby is, authorized and directed to do and perform all things and to execute all instruments in the name of the Authority or otherwise, as they respectively deem advisable, and to make all payments, to the end that the Authority may carry out the objects of this resolution and its obligations under the terms of the Notes. No recourse shall be had for the payment of the principal of or the interest on the Notes or for any claim based thereon or on this resolution against any member or officer of the Authority or any person executing the Notes.

SECTION 17. Upon (i) the payment by or on behalf of the Authority of the outstanding principal of and interest on the Notes, in accordance with their terms and the terms of this resolution, or (ii) the deposit into the Payment Fund or any separate account therein by or on behalf of the Authority of monies and/or investment obligations, valued at their full principal amounts and including any investment income received or to be received on such obligations, in an amount which shall be sufficient to pay the principal of and interest on the Notes or the Notes payable from such separate account then issued and outstanding as the same become due and payable, the covenants, contracts, agreements and other obligations of the Authority to the holders of the Notes or the Notes payable from such separate account shall terminate and be discharged and satisfied and such holders shall no longer have the benefit of the Deposit Agreement; provided, however, that upon deposit of the required monies and investment obligations into the Payment Fund in accordance with clause (ii) above the monies and investment obligations then on deposit in the Payment Fund shall be immediately set aside by the Paying Agent into an escrow account to be held by the Paying Agent in escrow solely for the payment of the Notes or the Notes payable from such separate account then outstanding.

SECTION 18. If any term or provision of this resolution or the Notes or the application thereof for any reason or circumstances shall to any extent be held invalid or unenforceable, the remaining provisions or the application of such term or provision to persons in situations, other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision hereof and thereof shall be valid and enforced to the fullest extent permitted by law.

SECTION 19. All the covenants, promises and agreements in this resolution shall bind and inure to the benefit of the Authority, the holders of the Notes and their respective successors and assigns.

SECTION 20. The laws of the State shall govern this resolution and the Notes.

SECTION 21. This resolution may not be amended or modified while the Notes are outstanding, except for such amendments which, in the opinion of Nixon Peabody LLP, (i) shall not adversely affect the interests of the holders of the Notes or (ii) are necessary to clarify any ambiguity, inconsistency or defective provision contained herein.

SECTION 22. Unless otherwise provided in a Section 16 Certificate, if the date for making any payment or the last date for performance of any act or the exercising of any right shall be a legal holiday or a day on which banking institutions in New York City are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day that is not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date therefor, and no interest shall accrue for the period after such nominal date.

SECTION 23. Terms used herein and not otherwise defined shall have the respective meanings assigned thereto in the Transportation Resolution. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations.

SECTION 24. This resolution shall take effect immediately.

EXHIBIT A

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METROPOLITAN TRANSPORTATION AUTHORITY

REVENUE ANTICIPATION NOTE, SERIES 2013

(Working Capital Revolving Credit Facility)

CUSIP No.

METROPOLITAN TRANSPORTATION AUTHORITY (herein called the "Authority"), a body corporate and politic constituting a public benefit corporation created and existing under and by virtue of the laws of the State of New York, acknowledges itself indebted, and for value received hereby promises to pay to _____, or registered assigns, on the ____ day of _____, 2013, upon presentation and surrender of this Note at the principal corporate trust office of _____, New York, New York, as Paying Agent, the principal sum of

_____ (\$_____)

and interest on such principal sum, in lawful money of the United States of America, in immediately available funds, at the rate per annum of _____ per centum (____%) (calculated on the basis of [twelve (12) 30-day months] and a [three hundred sixty (360) day] year for a term of ____ days).

This Note is one of a duly authorized issue of Notes which are special obligations of the Authority issued in the aggregate principal amount of _____ Dollars (\$_____) and is issued under and pursuant to Title 11 of Article 5 of the Public Authorities Law, as amended (the "Act"), and under and pursuant to a resolution of the Authority adopted on the 24th day of July, 2013, entitled "Series 2013 Transportation Revenue Anticipation Note Resolution (Working Capital Revolving Credit Facility)" (the "Resolution"). The right of the holders of the Notes to appoint a trustee under Section 1273 of the Act and to declare the Notes due and payable or to cause the Notes to be declared due and payable prior to the maturity date thereof under paragraph (e) of subsection 2 of Section 1273 of the Act or otherwise has been abrogated.

This Note is a special obligation of the Authority payable solely from the items pledged thereto and the other sources of payment set forth in the Resolution. There is hereby pledged for the payment of this Note (i) the first monies to be received on or after ____ of the monies (A) which the State is legally obligated to pay to the Authority for the benefit of any Related Transportation Entity under Section 18-b of the Transportation Law and Sections 88-a, 89-a and 92-ff of Article VI of the State Finance Law, (B) which TBTA is legally obligated to pay to the Authority for the benefit of any Related Transportation Entity under Section 569-c of the Public Authorities Law and to the Transit Authority under Section 1219-a of the Public Authorities Law, (C) which The City of New York (the "City") and Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties (the "Transportation District") are legally obligated to pay to the Authority for the costs of operation, maintenance and use of each passenger station of the Commuter System located within their respective areas under and pursuant to

Section 1277 of the Act for the twelve month period ended _____, and (D) that are made available from amounts allocable to the payment of capital costs to reimburse the Authority or any other Related Transportation Entity for expenses related to employees working on capital projects (collectively, the "Payments"); (ii) all of the monies deposited or cause to be deposited in the Revenue Anticipation Note, Series 2013 Payment Fund (the "Payment Fund") pursuant to the Deposit Agreement, dated as of _____, by and among the Authority, the New York City Transit Authority, Manhattan and Bronx Surface Transit Operating Authority, MTA Bus Company, The Long Island Rail Road Company, the Metro-North Commuter Railroad Company and Triborough Bridge and Tunnel Authority and (iii) the Payment Fund including any investment income thereon.

The Note is subject to redemption prior to its maturity. [Redemption Provisions to be added.]

The State of New York shall not be liable on this Note, and this Note shall not be a debt of the State of New York.

The laws of the State of New York shall govern the Resolution and this Note.

The Authority hereby designates that this Note shall constitute a Revenue Anticipation Note as defined in the Transportation Resolution.

It is hereby certified, recited and declared that all conditions, acts and things required by the Constitution and laws of the State of New York to exist, happen and be performed precedent to and in the issuance of this Note, exist, have happened and have been performed in due time, form and manner and that the issuance of this Note does not violate any constitutional or statutory limitation of indebtedness prescribed by the laws of the State of New York.

IN WITNESS WHEREOF, METROPOLITAN TRANSPORTATION AUTHORITY has caused this Note to be signed in its name and on its behalf by the facsimile signature of its [Chairman] and its corporate seal or a facsimile thereof to be impressed, imprinted or otherwise reproduced hereon and attested by its Secretary or an Assistant Secretary, all as of the __ day of __, 2013.

ATTEST:

METROPOLITAN TRANSPORTATION
AUTHORITY

By

[facsimile]

[ASSISTANT SECRETARY]
[SEAL]

[CHAIRMAN]

DEPOSIT AGREEMENT

by and among

METROPOLITAN TRANSPORTATION AUTHORITY,
THE LONG ISLAND RAIL ROAD COMPANY,
METRO-NORTH COMMUTER RAILROAD COMPANY,
NEW YORK CITY TRANSIT AUTHORITY,
MANHATTAN AND BRONX SURFACE TRANSIT OPERATING AUTHORITY,
MTA BUS COMPANY

and

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

Dated as of _____, 2013

DEPOSIT AGREEMENT

DEPOSIT AGREEMENT, dated as of _____, 2013, by and among METROPOLITAN TRANSPORTATION AUTHORITY (the "Authority"), a body corporate and politic constituting a public benefit corporation of the State of New York (the "State"), THE LONG ISLAND RAIL ROAD COMPANY ("LIRR"), a body corporate and politic constituting a public benefit corporation of the State and a subsidiary corporation of the Authority, METRO-NORTH COMMUTER RAILROAD COMPANY ("MNCRC"), a public benefit corporation of the State and a subsidiary corporation of the Authority, NEW YORK CITY TRANSIT AUTHORITY, a body corporate and politic constituting a public benefit corporation of the State ("TA"), MANHATTAN AND BRONX SURFACE TRANSIT OPERATING AUTHORITY, a public benefit corporation of the State and a subsidiary of the Transit Authority ("MaBSTOA"), MTA BUS COMPANY, a public benefit corporation of the State and a subsidiary of the Authority ("MTA Bus") and TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY, a body corporate and politic constituting a public benefit corporation of the State ("TBTA").

The parties hereto mutually agree as follows:

SECTION 1. Deposits. The Authority, LIRR, MNCRC, TA, MaBSTOA, MTA Bus and TBTA hereby agree that, (i) commencing on the date or dates set forth or described in a certificate or certificates delivered pursuant to Section 16 of the Series 2013 Transportation Revenue Anticipation Note Resolution (Working Capital Revolving Credit Facility), adopted by the Authority on July 24, 2013 (the "Series 2013 Resolution"), they shall immediately upon receipt thereof deposit or cause to be deposited into the Revenue Anticipation Note, Series 2013 Payment Fund (the "Payment Fund") established under the Series 2013 Resolution, all Payments which constitute amounts which the State is legally obligated to pay to the Authority for the benefit of any Related Transportation Entity under Section 92-ff of Article VI of the State Finance Law from amounts required to be deposited in the Mobility Tax Trust Account and in the Metropolitan Transportation Authority Aid Trust Account in the Metropolitan Transportation Authority Financial Assistance Fund and which the State is legally obligated to pay to the Authority for the benefit of any Related Transportation Entity under Section 88-a of Article 6 of the State Finance Law until the amount on deposit in the Payment Fund, calculated as provided in the Series 2013 Resolution, shall equal interest or principal and interest due on the next payment date on the Notes (as defined in the Series 2013 Resolution) until paid or provision for payment thereof is made in accordance with the Series 2013 Resolution and (ii) commencing on the date or dates set forth or described in a certificate delivered pursuant to Section 16 of the Series 2013 Resolution, they shall immediately upon receipt thereof deposit or cause to be deposited into the Payment Fund all other Payments until the amount on deposit in the Payment Fund, calculated as provided in the Series 2013 Resolution, shall equal interest or principal and interest due on the next payment date on the Notes until paid or provision for payment thereof is made in accordance with the Series 2013 Resolution. The Authority, LIRR, MNCRC, TA, MaBSTOA, MTA Bus and TBTA hereby agree that they shall deposit or cause to be deposited into the Revenue Fund (the "Revenue Fund") created under the General Resolution Authorizing Transportation Revenue Obligations, adopted by the Authority on March 26, 2002, as supplemented (the "Transportation Resolution"), all Additional Payments (as defined in the Series 2013 Resolution) at the times required by the Transportation Resolution. The Authority

shall direct the trustee under the Transportation Resolution (the "Transportation Trustee") to establish such separate account or subaccount in the Revenue Fund as is necessary or appropriate to allow the Transportation Trustee to segregate all such Additional Payments, if any, specified in a certificate of an Authorized Officer of MTA so deposited from any other amounts on deposit in the Revenue Fund. The Authority shall further direct the Transportation Trustee that, if all or any portion of the amounts so deposited in such account or subaccount are not then required, after applying all other amounts then on deposit in the Revenue Fund, pursuant to Section 504 of the Transportation Resolution to be deposited into a Debt Service Fund, established under the Transportation Resolution, or any fund or account established for the benefit of any Subordinated Indebtedness or Subordinated Contract Obligation (each as defined in the Transportation Resolution), the Transportation Trustee shall promptly in accordance with Section 504(d) of the Transportation Resolution transfer such moneys to the Authority, and the Authority shall upon such transfer immediately deposit such Additional Payments, if any, into the Payment Fund to the extent and at the times necessary to meet the requirements of clauses (a), (b) and (c) of Section 6 of the Series 2013 Resolution until the amount on deposit in the Payment Fund, calculated as provided in the Series 2013 Resolution, shall equal interest or principal and interest due on the next payment date on the Notes until paid, or provision for payment thereof is made in accordance with the Series 2013 Resolution. Amounts deposited in the Payment Fund are referred to herein as "Deposited Monies".

Unless otherwise stated herein, capitalized terms used herein shall have the meaning ascribed to such terms in the Series 2013 Resolution.

SECTION 2. LIRR Representations. The LIRR represents and warrants that:

(a) it is a public benefit corporation of the State, and a subsidiary corporation of the Authority, validly existing under the provisions of the Metropolitan Transportation Authority Act, Title 11 of Article 5 of the Public Authorities Law, as amended (the "Act"), with full power and legal right to enter into this agreement and perform its obligations hereunder;

(b) except as provided in the Existing Lien Documents and the Prior RAN Resolution, no outstanding notes have heretofore been authorized or issued by the LIRR secured by the Payments and Additional Payments received and Deposited Monies and the Payments and Additional Payments received and Deposited Monies have not heretofore been pledged or assigned by the LIRR to secure any other outstanding obligation or indebtedness of the LIRR (the lien of the Existing Lien Documents on the Payments is subordinate to the lien on the Payments of the Series 2013 Resolution); and

(c) the provisions of this agreement do not conflict with or violate the LIRR's bylaws, any statute, rule, regulation, court order or act applicable to the LIRR or any contract or other agreement entered into or any action taken by the LIRR.

SECTION 3. Authority Representations. The Authority hereby reaffirms the representations and warranties made in the Series 2013 Resolution.

SECTION 4. MNCRC Representations. MNCRC represents and warrants that:

(a) it is a public benefit corporation of the State, and a subsidiary corporation of the Authority, duly created and validly existing under the provisions of the Act, with full power and legal right to enter into this agreement and perform its obligations hereunder;

(b) except as provided in the Existing Lien Documents and the Prior RAN Resolution, no outstanding notes have heretofore been authorized or issued by MNCRC secured by the Payments and Additional Payments received and Deposited Monies and the Payments and Additional Payments received and Deposited Monies have not heretofore been pledged or assigned by MNCRC to secure any other outstanding obligation or indebtedness of MNCRC (the lien of the Existing Lien Documents on the Payments is subordinate to the lien on the Payments of the Series 2013 Resolution); and

(c) the provisions of this agreement do not conflict with or violate MNCRC's bylaws, any statute, rule, regulation, court order or act applicable to MNCRC or any contract or other agreement entered into or any action taken by MNCRC.

SECTION 5. TA Representations. TA represents and warrants that:

(a) it is a public benefit corporation of the State, duly created and validly existing under the provisions of the New York City Transit Authority Act, Title 9 of Article 5 of the Public Authorities Law, as amended (the "Transit Act"), with full power and legal right to enter into this agreement and perform its obligations hereunder;

(b) except as provided in the Existing Lien Documents and the Prior RAN Resolution, no outstanding notes have heretofore been authorized or issued by TA secured by the Payments and Additional Payments received and Deposited Monies and the Payments and Additional Payments received and Deposited Monies have not heretofore been pledged or assigned by TA to secure any other outstanding obligation or indebtedness of TA (the lien of the Existing Lien Documents on the Payments is subordinate to the lien on the Payments of the Series 2013 Resolution); and

(c) the provisions of this agreement do not conflict with or violate TA's bylaws, any statute, rule, regulation, court order or act applicable to TA or any contract or other agreement entered into or any action taken by TA.

SECTION 6. MaBSTOA Representations. MaBSTOA represents and warrants that:

(a) it is a public benefit corporation of the State, and a subsidiary corporation of the TA, duly created and validly existing under the provisions of the Transit Act with full power and legal right to enter into this agreement and perform its obligations hereunder;

(b) except as provided in the Existing Lien Documents and the Prior RAN Resolution, no outstanding notes have heretofore been authorized or issued by MaBSTOA secured by the Payments and Additional Payments received and Deposited Monies and the Payments and Additional Payments received and Deposited Monies have not heretofore been pledged or assigned by MaBSTOA to secure any other outstanding obligation or indebtedness of MaBSTOA (the lien of the Existing Lien Documents on the Payments is subordinate to the lien on the Payments of the Series 2013 Resolution); and

(c) the provisions of this agreement do not conflict with or violate MaBSTOA's bylaws, any statute, rule, regulation, court order or act applicable to MaBSTOA or any contract or other agreement entered into or any action taken by MaBSTOA.

SECTION 7. MTA Bus Representations. MTA Bus represents and warrants that:

(a) it is a public benefit corporation of the State, and a subsidiary corporation of the Authority, duly created and validly existing under the provisions of the Act, with full power and legal right to enter into this agreement and perform its obligations hereunder;

(b) except as provided in the Existing Lien Documents and the Prior RAN Resolution, no outstanding notes have heretofore been authorized or issued by MTA Bus secured by the Payments and Additional Payments received and Deposited Monies and the Payments and Additional Payments received and Deposited Monies have not heretofore been pledged or assigned by MTA Bus to secure any other outstanding obligation or indebtedness of MTA Bus (the lien of the Existing Lien Documents on the Payments is subordinate to the lien on the Payments of the Series 2013 Resolution to the lien on the Payments of the Series 2013 Resolution); and

(c) the provisions of this agreement do not conflict with or violate MTA's bylaws, any statute, rule, regulation, court order or act applicable to MTA Bus or any contract or other agreement entered into or any action taken by MTA Bus.

SECTION 8. TBTA Representations. TBTA represents and warrants that:

(a) it is a public benefit corporation of the State, duly created and validly existing under the provisions of the Triborough Bridge and Tunnel Authority Act, Title 3 of Article 3 of the Public Authorities Law, as amended (the "TBTA Act"), with full power and legal right to enter into this agreement and perform its obligations hereunder;

(b) except as provided in the Existing Lien Documents and the Prior RAN Resolution, no outstanding notes have heretofore been authorized or issued by TBTA secured by the Payments and Additional Payments received and Deposited Monies and the Payments and Additional Payments received and Deposited Monies have not heretofore been pledged or assigned by TBTA to secure any other outstanding obligation or indebtedness of TBTA (the lien of the Existing Lien Documents on the Payments is subordinate to the lien on the Payments of the Series 2013 Resolution); and

(c) the provisions of this agreement do not conflict with or violate TBTA's bylaws, any statute, rule, regulation, court order or act applicable to TBTA or any contract or other agreement entered into or any action taken by TBTA.

SECTION 9. LIRR, MNCRC, TA, MaBSTOA, MTA Bus and TBTA Covenants. So long as the Notes shall remain outstanding and unpaid, the LIRR, MNCRC, TA, MaBSTOA, MTA Bus and TBTA each covenant and agree with the Authority, with each other and with the holders of the Notes:

(a) to take such actions as may be appropriate to assist the Authority in complying with its covenants contained in Section 8 of the Series 2013 Resolution; and

(b) to comply with the covenants contained in Section 10(d), (e), (g) and (h), subject to the provisions of the unlettered paragraph following clause (i), of the Series 2013 Resolution as if the references to the Authority therein were to the LIRR, MNCRC, TA, MaBSTOA, MTA Bus and TBTA, respectively.

SECTION 10. Additional TBTA Covenants. So long as the Notes shall remain outstanding and unpaid, TBTA covenants and agrees with the Authority, LIRR, MNCRC, TA, MaBSTOA, MTA Bus and TBTA, and with the holders of the Notes;

(a) it will not repeal, amend or modify the action taken by the Board of TBTA from time to time relating to the monthly advance of amounts described in clause (b) of Section 8 of the Series 2013 Resolution so as to delay the timing or reduce the amounts to be transferred by TBTA to the Authority or any other Related Transportation Entity in any month; and

(b) it will comply with the rate covenant contained in Section 606 of the General Resolution authorizing General Revenue Obligations adopted by TBTA on March 26, 2002, as amended.

SECTION 11. Consents. LIRR, MNCRC, TA, MaBSTOA, MTA Bus and TBTA consent to the application of the Payments received and to the application and pledge of the Deposited Monies in accordance with this Agreement and the Series 2013 Resolution.

SECTION 12. Compliance with Transportation Resolution Rate Covenant. LIRR, MNCRC, TA, MaBSTOA and MTA Bus shall each take such action on its part necessary to comply with and to enable the Authority to comply with the rate covenant contained in Section 610 of the Transportation Resolution.

SECTION 13. Enforcement. The provisions of this agreement may be enforced by the Authority on behalf of the holders of the Notes by any legal or equitable process, including specific performance.

SECTION 14. No Conflict. The provisions of this agreement are in no way intended to, nor shall such provisions, change or in any manner alter the terms of the Series 2013 Resolution, or the security, rights or remedies of the holders of the Notes. In the event any provisions of this agreement conflict at any time, or in any manner, with the provisions of the Series 2013 Resolution or any Note, the provisions of the Series 2013 Resolution or the Note shall be controlling and conflicting provisions of this agreement shall be completely disregarded.

SECTION 15. Beneficiaries. This agreement shall inure to the benefit of and shall be binding upon the Authority, LIRR, MNCRC, TA, MaBSTOA, MTA Bus and TBTA and their respective successors and assigns.

SECTION 16. Severability. In the event any provision of this agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 17. Governing Law. This agreement shall be governed by, and construed in accordance with, the Constitution and laws of the State.

SECTION 18. Entire Agreement. This agreement represents the entire agreement among the parties.

SECTION 19. Counterpart Signatures. This agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Authority, LIRR, MNCRC, TA, MaBSTOA, MTA Bus and TBTA each respectively, has caused this instrument to be executed in its name by its Chief Financial Officer, all as of the day and year first above written.

METROPOLITAN TRANSPORTATION
AUTHORITY

Name:
Title:

MANHATTAN AND BRONX SURFACE
TRANSIT OPERATING AUTHORITY

Name:
Title:

THE LONG ISLAND RAIL ROAD COMPANY

Name:
Title:

MTA BUS COMPANY

Name:
Title:

METRO-NORTH COMMUTER RAILROAD
COMPANY

Name:
Title:

TRIBOROUGH BRIDGE AND TUNNEL
AUTHORITY

Name:
Title:

NEW YORK CITY TRANSIT AUTHORITY

Name:
Title:

METRO-NORTH COMMUTER RAILROAD COMPANY

DEPOSIT AGREEMENT RESOLUTION

Be it Resolved by the Board of Metro-North Commuter Railroad Road Company, as follows:

SECTION 1. In accordance with the provisions of Title 11 of Article 5 of the Public Authorities Law, Metro-North Commuter Railroad Company ("MNCRC") is hereby authorized to enter into a Deposit Agreement, by and among the Metropolitan Transportation Authority (the "Authority"), The Long Island Rail Road Company, MNCRC, the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, MTA Bus Company and Triborough Bridge and Tunnel Authority (such Agreement hereinafter referred to as the "Agreement"). The form of the Agreement, in substantially the form annexed hereto as Exhibit A, is hereby approved in all respects, and the Chairman, any Vice Chairman, the Chief Financial Officer, and the Director of Finance (the "Authorized Officers") are, and each is, hereby authorized and directed to execute and deliver the Agreement for, on, behalf of, and in the name of, MNCRC, with such changes and revisions as such Authorized Officer shall deem advisable, said execution and delivery to be conclusive evidence of such approval.

SECTION 2. On behalf of MNCRC, the Authorized Officers are, and each is, hereby authorized to take any and all actions necessary for MNCRC to perform its obligations under the Agreement.

SECTION 3. The Authorized Officers, the Secretary and the Assistant Secretary of MNCRC are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out (i) the sale and delivery of the Revenue Anticipation Notes, Series 2013 issued by the Authority pursuant to its Revenue Anticipation Note, Series 2013 Resolution (Working Capital Revolving Credit Facility), adopted July 24, 2013, and (ii) any and all other acts contemplated in connection with such Note Resolution and the Agreement.

SECTION 4. This resolution shall become effective upon its adoption.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

DEPOSIT AGREEMENT RESOLUTION

Be it Resolved by the Board of Triborough Bridge and Tunnel Authority, as follows:

SECTION 1. In accordance with the provisions of Title 3 of Article 3 of the Public Authorities Law, Triborough Bridge and Tunnel Authority ("TBTA") is hereby authorized to enter into a Deposit Agreement, by and among the Metropolitan Transportation Authority (the "Authority"), The Long Island Rail Road Company, Metro-North Commuter Railroad Company, the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, MTA Bus Company and TBTA (such Agreement hereinafter referred to as the "Agreement"). The form of the Agreement, in substantially the form annexed hereto as Exhibit A, is hereby approved in all respects, and the Chairman, any Vice Chairman, the Chief Financial Officer and the Director of Finance (the "Authorized Officers") are, and each is, hereby authorized and directed to execute and deliver the Agreement for, on, behalf of, and in the name of, TBTA, with such changes and revisions as such Authorized Officer shall deem advisable, said execution and delivery to be conclusive evidence of such approval.

SECTION 2. On behalf of TBTA, the Authorized Officers are, and each is, hereby authorized to take any and all actions necessary for TBTA to perform its obligations under the Agreement.

SECTION 3. The Authorized Officers, the Secretary and the Assistant Secretary of TBTA are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out (i) the sale and delivery of the Revenue Anticipation Notes, Series 2013 issued by the Authority pursuant to its Revenue Anticipation Note, Series 2013 Resolution (Working Capital Revolving Credit Facility), adopted July 24, 2013, and (ii) any and all other acts contemplated in connection with such Note Resolution and the Agreement.

SECTION 4. This resolution shall become effective upon its adoption.

THE LONG ISLAND RAIL ROAD COMPANY
DEPOSIT AGREEMENT RESOLUTION

Be it Resolved by the Board of The Long Island Rail Road Company, as follows:

SECTION 1. In accordance with the provisions of Title 11 of Article 5 of the Public Authorities Law, The Long Island Rail Road Company ("LIRR") is hereby authorized to enter into a Deposit Agreement, by and among the Metropolitan Transportation Authority (the "Authority"), LIRR, Metro-North Commuter Railroad Company, the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, MTA Bus Company and Triborough Bridge and Tunnel Authority (such Agreement hereinafter referred to as the "Agreement"). The form of the Agreement, in substantially the form annexed hereto as Exhibit A, is hereby approved in all respects, and the Chairman, any Vice Chairman, the Chief Financial Officer and the Director of Finance (the "Authorized Officers") are, and each is, hereby authorized and directed to execute and deliver the Agreement for, on, behalf of, and in the name of, the LIRR, with such changes and revisions as such Authorized Officer shall deem advisable, said execution and delivery to be conclusive evidence of such approval.

SECTION 2. On behalf of the LIRR, the Authorized Officers are, and each is, hereby authorized to take any and all actions necessary for the LIRR to perform its obligations under the Agreement.

SECTION 3. The Authorized Officers, the Secretary and the Assistant Secretary of the LIRR are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out (i) the sale and delivery of the Revenue Anticipation Notes, Series 2013 issued by the Authority pursuant to its Revenue Anticipation Note, Series 2013 Resolution (Working Capital Revolving Credit Facility), adopted July 24, 2013, and (ii) any and all other acts contemplated in connection with such Note Resolution and the Agreement.

SECTION 4. This resolution shall become effective upon its adoption.

NEW YORK CITY TRANSIT AUTHORITY
DEPOSIT AGREEMENT RESOLUTION

Be it Resolved by the Board of the New York City Transit Authority, as follows:

SECTION 1. In accordance with the provisions of Title 9 of Article 5 of the Public Authorities Law, the New York City Transit Authority (the "TA") is hereby authorized to enter into a Deposit Agreement, by and among the Metropolitan Transportation Authority (the "Authority"), The Long Island Rail Road Company, Metro-North Commuter Railroad Company, the TA, the Manhattan and Bronx Surface Transit Operating Authority, MTA Bus Company and Triborough Bridge and Tunnel Authority (such Agreement hereinafter referred to as the "Agreement"). The form of the Agreement, in substantially the form annexed hereto as Exhibit A, is hereby approved in all respects, and the Chairman, any Vice Chairman, the Chief Financial Officer and the Director of Finance (the "Authorized Officers") are, and each is, hereby authorized and directed to execute and deliver the Agreement for, on, behalf of, and in the name of, the TA, with such changes and revisions as such Authorized Officer shall deem advisable, said execution and delivery to be conclusive evidence of such approval.

SECTION 2. On behalf of the TA, the Authorized Officers are, and each is, hereby authorized to take any and all actions necessary for the TA to perform its obligations under the Agreement.

SECTION 3. The Authorized Officers, the Secretary and the Assistant Secretary of the TA are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out (i) the sale and delivery of the Revenue Anticipation Notes, Series 2013 issued by the Authority pursuant to its Revenue Anticipation Note, Series 2013 Resolution (Working Capital Revolving Credit Facility), adopted July 24, 2013 and (ii) any and all other acts contemplated in connection with such Note Resolution and the Agreement.

SECTION 4. This resolution shall become effective upon its adoption.

MANHATTAN AND BRONX SURFACE TRANSIT OPERATING AUTHORITY

DEPOSIT AGREEMENT RESOLUTION

Be it Resolved by the Board of the Manhattan and Bronx Surface Transit Operating Authority, as follows:

SECTION 1. In accordance with the provisions of Title 9 of Article 5 of the Public Authorities Law, Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA") is hereby authorized to enter into a Deposit Agreement, by and among the Metropolitan Transportation Authority (the "Authority"), The Long Island Rail Road Company ("LIRR"), Metro-North Commuter Railroad Company ("MNCRC"), the New York City Transit Authority (the "TA") MaBSTOA, MTA Bus Company ("MTA Bus"), and Triborough Bridge and Tunnel Authority ("TBTA") (such Agreement hereinafter referred to as the "Agreement"). The form of the Agreement, in substantially the form annexed hereto as Exhibit A, is hereby approved in all respects, and the Chairman, any Vice Chairman, the Chief Financial Officer and the Director of Finance (the "Authorized Officers") are, and each is, hereby authorized and directed to execute and deliver the Agreement for, on, behalf of, and in the name of, MaBSTOA, with such changes and revisions as such Authorized Officer shall deem advisable, said execution and delivery to be conclusive evidence of such approval.

SECTION 2. On behalf of MaBSTOA, the Authorized Officers are, and each is, hereby authorized to take any and all actions necessary for MaBSTOA to perform its obligations under the Agreement.

SECTION 3. The Authorized Officers, the Secretary and the Assistant Secretary of MaBSTOA are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out (i) the sale and delivery of the Revenue Anticipation Notes, Series 2013 issued by the Authority pursuant to its Revenue Anticipation Note, Series 2013 Resolution (Working Capital Revolving Credit Facility) adopted July 24, 2013, and (ii) any and all other acts contemplated in connection with such Note Resolution and the Agreement.

SECTION 4. This resolution shall become effective upon its adoption.

MTA BUS COMPANY
DEPOSIT AGREEMENT RESOLUTION

Be it Resolved by the Board of MTA Bus Company, as follows:

SECTION 1. In accordance with the provisions of Title 11 of Article 5 of the Public Authorities Law, MTA Bus Company ("MTA Bus") is hereby authorized to enter into a Deposit Agreement, by and among the Metropolitan Transportation Authority (the "Authority"), The Long Island Rail Road Company, Metro-North Commuter Railroad Company, the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, MTA Bus and Triborough Bridge and Tunnel Authority (such Agreement hereinafter referred to as the "Agreement"). The form of the Agreement, in substantially the form annexed hereto as Exhibit A, is hereby approved in all respects, and the Chairman, any Vice Chairman, the Chief Financial Officer and the Director of Finance (the "Authorized Officers") are, and each is, hereby authorized and directed to execute and deliver the Agreement for, on, behalf of, and in the name of, MTA Bus, with such changes and revisions as such Authorized Officer shall deem advisable, said execution and delivery to be conclusive evidence of such approval.

SECTION 2. On behalf of MTA Bus, the Authorized Officers are, and each is, hereby authorized to take any and all actions necessary for MTA Bus to perform its obligations under the Agreement.

SECTION 3. The Authorized Officers, the Secretary and the Assistant Secretary of MTA Bus are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out (i) the sale and delivery of the Revenue Anticipation Notes, Series 2013 issued by the Authority pursuant to its Revenue Anticipation Note, Series 2013 Resolution (Working Capital Revolving Credit Facility), adopted July 24, 2013, and (ii) any and all other acts contemplated in connection with such Note Resolution and the Agreement.

SECTION 4. This resolution shall become effective upon its adoption.

Staff Summary



Subject Transportation Revenue Commercial Paper Program
Department Finance
Department Head Name Robert E. Foran, Chief Financial Officer
Department Head Signature
Project Manager Name Patrick J. McCoy, Director of Finance

Date July 24, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	7/22			
2	Board	7/24			

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

PURPOSE:

The MTA Finance Department is seeking MTA Board authorization of the necessary documentation and activities to issue up to \$350 million of Transportation Revenue Bond Anticipation Notes ("BANs") to be issued in the form of Commercial Paper ("CP-3") to finance existing approved transit and commuter capital projects. Authorization is also being requested for long-term financing to permanently finance such CP-3 from time to time including accrued interest thereon.

DISCUSSION:

MTA recently reduced its existing \$900 million Commercial Paper program, CP-2 to \$550 million, by permanently financing \$350 million CP-2 Subseries C Notes backed by a Letter of Credit ("LOC") from Royal Bank of Canada. The authorization sought in this staff summary is to approve a replacement of the \$350 million of the CP program capacity as described below. The CP-3 program will provide the necessary capital projects funding flexibility and will help meet MTA Capital Program needs by providing access to the short-term market which has a lower borrowing cost than long-term bonds.

To establish such a new CP program, MTA Board approval is sought as follows:

1. Approval of the annexed BANs resolution (the "2013 Series CP-3 Transportation Revenue Bond Anticipation Note And Related Parity Debt Supplemental Resolution"), and associated documents and activities in connection with the issuance of tax-exempt CP-3 in an aggregate principal amount of up to \$350 million for existing approved transit and commuter Capital Projects. The CP-3 will be secured by one or more LOCs from commercial banks and will be issued from time to time in various amounts up to each LOC limit, with maturities up to 270 days. Long term bonds will be issued from time to time to permanently finance such outstanding CP-3. The CP-3 will be issued in compliance with MTA's existing Transportation Revenue General Resolution.

MTA Finance is in the process of seeking pricing proposals from commercial banks interested in offering letters of credit in connection with this program. Such banks would be limited to commercial banks (i) on the list of commercial banks approved for providing replacement LOCs or standby bond purchase agreements for MTA Bonds contained in the authorization of the MTA Board on September 22, 2010, (ii) previously added to such list pursuant to the authorization contained in the September 22, 2010 Board action, and (iii) added to such list after the date hereof pursuant to the authorization contained in the September 22, 2010 Board action.

2. Approval of the annexed bond resolution (the "Series CP-3 Transportation Revenue Bond Supplemental Resolution") and associated documents and activities in connection with the issuance of bonds from time to time in an aggregate principal amount up to \$358,750,000 to permanently finance all or any portion of the Capital Costs, directly by reimbursement or through the payment of the principal amount and interest accrued or to accrue on outstanding Series CP-3 Notes or through the reimbursement of amounts drawn under the Letter of Credit for such purpose and principal and interest accrued and to accrue on Series CP-3 Bank Parity Debt.
3. With respect to the above-referenced transactions set forth in paragraphs 1 and 2, Board approval delegating authority to the Chairman and Chief Executive Officer, the Vice Chairman, the Chief Financial Officer, and the Director of Finance of MTA to award the obligations to members (or entities related to such firms) of the MTA underwriting syndicate (as defined in the Resolution) and to undertake all actions necessary to execute and/or deliver in each case, where appropriate:
 - Offering Memoranda and other disclosure documents,
 - Letter(s) of Credit and Reimbursement Agreements,
 - Issuing and Paying Agent Agreement,
 - Dealer Agreements, and
 - Certificate of Determination.

Any such documents will be in substantially the form of any document previously entered into by MTA for previous issues and programs or otherwise substantially conform to the terms of the Resolution authorizing the BANs with such changes as approved by any one or more of the foregoing officers. In addition, such officers are hereby authorized to terminate, amend, supplement, replace or extend any such documents. The MTA Board hereby further delegates to such officers authority to take such other actions as may be necessary or desirable to effectuate such transactions.

4. On behalf of MTA and its subsidiaries and affiliates, to authorize the Chairman and Chief Executive Officer, the Vice Chairman, the Chief Financial Officer of MTA and the Director of Finance of MTA to take such other actions as may be necessary or desirable to effectuate the issuance of the new money notes.

ALTERNATIVES:

MTA has effectively utilized a CP program in meeting the needs of the Capital Program. MTA benefits from having the short-term market exposure of CP because it is a lower cost of borrowing than long-term bonds. MTA could opt to forgo the issuance of CP and instead only issue bonds.

RECOMMENDATION:

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

METROPOLITAN TRANSPORTATION AUTHORITY

**SERIES CP-3 TRANSPORTATION REVENUE
BOND ANTICIPATION NOTE
AND RELATED PARITY DEBT
SUPPLEMENTAL RESOLUTION**

Adopted July 24, 2013

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EXHIBIT B FORM OF REQUEST

**SERIES CP-3 TRANSPORTATION REVENUE
BOND ANTICIPATION NOTE
AND RELATED PARITY DEBT
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED BY THE METROPOLITAN TRANSPORTATION
AUTHORITY (the "Issuer") as follows:

**ARTICLE I
DEFINITIONS AND STATUTORY AUTHORITY**

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

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Series CP-3 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution (the "Commercial Paper Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Commercial Paper Resolution:

"Authorized Officer" shall include, in addition to the officers designated as such in the Resolution except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Bank" means the issuer or issuers of one or more Letters of Credit for all or all portion of the Series CP-3 Credit Enhanced Notes selected by an Authorized Officer from time to time, or any successor or successors thereto and set forth in a certificate thereof. Such issuers banks would be limited to commercial banks (i) on the list of commercial banks approved for providing replacement letters of credit or standby bond purchase agreements for Bonds of the Issuer contained in the authorization of the Issuer's Board on September 22, 2010, (ii) previously added to such list pursuant to the authorization contained in the September 22, 2010 Board action, and (iii) added to such list after the date hereof pursuant to the authorization contained in the September 22, 2010 Board action.

"Book-Entry Series CP-3 Notes" means Series CP-3 Credit Enhanced Notes or Series CP-3 Bank Notes issued in book-entry-only form through the Securities Depository pursuant to Section 2.03 hereof.

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

"Dealer" means any dealer or dealers selected by an Authorized Officer to serve as dealer in accordance with the applicable Dealer Agreement and who is either (i) on the list approved by the Issuer from time to time of entities authorized to serve as remarketing agent or dealer for securities of the Issuer or (ii) otherwise set forth in a certificate of an Authorized Officer, and any successor or successors thereto appointed pursuant to this Series Resolution.

"Dealer Agreement" means the Dealer Agreement or Dealer Agreements authorized by Section 5.01 hereof, as the same may be amended or supplemented, and any other dealer agreement which the Issuer determines to be in replacement thereof as may be entered into by the Issuer with respect to the Series CP-3 Credit Enhanced Notes.

"Draw" means any drawing by the Issuing and Paying Agent on the applicable Letter of Credit.

"Holder" means any Person who is in possession of any Series CP-3 Notes drawn, issued or endorsed to such Person or to the order of such Person or to bearer or in blank; provided, however, that "Holder", when used with reference to a Master Series CP-3 Note, shall mean the registered owner thereof as shown on the books of the Issuing and Paying Agent kept pursuant to Section 2.03 hereof.

"Holding Period" has the meaning set forth therefore in Section 4.03 hereof.

"Interest Component" shall have the meaning set forth therefor in the Letter of Credit.

"Issuing and Paying Agency Agreement" means the Issuing and Paying Agency Agreement authorized by Section 5.02 hereof, as the same may be amended or supplemented, and any other issuing and paying agency agreement which the Issuer determines to be in replacement thereof as may be entered into by the Issuer from time to time with respect to the Series CP-3 Credit Enhanced Notes.

"Issuing and Paying Agent" means The Bank of New York Mellon, appointed by the Issuer pursuant to this Commercial Paper Resolution to serve as Issuing and Paying Agent in accordance with the Issuing and Paying Agency Agreement, and any successor thereto appointed pursuant to the Commercial Paper Resolution.

"Letter of Credit" means the letter or, collectively, letters of credit issued by the Bank under the applicable Reimbursement Agreement.

"Master Series CP-3 Bank Note" means a master note, in substantially the form of Exhibit A-2, issued pursuant to Section 2.08 hereof.

"Master Series CP-3 Credit Enhanced Note" means a master note, in substantially the form of Exhibit A-1, issued pursuant to Section 2.08 hereof.

"Master Series CP-3 Note" means either a Master Series CP-3 Bank Note or a Master Series CP-3 Credit Enhanced Note.

"Maximum Rate" means, with respect to Series CP-3 Credit Enhanced Notes, the rate of 12% per annum calculated on the basis of actual days elapsed and a 365 day year or such lesser rate per annum specified in a Certificate of Determination and, with respect to Series CP-3 Bank Notes, the rate of 25% per annum calculated on the basis of actual days elapsed and a 365 day year or such lesser rate specified in a Certificate of Determination.

"No-Issuance Instructions" shall have the meaning set forth in the Reimbursement Agreement.

"Office" means when used with reference to the Issuing and Paying Agent such address as the Issuing and Paying Agent may designate from time to time by notice in writing to the Issuer and the Dealer.

"Principal Component" shall have the meaning set forth therefore in the Letter of Credit.

"Reimbursement Agreement" means the Letter of Credit and Reimbursement Agreement or Letter of Credit and Reimbursement Agreements authorized by Section 4.01 hereof, as the same may be amended, supplemented or replaced in accordance therewith and with the Commercial Paper Resolution.

"Related Agreements" means the Dealer Agreement, the Issuing and Paying Agency Agreement and the Reimbursement Agreement.

"Request" shall mean a request of the Issuer delivered pursuant to Section 3.01(c) hereof.

"Securities Depository" means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns ("DTC") or any other Person appointed by the Issuer to serve as securities depository for the Master Series CP-3 Notes.

"Series CP-3 Bank Notes" means the Series CP-3 Notes evidenced by the Master Series CP-3 Bank Notes and issued by the Issuer pursuant to this Commercial Paper Resolution.

"Series CP-3 Bank Parity Debt" is the Parity Debt authorized under Section 4.03 hereof which may be incurred under the Reimbursement Agreement to the extent authorized by this Commercial Paper Resolution.

"Series CP-3 Bonds" means the Transportation Revenue Bonds, Series CP-3 of the Issuer.

"Series CP-3 Credit Enhanced Notes" means the Series CP-3 Notes evidenced by the Master Series CP-3 Credit Enhanced Note and issued by the Issuer pursuant to this Commercial Paper Resolution.

"Series CP-3 Credit Enhanced Notes Fund" means the special purpose trust fund to be held by the Issuing and Paying Agent for the sole and exclusive benefit of the Owners from

time to time of Series CP-3 Credit Enhanced Notes, referred to in Section 2.06 of this Commercial Paper Resolution, for the deposit of Draws and the payment therefrom of principal of and interest on Series CP-3 Credit Enhanced Notes, and over which the Issuing and Paying Agent shall have the sole right of withdrawal.

"Series CP-3 Notes" means the Series CP-3 Credit Enhanced Notes and the Series CP-3 Bank Notes issued by the Issuer pursuant to this Commercial Paper Resolution.

"Series CP-3 Reimbursement Fund" means the special purpose trust fund established pursuant to Section 2.07 of this Commercial Paper Resolution and to be held by the Issuing and Paying Agent for the deposit of those proceeds of the sale on a particular day of Series CP-3 Credit Enhanced Notes that are to be used, to the extent of such proceeds, to reimburse the Bank for Draws.

"Series Resolution" means this Series CP-3 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution.

"Stated Amount" shall have the meaning set forth therefore in the Letter of Credit.

"Termination Date" means the date on which the Letter of Credit expires in accordance with the terms thereof.

3. To the extent that the Series CP-3 Notes issued and Outstanding at any time consist of more than one subseries as specified in one or more Certificates of Determination, except as otherwise provided in section 2.01 hereof, all terms defined herein shall be deemed to such term as applied to each such subseries individually and apart from any other subseries.

Section 1.03. Authority for this Commercial Paper Resolution. This Commercial Paper Resolution is adopted pursuant to the provisions of the Act and the Resolution.

ARTICLE II AUTHORIZATION OF SERIES CP-3 NOTES

Section 2.01. General Authorization. There is hereby authorized to be issued Series CP-3 Notes in an aggregate principal amount not to exceed Three Hundred Fifty-Eight Million Seven Hundred Fifty Thousand Dollars (\$358,750,000), subject to change as provided in Section 2.10 hereof, at any one time Outstanding, comprised of Series CP-3 Credit Enhanced Notes to be issued in one or more subseries in an aggregate principal amount not to exceed Three Hundred Fifty Million Dollars (\$350,000,000) at any one time Outstanding and Series CP-3 Bank Notes to be issued in one or more subseries in an aggregate principal amount not to exceed Three Hundred Fifty-Eight Million Seven Hundred Fifty Thousand Dollars (\$358,750,000), subject to change as provided in Section 2.10 hereof, at any one time Outstanding. To the extent that the Series CP-3 Notes issued and Outstanding at any time consist of more than one subseries as specified in one or more Certificates of Determination, the portion of the not to exceed amounts for Series CP-3 Notes, Series CP-3 Credit Enhanced Notes and Series CP-3 Bank Notes applicable to each such subseries shall be the amounts specified in the Certificate of

Determination relating to such subseries. The aggregate principal amount of Series CP-3 Bank Notes that may at any time be Outstanding shall be reduced by the aggregate principal amount of Series CP-3 Credit Enhanced Notes to be Outstanding following the issuance of such Series CP-3 Bank Notes, and the aggregate principal amount of Series CP-3 Credit Enhanced Notes that may at any time be Outstanding shall be reduced by the aggregate principal amount of Series CP-3 Bank Notes representing the Principal Component under the Letter of Credit to be outstanding following the issuance of such Series CP-3 Credit Enhanced Notes; to the extent that the Series CP-3 Notes issued and Outstanding at any time consist of more than one subseries as specified in one or more Certificates of Determination, the foregoing reductions shall be applied separately to each subseries..

Section 2.02. Use of Proceeds. The proceeds of the Series CP-3 Credit Enhanced Notes shall be used only for the purposes set forth in one or more Certificates of Determination and may include (i) the payment of all or any part of the Capital Costs, (ii) the payment of the principal and interest of Outstanding Series CP-3 Notes, (iii) the reimbursement of Draws and (iv) the funding of capitalized interest on Series CP-3 Notes. The proceeds of the sale of Series CP-3 Credit Enhanced Notes shall be applied in the manner set forth in Section 3.02 hereof. Series CP-3 Bank Notes shall be issued only to a Bank to evidence Draws.

Section 2.03. Series CP-3 Notes. Subject to the last paragraph of this Section, all issues of Series CP-3 Notes shall be issued in the form of a single fully registered Master Series CP-3 Credit Enhanced Note and a single fully registered Master Series CP-3 Bank Note, the ownership of each of which shall be registered in the name of the nominee of the Securities Depository.

In order to qualify the Series CP-3 Notes for the Securities Depository's book-entry system, any Authorized Officer is hereby authorized to execute, seal, countersign and deliver, from time to time, on behalf of the Issuer to such Securities Depository a letter or letters from the Issuer representing such matters as shall be necessary to so qualify the Series CP-3 Notes (each, a "Representation Letter"). The execution and delivery of a Representation Letter shall not in any way limit the provisions hereof or in any other way impose upon the Issuer any obligation whatsoever with respect to persons having interests in the Series CP-3 Notes other than the Owners thereof. In addition to the execution and delivery of a Representation Letter, each Authorized Officer of the Issuer is hereby authorized to take any other actions, not inconsistent with the Commercial Paper Resolution, to qualify the Series CP-3 Notes for the Securities Depository's book-entry system.

In the event (i) the Securities Depository determines not to continue to act as securities depository for the Series CP-3 Notes or (ii) the Issuer determines that the Securities Depository shall no longer so act and delivers a written certificate to the Issuing and Paying Agent to that effect, the Issuer will discontinue the book-entry registration of the Series CP-3 Notes with the Securities Depository. If the Issuer determines to replace the Securities Depository with another qualified securities depository, the Issuer shall prepare or direct the preparation of a new, single, separate, fully registered Master Series CP-3 Credit Enhanced Note and a new, single separate fully registered Master Series CP-3 Bank Note for each issue or subseries of the Series CP-3 Notes, registered in the name of such successor or substitute qualified securities depository or its nominee, or make such other arrangements acceptable to the

Issuer and the Securities Depository as are not inconsistent with the terms of this Commercial Paper Resolution. If the Issuer fails to identify another qualified securities depository to replace the Securities Depository, the Issuer shall deliver to the Issuing and Paying Agent for safekeeping, completion, authentication and delivery in accordance with the provisions hereof and of the Issuing and Paying Agency Agreement, Series CP-3 Notes for each issue or subseries then Outstanding executed on behalf of the Issuer, with the date of issuance, principal amount, maturity date, owner and rate of interest left blank. Each such Series CP-3 Note shall be held in safekeeping by the Issuing and Paying Agent until authenticated and issued in accordance with the provisions hereof and of the Issuing and Paying Agency Agreement.

Section 2.04. Terms Applicable to Series CP-3 Notes.

(a) Subject to the conditions and limitations contained herein, Series CP-3 Notes (i) shall be designated "Metropolitan Transportation Authority Transportation Revenue Bond Anticipation Notes, Series CP-3", together with "Credit Enhanced" or "Bank" as appropriate, and with such further or different designations as determined by an Authorized Officer, (ii) shall be dated as of the date of their issuance, (iii) shall mature on a Business Day (with respect to Book-Entry Series CP-3 Notes, a Business Day on which the Securities Depository is scheduled to be open for money market instrument settlement services), (iv) if interest-bearing Series CP-3 Credit Enhanced Notes, shall bear interest from their date, payable at maturity with principal, computed on the basis of actual days elapsed, including the issue date and excluding the maturity date, and a 365 or 366 day year, or otherwise shall be sold at a discount, (v) if Series CP-3 Bank Notes shall be interest bearing, shall bear interest from their date, payable as provided in the Reimbursement Agreement and computed on the basis of actual days elapsed and a 360 day year, (vi) except in the case of the Master Series CP-3 Credit Enhanced Note and the Master Series CP-3 Bank Note, shall be issued in bearer form without coupons, (vii) in the case of Series CP-3 Credit Enhanced Notes, shall be issued in denominations of \$100,000 and in integral multiples of \$1,000 (or such larger multiples in excess of \$1,000 specified in a Certificate of Determination) in excess of such amount, (viii) unless otherwise directed by an Authorized Officer, shall be numbered in such manner as the Issuing and Paying Agent shall determine, (ix) in the case of Series CP-3 Bank Notes, shall be subject to redemption in whole or in part on any date and (x) in the case of Series CP-3 Credit Enhanced Notes, shall be issued on such dates and otherwise have such terms and conditions, all as shall be specified in a Request given to the issuing and Paying Agent pursuant to Section 3.01(c) hereof.

(b) Both principal of and interest on Series CP-3 Notes shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts. Except in the case of Book-Entry Series CP-3 Notes and the Series CP-3 Bank Notes, principal of and interest on Series CP-3 Notes, shall be payable upon presentation and surrender thereof at the Office of the Issuing and Paying Agent.

Section 2.05. Sources of Payment.

(a) The Owners of the Series CP-3 Credit Enhanced Notes shall be entitled to the benefits of the Letter of Credit issued by the Bank in favor of the Issuing and Paying Agent as agent for the Owners from time to time of Series CP-3 Credit Enhanced Notes. The Issuing and Paying Agent is directed in the Issuing and Paying Agency Agreement to make Draws upon

the applicable Letter of Credit to pay the principal of and interest on the Series CP-3 Credit Enhanced Notes, the proceeds of which Draws are to be deposited by the Issuing and Paying Agent in the Series CP-3 Credit Enhanced Notes Fund and applied as provided in Section 2.06 hereof and in the Issuing and Paying Agency Agreement.

(b) The principal of and interest on the Series CP-3 Notes shall be payable solely from (i) the proceeds of Draws under the Letter of Credit in the case of Series CP-3 Credit Enhanced Notes, (ii) the moneys and securities (if any) on deposit in the Series CP-3 Reimbursement Fund, in the case of the Series CP-3 Bank Notes, (iii) the Series CP-3 Bank Parity Debt in the case of the Series CP-3 Bank Notes; (iv) the proceeds of the Series CP-3 Bonds, and (v) the proceeds of notes or other evidences of indebtedness or any other amounts, in each case if and to the extent such amounts may lawfully be used to make such payments; provided, however, that in no event shall such moneys be applied to the payment of the principal of or interest on Series CP-3 Credit Enhanced Notes if moneys in the Series CP-3 Credit Enhanced Notes Fund are available for such purpose or if a Draw is available and may be requested for such purpose.

(c) There are hereby pledged to the payment of the Series CP-3 Notes (i) the proceeds of any renewals of Series CP-3 Credit Enhanced Notes, (ii) the proceeds of the Series CP-3 Bonds and (iii) Draws under the Letter of Credit for the payment thereof; and such pledge has priority over any other pledge thereof created by the Resolution, including Section 501.

Section 2.06. Series CP-3 Credit Enhanced Notes Fund. The Issuing and Paying Agent, as agent for the Owners from time to time of Series CP-3 Credit Enhanced Notes, is directed in the Issuing and Paying Agency Agreement (a) to create and establish, for the sole and exclusive benefit of the Owners from time to time of the Series CP-3 Credit Enhanced Notes, a separate and special purpose trust fund to be designated as the "Metropolitan Transportation Authority Transportation Revenue Series CP-3 Credit Enhanced Notes Fund" (the "Series CP-3 Credit Enhanced Notes Fund"), (b) to request Draws for each payment of principal of and interest on Series CP-3 Credit Enhanced Notes, (c) to deposit in the Series CP-3 Credit Enhanced Notes Fund the proceeds of all Draws under the Letter of Credit, and (d) to apply the moneys on deposit in the Series CP-3 Credit Enhanced Notes Fund solely to the payment of the principal of and interest on the Series CP-3 Credit Enhanced Notes, as the same mature and become due and payable. The Issuing and Paying Agent shall have the sole right of withdrawal over the moneys in the Series CP-3 Credit Enhanced Notes Fund. Moneys in the Series CP-3 Notes Credit Enhanced Fund shall not be invested prior to their application for authorized purposes. To the extent that the Series CP-3 Notes issued and Outstanding at any time consist of more than one subseries as specified in one or more Certificates of Determination, a separate subaccount for each such subseries shall be established in the Series CP-3 Credit Enhanced Notes Fund and amounts in each such subaccount shall be applied only to the subseries of the Series CP-3 Bonds to which such subaccount relates.

Section 2.07. Series CP-3 Reimbursement Fund. There is hereby created and established with the Issuing and Paying Agent a separate and special purpose trust fund for the benefit of the Bank and the Owners to be designated as the "Metropolitan Transportation Authority Transportation Revenue Series CP-3 Reimbursement Fund" (the "Series CP-3 Reimbursement Fund"). Pursuant to Section 3.02 hereof and the Issuing and Paying Agency

Agreement, the Issuer shall deposit to the Series CP-3 Reimbursement Fund those proceeds of Series CP-3 Credit Enhanced Notes which are to be used to reimburse Draws and the Issuer has directed in the Issuing and Paying Agency Agreement that the Issuing and Paying Agent immediately transfer such proceeds to the Bank for application in the manner set forth in the Reimbursement Agreement. To the extent that the Series CP-3 Notes issued and Outstanding at any time consist of more than one subseries as specified in one or more Certificates of Determination, a separate subaccount for each such subseries shall be established in the Series CP-3 Reimbursement Fund and amounts in each such subaccount shall be applied only to the subseries of the Series CP-3 Bonds to which such subaccount relates.

Furthermore, the Issuer may deposit in the Series CP-3 Bank Reimbursement Fund any amounts lawfully available therefore and direct the Issuing and Paying Agent to apply such proceeds or revenues to the payment of the principal of and interest on Series CP-3 Bank Notes or to the reimbursement of any outstanding Draws together with accrued interest thereon.

Anything in this Section 2.07 to the contrary notwithstanding, upon a failure of a Bank to make lawful payment under the applicable Letter of Credit in accordance with the terms of such Letter of Credit, any proceeds of Series CP-3 Credit Enhanced Notes deposited to the Series CP-3 Bank Reimbursement Fund on the day such failure occurs shall be applied to the payment of principal of and accrued interest on Series CP-3 Credit Enhanced Notes maturing on such day (but only to the extent that Series CP-3 Credit Enhanced Notes maturing on such day would have been paid from the proceeds of a Draw on such day) prior to the application of such proceeds to the reimbursement of Draws.

Section 2.08. Forms of Series CP-3 Notes. (a) The Master Series CP-3 Credit Enhanced Note, and the endorsement for authentication to appear thereon, shall be substantially in the form annexed hereto as Exhibit A-1 or such other form as the Issuer may from time to time prescribe in a Certificate of Determination, in each case with such appropriate subseries designations, insertions, omissions, substitutions and other variations as are permitted or required by this Commercial Paper Resolution, and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures or CUSIP) and such legends and endorsements thereon as may, consistent herewith, be approved by an Authorized Officer. The Master Series CP-3 Notes shall not be valid or obligatory for any purpose until countersigned for authentication by the Issuing and Paying Agent.

(b) The Master Series CP-3 Bank Note, and the endorsement for authentication to appear thereon, shall be substantially in the form annexed hereto as Exhibit A-2 or such other form as the Issuer may from time to time prescribe in a Certificate of Determination, in each case with such appropriate subseries designations, insertions, omissions, substitutions and other variations as are permitted or required by this Commercial Paper Resolution, and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures or CUSIP) and such legends and endorsements thereon as may, consistent herewith, be approved by an Authorized Officer. No Master Series CP-3 Bank Note shall be valid or obligatory for any purpose until countersigned for authentication by the Issuing and Paying Agent.

Section 2.09. General Provisions. The provisions of Articles A-III and A-IX of the Resolution regarding, respectively, general terms and provisions of Obligations and Amendments shall apply equally to the Series CP-3 Notes as though set forth in full herein but with each reference to Obligations being a reference to Series CP-3 Notes, except as affected by the terms hereof and the procedures of the Securities Depository.

Section 2.10. Delegation to an Authorized Officer. There is hereby delegated to each Authorized Officer the power and authority, on or prior to the date of the first issuance of Series CP-3 Credit Enhanced Notes, to make such additions, deletions, revisions or other changes in the form of this Commercial Paper Resolution as may be necessary or desirable in connection with obtaining a Letter of Credit securing Series CP-3 Credit Enhanced Notes or a rating with respect to the Series CP-3 Bonds or the Series CP-3 Credit Enhanced Notes, including any change in the aggregate principal amount of Series CP-3 Notes and Series CP-3 Bank Notes authorized to be issued relating to obtaining a rating on the Series CP-3 Credit Enhanced Notes, or in order to cure any ambiguities, inconsistencies or other defects or in order to facilitate the terms and provisions of the tax-exempt commercial paper program on terms acceptable to the Issuing and Paying Agent, any Dealer, any Bank and any securities depository.

Each Authorized Officer is hereby authorized to execute a Certificate of Determination evidencing the determinations made pursuant to this Commercial Paper Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series CP-3 Notes are delivered from time to time, and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series CP-3 Notes by the Trustee. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Commercial Paper Resolution.

ARTICLE III ISSUANCE AND SALE OF SERIES CP-3 NOTES

Section 3.01. Issuance and Sale of Series CP-3 Notes.

(a) The Series CP-3 Credit Enhanced Notes shall be issued by the Issuing and Paying Agent in accordance with the Request to be given pursuant to subsection (c) of this Section.

(b) The issuance of the Series CP-3 Notes is subject to the following conditions and limitations:

(i) Each Series CP-3 Credit Enhanced Note shall mature not later than 270 days from its date of issuance and in no event later than the fifth Business Day prior to the Termination Date. Each CP-3 Bank Note shall be issued in accordance with Section 4.03 hereof.

(ii) The principal amount of Series CP-3 Notes Outstanding at any time shall not exceed the amounts specified in Section 2.01 hereof, Series CP-3 Notes shall bear interest, if interest-bearing, at a rate not in excess of the applicable Maximum Rate and

Series CP-3 Credit Enhanced Notes shall be sold at a discount no greater than 12% of the face amount thereof. For purposes of the foregoing limitations, for any Series-CP-3 Credit Enhanced Notes sold at a discount, the amount of such notes Outstanding shall be calculated based upon their value at maturity.

(iii) The principal amount of any Series CP-3 Credit Enhanced Notes issued on any date, when added to the aggregate principal amount of all other Series CP-3 Credit Enhanced Notes then Outstanding (after taking into account the principal of any Series CP-3 Credit Enhanced Notes paid or to be paid on such date other than pursuant to a Draw), will not exceed the Principal Component of the Stated Amount in effect on such date, and the interest to accrue to maturity on any Series CP-3 Credit Enhanced Notes issued on any date, when added to the aggregate interest accrued and to accrue to maturity on all other Series CP-3 Credit Enhanced Notes then Outstanding (after taking into account the interest on any Series CP-3 Credit Enhanced Notes paid or to be paid on such date other than pursuant to a Draw), will not exceed the Interest Component of the Stated Amount in effect on such date.

(iv) The principal amount of and interest accrued and to accrue to maturity on any Series CP-3 Credit Enhanced Notes issued on any date, when added to the aggregate principal amount of and interest accrued and to accrue to maturity on all other Series CP-3 Notes then Outstanding (after taking into account any Series CP-3 Notes paid or to be paid on such date) plus the amount of Draws then outstanding (after taking into account any Draws paid or to be paid from the proceeds of Series CP-3 Credit Enhanced Notes issued on such date), will not exceed the Stated Amount.

Except as otherwise permitted by the Reimbursement Agreement, no Series CP-3 Credit Enhanced Notes shall be issued, authenticated or delivered if (A) by reason of the independent determination made by the Issuing and Paying Agent in accordance with this Commercial Paper Resolution and the Issuing and Paying Agency Agreement, upon the issuance of such Series CP-3 Credit Enhanced Notes, any of the conditions or limitations contained in clauses (i), (ii), (iii) or (iv) of this subsection (b) shall not be complied with, or (B) the Issuing and Paying Agent shall be in receipt of No-Issuance Instructions, unless and until the Issuing and Paying Agent shall be in receipt of written notice from the Bank of the revocation thereof.

For purposes of the preceding paragraph, any notice received by the Issuing and Paying Agent from the Bank pursuant to the Reimbursement Agreement as to the amount of Draws outstanding and the amount of the Stated Amount, Principal Component and Interest Component then in effect shall be determinative in ascertaining the amount of Series CP-3 Credit Enhanced Notes which may be issued in compliance with the conditions and limitations contained in clause (iv) of this subsection (b).

(c) Except as otherwise provided in a Certificate of Determination, the following provisions shall apply with respect to any Series CP-3 Notes. Prior to the issuance by the Issuing and Paying Agent of any Series CP-3 Credit Enhanced Notes, an Authorized Officer shall give to the Issuing and Paying Agent a request of the Issuer substantially in the form appended hereto as Exhibit B (a "Request") instructing the Issuing and Paying Agent to (A) in the case of Book-Entry Series CP-3 Notes, deliver appropriate issuance instructions to DTC, or

(B) in other cases, complete such Series CP-3 Credit Enhanced Notes in accordance with such Request and authenticate and deliver the same to the purchaser or purchasers therein specified. Each Request shall contain instructions with respect to, and approve on behalf of the Issuer:

- (i) in the case of Book-Entry Series CP-3 Notes, the Securities Depository participant to which such Book-Entry Series CP-3 Notes is to be credited on the books of the Securities Depository,
- (ii) the aggregate principal amount of Series CP-3 Credit Enhanced Notes then to be issued and the denominations in which they are to be issued,
- (iii) the rates of interest, if any, or the initial discounts with respect to such Series CP-3 Credit Enhanced Notes, and
- (iv) the issue dates and maturity dates of such Series CP-3 Credit Enhanced Notes.

Requests shall be given via a time-sharing terminal, if available, otherwise by telephone, or in writing (by facsimile), or by any other communication medium available to both the Issuer and the Issuing and Paying Agent. All oral Requests or Requests given by electronic transmission (other than by a time-sharing terminal or by facsimile) given as herein provided shall be confirmed in writing by an Authorized Officer of the Issuer as promptly as practicable thereafter. Any Request given by a time-sharing terminal shall be given by an Authorized Officer of the Issuer and need not be confirmed in writing, and the giving of such Request by a time-sharing terminal shall be deemed to be a representation by the Issuer as to the matters stated in paragraph (d) below. Written Requests and written confirmations of oral or electronically transmitted Requests shall be substantially in the form of Exhibit B.

(d) Except as otherwise provided in a Certificate of Determination, the following provisions shall apply with respect to any Series CP-3 Notes. Each instruction given by an Authorized Officer pursuant to subsection (c) of this Section 3.01 shall constitute a representation by the Issuer that (i) no Event of Default has occurred and is continuing hereunder, (ii) the Series CP-3 Credit Enhanced Notes are in compliance with the conditions and limitations contained in subsection (b) of this Section 3.01, (iii) the Issuer is not in receipt of a copy of (A) No-Issuance Instructions unless and until the Issuing and Paying Agent shall be in receipt of written notice from the Bank of the rescission thereof or (B) a notice from the Bond Counsel upon whose opinion (as to the validity of the Series CP-3 Credit Enhanced Notes and, if applicable, the exclusion of interest on the Series CP-3 Credit Enhanced Notes from gross income for Federal income tax purposes and the exemption of interest on the Series CP-3 Credit Enhanced Notes from New York income taxation) the Owners of the Series CP-3 Credit Enhanced Notes are then relying, to the effect that such Persons may no longer rely on such opinion, (iv) all action on the part of the Issuer necessary for the valid issuance of the Series CP-3 Credit Enhanced Notes then to be issued has been taken, (v) all provisions of New York and Federal law necessary for the valid issuance of such Series CP-3 Credit Enhanced Notes have been complied with, and (vi) such Series CP-3 Credit Enhanced Notes in the hands of the Owners thereof will be valid and enforceable obligations of the Issuer according to their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws

theretofore or thereafter enacted affecting creditors' rights, and to the application of principles of equity relating to or affecting the enforcement of contractual obligations, whether such enforceability is considered in a proceeding in equity or at law.

(e) Series CP-3 Bank Notes shall be delivered in accordance with the Reimbursement Agreement and the Issuing and Paying Agency Agreement; provided, however, that in no event shall the aggregate principal amount of Series CP-3 Bank Notes at any time outstanding exceed the amount specified in Section 2.01 hereof

Section 3.02. Proceeds of Sale of Series CP-3 Credit Enhanced Notes. The proceeds of the sale of Series CP-3 Credit Enhanced Notes shall be applied as follows:

(i) the proceeds of each issuance of Series CP-3 Credit Enhanced Notes hereunder (A) for the purpose of making payments with respect to other Series CP-3 Credit Enhanced Notes shall be applied to such purpose and (B) for the purpose of making payments with respect to Series CP-3 Bank Notes or of reimbursing Draws in an amount not in excess of the amount of Draws made on the day such proceeds are received by the Issuing and Paying Agent or the amount of outstanding Draws, respectively, shall be deposited to the Series CP-3 Reimbursement Fund and used to make such payments or to reimburse such Draws; and

(ii) the proceeds of each issuance of Series CP-3 Credit Enhanced Notes for any other purpose shall be applied as provided by Certificate of Determination.

ARTICLE IV REIMBURSEMENT AGREEMENT AND SERIES CP-3 NOTES; RELATED PARITY DEBT; ADDITIONAL COVENANTS

Section 4.01. Reimbursement Agreement. Each Authorized Officer is hereby authorized to select one or more Banks and to execute and to deliver one or more Reimbursement Agreements, which shall each constitute a Credit Facility and shall each be substantially in the form entered into by the Issuer in connection with its Transportation Revenue Bonds Anticipation Notes, Series CP-2 Credit Enhanced, with such changes and additions to and omissions as the officer executing such agreement shall approve as necessary or appropriate, such execution and attestation to be conclusive evidence of such approval. In addition, all officers and employees of the Issuer are hereby authorized to carry out or cause to be carried out the obligations of the Issuer under the Reimbursement Agreement.

Section 4.02. Maintenance of Letter of Credit Amount. (a) The Issuer agrees and covenants that at all times it will maintain a Principal Component and an Interest Component under the Letter of Credit which will be available to pay principal of and interest on Series CP-3 Credit Enhanced Notes in amounts at least equal to, respectively, the principal amount of and interest accrued and to accrue on the Outstanding Series CP-3 Credit Enhanced Notes. Notwithstanding the generality of the foregoing, the Interest Component may be based on an assumed rate, which may be less than the Maximum Rate, on the Principal Component for an assumed duration, which may be less than 270 days.

(b) The Issuer covenants that it will not substitute another credit or liquidity support agreement for the Reimbursement Agreement then in effect, nor will it permit or allow the Bank to assign all or any part of its obligation to honor Draws under the Letter of Credit to the extent such assignment is subject to the approval by or consent of the Issuer, unless, in any such case, prior to such substitution or assignment, as the case may be, the Issuer shall have received written evidence from each rating agency then rating the Series CP-3 Credit Enhanced Notes to the effect that such substitution or assignment, as the case may be, will not, by itself, result in a reduction, withdrawal or suspension of such rating agency's ratings of the Series CP-3 Credit Enhanced Notes from those which then prevail; provided, however, that the foregoing provisions shall not apply to any renewal or extension of any Letter of Credit then in effect.

(c) The Issuer covenants that it will not implement any voluntary substitution or assignment to which subsection (b) of this Section applies in a manner that causes any Series CP-3 Credit Enhanced Note to cease to be payable from the Letter of Credit enhancing such Series CP-3 Credit Enhanced Note upon its issuance.

Section 4.03. Security for Draws; Authorization of Parity Debt. To the extent that any payment is made under the Letter of Credit pursuant to a principal draft or an interest draft and such amount remains unpaid at the end of the Business Day on which such payment was made, the repayment thereof to the Bank shall be secured by the delivery by the Issuing and Paying Agent to the Bank, through DTC, as applicable, of Series CP-3 Bank Notes registered in the name of the Bank in substitution for the Series CP-3 Credit Enhanced Notes which were the subject of the related unreimbursed payments. Series CP-3 Bank Notes shall mature not later than the period ending on the 180th day following the Draw as specified in the Reimbursement Agreement (the "Holding Period"), with interest to accrue on the Series CP-3 Bank Notes for such period in accordance with the terms of the Reimbursement Agreement. Series CP-3 Bank Notes may be paid in whole or in part by the Issuer at any time during the Holding Period without premium. If at the end of the Holding Period or at such earlier time as shall be specified in the Certificate of Determination, the Issuer has not paid the Series CP-3 Bank Notes in full or as otherwise expressly provided by the Reimbursement Agreement, the reimbursement obligations under the Reimbursement Agreement shall constitute Parity Debt ("Series CP-3 Bank Parity Debt") to the extent provided in the Reimbursement Agreement; provided, however, that the principal components of such reimbursement obligations shall constitute Parity Debt within the meaning of the Resolution only to the extent such principal components are amortized in no greater amounts than would result from equal principal installments paid over five or more years. Unless as otherwise provided in the Certificate of Determination, any payment obligations under the Reimbursement Agreement other than those identified as Parity Debt or Series CP-3 Bank Notes shall constitute Operating and Maintenance Expenses. Each Authorized Officer is hereby authorized and directed to execute and deliver to the Trustee a certificate designating Series CP-3 Bank Parity Debt as Parity Debt.

Section 4.04. Additional Covenants. The Issuer agrees and covenants that, upon the issuance of any Series CP-3 Notes and for so long as any Series CP-3 Notes are from time to time outstanding:

(i) the Issuer shall pay or cause to be paid amounts with respect to each Series CP-3 Note as such amounts come due from the proceeds of other Series CP-3 Notes or

the proceeds of Series CP-3 Bonds; provided, however, that this provision shall not preclude the Issuer from meeting its payment obligations with respect to any Series CP-3 Note, in its sole discretion, by paying or causing to be paid such amounts from the proceeds of any other Bonds or Parity Debt or from any other legally available source; and

(ii) each Series CP-3 Note and any renewal thereof shall mature within five years of the date of issue of the original Series CP-3 Note or, as applicable, other original note of the Issuer.

ARTICLE V

DEALER AGREEMENTS; ISSUANCE AND PAYING AGENCY AGREEMENT; RESPONSIBILITIES OF ISSUING AND PAYING AGENT

Section 5.01. Dealer Agreements. Each Authorized Officer is hereby authorized to select one or more Dealers and to execute and deliver from time to time one or more Dealer Agreements, which each shall be substantially in the form entered into by the Issuer in connection with its Transportation Revenue Bond Anticipation Notes, Series CP-2 Credit Enhanced, with such changes and additions to and omissions from such draft of such agreement as the officer executing such agreement shall approve as necessary or appropriate, such execution and attestation to be conclusive evidence of such approval. In addition, all officers and employees of the Issuer are authorized to carry out or cause to be carried out the obligations of the Issuer under any Dealer Agreement. The Issuer shall promptly give written notice to the Issuing and Paying Agent of the resignation, removal, or appointment of each Dealer (other than of the appointment of the initial Dealer or Dealers).

Section 5.02. Issuing and Paying Agency Agreement Each Authorized Officer is hereby authorized to execute and deliver one or more Issuing and Paying Agency Agreements, which shall each be substantially in the form entered into by the Issuer in connection with the Transportation Revenue Bond Anticipation Notes, Series CP-2 Credit Enhanced, with such changes and additions to and omissions from such draft of such agreement as the officer executing such agreement shall approve as necessary or appropriate, such execution and attestation to be conclusive evidence of such approval. All of the officers and employees of the Issuer are hereby authorized and directed to carry out or cause to be carried out the obligations of the Issuer under the Issuing and Paying Agency Agreement.

Section 5.03. Issuing and Paying Agent.

(a) The Issuer covenants to maintain and provide an Issuing and Paying Agent at all times while the Series CP-3 Credit Enhanced Notes are Outstanding, which shall be a bank, trust company or national banking association, in each case with trust powers. Should a change in the Issuing and Paying Agent for the Series CP-3 Credit Enhanced Notes occur, the Issuer agrees to promptly cause a notice thereof to be published in a financial newspaper or journal of general circulation in the City of New York, New York; provided, however, that such notice shall not be required to be published, but shall be delivered to the Securities Depository if the Series CP-3 Credit Enhanced Notes are being issued as Book-Entry Series CP-3 Notes at such

time. Such notice shall give the address of the successor Issuing and Paying Agent. A successor Issuing and Paying Agent may be appointed without the consent of the Owners.

(b) The Issuer may remove any Issuing and Paying Agent by giving not less than ten days' advance written notice to the Issuing and Paying Agent, the Dealer and the Bank. A successor Issuing and Paying Agent shall be appointed by the Issuer. The Issuer shall give written notice of such appointment to the Dealer and the Bank.

(c) The Issuing and Paying Agent may resign at any time by giving written notice of such resignation to the Issuer, the Dealer and the Bank specifying the date as of which the Issuing and Paying Agent proposes that the same shall become effective, which date shall be not less than 60 days after the date of such notice. A successor Issuing and Paying Agent shall be appointed by the Issuer. The Issuer shall give written notice of such appointment to the Dealer and the Bank.

(d) During any period when the Series CP-3 Credit Enhanced Notes do not constitute Book-Entry Series CP-3 Notes, then notwithstanding subsections (b) and (c) above, no such removal or resignation shall be effective, and any Issuing and Paying Agency Agreement in effect at the time of the effective date of any such removal or resignation shall remain in full force and effect, with respect to any Series CP-3 Credit Enhanced Notes Outstanding on such effective date until such Series CP-3 Credit Enhanced Notes have been paid in full. On the effective date of any such removal or resignation, the Issuing and Paying Agent shall deliver to the Issuer all cancelled or unissued Series CP-3 Credit Enhanced Notes then held by the Issuing and Paying Agent for disposition in accordance with this Commercial Paper Resolution. When all Outstanding Series CP-3 Credit Enhanced Notes have been paid in full after any such removal or resignation, the Issuing and Paying Agent shall transfer the funds then held by it to a successor Issuing and Paying Agent in accordance with the written instructions of the Issuer.

(e) The Issuer and the Issuing and Paying Agent may treat the Holder of Series CP-3 Credit Enhanced Notes as the absolute owner of any Series CP-3 Credit Enhanced Notes for the purpose of receiving payment thereof and for all other purposes, and the Issuer and the Issuing and Paying Agent shall not be affected by any notice or knowledge to the contrary.

Section 5.04. Responsibilities of the Issuing and Paying Agent With Respect to the Reimbursement Agreement and the Letter of Credit.

(a) Not later than the time specified in the Letter of Credit for the submission of demands to be made thereunder on the same day upon which any principal of or interest on Outstanding Series CP-3 Credit Enhanced Notes is due and payable, the Issuing and Paying Agent shall submit a demand for payment under the Letter of Credit in the manner provided therein in an amount equal to the principal of and interest on any Outstanding Series CP-3 Credit Enhanced Notes due and payable on such date. The Issuing and Paying Agent shall deposit the proceeds of any Draw to the Series CP-3 Credit Enhanced Notes Fund, and apply such proceeds to the payment of principal of and interest on Series CP-3 Credit Enhanced Notes becoming due and payable on the date of such Draw.

(b) The Issuing and Paying Agent shall timely prepare and present to the Bank all certificates, notices and other documents required by the terms of the Issuing and Paying Agency Agreement and the Letter of Credit to effect Draws under the Letter of Credit.

(c) The Issuing and Paying Agent shall accept, and shall be deemed to have knowledge of the contents all notices, advices and confirmations furnished by the Bank to the Issuing and Paying Agent pursuant to the Issuing and Paying Agency Agreement and the Letter of Credit, and shall be deemed to have knowledge of the contents of all other notices, advices and confirmations furnished by the Issuing and Paying Agent and the Bank, pursuant to the Reimbursement Agreement and actually received by the Issuing and Paying Agent (including any No-Issuance Instructions and any notice as to principal amount of Draws outstanding and the amount of the Stated Amount).

(d) Prior to issuing any Series CP-3 Credit Enhanced Notes, the Issuing and Paying Agent shall independently determine whether, upon the issuance of such Series CP-3 Credit Enhanced Notes, any of the conditions or limitations contained in clauses (i), (ii), (iii) and (iv) of Section 3.01(b) hereof would not be complied with; and (1) if any such limitations would not then be complied with, (2) if the Issuing and Paying Agent shall be in receipt of No-Issuance Instructions unless and until the Issuing and Paying Agent shall be in receipt of written notice of the revocation thereof the Issuing and Paying Agent shall not issue such Series CP-3 Credit Enhanced Notes. For purposes of the preceding sentence, the Issuing and Paying Agent may rely upon the notices referred to in Section 5.04(c) hereof, and any notice received by the Issuing and Paying Agent from the Bank pursuant to the Reimbursement Agreement as to the principal amount of Draws outstanding and the aggregate Stated Amount, Principal Component and Interest Component shall be determinative in ascertaining the amount of Series CP-3 Credit Enhanced Notes which may be issued in compliance with the conditions and limitations contained in clause (iv) of Section 3.01(b) hereof. The Issuing and Paying Agent shall request confirmations from the Bank of the principal amount of Draws outstanding and aggregate Stated Amount, Principal Component and Interest Component from time to time and in sufficient time to permit it to determine whether the conditions and limitations contained in clause (iv) of Section 3.01(b) hereof have been complied with in connection with each issuance of Series CP-3 Credit Enhanced Notes.

(e) Notwithstanding any other provision of this Commercial Paper Resolution, the Issuing and Paying Agent shall not draw upon the Letter of Credit with respect to any payment of principal of or interest on any Series CP-3 Credit Enhanced Notes which are, to the knowledge of the Issuing and Paying Agent, registered in the name of the Issuer, the Transit Authority, MaBSTOA, MTA Bus Company, LIRR or the MNCRC or held for its account.

(f) Upon the resignation or removal of the Issuing and Paying Agent and the appointment of a successor Issuing and Paying Agent pursuant to the Commercial Paper Resolution, the Issuing and Paying Agent and the successor Issuing and Paying Agent shall prepare and present to the Bank the Instructions to Transfer, or otherwise take all action necessary, to effect the transfer of the Letter of Credit to the successor Issuing and Paying Agent.

ARTICLE VI MISCELLANEOUS

Section 6.01. Tax Covenants Relating to the Series CP-3 Notes. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series CP-3 Notes issued as tax-exempt obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of the "Arbitrage, and Use of Proceeds Certificate" to be executed by the Issuer in connection with the execution and delivery of the Series CP-3 Notes, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Series CP-3 Notes, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Series CP-3 Notes or the Trustee acting on their behalf), nor the Trustee acting on their behalf shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Series CP-3 Notes, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as taxable obligations.

Section 6.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or use to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series CP-3 Notes issued as tax-exempt obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series CP-3 Notes issued as tax-exempt obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series CP-3 Notes issued as tax-exempt obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 6.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series CP-3 Notes issued as tax-exempt obligations in determining gross income for Federal income tax purposes.

Section 6.03. Additional Actions. The Authorized Officers and the other officers and employees of the Issuer are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem

necessary or advisable in order to consummate the issuance, sale and delivery of the Series CP-3 Notes and otherwise to effectuate the purposes of this Commercial Paper Resolution, the Reimbursement Agreement, the Dealer Agreement and the Issuing and Paying Agency Agreement.

Section 6.04. Termination of Notes Program. If, as verified by independent determination of the Issuing and Paying Agent, all of the Series CP-3 Notes shall no longer be Outstanding, and if all Draws and all other sums payable under the Reimbursement Agreement shall have been paid in full, and if the Issuer shall have advised the Issuing and Paying Agent that no additional Series CP-3 Notes are to be issued, authenticated and delivered under this Commercial Paper Resolution, and if the Issuing and Paying Agent shall have surrendered the Letter of Credit to the Bank for cancellation, all balances remaining in the funds and accounts established or provided for pursuant hereto shall be transferred to such other funds and/or accounts as an Authorized Officer may determine.

Section 6.05. Responsibilities of the Issuer With Respect to Rating Agencies. The Issuer shall give each rating agency then rating the Series CP-3 Credit Enhanced Notes at the request of the Issuer advance notice in writing of any (i) change of Dealer, (ii) change of Issuing and Paying Agent, (iii) expiration, termination or substitution of the Letter of Credit, and (iv) amendment or material change to this Commercial Paper Resolution, the Letter of Credit, the Issuing and Paying Agency Agreement and the Dealer Agreement. Such notices shall be sent to the respective addresses provided to the Issuer by such rating agencies from time to time.

FORM OF MASTER SERIES CP-3 CREDIT ENHANCED NOTE:

MUNICIPAL COMMERCIAL PAPER - TECP MASTER BANK NOTE

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is, requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

(Date of Issuance)

METROPOLITAN TRANSPORTATION AUTHORITY ("Issuer"), for value received, hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company, or to registered assigns all in accordance with the Issuer Authorizing Documents (as hereinafter defined): (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of Issuer (the "Underlying Records") as being evidenced by this Master Note, which Underlying Records are maintained by The Bank of New York Mellon ("Paying Agent"); (ii) interest on the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made solely from the sources stated on the Underlying Records, in accordance with the Issuer Authorizing Documents (as hereinafter defined), by wire transfer to the registered owner from Paying Agent without the necessity of presentation and surrender of this Master Note.

This Master Note evidences the obligation of the Issuer to pay the principal of and interest on, and only on, the Book-Entry Series CP-3 Notes referred to in the Series CP-3 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution adopted by the Issuer on July 28, 2010 (the "Series CP-3 Notes Resolution"), and is issued under the authority of and in full compliance with the General Resolution Authorizing Transportation Revenue Obligations of the Issuer adopted on March 26, 2002, as amended and supplemented, including as supplemented by the Series CP-3 Notes Resolution (the "Resolution"), the Constitution and statutes of the State of New York. Reference is hereby made to the Series CP-3 Notes Resolution and the other Issuer Authorizing Documents for definitions of terms used and not otherwise defined herein, and to all of the provisions of which (including provisions for issuance of obligations on a parity of security herewith) the Holder by acceptance of this Master Note hereby assents. This Master Note is also issued in accordance with the terms of the Issuing and Paying Agency Agreement dated as of July ____, 2010 between the Issuer and

The Bank of New York Mellon (the "Issuing and Paying Agency Agreement"; the Issuing and Paying Agency Agreement and the Resolution are collectively referred to as the "Issuer Authorizing Documents").

The Book-Entry Series CP-3 Notes (and, accordingly, this Master Note) are not debts of the State of New York or The City of New York (neither of which is liable hereon) and constitute special obligations of the Issuer payable as to principal and interest from the proceeds, moneys and securities more fully described and to the extent provided in the Series CP-3 Notes Resolution.

At the request of the registered owner, Issuer shall promptly issue and deliver one or more separate note certificates evidencing each obligation evidenced by this Master Note. As of the date any such note certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Master Note.

This Master Note is a valid and binding special obligation of Issuer.

Not Valid Unless Countersigned for Authentication by Paying Agent.

The Bank of New York Mellon
(Paying Agent)

Metropolitan Transportation Authority
(Issuer)

By: _____
(Authorized Countersignature)

By: _____
(Authorized Signature)

[SEAL]

Attest: _____
(Authorized Signature)

FORM OF MASTER SERIES CP-3 BANK NOTE:

MUNICIPAL COMMERCIAL PAPER TECP MASTER BANK NOTE

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

(Date of Issuance)

METROPOLITAN TRANSPORTATION AUTHORITY ("Issuer"), for value received, hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company, or to registered assigns all in accordance with the Issuer Authorizing Documents (as hereinafter defined): (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of Issuer (the "Underlying Records") as being evidenced by this Master Note, which Underlying Records are maintained by The Bank of New York Mellon ("Paying Agent"); (ii) interest on the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made solely from the sources stated on the Underlying Records, in accordance with the Issuer Authorizing Documents, by wire transfer to the registered owner from Paying Agent without the necessity of presentation and surrender of this Master Note.

This Master Note evidences the obligation of the Issuer to pay the principal of and interest on, and only on, the Book-Entry Series CP-3 Bank Notes referred to in the Series CP-3 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution adopted by the Issuer on July 28, 2010 (the "Series CP-3 Notes Resolution"), and is issued under the authority of and in full compliance with the General Resolution Authorizing Transportation Revenue Obligations of the Issuer adopted on March 26, 2002, as amended and supplemented, including as supplemented by the Series CP-3 Notes Resolution (the "Resolution"), the Constitution and statutes of the State of New York. Reference is hereby made to the Series CP-3- Notes Resolution and the other Issuer Authorizing Documents for definitions of terms used and not otherwise defined herein, and to all of the provisions of which (including provisions for issuance of obligations on a parity of security herewith) the Holder by acceptance of this Master Note hereby assents. This Master Note is also issued in accordance with the terms of the Issuing and Paying Agency Agreement dated as of July __, 2010 between the Issuer and

The Bank of New York Mellon (the "Issuing and Paying Agency Agreement"; the Issuing and Paying Agency Agreement and the Resolution are collectively referred to as the "Issuer Authorizing Documents").

The Book-Entry Series CP-3 Bank Notes (and, accordingly, this Master Note) are not debts of the State of New York or The City of New York (neither of which is liable hereon) and constitute special obligations of the Issuer payable as to principal and interest from the proceeds, moneys and securities more fully described and to the extent provided in the Series CP-3 Notes Resolution.

The Series CP-3 Bank Notes are subject to redemption in whole or in part on any date, at the option of the Issuer, at a redemption price equal to the principal amount thereof plus interest accrued to the date of redemption.

At the request of the registered owner, Issuer shall promptly issue and deliver one or more separate note certificates evidencing each obligation evidenced by this Master Note. As of the date any such note certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Master Note.

This Master Note is a valid and binding special obligation of Issuer.

Not Valid Unless Countersigned for Authentication by Paying Agent.

The Bank of New York Mellon
(Paying Agent)

Metropolitan Transportation Authority
(Issuer)

By: _____
(Authorized Countersignature)

By: _____
(Authorized Signature)

[SEAL]

Attest: _____
(Authorized Signature)

FORM OF REQUEST

Metropolitan Transportation Authority
Request pursuant to Section 3.01 of the
Series CP-3 Notes Resolution referred to herein

No. _____

1. Metropolitan Transportation Authority ("the Issuer") hereby [instructs] [confirms that it has today instructed] The Bank of New York Mellon, as Issuing and Paying Agent under Series CP-3 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution adopted on July 28, 2010 (the "Series CP-3 Notes Resolution"), to [give issuance instructions to DTC to credit on its books to the DTC participants described in Schedule A hereto] [issue and deliver to the Dealer] the Series CP-3 Notes described in Schedule A hereto (the "Series CP-3 Notes") in such principal amounts, having such issue dates, bearing interest at such rates and maturing on such dates as are set forth in such Schedule A.

2. This Request constitutes a representation as set forth in Section 3.01(d) of the Series CP-3 Notes Resolution.

3. Unless otherwise defined herein, the terms used in this Request have the respective meanings given to such terms in the Series CP-3 Notes Resolution.

IN WITNESS WHEREOF the undersigned has hereunto set his/her hand this _____ day of _____, _____.

METROPOLITAN TRANSPORTATION AUTHORITY

By _____
(Authorized Officer)

SCHEDULE A

Terms of Series CP-3 Notes

Note Number	DTC Participant	Principal Amount	Date of Issuance	Interest Rate (if any)	Discount (if any)	Maturity Date

METROPOLITAN TRANSPORTATION AUTHORITY

**SERIES CP-3
TRANSPORTATION REVENUE BOND
SUPPLEMENTAL RESOLUTION**

Adopted July 24, 2013

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**SERIES CP-3
TRANSPORTATION REVENUE BOND
SUPPLEMENTAL RESOLUTION**

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

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

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

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Series CP-3 Transportation Revenue Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

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

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

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

"Commercial Paper Resolution" means the Series CP-3 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution adopted by the Authority on July 24, 2013.

"Series CP-3 Bonds" shall mean the Transportation Revenue Bonds, Series CP-3, authorized by Article II of this Supplemental Resolution.

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

ARTICLE II

AUTHORIZATION OF SERIES CP-3 BONDS

Section 2.01. Authorized Principal Amount, Designation and Series. Pursuant to the provisions of the Resolution, a Series of Transportation Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series CP-3 Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any original issue discount (exclusive of any premium) and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay capitalized interest or to pay any Costs of Issuance of the Series CP-3 Bonds payable from such Proceeds Account) shall not exceed \$358,750,000 (plus such amount as is necessary to pay interest accrued and to accrue on all Series CP-3 Notes and Series CP-3 Bank Parity Debt to their stated maturity dates) or such lesser amount as shall be specified in the Certificate of Determination or such greater amount as is necessary to reflect any increase in the aggregate principal amount of Series CP-3 Notes and Series CP-3 Bank Notes (each as defined in the Commercial Paper Resolution) made pursuant to Section 2.10 of the Commercial Paper Resolution (such amount is hereinafter referred to as the "Series CP-3 Net Proceeds"). Such Series CP-3 Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title set forth in the related Certificate of Determination. All or any portion of the Series CP-3 Bonds may be combined with any other Series of Transportation Revenue Obligations now or hereafter authorized to be issued by the Issuer.

Section 2.02. Purposes. The purposes for which the Series CP-3 Bonds are issued shall be set forth in one or more Certificates of Determination and may include the payment of all or any part of the Capital Costs, directly by reimbursement or through the payment of the principal amount and interest accrued or to accrue on outstanding Series CP-3 Notes or through the reimbursement of amounts drawn under the Letter of Credit for such purpose and principal and interest accrued and to accrue on Series CP-3 Bank Parity Debt, all to the extent and in the manner provided in this Supplemental Resolution.

Section 2.03. Dates, Maturities, Principal Amounts and Interest. The Series CP-3 Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination and shall bear interest from such date or dates. The Series CP-3 Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, or in the manner determined in the related Certificate of Determination.

Section 2.04. Interest Payments. The Series CP-3 Bonds shall bear interest from their date or dates and payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series CP-3 Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

Section 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series CP-3 Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof

The Series CP-3 Bonds shall be lettered as provided in the related Certificate of Determination, and shall be numbered from one consecutively upwards.

Section 2.06. Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series CP-3 Bonds shall be payable to the registered owner of each Series CP-3 Bond when due upon presentation of such Series CP-3 Bond at the principal corporate trust office of The Bank of New York Mellon, New York, New York. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series CP-3 Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series CP-3 Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07. Sinking Fund Installments. The Series CP-3 Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption in part, by lot, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series CP-3 Bonds.

Section 2.08. Redemption Prices and Terms. The Series CP-3 Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date.

Section 2.09. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series CP-3 Bonds:

(a) to determine the amount of the Series CP-3 Net Proceeds and the amount of the proceeds of the Series CP-3 Bonds estimated to be necessary to pay the Costs of Issuance of the Series CP-3 Bonds;

(b) to determine the principal amounts of the Series CP-3 Bonds to be issued for each of the purposes set forth in Section 2.02 of this Supplemental Resolution, and whether such principal amounts constitute a separate Series or a subseries of Series CP-3 Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values or Appreciated Values, if applicable;

(c) to determine the purpose or purposes for which the Series CP-3 Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(d) to determine the amount of the Series CP-3 Net Proceeds to be invested in Authorized Investments or Defeasance Securities for the purposes described in Section 3.01 of this Supplemental Resolution and the maturities or portions thereof which are to be refunded with proceeds of the Series CP-3 Bonds;

(e) to determine the maturity date and principal amount of each maturity of the Series CP-3 Bonds and the amount and due date of each Sinking Fund Installment, if any;

(f) to determine the date or dates which the Series CP-3 Bonds shall be dated and the interest rate or rates of the Series CP-3 Bonds or the manner of determining such interest rate or rates; provided, however, that any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(g) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series CP-3 Bonds; provided, however, that if the Series CP-3 Bonds are to be redeemable at the election of the Issuer, the Redemption Price shall not be greater than one hundred three percent (103%) of the principal amount of the Series CP-3 Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(h) if applicable, to determine the purchase price for the Series CP-3 Bonds to be paid by the purchasers referred to in the Purchase Agreement described in Section 2.10 of this Supplemental Resolution which may include such original issue

discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Series CP-1 Bonds;

(i) to take all actions required for the Series CP-3 Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series CP-3 Bonds issuable in fully registered form;

(j) to determine whether to issue all or any portion of the Series CP-3 Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, market agents, auction agents, dealers or any other agents or parties to ancillary arrangements and the terms of any such arrangements, (iii) the manner of determining specified matters relating to the defeasance of such Obligations and (iv) the methods for determining the accrual of Debt Service;

(k) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series CP-3 Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series CP-3 Bonds, and to make any changes in connection therewith;

(l) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in connection with obtaining a Credit Facility securing the Series CP-3 Credit Enhanced Notes or a rating with respect to the Series CP-3 Bonds or the Series CP-3 Credit Enhanced Notes or in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine such other matters specified in or permitted by (i) Section A-201 of the Resolution or (ii) this Supplemental Resolution.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to subsection 1 of this Section 2.09

and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series CP-3 Bonds are delivered from time to time, and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series CP-3 Bonds by the Trustee. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise authority delegated hereunder from time to time following issuance of any Series CP-3 Bonds, as appropriate, in order to change interest rate modes, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation.

Section 2.10. Sale or Exchange of Series CP-3 Bonds. Each Authorized Officer is hereby authorized to sell and award the Series CP-3 Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form of the Purchase Agreement executed by the Issuer in connection with the Transportation Revenue Bonds, Series 2013D, with such revisions to reflect the terms and provisions of the Series CP-3 Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering memorandum, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement or exchange of the Series CP-3 Bonds, in substantially the form of the Official Statement of the Issuer dated July 2, 2013 relating to the Issuer's Transportation Revenue Bonds, Series 2013D, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement (including a final Official Statement if no Preliminary Official Statement is delivered), together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Series CP-3 Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

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

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Series CP-3 Bonds under the terms of the related Purchase Agreement may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series CP-3 Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute and deliver any and all documents and instruments (including any remarketing agreements, dealer agreements, broker-dealer agreements, market agreements, auction agency agreements or reimbursement agreements deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement, each Continuing Disclosure Agreement, the terms of any Credit Facility, and the issuance, sale and delivery of each issue of the Series CP-3 Bonds and for implementing the terms of each issue of the Series CP-3 Bonds and the transactions contemplated hereby or thereby.

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

Section 2.11. Forms of Series CP-3 Bonds and Trustee's Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Series CP-3 Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

Section 2.12. Appointment of Trustee and Paying Agent. Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon shall be the Trustee under the Resolution and the Paying Agent for the Series CP-3 Bonds.

ARTICLE III

DISPOSITION OF SERIES CP-3 BOND PROCEEDS

Section 3.01. Disposition of Series CP-3 Bond Proceeds. Any proceeds of the sale of the Series CP-3 Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Series CP-3 Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is hereby

established in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the payment of all or any part of the Capital Costs, including through the payment of the principal amount and interest accrued or accruing on outstanding Series CP-3 Notes or through the reimbursement of amounts drawn under the Letter of Credit for such purpose and the payment of the principal and interest accrued and to accrue on Series CP-3 Bank Parity Debt; and

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

The accrued interest, if any, received on the sale of the Series CP-3 Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANTS AND DEFEASANCE

Section 4.01. Tax Covenants Relating to the Series CP-3 Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series CP-3 Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" to be executed by the Issuer in connection with the execution and delivery of any Series CP-3 Bonds issued as Tax-Exempt Obligations, as amended from time to time.

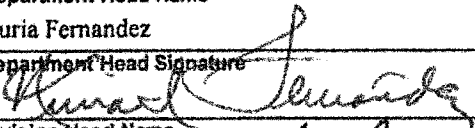
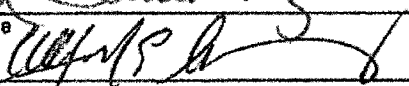
Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Series CP-3 Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Series CP-3 Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section, shall not apply to any Series CP-3 Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

Section 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series CP-3 Bonds issued as





Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series CP-3 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series CP-3 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series CP-3 Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

Staff Summary

Subject Request for Authorization to Award Various Procurements
Department Executive
Department Head Name Nuria Fernandez
Department Head Signature 
Division Head Name Clifford Shockley 

Date July 12, 2013
Vendor Name Various
Contract Number Various
Contract Manager Name Various
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	7/22/13			
2	Board	7/24/13			

Internal Approvals			
Order	Approval	Order	Approval
1	Procurement 	3	COO 
2	Legal 	4	CFO 

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 Services Contracts

	6	\$1,027,700.00
SUBTOTAL	6	\$1,027,700.00

MTAHQ presents the following procurement actions for Ratification:

Schedule D: Ratification of Completed Procurement Actions (Schedules A-C)

	1	\$ 21,000.00
TOTAL	7	\$1,048,700.00

BUDGET IMPACT: The purchases/contracts will result in obligating MTAHQ operating and capital funds in the amount listed. Funds are available in the current MTAHQ operating/capital budgets for this purpose.

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

BOARD RESOLUTION

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, 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, JULY 2013
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. EB Jacobs, LLC \$98,200
Promotional Examinations for MTA (not-to-exceed)
Police Sergeants and Lieutenants
Contract No. 13033-0100
Competitively negotiated – 5 proposals – 24 months
Vendor to develop, supply, deliver, administer and score promotional examinations for police officers eligible for promotion to the ranks of Sergeants and Lieutenants in the MTA Police Department. The cost of \$88,700 for the foregoing services is \$1,443.13 lower than the previous contract cost of \$90,143.13. The not-to-exceed amount of \$98,200 includes an option to conduct job analyses in the amount of \$9,500. Based on the above, the total amount of \$98,200 is deemed reasonable.

- 2-6. AFT Projects at NYCT and MNR stations – AFT to provide technical design, fabrication, crating, storage, deliver and oversight of installation of materials at the five stations specified below.
Competitively negotiated – 214 proposals – 24 months Pelham Line
Soonae Tark, Buhre Avenue Station (\$189,500);
James Arredondo, Zerega Avenue Station (\$190,000)

Competitively negotiated – 120 proposals – 24 months Pelham Line
SLO, Inc. (Amanda Schachter & Alexander Levi), Middletown Road Station (\$190,000);
Priscila De Carvelho, Castle Hill Avenue Station, (\$190,000)

Competitively negotiated – 115 proposals – 24 months, MNR New Haven Line, Kim Cridler,
MNR, Mamaroneck Station (\$170,000)

LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 2013
PROCUREMENTS FOR RATIFICATION

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Two-Thirds Vote:

D. Ratifications (Involving Schedules A-C)

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

- | | | |
|----|--|-----------------|
| 1. | Shallow Creek Kennels | \$21,000 |
| | Acquisition of Police Dogs for MTA Police | (Total) |
| | Department K-9 Unit | |
| | Contract No. 10106-0600 | |

Non-competitive

Board ratification is requested for an award made for the acquisition of three (3) untrained dogs (two German Shepherd and one Belgian Malinois). These three additional canines have replaced dogs that have been retired due to age and health issues. The immediate acquisition of these dogs was necessary in order for the canines to be acquired and trained in a timely fashion and then put on active duty to maintain the level of security that is provided by the MTA PD Canine Unit. Failure to train the K-9 teams (handler and canine) in a timely manner would necessitate waiting until September of 2013 for the next training session, which would reduce the security coverage provided by the canine units.

Prior to MTAPD-Canine Unit's purchase of canines, the dogs must undergo long and rigorous testing and evaluation to ensure that they would meet the requirements and be appropriate to perform patrols in the MTA's environment. In light of the long evaluation process required, the purchase of these dogs had to be expedited to take advantage of the training session that was held in March 2013. The acquisition of these three dogs will bring the total number of deployed canine teams to forty six (46). The MTA currently has five competitively-negotiated, Board-approved purchase contracts for the acquisition of canines. However, none of these vendors were able to meet the Police Department's requirements for canines in a timely manner, which was mainly due to the unavailability of canines. (Canines are a highly sort after commodity by private companies and all levels of local, state and federal governments). Shallow Creek Kennels, had canines available for testing and purchasing. The PD was successful in testing canines and was able to acquire three canines from this vendor at a unit cost of \$7,000.00. Under the five current competitively awarded contracts for canines, the costs range from a low of \$6,000.00 to a high of \$7,800.00. The unit cost of \$7,000.00 obligated herein falls within this range. In addition the unit cost of \$7,000.00 is the same cost that Shallow Creek Kennels charges other law enforcement agencies. Based on the above, the unit price of \$7,000.00 for this contract is deemed reasonable.

JULY 2013
MTA REAL ESTATE
LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ACTION ITEMS

MTA NEW YORK CITY TRANSIT

Lease with Deck 18-6309, LLC for a restaurant at 6309-6311 18th Avenue, Brooklyn, NY
Temporary permit to stage NYCT construction on 239th St Realty Corp property, Bronx, NY

Temporary permit to stage NYCT construction on property at 239th Street, Bronx, NY

Release of 19 East Houston Street (Block 511, Lot 19), New York, NY from master lease with City of New York

Short-term lease at One Pierrepont Plaza, Brooklyn to address emergency Sandy-related needs of NYCT Capital Program Management

MTA METRO-NORTH RAILROAD

Lease with The Steam Company dba The Beverage Bar for Retail Space NEA-1 at Grand Central Terminal

Lease with A Ceriello Corp dba Ceriello Fine Foods for Retail Space MKT-08,09,10,11 at Grand Central Terminal

Lease with Café Grumpy Holdings LLC dba Café Grumpy ("Café Grumpy") for Retail Space MC-72 at Grand Central Terminal

Lease with Westchester Consumer Empowerment Center for retail concession at Mount Vernon East Station

Lease with Whitehall Café, Inc. for coffee concession at North White Plains Station

License agreement with AJ Taxi Service for 5 taxi parking spaces at Metro-North's Beacon Station

License agreement with Perfect Car & Limo Service for 2 taxi parking spaces at Metro-North's Yonkers Station

License agreement with Manor Car Service, Inc. for 3 taxi parking spaces at Metro-North's Pelham Station

License agreement with 83 Calvert Realty for use of property along Metro-North's New Haven Line in Harrison, NY

License agreement with New York State Office of Parks and Historic Preservation for use of property along Metro-North's Hudson Line in the Bronx, NY

MTA LONG ISLAND RAIL ROAD

License Agreement with NGK Realty Inc., d/b/a K.E.D. Food Service Corporation for access and parking, Lynbrook, New York

Acquisition of 40-36 Main Street, Flushing, Queens, Block 5037, Lot 57, New York

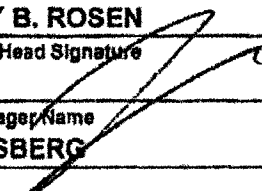
METROPOLITAN TRANSPORTATION AUTHORITY

Revocable Consent Agreement with the City of New York Department of Transportation for the installation and maintenance of security bollards at Grand Central Terminal

Lease with Salmar Properties, LLC for warehouse space faculty at 850 Third Avenue Brooklyn, NY

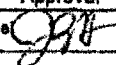
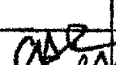

Permit with the State University of New York for Chairman's Safety Award

Staff Summary

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name IAN SALSBERG

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

AGENCY: MTA New York City Transit ("NYCT")
 LESSEE: Deck 18-6309, LLC ("Deck")
 LOCATION: 6309-6311 18th Avenue, Brooklyn, NY
 ACTIVITY: Operation of a "Dunkin Donuts" franchise
 ACTION REQUESTED: Approval of terms
 TERM: Ten years
 SPACE: Approximately 1,590 square feet

COMPENSATION:	Year	Annual	Monthly	% Increase	Per Sq. Ft.
	1	\$42,000.00	\$3,500.00	N/A	\$26.42
	2	\$42,000.00	\$3,500.00	0%	\$26.42
	3	\$42,000.00	\$3,500.00	0%	\$26.42
	4	\$42,000.00	\$3,500.00	0%	\$26.42
	5	\$42,000.00	\$3,500.00	0%	\$26.42
	6	\$48,300.00	\$4,025.00	15%	\$30.38
	7	\$48,300.00	\$4,025.00	0%	\$30.38
	8	\$48,300.00	\$4,025.00	0%	\$30.38
	9	\$48,300.00	\$4,025.00	0%	\$30.38
	10	\$48,300.00	\$4,025.00	0%	\$30.38

COMMENTS:

This street-level location adjacent to the 18th Avenue Station entrance on NYCT's Sea Beach Line was recently offered via a request for proposals ("RFP"). Deck, the incumbent, was the sole respondent despite initial interest from other prospective tenants. Deck proposes to continue to operate a "Dunkin Donuts" franchise in the subject space. The rent proposed (calculated on a present value basis using a discount rate of 9%) is \$285,486.06. Such rent approximates the fair market rental value of between \$43,725 - \$45,315 per annum for the space, as estimated by MTA Real Estate's independent consultant and is 20% more than the current compensation.

Staff Summary

FINANCE COMMITTEE MEETING
Deck 18-6309, LLC (Cont'd.)

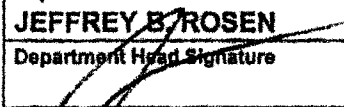


Page 2 of 2

Deck has occupied this location for the past ten plus years and is considered to be in good standing, having paid rent promptly and maintained the space satisfactorily.

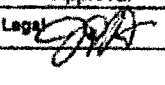
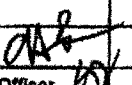

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease with Deck on the above-described terms and conditions.

Staff Summary

Subject ACCESS PERMIT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name FRANK PHILLIPS

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

AGENCY: MTA New York City Transit ("NYCT")
 PERMITTOR: 239th Street Realty Corp.
 LOCATION: 4600 White Plains Road (Block 5087, lot 40), Bronx, NY
 ACTIVITY: Construction staging for overhead track work
 ACTION REQUESTED: Approval of terms
 TERM: 16 consecutive days
 SPACE: Portion of lot 40 - approximately 2,400 sq. ft (the "Property")
 COMPENSATION: \$27,429 (\$12,000 per week, prorated)

COMMENTS:

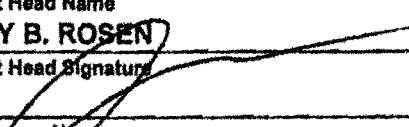
Between midnight Friday, August 2 and Sunday, August 18, 2013, NYCT Track Construction will replace 5 elevated switches and 11 track panels between the Nereid Avenue and Wakefield/241st Street Stations on NYCT's White Plains Road Line (the "Work"). Due to the nature of the Work and the physical location and type of switches that will be changed, such stations will be totally shut down during this period.

To insure that the Work is completed on time, cost effectively, and without a Con Edison power shutdown (estimated to cost NYCT \$1 million), MTA Real Estate surveyed the neighborhood and located the Property to use as a staging area which will provide sufficient clearance through the electric wires to allow track construction crews safe access to overhead tracks without the necessity of a Con Edison power shutdown. The Property is also large enough to accommodate breakdown and reassembly of 39' long track panels and 27' wide switch panels, allowing these panels to be readied for installation in much less time and at much lower cost than were they to be assembled elsewhere and transported to the tracks. Additionally, without the availability of the Property, the Work for this stretch of the White Plains Road Line could have taken up to a year with periodic service outages and disruptions to businesses along White Plains Road.

The compensation negotiated with the owner of the Property is small relative to the significant savings in time, money, and reduced impact to the neighborhood that will be realized by virtue of the permit.


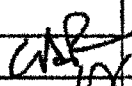

Based on the foregoing, MTA Real Estate requests authorization to enter into an access agreement with 239th Street Realty Corp. on the above-described term and conditions.

Staff Summary

Subject PROPERTY DISPOSITION
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name JOSEPH C. CHAN

Date July 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	0724/13	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: The City of New York (the "City")

LOCATION: 19 East Houston Street (Block 511, Lot 19), New York, NY (the "Property")

ACTIVITY: Release of property from master lease

ACTION REQUESTED: Approval of terms

COMPENSATION: Contribution of \$25,825,000 to MTA's 2010-2014 capital program

SUMMARY:

The Property is an approximately 6,190 square foot paved lot located in the historic SoHo Cast Iron District between Crosby Street and Broadway. Currently, the Property is used by the NYCT's Emergency Response Unit for parking of emergency response vehicles (the "NYCT Equipment"). A portion of the Property contains ventilation shafts and an entrance for the subway below. The Property was acquired by the City of New York in the mid-1980's and thereupon incorporated into the 1953 master lease between the City and NYCT (as amended, the "Master Lease"). At the time of the City's acquisition of the Property, the MTA reimbursed the City for the acquisition cost of \$300,000.

The Master Lease provides for surrender of master-leased property to the City when NYCT determines that it no longer requires such property for transportation purposes. In March 2012, as part of a real property value capture initiative first presented to the MTA Board in September of 2011, the MTA entered into an arrangement whereby (a) the Property and six other Master Lease properties (collectively the "Master Lease Properties") would be marketed through a request for proposals ("RFP") process to be undertaken by the New York City Economic Development Corporation ("EDC"), (b) following the selection of a purchaser for any such property and requisite City and MTA Board approvals, NYCT would surrender such property to the City for conveyance through EDC to the successful proposer, and (c) amounts equal to the net proceeds from such sales (after reimbursement to MTA for pre-funded marketing costs, and, in the case of the Property and one other Master Lease Property, MTA's site acquisition costs), would be contributed by the City to the MTA's 2010-2014 capital program and credited against an incremental \$250 million contribution that the City has undertaken to make toward such capital program.

In March 2012, EDC issued an RFP for the Property. The RFP required that the selected respondent identify and convey to the MTA a suitable replacement site for the NYCT Equipment, and preserve the existing ventilation shafts and subway entrance on the Property.

Staff Summary

FINANCE COMMITTEE MEETING Property Disposition



Page 2 of 2

The RFP generated vigorous competition and EDC received a total of nine proposals, the most advantageous of which to the MTA was made by MC 19 East Houston LLC, an affiliate of Madison Capital (the "Developer"). The Developer is a real estate investment and operating company with a portfolio of assets under management of some \$1.75 billion.

The Developer has proposed:

- a) to pay to EDC a purchase price of \$25,825,000 (to be applied as described above);
- b) to provide to NYCT, without cost to NYCT, fee ownership of a relocation site for the NYCT Equipment at 6-8 East 20th Street (the "20th Street Site") which the Developer has contracted to purchase for a purchase price of \$13 million; and
- c) to widen the existing subway entrance on the Property, and relocate the vent easements, if feasible, at the Developer's cost.

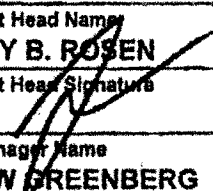
Two other proposers offered purchase prices that would have been marginally higher than the \$25,825,000 offered by the Developer; specifically, Macklowe Investment Properties offered \$26,750,000 and Aurora Capital offered \$27,000,000. However, NYCT judged the relocation sites proposed by such proposers to be significantly inferior to the 20th Street Site from the stand point of its Emergency Response Unit's operations; and (as evidenced by the prices for which such proposers had arranged to acquire such alternative relocation sites, \$4.4 million and \$6 million respectively), the combined value of the offer of the Developer (purchase price of the Property plus the \$13 million price of the the 20th Street Site) substantially exceeds the combined value of the of the proposed purchase prices for the Property and alternative relocation sites offered by the other two proposers.

Under the EDC RFP process, the final purchase price for the Property will be the higher of the applicable price set forth above or the appraised value as determined by an independent appraisal, to be commissioned by EDC and paid for by the Developer and delivered prior to closing. If the appraised value exceeds the price offered by the Developer, the Developer will have the ability to cancel the EDC contract.

The EDC process for disposition of this City-owned property will require approval of the Landmarks Preservation Commission (due to the Property being situated in the SoHo Historic Cast Iron District), City Environmental Quality Review, compliance with the Uniform Land Use Review Procedure and City Charter 384(b)(4) approvals and authorizations. MTA's surrender of the Property will occur only when and if such City approvals are in hand (and concurrently with the closing of the contract between EDC and the Developer), which is expected to be no later than August 2014.




Based on the foregoing, MTA Real Estate requests authorization to surrender the Property to the City to permit the sale of the Property as described above.

Staff Summary

Subject CLARIFICATION OF LEASE TERMS
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name ANDREW GREENBERG

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

AGENCY: MTA New York City Transit
 LANDLORD: Forest City Pierrepont Associates ("FCPA")
 LOCATION: One Pierrepont Plaza, Brooklyn, New York
 ACTION REQUESTED: Approval of terms

COMMENTS

The attached staff summary, which was presented at the June 3, 2013 meeting of the Finance Committee, inadvertently failed to make reference to \$82,770.76 (\$1.88 per rentable square foot) of additional rent per annum that FCPA had required in consideration of FCPA's agreement to perform certain extra fit-out work, relating to a security system that was not contemplated by the tenant improvement allowance that is described in the June staff summary.

The proposed transaction remains beneficial to the MTA, for all the reasons that are set forth in the June staff summary, and authorization is hereby requested to proceed with the transaction as if the June staff summary had referenced such additional rent.

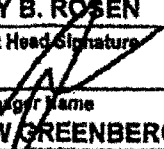
FOR REFERENCE

Staff Summary

PURPOSES




MTA Metropolitan Transportation Authority

Page 1 of 2

Subject LEASE AGREEMENT	Date JUNE 3, 2013
Department REAL ESTATE	Vendor Name
Department Head Name JEFFREY B. ROSEN	Contract Number
Department Head Signature 	Contract Manager Name
Project Manager Name ANDREW GREENBERG	Table of Contents Ref. #

ONLY

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	6/3/13	X		
2	Board	6/5/13	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: Forest City Pierrepont Associates

LOCATION: One Pierrepont Plaza, Brooklyn, New York

ACTIVITY: Lease of temporary office space

ACTION REQUESTED: Approval of terms

TERM: Three years

SPACE: Entire 6th floor - approx. 44,027 rentable square feet (approx. 34,341 usable sq. ft.)

COMPENSATION: \$35.00 per rentable sq. ft. (\$1,540,945.00 per year, \$128,412.08 per month) commencing three months following Possession.

LANDLORD WORK: The space is to be provided fully built and furnished. Landlord will provide specified base building alterations and improvements at its sole cost and expense, and make additional improvements to "fit-out" the space and contribute up to \$770,472.50 towards the cost. The additional improvements are estimated to cost \$668,443, well within the Landlord's contribution based on current scope.

POSSESSION: Upon substantial completion of Landlord's Work

RENEWAL OPTION: Two one- year renewal options, as follows:
 1st Option Year - \$40.00 per rentable sq. ft. (\$1,761,080.00 per year, \$146,756.66 per month), on 12 months' prior notice;
 2nd Option Year - \$41.00 per rentable sq. ft. (\$1,805,107.00 per year, \$150,425.58 per month), on 9 months' prior notice.

OPERATING EXPENSE ESCALATION: Proportionate share of increases over a calendar 2013 base year with no increase during the initial 12 months from the possession date.

REAL ESTATE TAX ESCALATION: Tenant to pay proportionate share of increases over a fiscal 2013/14 base tax year.

UTILITIES: Tenant to pay for actual cost of submetered electrical consumption. Cost of all other utilities included in the base rent.

SERVICES: Cleaning, HVAC service during normal building hours and building security will be provided at no extra cost to Tenant. Chilled water for Tenant's supplemental air-conditioning will be provided at cost.

Staff Summary

FINANCE COMMITTEE MEETING

Lease Agreement (Cont'd)

REPAIRS AND MAINTENANCE:

Landlord will be responsible for repairs and maintenance of building common areas and common building systems and structural components.

Tenant will be responsible for maintenance and repair of any supplemental air-conditioning and for non-structural repairs within the space.

SECURITY DEPOSIT:

None.

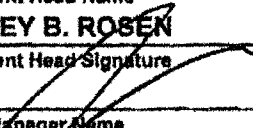
COMMENTS

The Capital Project Management group of NYCT requires suitable furnished, move-in-condition, downtown Manhattan or Brooklyn offices to house approximately 140 engineers (and associated support staff) on a short-term basis to accommodate emergency hiring and procurements necessitated by reason of NYCT's need to repair and enhance systems damaged during Hurricane Sandy. Following a comprehensive survey of available pre-built space within the specified areas, Cushman & Wakefield identified four downtown Manhattan facilities and three downtown Brooklyn facilities, all in close proximity to public transportation. All seven were inspected and two buildings - 1 Liberty Plaza in downtown Manhattan and 1 Pierrepont Plaza in downtown Brooklyn - were identified as potentially suitable. Requests for proposals were sent to the owners of these properties and following negotiations with such owners it was determined that the least costly alternative was 1 Pierrepont Plaza.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease with Forest City Pierrepont Associates on the above described terms and conditions.


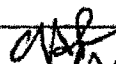

**FOR REFERENCE
PURPOSES
ONLY**

Staff Summary

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

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committees	07/22/13	X		
2	Board	07/24/13	X		

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

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

LESSEE: The Stearn Company dba The Beverage Bar

LOCATION: North End Passage at Grand Central Terminal (NEA-1)

ACTIVITY: The retail sale of coffee, non-alcoholic beverages, candy and snack items, and a limited selection of pre-packaged sandwiches and salads

ACTION REQUESTED: Approval of terms

TERM: 10 years

SPACE: Approximately 222 sq. ft.

COMPENSATION: Annual base rent plus 14% of gross sales over a breakpoint, as follows:

Year	Annual Base Rent	PSF	Breakpoint
1	\$40,000	\$180.18	\$285,714
2	\$41,200	\$185.58	\$294,286
3	\$42,436	\$191.15	\$303,114
4	\$43,709	\$196.88	\$312,207
5	\$45,020	\$202.79	\$321,571
6	\$46,371	\$208.87	\$331,221
7	\$47,762	\$215.14	\$341,157
8	\$49,195	\$221.60	\$351,393
9	\$50,671	\$228.24	\$361,936
10	\$52,191	\$235.09	\$372,793

SECURITY: Three months base rent

INSURANCE: Standard

CONSTRUCTION PERIOD: 60 days

Staff Summary



FINANCE COMMITTEE MEETING

The Stearn Company dba The Beverage Bar (Cont'd)

COMMENTS:

In response to a recent MTA Request for Proposals ("RFP") for Retail Space NEA-1 in North End Passage of Grand Central Terminal, two proposals were received. Such proposals were submitted by The Stearn Company dba The Beverage Bar and ABP Corporation dba Au Bon Pain.

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

As illustrated in the attached chart, the Unadjusted Guaranteed Rent Amount (i.e. the proposed guaranteed minimum rent, on a present value basis determined using a discount rate of 6%) and the Total Selection Criteria Score for The Stearn Company were both higher than the Unadjusted Guaranteed Rent Amount and the Total Selection Criteria Scores for the other proposer; consequently a selection committee was not convened. The rent proposed by The Stearn Company exceeds the estimated fair market rental value of the subject space, as determined by Williams Jackson Ewing.

The RFP was issued with the intent of attracting a quality convenience retailer to the North End Passage to improve services for MNR customers and generate revenue. The Stearn Company is a seasoned retail operator of "grab-and-go" convenience stores located in transportation venues, including train stations, airports and Thruway locations. This will be a second operation for The Stearn Company's Beverage Bar at Grand Central. The current operation is in space MC-15 in the Shuttle Passageway. The operation in the North End Passage will be devoted primarily to snacks and beverages. During the morning hours, the store will feature coffee, assorted pastries, juices, fresh fruit and yogurts. During the afternoon hours, the emphasis will be on sweet and salty snacks, candy, an assortment of carbonated and non-carbonated drinks, prepackaged sandwiches and salads. The Stearn Company has been a reliable tenant and is expected to provide a first class amenity at the subject location.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with The Stearn Company dba The Beverage Bar on the above-described terms and conditions.

Staff Summary

Scoring	A	B	C	D	E	F	G	H	I	J
	<u>Unadjusted Guaranteed Rent Amount</u>	<u>Guaranteed Rent Adjustment Factor*</u>	<u>Adjusted Guaranteed Rent Amount (A x B)</u>	<u>Unadjusted Percentage Rent Amount</u>	<u>Percentage Rent Adjustment Factor**</u>	<u>Adjusted Percentage Rent Amount (D x E)</u>	<u>Adjusted Total Rent Amount (C + F)</u>	<u>Selection Criterion A Score *** (0-70)</u>	<u>Selection Criterion B Score (0-30)</u>	<u>Total Selection Criterion Score (H + I)</u>
The Steam Company dba The Beverage Bar	\$332,752.57	1	\$332,752.57	\$109,333.02	0	0	\$332,752.57	70.0	20	90
ABP Corporation dba Au Bon Pain	\$115,122.89	1	\$115,122.89	0	0	0	\$115,122.89	24.2	30	54.2
* Guaranteed Rent Adjustment Factor: from 1.00 (no uncertainty about A) to as low as 0.50 (great uncertainty about A); however may be as low as 0.00 per guidelines										
** Percentage Rent Adjustment Factor: as high as 0.50 (no uncertainty about D) to as low as zero (great uncertainty about D)										
*** Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from column G)										

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Staff Summary

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

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal <i>[Signature]</i>
3	Chief of Staff <i>[Signature]</i>		
2	Chief Financial Officer <i>[Signature]</i>		

AGENCY: MTA Metro-North Railroad ("Metro-North")
LESSEE: A Ceriello Corp dba Ceriello Fine Foods ("Ceriello")
LOCATION: Retail Space MKT-08, 09,10 and 11 and Storage Space BS-05, Grand Central Terminal
ACTIVITY: The retail operation of a high quality butcher shop, including the sale of specialty Italian food products and tenant-prepared Italian side dishes
ACTION REQUESTED: Approval of terms
TERM: 10 years
SPACE: Approximately 850 sq. ft. and 108 sq. ft. of storage space
COMPENSATION: Annual Base Rent plus 8% of gross sales over a Breakpoint, as follows:

Year	Annual Base Rent	PSF	Breakpoint
1	\$340,000.00	\$400.00	\$4,250,000.00
2	\$351,050.00	\$413.00	\$4,388,125.00
3	\$362,459.13	\$426.42	\$4,530,739.06
4	\$374,239.05	\$440.28	\$4,677,988.08
5	\$386,401.82	\$454.60	\$4,830,022.69
6	\$398,959.87	\$469.36	\$4,986,998.43
7	\$411,926.07	\$484.61	\$5,149,075.88
8	\$425,313.67	\$500.36	\$5,316,420.85
9	\$439,136.36	\$516.63	\$5,489,204.53
10	\$453,408.29	\$533.42	\$5,667,603.67

STORAGE RENT: \$82.00 per sq. ft. per year, increasing annually by 3%
MARKETING: \$10.61 per sq. ft. per year increasing annually by 3%
TRASH: \$12.00 per sq. ft. per year increasing annually by 3%
SECURITY: Three months' minimum rent, plus a guaranty of Andrea Ceriello (limited to six months' rent after vacating of premises)
INSURANCE: Standard

Staff Summary

FINANCE COMMITTEE MEETING

A Ceriello Corp dba Ceriello Fine Food (Cont'd.)



Metropolitan Transportation Authority

Page 2 of 3

CONSTRUCTION
PERIOD:

60 days

COMMENTS:

In response to a recent MTA Request for Proposals ("RFP") for Retail Space MKT-08, 09, 10 and 11, Grand Central Terminal, three proposals were received. After issuance of a request for best and final offers ("BAFO"), one of the initial proposers, Fleisher's Grass-Fed and Organic Meats dba Fleisher's, withdrew its proposal. The two remaining proposals were received from Ceriello and Tom's Meat Market dba Tom's Meat Market.

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

As illustrated in the attached chart, the Unadjusted Guaranteed Rent Amount (i.e. the proposed guaranteed minimum rent, on a present value basis determined using a discount rate of 6%) and the Total Selection Criteria Score for Ceriello were both higher than the Unadjusted Guaranteed Rent Amount and the Total Selection Criteria Scores for the other proposer; consequently a selection committee was not convened. The rent proposed by Ceriello exceeds the estimated fair market rental value of the subject space, as determined by Williams Jackson Ewing.

Ceriello has been a successful tenant in the Grand Central Market since first opening in 1998. It is a high quality butcher and purveyor of Italian grocery items and an assortment of tenant-produced Italian entrée and side dishes, and has earned great customer loyalty for its products. Ceriello has proposed a significant renovation, which will include the installation of new equipment and other fixtures throughout the store.

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

Staff Summary



Metropolitan Transportation Authority

Page 3 of 3

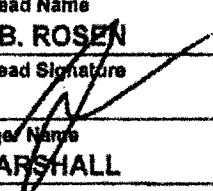
Grand Central Terminal Retail Leasing Evaluation Sheet
 Evaluator: Nancy Marshall., Director GCT Development

Space: MKT- 08-11 (currently Ceriello)
 Date: June 24, 2013

Scoring	A	B	C	D	E	F	G	H	I	J
	<u>Unadjusted Guaranteed Rent Amount</u>	<u>Guaranteed Rent Adjustment Factor*</u>	<u>Adjusted Guaranteed Rent Amount (A x B)</u>	<u>Unadjusted Percentage Rent Amount</u>	<u>Percentage Rent Adjustment Factor**</u>	<u>Adjusted Percentage Rent Amount (D x E)</u>	<u>Adjusted Total Rent Amount (C + F)</u>	<u>Selection Criterion A Score *** (0-70)</u>	<u>Selection Criterion B Score (0-30)</u>	<u>Total Selection Criterion Score (H + I)</u>
Ceriello Fine Foods	\$ 2,857,847	1	\$ 2,857,847	0	0	0	\$ 2,857,847	70	20	90
Tom's Meat Market	\$ 2,056,756	1	\$ 2,056,756	0	0	0	\$ 2,056,756	50	15	65
* Guaranteed Rent Adjustment Factor: from 1.00 (no uncertainty about A) to as low as 0.50 (great uncertainty about A); however may be as low as 0.00 per guidelines										
** Percentage Rent Adjustment Factor: as high as 0.50 (no uncertainty about D) to as low as zero (great uncertainty about D)										
*** Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from column G)										




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Staff Summary

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

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

AGENCY: MTA Metro-North Railroad ("Metro-North")
LICENSOR: Café Grumpy Holdings LLC dba Café Grumpy ("Café Grumpy")
LOCATION: Retail Space MC-72
ACTIVITY: The retail sale of tenant-branded coffee, coffee beverages and related menu items
ACTION REQUESTED: Approval of terms
TERM: Ten years
SPACE: Approximately 759 sq. ft.
COMPENSATION: Annual Base Rent plus 10% of gross sales over Breakpoint, as follows:

Year	Annual Base Rent	PSF	Breakpoint
1	\$379,500.00	\$500.00	\$2,000,000.00
2	\$390,885.00	\$515.00	\$2,060,000.00
3	\$402,611.55	\$530.45	\$2,121,800.00
4	\$414,689.90	\$546.36	\$2,185,454.00
5	\$427,130.59	\$562.75	\$2,251,017.62
6	\$439,944.51	\$579.64	\$2,318,548.15
7	\$453,142.85	\$597.03	\$2,388,104.59
8	\$466,737.13	\$614.84	\$2,459,747.73
9	\$480,739.25	\$633.39	\$2,533,540.16
10	\$495,161.42	\$652.39	\$2,609,548.37

MARKETING: \$10.61 per sq. ft. per year increasing annually by 3%
TRASH: \$12.00 per sq. ft. per year increasing annually by 3%
SECURITY: Three months minimum rent plus a guaranty from a Café Grumpy principal (limited to six months' rent after vacating of premises)
INSURANCE: Standard
CONSTRUCTION 60 days

Staff Summary

FINANCE COMMITTEE MEETING

Café Grumpy Holdings LLC dba Café Grumpy (Cont'd.)

PERIOD:

COMMENTS

In response to a recent MTA Request for Proposals ("RFP") for Retail Space MC-72, Grand Central Terminal, proposals were received from eleven firms. Proposals were received from Café Grumpy, Pachanga Inc dba FIKA, CaffèFino, LLC dba Caffè Fino, JAGR LLC dba Joe, Fresh Juice and Ice Cream Delights Inc dba Organic 3, Oren's GCT, LLC dba Oren's Daily Roast, Irving Farm Coffee Roasters dba Irving Farm, New Amsterdam Coffee & Tea Depot LLC dba NACT- Depot, LDV Restaurant Group dba Corso Coffee, Starbucks Corp dba Starbucks, and Argo Tea, Inc dba Argo Tea.

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

The RFP for this Lexington Passage space (1) required tenants to engage in the sale of tenant-branded coffee, (2) precluded national chains, (3) precluded the sale of soups, salads, sandwiches or fast food entrée items, and (4) disfavored tenants who proposed to sell similar products using the same brand name at both the subject location and another location in the Terminal. In spite of these requirements, two national chains — Starbucks Corp and Argo Tea, Inc. — submitted proposals, which were deemed unresponsive and thus eliminated by the Director of GCT Development. Though Starbucks proposed a slightly higher Unadjusted Guaranteed Rent Amount than that proposed by Café Grumpy (Starbucks' Unadjusted Guaranteed Rent Amount was \$3.47 million; Café Grumpy's was \$3.15 million, approximately 10 percent lower), Starbucks is indisputably a national chain, with more than 11,000 stores in the United States. Moreover, Starbucks already has a location in GCT — in the "Shuttle Passage" — and the RFP expressly disfavored a tenant that would be selling similar products elsewhere in GCT using the same brand name. Argo Tea (which in any event proposed Unadjusted Guaranteed Rent Amount substantially lower than that proposed by Café Grumpy) is also a national chain, with over 25 United States stores as well as overseas stores.

As illustrated in the attached chart, Café Grumpy's Unadjusted Guaranteed Rent Amount (i.e. the proposed guaranteed minimum rent, on a present value basis determined using a discount rate of 6%) and its Total Selection Criteria Score were both higher than those for the eight responsive proposers; and consequently a selection committee was not convened. The rent proposed by Café Grumpy exceeds the estimated fair market rental value of the subject space, as determined by Williams Jackson Ewing.

Café Grumpy is an independently owned specialty coffee company founded in Greenpoint, Brooklyn in 2005. Café Grumpy has five retail locations, an in-house coffee roasting and coffee wholesaling program and an in-house artisanal bakery. Café Grumpy plans to completely renovate the subject space, placing emphasis on streamlining the current coffee and pastry service. The preliminary design provides for two points of ordering and service, and opening up the Lexington Avenue entrance and alcoves where visibility from Lexington Avenue would be greatly improved.

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

Staff Summary



Metropolitan Transportation Authority

Page 1 of 2

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name ALICIA BIGGS

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

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

LESSEE: Westchester Consumer Empowerment Center (the "Empowerment Center")

LOCATION: Mount Vernon East Station on Metro-North's New Haven Line

ACTIVITY: Retail sale of coffee, teas, non-alcoholic beverages, breakfast bakery items, newspapers and magazines.

ACTION REQUESTED: Approval of terms

TERM: Five years with one five-year option

SPACE: Approximately 165 sq. ft. concession space and 84 sq. ft. of storage space

COMPENSATION: Fixed Rent as follows:

Year	Annual	Monthly	% Increase	Per Sq. Ft.
1	\$4,500.00	\$375.00	3%	\$18.07
2	\$4,635.00	\$386.25	3%	\$18.61
3	\$4,774.05	\$397.84	3%	\$19.17
4	\$4,917.27	\$409.77	3%	\$19.75
5	\$5,064.78	\$422.07	3%	\$20.34
6	\$5,216.72	\$434.73	3%	\$20.95
7	\$5,373.22	\$447.77	3%	\$21.58
8	\$5,534.41	\$461.20	3%	\$22.23
9	\$5,700.44	\$475.04	3%	\$22.89
10	\$5,871.45	\$489.29	3%	\$23.58

COMMENTS:

In response to a recent MTA request for proposals for retail space at Metro-North's Mount Vernon East Station, two proposals were received. The highest rent proposal was from the Empowerment Center, which offered \$4,500 for the initial year with 3% annual increases over the term of the lease. Such rent exceeds the fair market rental value of \$4,200 per annum, as estimated by MTA Real Estate's independent consultant. Over the 10-year term, the present value of such proposed rent, using a 9% discount rate, is \$32,423.58. The second proposal was from business partners Jacqueline Walcott and May Young, who submitted a proposal with a present value of \$30,262.21.

Staff Summary

FINANCE COMMITTEE MEETING

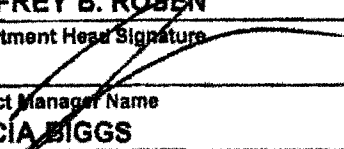
Westchester Consumer Empowerment Center (Cont'd.)

The Empowerment Center is a nonprofit organization that provides support to and advocates on behalf of individuals who are socially disadvantaged by providing training and employment in supportive environments. The Empowerment Center has operated a soup kitchen in New Rochelle for the past 15 years, and is working to establish an institute, located only several blocks from the Mount Vernon East Station at the Empowerment Center's headquarters, to train clients in culinary skills.

In addition to coffee, tea and breakfast bakery items, the concession will be used to showcase different food items from the culinary institute and will employ institute students. To ensure that all commuters at the station are served in a convenient and timely manner, in addition to the existing concession space, a rolling coffee cart will be placed in the station overpass across from the ticket agent. The cart will be stored within the concession space during off hours. The organization has the necessary funding to build out and operate the concession.


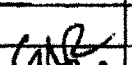

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with the Empowerment Center on the above-described terms and conditions.

Staff Summary

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name ALICIA BIGGS

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

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

LESSEE: Whitehall Café, Inc.

LOCATION: North White Plains Station on Metro-North's Harlem Line

ACTIVITY: Retail sale of coffee, teas, non-alcoholic beverages, breakfast bakery items, newspapers and magazines.

ACTION REQUESTED: Approval of terms

TERM: Ten years

SPACE: Approximately 80 sq. ft.

COMPENSATION: Fixed Rent as follows:

Year	Annual	Monthly	% Increase	Per Sq. Ft.
1	\$15,000.00	\$1,250.00	3%	\$187.50
2	\$15,450.00	\$1,287.50	3%	\$193.13
3	\$15,913.50	\$1,326.13	3%	\$198.92
4	\$16,390.00	\$1,365.83	3%	\$204.88
5	\$16,882.63	\$1,406.89	3%	\$211.03
6	\$17,389.11	\$1,449.09	3%	\$217.36
7	\$17,910.78	\$1,492.57	3%	\$223.88
8	\$18,448.11	\$1,537.34	3%	\$230.60
9	\$19,001.55	\$1,583.46	3%	\$237.52
10	\$19,571.60	\$1,630.97	3%	\$244.65

COMMENTS:

In response to a recent MTA request for proposals for the coffee concession in the overpass at Metro-North's North White Plains Station, four proposals were received. The highest rent proposal was from Whitehall Café, Inc., which offered \$15,000 for the initial year with 3% annual increases over the term of the lease. Such rent exceeds the fair market rental value of \$10,620 per annum, as estimated by MTA Real Estate's independent consultant. Over the 10-year term, the present value of such proposed rent, using a 9% discount rate, is \$108,078.16. The remaining proposals were from Station Café, LLC, which submitted a proposal with a present value of \$103,753.36; Alauddin Quraishi, whose proposal had a present value of \$81,929.01; and Java Hut, the incumbent licensee, which submitted a proposal with a present value of \$59,225.90.

Staff Summary

FINANCE COMMITTEE MEETING Whitehall Café, Inc. (Cont'd.)

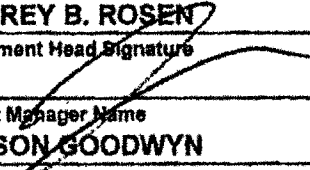


Page 2 of 2

The owner of Whitehall Café, Inc., Mrs. Reshma Shah, has successfully operated the Whitehall Pretzels and Ice Cream shop at the Staten Island Ferry Terminal in Manhattan since 2009. At North White Plains, she plans to offer coffee, tea, pastries, fruits, snacks and newspapers/magazines. She has a good credit rating and the financial capacity, verified in her credit report, to renovate and operate the concession. Mrs. Shah has agreed to personally guarantee the obligations of the corporate lessee under the lease.


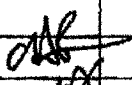

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with Whitehall Café, Inc. on the above-described terms and conditions.

Staff Summary

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

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

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

LICENSEE: Alfonso Quinones-Sanchez D/B/A AJ Taxi Service ("AJ")

LOCATION: Metro-North's Beacon Station parking facility

ACTIVITY: Operation of taxi parking spaces

ACTION REQUESTED: Approval of terms

TERM: 5 years, subject to termination at will by MTA on 60 days' notice.

SPACE: 5 taxi spaces

COMPENSATION	YEAR	ANNUAL	MONTHLY	% INCREASE
	1	\$17,500.00	\$1,458.33	
	2	\$18,025.00	\$1,502.08	3%
	3	\$18,565.75	\$1,547.15	3%
	4	\$19,122.70	\$1,593.55	3%
	5	\$19,696.45	\$1,641.37	3%

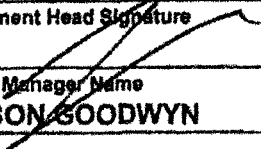
COMMENTS

In response to a recent MTA request for proposals relating to taxi parking spaces at various Metro-North Stations, three proposals were received with respect to spaces at the Beacon Station. AJ submitted the highest proposal of \$3,500 per space for each of the available five spaces during the initial year, with annual increases of 3% over the term of the license agreement, which exceeded the asking compensation in the RFP. Over the 5-year term, the net present value of such compensation, using a 9% discount rate, is \$71,910.84. A second proposal came from Roger Pauletta D/B/A NBelite Taxi, who submitted a proposal for all five spaces with a net present value of \$61,900.29. The third proposal was from Jesse Williams, who submitted a proposal for one space with a net present value of \$6,163.93.

Alfonso Quinones-Sanchez, an experienced taxi driver, went into business for himself in 2010. He has sufficient financial resources and experience to operate under the proposed license agreement, is in compliance with the City of Beacon's registration requirements and has agreed to participate in Metro-North's Guaranteed Ride Home Program as a condition of his license.




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

Staff Summary

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

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

AGENCY: MTA Metro-North Railroad ("Metro-North")
 LICENSEE: Shahnaz Kausar D/B/A Perfect Car and Limo, Inc. ("Perfect Car")
 LOCATION: Metro-North's Yonkers Station
 ACTIVITY: Operation of taxi parking spaces
 ACTION REQUESTED: Approval of terms
 TERM: 5 years, subject to termination at will by MTA on 60 days' notice.
 SPACE: 2 taxi spaces located in front of the Yonkers Station building
 COMPENSATION:

YEAR	ANNUAL	MONTHLY	% INCREASE
1	\$4,500.00	\$375.00	
2	\$4,800.00	\$400.00	6.6%
3	\$5,200.00	\$433.33	8.3%
4	\$5,600.00	\$466.66	7.7%
5	\$6,020.00	\$501.66	7.5%

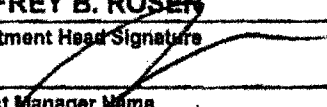
COMMENTS

In response to a recent MTA request for proposals relating to taxi parking spaces at various Metro-North Stations, two proposals were received with respect to space at the Yonkers Station. Perfect Car submitted the highest proposal of \$2,250 per space for the initial year with annual increases as shown above, which exceeded the asking compensation in the RFP. Over the 5-year term, the net present value of such proposed compensation, using a 9% discount rate is \$20,063.72. The second proposal, with a net present value of \$16,436.73, was submitted by Matrix Car & Limo.

Perfect Car has operated successfully in the Yonkers area and is in compliance with licensing requirements of the City of Yonkers.


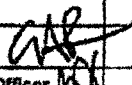

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with Perfect Car on the above-described terms and conditions.

Staff Summary

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

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

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

LICENSEE: Manor Car Service, Inc. ("Manor Taxi")

LOCATION: Metro-North's Pelham Station parking facility

ACTIVITY: Operation of taxi parking spaces

ACTION REQUESTED: Approval of terms

TERM: 5 years, subject to termination at will by MTA on 60 days' notice.

SPACE 3 taxi spaces

COMPENSATION:	YEAR	ANNUAL	MONTHLY	% INCREASE
	1	\$2,850.00	\$237.50	
	2	\$2,935.55	\$244.62	3%
	3	\$3,023.55	\$251.96	3%
	4	\$3,114.27	\$259.52	3%
	5	\$3,207.69	\$267.30	3%

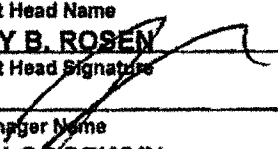
COMMENTS

Recently MTA issued an RFP for taxi parking spaces at various Metro-North Stations, which included 3 spaces at the Pelham Station. No proposals were received with respect to such spaces at Pelham Station pursuant to such RFP. However, subsequent to the RFP due date, Manor Taxi contacted MTA Real Estate and inquired about providing taxi service at the Pelham Station. MTA Real Estate negotiated compensation of \$950.00 per space per annum with Manor Taxi, which exceeds the asking compensation that was set forth in the RFP. The net present value of such proposed compensation is \$11,734.34, using a discount rate of 9%.

Manor Taxi has been operating in the Town of Pelham area since 2004 and is in compliance with the local registration requirements to operate in the Town of Pelham.


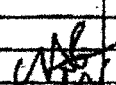

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with Manor Taxi on the above-described terms and conditions.

Staff Summary

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

Date	JULY 22, 2013
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref. #	

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

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

LICENSEE: 83 Calvert Street Realty LLC ("Calvert Realty")

LOCATION: Metro-North's New Haven Line adjacent to 83 Calvert Street, Harrison, New York

ACTIVITY: Access and parking

ACTION REQUESTED: Approval of terms

TERM: 5 years, subject to termination at will by MTA on 90 days' notice

SPACE: 14,000 square feet

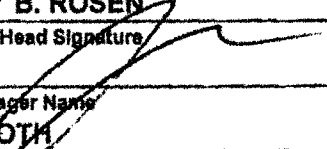
COMPENSATION:	Year	Annual	Monthly	% Increase
	1	\$8,250.00	\$687.50	
	2	\$8,642.50	\$720.20	4.75
	3	\$9,039.27	\$753.27	4.59
	4	\$9,440.45	\$786.70	4.46
	5	\$9,981.17	\$831.76	5.72

COMMENTS

The subject property, located in Harrison on Metro-North's New Haven Line right of way, is a landlocked parcel which is burdened by Metro-North's catenary structures and unable to be developed for any use other than parking. The property has been utilized for parking by successive owners of the adjacent office building, 83 Calvert Street, since 1981 under a lease, currently month-to-month, which was assigned to Calvert Realty in April of 2001, as part of Calvert's acquisition of properties located at 83 and 93 Calvert Street. Calvert Realty is the only adjacent land owner to this portion of the right of way. Based on conversations with area brokers, MTA Real Estate believes the negotiated license fee, a 28% increase over the current fee, to be consistent with fair market value, given the use limitation and termination provisions that will be contained in the license agreement.

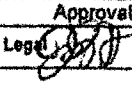


Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with 83 Calvert Realty on the above terms and conditions.

Staff Summary

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

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

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

LICENSEE: New York State Office of Parks, Recreation and Historic Preservation ("OPRHP")

LOCATION: Right-of-way north of the Morris Heights station, Hudson Line, adjacent to Roberto Clemente State Park, Bronx, NY

ACTIVITY: License of portion of right-of-way for park use

ACTION REQUESTED: Approval of terms

TERM: One year with automatic annual renewals thereafter, subject to termination at will by MTA on 60 days' notice

SPACE: Approximately 16,648 square feet of unimproved land

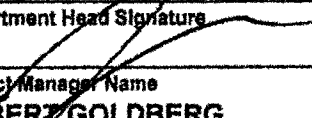
COMPENSATION: \$1.00, fee waived

COMMENTS

OPRHP has requested the use of a portion of Metro-North's Hudson Line right-of-way to allow for the expansion of an athletic field in Roberto Clemente State Park, which lies between the Hudson Line and the Harlem River between Metro-North's Morris Heights and University Heights stations. Metro-North has analyzed the area, which is the location of an unused rail spur, and has confirmed that licensing this parcel to OPRHP will have no impact on current or planned operations. OPRHP will install fencing to Metro-North specifications. Should Metro-North require the licensed area in the future, it will have the ability to terminate the agreement on 60 days' notice. Licensing this unused portion of right-of-way to OPRHP will allow it to construct a football field.

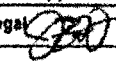
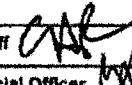

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with OPRHP on the terms and conditions described above.

Staff Summary

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name ROBERT GOLDBERG

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

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

LICENSEE: NGK Realty Inc., d/b/a K.E.D. Food Service Corporation ("K.E.D.")

LOCATION: Portion of unused right-of-way adjacent to 150 Denton Avenue, Lynbrook, New York

ACTIVITY: Access and parking for adjacent business

ACTION REQUESTED: Approval of terms

TERM: 10 years, subject to termination at will by MTA on 60 days notice

SPACE: Approximately 3,720 square feet

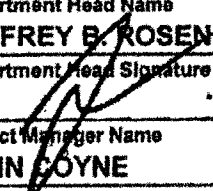
COMPENSATION:	Year	Annual	Monthly	% Increase
	1	\$6,000.00	\$500.00	
	2	\$6,300.00	\$525.00	5%
	3	\$6,615.00	\$551.25	5%
	4	\$6,945.75	\$578.82	5%
	5	\$7,293.04	\$607.76	5%
	6	\$7,657.69	\$638.15	5%
	7	\$8,040.57	\$670.05	5%
	8	\$8,442.60	\$703.55	5%
	9	\$8,864.73	\$738.73	5%
	10	\$9,307.97	\$775.67	5%

COMMENTS

MTA Real Estate received a request from K.E.D. to expand the footprint of its existing 1,750 sq. ft. license agreement with the LIRR on a strip of LIRR's unused right-of-way adjacent to the Babylon Branch adjacent to K.E.D.'s property at 150 Denton Avenue in Lynbrook. The property is just east of the Lynbrook station at the bottom of an embankment below the operating tracks. K.E.D. proposes to expand the area covered by its license agreement to 3,720 sq. ft., to continue to use the subject property as a driveway and access way to the back of its own property, and also park work vehicles on the subject property. Based on conversations with area brokers, the proposed compensation, which is 59% higher than the current compensation, is within the range of market value for similar use in the area of the subject property given the license's use restrictions and termination provisions.




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

Staff Summary

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

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

AGENCY: MTA Long Island Rail Road
 PROPERTY: 40-36 Main Street (Queens Block 5037, Lot 57)
 OWNER: Aron Forem
 ACTIVITY: Acquisition of property
 ACTION REQUESTED: Authorization to commence steps for acquisition
 LOT SIZE: Approximately 2,550 square feet

COMMENTS

In connection with capital improvements to the LIRR Flushing-Main Street Station, it is necessary to acquire the property known as 40-36 Main Street, Flushing, New York, a/k/a Queens County Block 5037, Lot 57 (the "Property"). The Property is improved with a small, one-story commercial building that presently is vacant, although the owner claims to have signed a new lease. LIRR requires the Property in order to demolish the existing building and install a new elevator to the Station platform, a machine room and a LIRR ticket office. Acquisition of the Property for this purpose also would enhance LIRR's presence on busy Main Street and provide a safer, more visible entry point for westbound customers than the current entrance in an alley off of 40th Road.

MTA Real Estate will endeavor to acquire the Property via negotiation. If a negotiated agreement is not reached, MTA may be compelled to acquire the Property by eminent domain. Therefore, we must begin taking steps to satisfy the requirements of the Eminent Domain Procedure Law in order to preserve MTA's rights and lessen the potential for future delays to the project. The property acquisition will be subject to satisfactory completion of any necessary environmental reviews.

Based on the foregoing, MTA Real Estate requests approval to acquire fee title to the Property by negotiated agreement or eminent domain and to adopt the attached Resolution authorizing MTA to commence the proposed acquisition process.

BOARD RESOLUTION

WHEREAS, acquisition of the property located at 40-36 Main Street, Flushing, New York, a/k/a Queens Block 5037, Lot 57 (the "Property") to construct a new elevator to LIRR's Flushing-Main Street Station platform, a machine room and a LIRR ticket office will allow LIRR to expand the Flushing-Main Street Station to improve customer safety, service, and convenience; and

WHEREAS, MTA Real Estate will seek to acquire the Property at a reasonable price through a negotiated agreement; and

WHEREAS, if such a negotiated agreement cannot be concluded in a timely manner, acquisition of the Property by eminent domain will allow LIRR to move forward with the project.

NOW, THEREFORE BE IT

RESOLVED, that in accordance with the Eminent Domain Procedure Law and Section 1267 of the Public Authorities Law, the Chairman or designated staff member of the Authority is authorized to proceed with the acquisition by negotiated agreement or eminent domain of the fee interest in the Property described above and to schedule and undertake such preliminary steps, including holding a public hearing, as may be required under the Eminent Domain Procedure Law, in connection with the acquisition.

This Resolution shall take effect immediately upon its adoption.

Staff Summary



Metropolitan Transportation Authority

Page 1 of 1

Subject REVOCABLE CONSENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name PAUL M. FITZPATRICK

Date July 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/13	X		
2	Board	7/24/13	X		

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

GRANTEE: Metropolitan Transportation Authority ("MTA")

GRANTOR: Department Of Transportation ("DOT") of the City of New York (the "City").

LOCATION: Sidewalks adjacent to Grand Central Terminal ("GCT")

ACTIVITY: Installation and maintenance of sidewalk bollards

ACTION REQUESTED: Approval of terms

TERM: Ten years

COMPENSATION: None

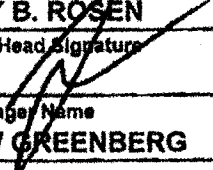
COMMENTS

Over the years, Metro-North has installed 213 security bollards in the sidewalks around the perimeter and in the vicinity of Grand Central Terminal.

Permission to construct improvements in the sidewalks must be granted by DOT. In order to formalize the occupancy of the sidewalks by Metro-North's bollards, to permit Metro-North to install an additional 10 bollards on the north side of 42nd Street near Lexington Avenue, and to permit the reconstruction and replacement of existing bollards as needed, the City has requested that MTA enter into a revocable consent agreement in the standard form used by the City for such occupancies. The 10-year agreement can be renewed for additional terms. MTA will enter into such agreement on behalf of Metro-North, as MTA is the lessee under the Harlem-Hudson Lease which includes GCT..


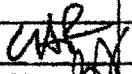

Based upon the foregoing, MTA Real Estate requests permission to enter into a revocable consent agreement with DOT as described above,

Staff Summary

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name ANDREW GREENBERG

Date July 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

AGENCY: New York City Transit Museum ("Museum") & New York City Transit ("NYCT").

LANDLORD: Salmar Properties, LLC ("Salmar").

LOCATION: Liberty View Industrial Plaza – 850 Third Avenue, Brooklyn, NY (the "Building").

ACTIVITY: New lease for warehouse and archival storage space to be used by Museum and various NYCT departments.

ACTION REQUESTED: Approval of terms.

LEASED PREMISES: Approximately 49,341 rentable square feet ("RSF") comprising a portion of the fifth floor of the Building, to be allocated as follows:

User	RSF
-Museum	20,900
-NYCT Operations Planning	9,437
-NYCT Electronic Maintenance and Automatic Fare Collection	11,125
-NYCT Capital Programs	7,879
Total	49,341

LANDLORD WORK: Landlord to provide at its own cost a turnkey installation, encompassing required "tenant improvements" as well as improvements to base building, based on final construction and engineering drawings that are to be prepared by Landlord at Landlord's cost and expense and consistent with preliminary plans and specifications heretofore provided to Landlord by NYCT.

POSSESSION/RENT COMMENCEMENT: Possession upon substantial completion of Landlord's Work. Rent commencement two months following Possession.

INITIAL TERM: 10 years from Rent Commencement.

Staff Summary

FINANCE COMMITTEE MEETING Liberty View (Cont'd.)

RENEWAL TERMS: Two 5-year extensions at Tenant's option.

ANNUAL BASE RENT:		<u>Annual Rent</u>	<u>Rent per RSF</u>
	<u>Initial Term</u>		
	Years 1-5	\$1,084,515.18	\$21.98
	Years 6-10	\$1,171,848.75	\$23.75
	<u>Renewal Terms*</u>		
	Years 11-15	\$820,474.31	\$16.63
	Years 16-20	\$933,456.04	\$18.92

*To be the greater of the escalated rent or 90% of fair market value, taking into account tax and operating expense escalations and all other relevant factors.

REAL PROPERTY TAX ESCALATION: Currently, there are no taxes payable with respect to the property (by virtue of incentives provided to Landlord through the New York City Industrial Development Agency) and therefore no tax escalation is called for. At such time as such exemption ends and the property is assessed taxes, whether or not under a special tax incentive program, the full taxes that would then be payable in the absence of any such tax incentive program will become the "base taxes" for purposes of a tax escalation provision and Tenant will pay additional rent equal to Tenant's proportionate share of any subsequent increases in the property's taxes over such base taxes.

OPERATING EXPENSE ESCALATION: Tenant to pay its proportionate share of increases in base building operating expenses over a calendar 2014 base year, for which purpose operating expenses will be deemed to be \$2.50 per RSF in 2014 and deemed to increase thereafter at the rate of 3% per annum.

UTILITIES: Tenant will be responsible for the cost of the electricity it uses in the Leased Premises as measured by direct meter.

SERVICES: Building central HVAC service during normal business hours, building security and automatic freight elevator services will be provided by Landlord at no extra cost. (After-hours HVAC will be provided at Tenant's own expense by means of supplemental units installed as part of Landlord's Work). At Tenant's option, Landlord will, at Tenant's expense (but at Landlord's actual cost without mark-up), provide cleaning services for the Leased Premises in accordance with Tenant's specifications. Tenant will be entitled to lease up to ten parking spaces for \$180 per space per month.

MAINTENANCE & REPAIR: At its sole cost and expense, Landlord will be responsible for maintenance and repair of building common areas, common building systems and structural components.

Tenant will be responsible for maintenance and repair of supplemental air conditioning equipment, rooftop equipment and emergency power generating equipment installed at Tenant's behest, and for non-structural repairs within the Leased Premises.

SECURITY DEPOSIT: None

COMMENTS:

As previously reported to and discussed with the Finance Committee (and for the reasons set forth at length in a written report presented to the Finance Committee at its April 2011 meeting, as updated by a progress report presented to the Finance Committee at its March 2013 meeting), MTA Real Estate, with the assistance of Cushman & Wakefield ("C&W"), TPG Architecture ("TPG") and various other departments of the MTA and its operating agencies, has devised, and been working to refine and implement, a plan to relocate MNR, MTA Police Department and MTA headquarters personnel and equipment from the MTA's properties at 341-347 Madison Avenue (the "Madison Avenue Properties"), and then dispose

Staff Summary

FINANCE COMMITTEE MEETING Liberty View (Cont'd.)

of the Madison Avenue Properties for redevelopment, so as to avoid the costs of remedying years of deferred maintenance there while unlocking the asset value of the underlying development site. MTA management has targeted the second half of next year for the delivery of vacant possession of the Madison Avenue Properties to a developer.

The plan envisions that MTA headquarters personnel will be relocated to the MTA's office building at 2 Broadway, following a re-stacking and densification of that building. However, to accomplish such re-stacking it will first be necessary to relocate the Museum's archival storage space, which is currently located on the 20th floor at 2 Broadway.

With C&W's help, the Museum and MTA Real Estate developed an initial space program (which set forth various adjacency, security and environmental requirements with respect to the various elements of the Museum's collection) and then considered a variety of potential solutions, including leasing space in a specialized fine art storage facility and adapting existing warehouse facilities within the MTA portfolio. However, it became evident that the cost of maintaining the collection in available commercial fine art storage facilities would be prohibitive and that, due to the specific environmental requirements for archival storage, there was nothing suitable within the MTA portfolio. Accordingly, it was determined that renting and upgrading new space in a suitably secure conventional warehouse facility would be the most cost-effective solution.

Given the Museum's need to locate its archives within reasonably close proximity to the Museum's exhibition facility and additional storage facilities in downtown Brooklyn, considerations relating to employee safety and the need for good access to public transportation to facilitate employee and visitor access to the facility, it was determined that a location in Brooklyn would be most suitable, although Long Island City would also be considered. Following a comprehensive survey by C&W of available space, encompassing in excess of 40 properties in Brooklyn and Long Island City, two potentially suitable buildings were identified in Sunset Park -- 882 Third Avenue (a.k.a. "Bush Terminal") and 630 Flushing Avenue -- and a detailed request for proposals was thereupon sent to the owners of such buildings. As only the owner of Bush Terminal responded to such RFP, negotiations with such owner were initiated. Subsequently, however, it became necessary to revise the aforementioned space program to include storage for the Museum's gift shop inventories, which had been housed in a facility at 58 Second Avenue in Brooklyn that was heavily damaged by Superstorm Sandy ("58 Second Avenue"); and MTA Real Estate, having also been charged with identifying suitably "hardened" facilities to house NYCT equipment and materiel that had been stored at 58 Second Avenue and in the basement at 2 Broadway, saw that an opportunity was at hand to address such NYCT requirement and the Museum requirement in a single, cost-effective transaction. Accordingly, MTA communicated such combined space need to the owner of Bush Terminal, as well as to the owner of 630 Flushing Avenue, which remained unresponsive, and to Salmar, which had previously indicated that it was unwilling to subdivide any of its floors to accommodate the Museum requirement but proved amenable to doing so in light of the combined Museum/NYCT requirement.

MTA Real Estate recommends co-locating the above-described Museum and NYCT operations at the Building, based on the following considerations:

a. Although, the 58 Second Avenue facility has been repaired and NYCT has reoccupied it on a temporary basis, NYCT inventories there remain at significant risk of being damaged by a recurrence of the flooding that occurred there during Superstorm Sandy. The 58 Second Avenue lease is not scheduled to expire until December 2014, but it is terminable on 90 days notice without penalty. The MTA has no alternative leased or owned space within its existing inventory to house these operations; and NYCT projects that it will save some \$124,000 per year in rent and other operating expenses by relocating from 58 Second Avenue to the Building.

b. The owner of Bush Terminal, unlike Salmar, is unwilling to take on the risk of undertaking to alter its facility to meet the Museum's fit-out requirements on a turnkey basis.

c. The Building is newly renovated with all new infrastructure, and all of its electrical and mechanical systems are either on the roof or sufficiently raised to protect against risk of future flood damage.

d. Exclusive of the portion of the rent to be paid by the MTA at the Building that is attributable to the MTA's fit-out requirements, such rent is \$1.15 per RSF lower than the rent per RSF that the owner of Bush Terminal would require.

The stipulated rent shown above (which, for MTA's internal accounting purposes, will be apportioned among the various MTA users based on their respective fit-out requirements and not just the amount of space they occupy) is based on a guaranteed maximum cost of \$3,529,543 for Landlord's Work, including contingency, that has been developed by

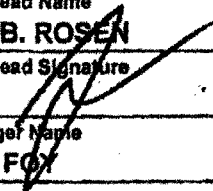
Staff Summary

FINANCE COMMITTEE MEETING Liberty View (Cont'd.)

Landlord based on preliminary plans and specifications that have been prepared by NYCT. When the final construction plans and specifications for Landlord's Work have been completed, Landlord's Work will be competitively bid out on an open-book basis; and, following the completion of Landlord's Work, if the final actual documented out-of-pocket cost to Landlord of Landlord's Work (exclusive of base building work) has been less than \$3,529,543, Tenant will be entitled to a rent credit equal to 80% of the amount of such savings. The rent will *not* be subject to increase by reason of any cost overruns with respect to Landlord's Work.


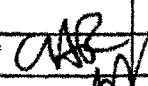

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease with Salmar on the above-described terms and conditions.

Staff Summary

Subject PERMIT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name MALINDA FOX

Date JULY 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/22/13	X		
2	Board	07/24/13	X		

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

AGENCY: Metropolitan Transportation Authority
 PERMITOR: State University of New York
 LOCATION: SUNY Global Center at 116 East 55th Street, New York, NY 10022
 ACTIVITY: Chairman's Safety Awards
 ACTION REQUESTED: Approval of Terms
 TERM: Four Hours
 SPACE: Classroom and Reception Area
 COMPENSATION: \$1875.00

COMMENTS

The MTA is seeking to enter a revocable permit with SUNY Global Center at 116 East 55th Street for the purpose of holding the Chairman's Safety Awards on July 30, 2013 from 7:30 AM to 11:30 AM. The MTA needs an appropriate space to hold the awards ceremony.

Based on the foregoing, MTA requests authorization to enter into a revocable permit with the State University of New York on the above-described terms and conditions.

Staff Summary

Subject TAB Senior Hearing Officers
Department Law Department
Department Head Name Martin B. Schnabel
Department Head Signature
Project Manager Name Mary-Ann E. Maloney

Date July 10, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

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

Internal Approvals			
Order	Approval	Order	Approval
1	President		Assistant to the President
2	Executive VP		Subways
	Capital Prog. Management		Buses
	Operations Support		Customer Service

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	Law <i>L.F. for MBS</i>		Human Resources		Labor Relations		Material

Narrative

Purpose

To obtain Board Approval for the renewal of retainer agreements with TAB's current panel of two Senior Hearing Officers, each in an amount not to exceed \$35,000.00, for the period of August 1, 2013 – December 31, 2013.

Discussion

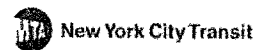
In accordance with Section 1209-a(2) of the Public Authorities Law (PAL), TAB maintains a roster of per diem hearing officers appointed by the President of NYCT. There are currently two Senior Hearing Officers on TAB's roster, who serve under separate retainer agreements.

Appointees to the Senior Hearing Officer position serve on a per diem basis and are paid at an hourly rate. Two attorneys currently serve in this position.

The Senior Hearing Officers are responsible for conducting hearings, training and supervising the panel of hearing officers, reviewing decisions and chairing the TAB Appeals Board, a three-member panel with responsibility to review appeals of hearing officer determinations. Two individuals have served as TAB Senior Hearing Officers for a significant period of time. Debra Siedman DeWan, who was appointed in January 1990, serves three days per week and is paid at a hourly rate of \$56.75 (or \$397.25 for a seven hour day); Rebecca Novak was appointed in July 1995, serves two days per week, and is paid at a hourly rate of \$49.33 (or \$345.31 for a seven hour day).

Staff Summary

Page 2 of 2



NYC Transit requests approval to renew its agreements with Ms. Siedman DeWan and Ms. Novak for the period of August 1, 2013 – December 31, 2013. Both have demonstrated themselves to be highly competent attorneys who have served with excellence as Senior Hearing Officers for a substantial period of time. Given their demonstrated knowledge and experience with respect to legal issues affecting TAB and their prior performance in this capacity, Ms. Siedman DeWan and Ms. Novak are viewed as the best candidates for the Senior Hearing Officer positions. In light of budgetary constraints, it is proposed to maintain their respective hourly rates to those in effect on June 30, 2013. Both retainer agreements will be subject to an annual cap of \$35,000.

Impact on Funding


Funding for the per diem Senior Hearing Officers has been included in TAB's 2013 operating budget.

Recommendation

That the Board approves the renewal of the retainer agreements with TAB Senior Hearing Officers Debra Siedman DeWan and Rebecca Novak as described above.



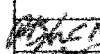



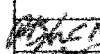



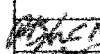



Approved For Submission to the Board


Carmen Bianco, Acting President


Date

PROCUREMENTS

The Procurement Agenda this month includes 24 actions for a proposed expenditure of \$397.4M.

Subject Request for Authorization to Award Various Procurements Department Materiel Division – NYCT Department Head Name Stephen M. Plochochi Department Head Signature  Project Manager Name Rose Davis <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <th colspan="6">Board Action</th> </tr> <tr> <th>Order</th> <th>To</th> <th>Date</th> <th>Approval</th> <th>Info</th> <th>Other</th> </tr> <tr> <td>1</td> <td>Committee</td> <td>7/22/13</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>Board</td> <td>7/24/13</td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </table>						Board Action						Order	To	Date	Approval	Info	Other	1	Committee	7/22/13				2	Board	7/24/13																July 11, 2013 Department Law and Procurement – MTACC Department Head Name Evan Eisland Department Head Signature  Table of Contents Ref # <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <th colspan="4">Internal Approvals</th> </tr> <tr> <th> </th> <th>Approval</th> <th> </th> <th>Approval</th> </tr> <tr> <td></td> <td>President NYCT</td> <td></td> <td>President MTACC</td> </tr> <tr> <td></td> <td>Executive VP</td> <td></td> <td>President MTA Bus</td> </tr> <tr> <td>X</td> <td>Capital Prog. Management</td> <td>X</td> <td>Subways</td> </tr> <tr> <td> </td> <td>Law</td> <td>X</td> <td>Diversity/Civil Rights</td> </tr> </table>				Internal Approvals					Approval		Approval		President NYCT		President MTACC		Executive VP		President MTA Bus	X	Capital Prog. Management	X	Subways		Law	X	Diversity/Civil Rights
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Internal Approvals (cont.)																																																																					
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PURPOSE:

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

DISCUSSION:

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

Schedules Requiring Majority Vote

Schedule E: Miscellaneous Procurement Contracts	1	\$	0.1M
• Ansys Incorporated			\$ 0.1 M
Schedule H: Modification to Personal/Miscellaneous Service Contracts	1	\$	1.8 M
• Glesecke & Devrient America			\$ 1.8 M
Schedule J: Modification to Miscellaneous Procurement Contracts	1	\$	1.1 M
• Autodesk, Inc.			\$ 1.1 M
SUBTOTAL	3	\$	3.0 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:

<u>Procurements Requiring Two-Thirds Vote:</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule B:	Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)	1	\$ TBD M
Schedule C:	Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	1	164.8 M
<u>Schedules Requiring Majority Vote</u>			
Schedule G:	Miscellaneous Service Contracts	4	\$ 183.3 M
Schedule H:	Modifications to Personal/Miscellaneous Service Contracts	1	\$ 6.6 M
SUBTOTAL		7	\$ 354.7 M

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

<u>Schedules Requiring Majority Vote</u>			
Schedule I:	Modifications to Purchase and Public Works Contracts	4	\$ 2.0 M
SUBTOTAL		4	\$ 2.0 M

NYC Transit proposes to award Ratifications in the following categories:

<u>Schedules Requiring Two-Thirds Vote:</u>			
Schedule D:	Ratification of Completed Procurement Actions	1	\$ 28.8 M
<u>Schedules Requiring Majority Vote:</u>			
Schedule K:	Ratification of Completed Procurement Actions	5	\$ 4.6 M
SUBTOTAL		6	\$ 33.4 M

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

<u>Schedules Requiring Majority Vote:</u>			
Schedule K:	Ratification of Completed Procurement Actions	4	\$ 4.3 M
SUBTOTAL		4	\$ 4.3 M

MTA Bus Company proposes to award Ratifications in the following categories: NONE

TOTAL	24	\$ 397.4 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 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.)

JULY 2013

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

E. Miscellaneous Procurement Contracts

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

- | | | |
|--|------------------------|--------------------------------------|
| 1. Ansys Incorporated
Non-Competitive – Three-year contract
Req. #13039 | \$115,791 (NTE) | <u><i>Staff Summary Attached</i></u> |
|--|------------------------|--------------------------------------|

Software support for Fluent Computational Fluid Dynamics software licenses.

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

(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. Giesecke & Devrient America, Inc.
Contract #06F9428.2 | \$1,849,848 (Est.) | <u>Staff Summary Attached</u> |
|---|--------------------|-------------------------------|

Maintain and refurbish three Giesecke & Devrient mixed currency counters.

J. Modification to Miscellaneous Procurement Contracts

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

- | | | |
|---|-------------|-------------------------------|
| 3. Autodesk, Inc.
Contract #05I9268.10 | \$1,136,167 | <u>Staff Summary Attached</u> |
|---|-------------|-------------------------------|

Modification to the contract for the Constructware web-based project management system, in order to provide additional consulting and training services and extend the contract term.

JULY 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

B. Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)
(Staff Summaries required for items estimated to be greater than \$1M.)

- | | | |
|---|------------------------------|--------------------------------------|
| 1. Contractor To Be Determined
Fifty month contract
Contract # W-32366 | Cost To Be Determined | <u>Staff Summary Attached</u> |
|---|------------------------------|--------------------------------------|
- RFP Authorizing Resolution for the procurement of a 700/800 MHz radio system for NYC Transit's Department of Buses and MTA Bus Company.

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

- | | | |
|--|----------------------|--------------------------------------|
| 2. Prevost Car (US) Inc.
Ninety month contract
Contract # B-40657 | \$164,838,002 | <u>Staff Summary Attached</u> |
|--|----------------------|--------------------------------------|
- Furnish and deliver 300 Over-the-Road Clean Diesel Express Buses.

Procurements Requiring Majority Vote:

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

- | | |
|--|-------------------------|
| 3. EnviroCare, Inc.
Three Bids/Low Bidder -- Four-year contract
Bid # 38091 | \$460,530 (Est.) |
|--|-------------------------|

This contract is to provide inspection of HVAC systems and associated ductwork for NYC Transit Department of Buses (DOB) and MTA Bus Company (MTABC).

The work will take place at various DOB and MTABC depots and buildings located within the five boroughs of New York City and Yonkers. Inspection will be performed to determine if cleaning of the HVAC systems and associated ductwork is necessary. Cleaning, if required, will be conducted through a separate multi-agency HVAC cleaning service contract previously awarded to another contractor.

Procurement conducted an extensive outreach to the marketplace which led to receipt of three bids. The low bidder, EnviroCare, Inc. submitted a bid that is approximately 18% lower than the bid submitted by the second low bidder. Based upon effective price competition, EnviroCare Inc.'s pricing was found fair and reasonable.

JULY 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

G. Miscellaneous Service Contracts Cont'd

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

- 4. Mondial Automotive, Inc. \$3,759,980 (Est.)**
Three Bids/Low Bidder – Five-year contract
Bid # 41743

This multi-agency contract is to provide diesel particulate filter (DPF) cleaning services for New York City Transit Department of Buses (DOB), MTA Bus Company (MTABC) and MTA Bridges & Tunnels (B&T). The work will involve cleaning of DPFs installed on DOB's diesel buses in the estimated amount of \$3,012,000, NYC Transit's non-revenue diesel trucks in the estimated amount of \$65,260, MTABC's diesel buses and trucks in the estimated amount of \$652,600, and B&T's diesel trucks in the estimated amount of \$30,120.

A DPF is an exhaust after treatment device designed to remove diesel particulate matter (sometimes referred to as soot), from the exhaust stream of a diesel engine. DPFs usually remove 85% or more of the soot and, at times, attain soot removal efficiencies of close to 100%. A diesel powered vehicle equipped with a functioning DPF will emit no visible smoke from its exhaust pipe.

The normal operation of a diesel powered vehicle causes generation of ash in the engine as part of the combustion process. The ash exits through the exhaust stream of the diesel engine and is accumulated in the DPF. Periodic cleaning of the DPF to remove the accumulated ash is necessary in order to optimize the DPF service life and prevent clogging and possible damage to the DPF. High accumulation of ash in the DPF also causes exhaust backpressure to increase; thereby preventing the engine from operating properly and risking engine damage.

Procurement conducted an extensive outreach to the marketplace which led to receipt of three bids. The low bidder, Mondial Automotive, Inc. (Mondial), submitted a bid that is approximately 22% lower than the bid submitted by the second low bidder and 26% lower than the bid submitted by the incumbent (third low bidder). Additionally, when comparing the previous three-year contract pricing to Mondial's bid, Mondial's bid pricing is approximately 33% lower. Based upon the aforementioned price analysis and effective price competition, Mondial's pricing was found fair and reasonable.

- 5. Medical Transportation Management \$106,206,745 (Est.)**
6. Corporate Transportation Group \$72,868,015 (Est.)
Twenty-Three Proposals – Three-year contracts, with two-year options
RFP # 20733

Staff Summary Attached



Broker Car Services for the Paratransit Division.

JULY 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

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.)

7. **Palm Coast Data, LLC** **\$6,584,779 (Est.)** *Staff Summary Attached*
Contract # 05F9218.3

Modification to the contract for MetroCard Extended Sales Fulfillment Services, in order to extend the contract term.

JULY 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

I. Modifications to Purchase and Public Work Contracts

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

- | | | |
|----|---|---|
| 1. | E.E. Cruz and Tully Construction
Company, JV, LLC
Contract # C-26005.132 | \$653,000

<i><u>Staff Summary Attached</u></i> |
| | Modification to the contract for civil, structural and utility relocation work for the Second Avenue Subway, 96th Street Station, in order to implement the contractual steel price adjustment clause. | |
| 2. | Judlau Contracting, Inc.
Contract #C-26006.41 | \$300,586

<i><u>Staff Summary Attached</u></i> |
| | Modification to the contract for the construction of the Second Avenue Subway – 63rd Street and Lexington Avenue Station, in order to install a ventilation system for the Con Edison vault and Electrical Distribution Room. | |
| | Skanska/Railworks, JV
Contract # C-26505.26 | \$301,000
<i><u>Staff Summary Attached</u></i>
↓ |
| 4. | Contract # C-26505.40 | \$713,000
↓ |
| | Modification to the contract for the furnishing and installing of finishes and systems for the No. 7 Line Extension, in order to address changes associated with the issuance of Revised Document Series Nos. 5 and 7. | |

JULY 2013

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions

(Staff Summaries required for items requiring Board approval.) 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. | Siemens Industry, Inc.
Contract #C-52127 | \$28,777,000 | <u>Staff Summary Attached</u> |
| | Furnish, install, integrate and test a Connection Oriented Ethernet Network at various NYC Transit locations. | | |

Procurements Requiring Majority Vote:

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

(Staff Summaries required for items requiring Board approval.)

- | | | | |
|----|--|--------------------|--------------------------------------|
| | John Civetta & Sons | | <u>Staff Summary Attached</u> |
| 2. | Contract #A-36065.40 | \$2,087,900 | ↓ |
| 3. | Contract #A-36065.54 | \$398,000 | ↓ |
| 4. | Contract #A-36065.49 | \$1,144,000 | ↓ |
| | Modification to the contract for the rehabilitation of the Dyckman Street Station and component repair of five stations on the Broadway/Seventh Avenue Line in Manhattan and The Bronx, in order to install an elevator at the Dyckman Street Station, install friction bearing piles for the Dyckman Street Station and to extend the substantial completion date and provide for impact costs. | | |
| 5. | Silverite Construction Company, Inc.
Contract # C-40455.23 | \$458,370 | <u>Staff Summary Attached</u> |
| | Modification to the contract for the design and construction of the Mother Clara Hale Bus Depot, in order to remove and dispose of excess quantities of the foundation perimeter wall. | | |
| 6. | Welkin Mechanical LLC
Contract # C-34812.2 | \$475,000 | <u>Staff Summary Attached</u> |
| | Modification to the contract to furnish and install sprinkler systems at five locations in Manhattan and Queens, in order to furnish and install fire suppression and fire alarm systems at the Jay Street PBX Room. | | |

JULY 2013

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. | AECOM*Arup, JV
Contract # CM-1188.90 | \$1,275,387 (NTE) | <u>Staff Summary Attached</u> |
| | Modification to the contract to provide design services for the Second Avenue Subway, in order to relocate the 72 nd Street Station entrance. | | |
| | E.E. Cruz and Tully Construction
Company, JV, LLC | | <u>Staff Summary Attached</u> |
| 2. | Contract # C-26005.123 | \$600,000 | ↓ |
| 3. | Contract # C-26005.128 | \$1,083,500 | ↓ |
| | Modification to the contract for civil, structural, and utility relocation for the Second Avenue Subway, 96th Street Station, in order to perform tunnel dewatering and resolve a claim. | | |
| | Skanska USA Civil Northeast, Inc. | \$1,383,000 | <u>Staff Summary Attached</u> |
| 4. | Contract #A-36121.308 | | |
| | Modification to the Fulton Center contract for the reconstruction of the A/C Mezzanine and J/M/Z Vertical Circulation, in order to construct and fit-out employee facilities at the north end of the J/Z southbound platform. | | |

Schedule E: Miscellaneous Procurement Contracts



Item Number: 1

Vendor Name (& Location) Ansys Incorporated (Canonsburg, PA)
Description Renewal of software support for Fluent software
Contract Term (including Options, if any) Three years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole source

Contract Number 13039	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: \$115,791 (NTE)	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: Capital Reimbursable	
Requesting Dept/Div & Dept/Div Head Name: Technology & Information Services, Sidney Gellineau	

Discussion:

This three-year contract is for software support for four Fluent Computational Fluid Dynamics (CFD) software licenses used to model air flow patterns in stations and tunnels. Ansys Inc. (Ansys) is the sole licensor for CFD software and is the only provider of support.

The National Fire Protection Association requires that a software program be used in evaluating multi-dimensional airflow dynamics of smoke patterns of station and tunnel fires. CFD is an advanced three-dimensional computer modeling tool that is used to analyze complex airflow and heat transfer phenomena. CFD can predict gas (air, smoke, pollutants) velocity, temperatures, pressures, concentrations, heat transfer, mass transfer, etc., using a numerical simulation tool to model air flow patterns for stations and tunnels. CFD software enables NYC Transit's Capital Program Management (CPM) to perform advanced numerical analysis in designing NYC Transit's fan plants for ventilation and fire safety in stations and tunnels. CPM has been using CFD software for over 15 years. It would not be cost effective or technically practical to train staff on a different software application.

NYC Transit requires its consultants to use CFD software in the design of major projects. NYC Transit uses CFD software to perform additional air flow modeling after the consultants submit their designs. Support for CFD licenses includes: updated software releases and patches, 24/7 customer support and access to Ansys' Customer Portal to perform searches on technical issues.

Ansys submitted a price of \$115,791, which reflects an initial 3% increase followed by annual increases of 5% for Years 2 and 3. Support will be paid annually for Year 1 - \$36,730; Year 2 - \$38,566 and Year 3 - \$40,495. Ansys' renewal price for the first year of support is based on 20% of the acquisition price for a new software license, which for this contract represents a 3% increase over the previous Year 3 amount of \$35,699, followed by annual increases of 5%. This form of pricing is consistently applied to all customers regardless of the number of licenses. This is the same pricing policy that was applied in 2010, the last time NYC Transit renewed support for CFD licenses. Based on this explanation, Ansys' three year price for support is considered fair and reasonable.

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

Item Number: 2

Vendor Name (& Location) Giesecke & Devrient America, Inc. (Dulles, VA)	
Description Refurbishment and maintenance of three high speed mixed currency counters	
Contract Term (including Options, if any) October 1, 2007 – September 30, 2013	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Revenue Control, Alan Putre	

Contract Number	AWO/Modification #
06F9428	2
Original Amount: 761,988	
Options 1 and 2:	\$ 422,160
Total Amount	1,184,148
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 1,184,148
This Request:	\$ 1,849,848 (Est.)
% of This Request to Current Amount:	156.2%
% of Modifications (including This Request) to Total Amount:	156.2%

Discussion:

This modification is to extend the contract with Giesecke & Devrient America, Inc. (G&D) for four years plus two, one-year options for continued preventive and remedial maintenance and refurbishment of three high speed mixed currency counters. Award of the options will be subject to the approval of the Assistant Chief Procurement Officer.

In July 2007, the Board approved the award of a sole-source, six year miscellaneous service contract to G&D for \$761,988 to provide preventive and remedial maintenance for three G&D Model No. BPS-1100L-30 high speed mixed currency counters (currency counters). Two of these currency counters were purchased in 2002 and the third unit was acquired in 2004 as part of the construction of the Consolidated Revenue Facility (CRF). G&D is the manufacturer and sole provider of service for these currency counters. These high speed currency counters have numerous features such as automated mixed currency bank note recognition, counterfeit note detection, automated bank note strapping and the ability to process new U.S. currency designs. The work under this contract includes quarterly preventive maintenance to ensure that all three currency counters remain in good working order and remedial maintenance on an 'as-needed' basis.

Since award, one modification was issued to exercise the two, one year options for continued maintenance extending the contract from October 1, 2011 through September 30, 2013 for \$422,160. Under this modification, the Division of Revenue has requested a four year extension plus two, one year options for continued maintenance of these currency counters.

G&D submitted an initial proposal of \$2,026,668 for four years, plus two, one year options. This proposal reflected significant annual increases for maintenance due to the advanced age of the three currency counters. The useful life of a currency counter is 10 years and two of these currency counters have been operational for over 11 years and the third currency counter is nine years old.

Discussions with G&D resulted in the receipt of other proposals, all containing significant annual increases due to the age of the equipment. An alternative proposal that was requested to reduce the overall cost, while increasing the life of these currency counters, included a complete factory refurbishment of the currency counters to be performed by G&D at their Dulles, Virginia facility. This solution includes a loaner currency counter that would be used by Revenue while the currency counters undergo the refurbishment process. The cost to refurbish all three currency counters is \$495,000, which is approximately 25% of the cost for three new units. The overhaul includes a complete system factory refurbishment and technology upgrade with components and software updates. The annual cost to maintain a refurbished unit is \$3,430 or 4.6% less than the amount charged by G&D for maintaining a new currency counter. For the long term maintenance, the cost will be \$1,354,848 for the six years. This amount represents an average annual increase of 2.7% versus 3.5% under the previous contract and is less than the average annual increase of 3.2% as shown in the CPI. The total cost for this solution at \$1,849,848 (\$495,000 + \$1,354,848) versus the original proposal of \$2,026,668 (preventive and remedial maintenance only) represents a savings of \$176,820 and will ensure the availability of these currency counters through 2019. Based on the aforementioned, Procurement finds G&D's price of \$1,849,848 to be fair and reasonable.

Schedule J: Modifications to Miscellaneous Procurement Contracts



Item Number: 3

Vendor Name (& Location) Autodesk, Inc. (San Rafael, CA)	
Description Constructware Web-based Project Management System	
Contract Term (including Options, If any) October 17, 2005 – July 31, 2013	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Frederick E. Smith	

Contract Number	AWO/Modification #
0519268	10
Original Amount:	\$ 766,822
Prior Modifications:	\$ 4,451,100
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 5,217,922
This Request:	\$ 1,136,167
% of This Request to Current Amount:	21.8%
% of Modifications (including This Request) to Original Amount:	728.6%

Discussion:

This modification is to extend the contract for an additional three years from August 1, 2013 through July 31, 2016 for continued use of the Constructware Web-based Project Management System (WPMS) for on-site consulting and training services, as well as out-of-pocket expenses.

In February 2005, MTAHQ received approval from the Board to award a five year plus three year option competitive All-Agency miscellaneous procurement, Contract No. 6-01-03153-0-0, to Emerging Solutions, Inc. d/b/a Constructware Corp. for a WPMS. WPMS was chosen to provide a centralized database in the management of MTA Capital Program design and construction projects and to assist in the automation of their work process, track assignments, manage correspondence and speed up review and approval of submissions.

Pursuant to Board approval, NYC Transit on October 17, 2005 awarded Contract No. 0519268 to Constructware Corp. in the amount of \$766,822 for Enterprise Licensing for the first year of the five year agreement, on-site consulting and training services, and out of pocket expenses. Since award, nine modifications have been issued for additional on-site consulting and training, assignment of the contract to Autodesk, Inc. and later MTAHQ's transfer of the contract to NYC Transit; and various extensions to coincide with the contract term, including the exercise of the three year option, and bring the contract to the current amount of \$5,217,922.

This Modification No. 10 will extend the contract with Autodesk for the use of WPMS for three years. NYC Transit currently has 356 construction projects that utilize WPMS. Additional projects, which will address Sandy Recovery and Resiliency work and Small Business Mentoring, will use Constructware WPMS.

Autodesk's proposal for an initially requested two year extension was \$1,252,680. Through negotiations, Autodesk agreed to reduce their annual licensing fee of \$538,200 to \$434,280, which is \$35,181 less than the current annual licensing fee of \$469,461, and later to \$334,395, if NYC Transit agreed to pay for a three year licensing fee of \$1,003,185 up front, instead of on an annual basis. The pre-payment arrangement results in a negotiated savings of \$405,198 over three years when compared to the current annual license fee. In addition to the licensing fee is 90 days of consulting and training services at \$236,119, which will be used on an as needed basis. The net effect of prepaying the software license fee up front is that NYC Transit will be able to extend the contract for three years at a cost of \$1,239,304 versus the original proposal of \$1,252,680 for two years. This cost will be partially offset by the remaining contract balance of \$103,137, resulting in a net cost for this modification of \$1,136,167. Based on the aforementioned, Autodesk's three year proposal was found fair and reasonable.

Staff Summary



New York City Transit

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Item Number 1					
Division & Division Head Name: VP Materiel, Stephen M. Plochochi					
<i>Handwritten signature and date 7/10/13</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	Materiel <i>WD</i>	<i>Signature</i>	President MTABC/SVP DOB <i>cc</i>	7/10	
2 X	Law	6 <i>Signature</i>	Executive VP		
3 X	Budget	<i>Signature</i>	President, NYCT		
4 X	Capital Program Mgmt				

SUMMARY INFORMATION	
Vendor Name	Contract Number
RFP Authorizing Resolution	W-32366
Description	
700/800 MHz Radio system for the New York City Transit Authority Department of Buses and MTA Bus Company	
Total Amount	
TBD	
Contract Term (including Options, if any)	
50 Months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

PURPOSE/RECOMMENDATION:

To request that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate, and that, pursuant to Subdivision 9(f) of Section 1209 of the Public Authorities Law, it is in the public interest to issue a competitive Request for Proposal (RFP) for the 700/800 MHz Radio system for the NYC Transit Department of Buses (DOB) and MTA Bus Company (MTABC). This project will be managed by NYC Transit Capital Program Management (CPM).

DISCUSSION:

The purpose of this project is to design, furnish and install a new land mobile digital radio system in the 700/800 MHz band, servicing both DOB and MTABC to support 12,000 subscriber radio devices. Upon completion of this project, DOB and MTABC will share a common radio network, base station sites and a new unified Bus Command Center (BCC) that will be built under a separate procurement. The 700/800 MHz Bus Radio System project will outfit the BCC with all the bus dispatch consoles, radio equipment hardware and software necessary for a fully operational and functional Command Center Operating Theater that will be capable of supporting both voice and data traffic between the BCC and individual revenue and non-revenue support vehicles. A critical part of this project is the transition from the existing analog system to the new digital system in addition to retrofitting existing bus and vehicles with new mobile and portable radios.

The current DOB analog radio system utilizes 20 channels in the 800 MHz band. The operations span all the five boroughs of New York City, into Westchester and Nassau counties and Long Island. DOB also serves routes from Queens to Nassau County and from Staten Island to New Jersey. This system is more than 25 years old, technologically obsolete, and does not satisfy DOB requirements for quality of service and growth, including the addition of dispatching responsibility for MTABC. The MTABC analog radio system currently operates on nine channels in a leased 900 MHz band and utilizes a single transmission tower, located in Manhattan, covering Nassau County to the east, Westchester County to the north, and New Jersey to the West. After transitioning to the new radio system, the 900 MHz spectrum will no longer be used.

The new radio system will utilize a total of 22 channels in the 800 MHz band as well an additional 37 channels in the 700 MHz band, and will operate 24/7/365 to support personnel in buses and support vehicles, as well as portable radios.

The main features of the new digital radio system will be:

- Unified digital radio network for DOB and MTABC
- Flexible multimode radios that can accommodate simultaneous voice and data transmission.
- An open architecture design with complete scalability with increased capacity and functionality.
- Ability to have both talk groups and one-on-one communications.

Staff Summary

A review of responses to a prior NYC Transit Request for Information (RFI) received in April 2013 identified various alternatives and configurations that meet the requirements of NYC Transit. Utilizing the RFP process will allow NYC Transit to evaluate alternatives as well as take into account proposals that can possibly shorten the project duration and introduce innovations that will be in keeping with NYC Transit's need to get the best possible contractor and solution at the best possible price. Maintaining current radio operations while transitioning to the new digital radio system will be an important requirement. Given the complex nature of this project, it is in the best interest of NYC Transit to be able to consider other factors such as technical expertise and alternative approaches to the work as well as past performance and experience on similar projects in order to determine which proposal offers the best overall value. In addition, the RFP process will allow NYC Transit flexibility to negotiate alternative contract terms and conditions that could potentially result in a lower overall cost for the project while still achieving NYC Transit's requirements.

ALTERNATIVES:

The use of a sealed bid process in which factors other than cost cannot be considered is not recommended as it does not provide the best flexibility in assessing the alternative means towards accomplishing this complex project. An RFP is a better means to evaluate different technical approaches and to enable the best consideration of alternative proposals. It is believed that a negotiated procurement in the context of a complex project would better serve the public interest and offer NYC Transit the best overall value.

IMPACT ON FUNDING:

This project is funded by the FTA and MTA and will be managed by NYC Transit under the MTA Capital Program.

D/M/WBE INFORMATION:

The Department of Diversity and Civil Rights has established a 3% DBE goal for this procurement.

Staff Summary



New York City Transit

Page 1 of 2

Item Number 2					
Division & Division Head Name: VP Materiel, Stephen M. Plochocki					
Division Head Signature & Date					
<i>MPK for SMC 7/5/13</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	Materiel	5 X	Buses		
2 X	Law	6 <i>WPS</i>	Executive VP		
3 X	Capital Budget	7 <i>WPS/CP</i>	President		
4 X	DDCR	8			

SUMMARY INFORMATION	
Vendor Name Prevost Car (US), Inc.	Contract Number B-40657
Description Furnish and Deliver 300 Over-the-Road Clean Diesel Express Buses.	
Total Amount \$164,838,002	
Contract Term (including Options, if any) August 15, 2013 - February 14, 2021	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE:

To obtain Board approval for NYC Transit to award contract B40657 to Prevost Car (US), Inc. to purchase, pursuant to subdivision 9 (g) of Section 1209 of the Public Authorities Law, 300 Over-the-Road Clean Diesel Express Buses and related items such as spare parts, special tools and equipment, diagnostic testing, technical documentation and training.

II. DISCUSSION:

On September 27, 2012, the Board adopted a resolution authorizing the use of a competitive Request for Proposal (RFP) in lieu of competitive bidding to award a contract for the purchase of 285 Over-the-Road Clean Diesel Express Buses with an option to purchase up to 15 additional Buses. Subsequent to the Board's approval of the Authorizing Resolution, a reassessment of the express bus requirements to support planned restoration of service resulted in a decision to include the option in the base requirement and to advertise the contract for the full 300 buses.

The solicitation, which contained language that would allow the award to be split if certain pre-established criteria were met, was advertised on January 14, 2013 at which time eight bus manufacturers were directly contacted. Pursuant to the statutory framework, the selection criteria, listed in descending order, were as follows: Overall Project Cost, New York State Content, Overall Quality of Proposer and Product and Other Relevant Matters. Delivery time, while not part of the selection criteria, was required to be completed within 130 weeks from notice of award. Selection Committee members were drawn from NYC Transit - Department of Buses (DOB), Procurement, Capital Planning & Budget and MTABC Operations Planning.

Three express bus manufacturers [DesignLine Corporation (DesignLine), Motor Coach Industries, Inc. (MCI) and Prevost Car (US), Inc. (Prevost)] attended the pre-proposal conference which was held on January 28, 2013. Initial proposals were received on March 27, 2013 from all three of these express bus manufacturers. It should be noted that this is the first time that NYC Transit has had competition for this bus type.

After review of the initial proposals by the Selection Committee, both MCI and Prevost were invited for oral presentations and DesignLine was advised that it was no longer in consideration for award because of its limited experience manufacturing Over-the-Road Clean Diesel Express Buses. Oral presentations were held on April 9 and April 10, 2013 with MCI and Prevost respectively. Negotiations were conducted on May 14 and May 15, 2013 with MCI and Prevost respectively and centered on the current performance of each bus manufacturer's respective fleet(s), pricing, alternate proposals, exceptions/deviations/clarifications to the technical specifications and the terms & conditions.

Staff Summary

BAFOs were received from both MCI and Prevost on June 7, 2013. The table below illustrates the final evaluation of the BAFO pricing.

	MCI	Prevost	Difference
Average Price per bus (300 buses)	\$566,309.50	\$552,168.01	(\$14,141.49)
Net Debits/Credits for Selected Alternatives	\$1,197.00	(\$2,708.00)	(\$3,905.00)
Average Bus Price including alternatives	\$567,506.50	\$549,460.01	(\$18,046.49)
New York State Content %	15.47%	21.56%	6.09%
Evaluative Credit for New York State Content	(\$39,432.22)	(\$54,946.00)	(\$15,513.78)
Evaluative Credit for Overall Quality of Proposer and Product	(\$43,407.34)	(\$39,561.12)	\$3,846.22
* Other Evaluative Debits/Credits	(\$300.00)	\$1,578.64	\$1,878.64
Final Average Bus Price in Evaluative Dollars	\$484,366.93	\$456,531.53	(\$27,835.41)

* This represents the net value of credits and debits utilized to value the differences between the proposers' BAFOs.

The Selection Committee reviewed the two BAFOs in accordance with the evaluation criteria and unanimously recommended award of the entire contract for 300 Buses to Prevost because Prevost's significantly lower price and larger New York State Content outweighed MCI's marginally higher technical evaluation.

In comparing the BAFOs of MCI and Prevost, it should be noted that Prevost's unevaluated average price per bus of \$549,460 is \$18,047 (3.18%) less than MCI's unevaluated average price per bus of \$567,507; Prevost's evaluative price of \$456,532 is \$27,835 (5.75%) lower than MCI's evaluative price of \$484,367. The final award amount of \$164,838,002 is \$5,403,947 less than MCI's total price, \$8,920,975 (5.13%) below Prevost's initial proposal of \$173,758,977 and \$13,661,998 (7.65%) below DOB's estimate of \$178,500,000. The award will consist of \$164,247,600 for the 300 buses, \$183,324 for qualification testing, diagnostic tools and manuals, \$108,000 for an estimated quantity of training and \$299,078 for capital spares. Procurement, DOB and the Cost/Price Analysis Unit have determined the final price to be fair and reasonable.

Prevost's two pilot buses are scheduled to be delivered in February 2014. One of the pilot buses will be used for in-service testing while the other will be used for configuration audit and qualification testing. The delivery of the production buses is scheduled to begin in September 2014 and to be completed in February 2016.

Prevost has committed to meeting a New York State Content of 21.56%. In addition to sourcing materials and services from New York State companies, Prevost will utilize a manufacturing facility in Plattsburgh, NY. This facility was built in 2009 by an affiliated company, Nova Bus, a Division of Prevost Car (US), Inc., for the manufacture of both 40-foot and 60-foot low floor transit buses. Prevost's plan includes the repurposing of underutilized space within the Plattsburgh facility and expanding the Plattsburgh facility to accommodate a production line for Prevost to build Over-the-Road Clean Diesel Express Buses.

Payment Terms: The following payments will be made within 30 days (as per the New York State Prompt Payment Guidelines) after each of the following events: 10% of the value of 300 buses at Notice of Award; 15% of the value of 300 buses upon Delivery of the pilot buses; 55% of the price per bus upon issuance of Release for Shipment; 18% of the price per bus at Acceptance of each bus; 1% of the price per bus upon Acceptance of approved manuals; 1% of the price per bus upon Acceptance of the training deliverables. The 10% and 15% payments will be fully collateralized.

III. MBE/WBE:

Goals of 10% MBE and 10% WBE have been established for this contract. Prevost has submitted a good faith effort to the Department of Diversity and Civil Rights (DDCR) and has committed to expanding its outreach program to identify additional MBE/WBE companies to support Prevost's production and deliverables on this contract. Prevost has also agreed to establish a minority supplier development program that would create opportunities for New York State certified/based MBE/WBEs. Based on Prevost's implementation plan, approval was received from DDCR. DDCR and Prevost will continue to work collectively to maximize Prevost's ability to meet the goals set forth in this contract and future procurements.

IV. IMPACT ON FUNDING:

The Contract will be funded with 100% MTA funds. Approval of the scope change, from 285 to 300 buses, is included in the staff summary regarding Omnibus Budget Modifications to 2010-2014 Capital Program, which is to be presented to the July Board. Sufficient funds exist within the project for all 300 buses. A WAR certificate will be secured prior to award.

V. ALTERNATIVES:

Conduct another solicitation. This is not recommended as it is unlikely to result in better pricing and will seriously undermine NYC Transit's fleet plan and its ability to replace buses which have exceeded their 12-year useful life.

VI. RECOMMENDATION:

It is recommended that the Board approve the award of this competitively negotiated contract to Prevost Car (US), Inc. in the amount of \$164,838,002 to purchase 300 Over-the-Road Clean Diesel Express Buses and related items such as spare parts, special tools and equipment, diagnostic testing, technical documentation and training.

Item Number: 5-6

Vendor Name (& Location) Medical Transportation Management, Inc. (Lake Saint Louis, MO) Corporate Transportation Group, Ltd. (Brooklyn, NY)	
Description Broker Car Service for Paratransit	
Contract Term (including Options, if any) Three years with a two year option	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	

Contract Number RFP No. 20733	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: \$179,074,760 (Est.)	
\$106,206,745 (MTM) \$72,868,015 (CTG)	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Department of Buses, Darryl Irick	

Discussion:

These miscellaneous service, estimated quantity contracts are for the provision of Broker Car Service for Paratransit Access-A-Ride (AAR) customers.

In December 2011, Request for Proposals (RFP) #20733 was competitively solicited for AAR service identified as "Broker Car Service for Paratransit" following a successful pilot initiative that began in January 2011. A "Broker" program utilizes one contractor to schedule and dispatch pre-arranged trips for Paratransit's ambulatory passengers through a non-dedicated subcontractor network of livery and black car service providers. The use of a non-dedicated service provides a cost benefit to NYC Transit in that Paratransit does not bear the direct responsibility for maintenance of the vehicles and other operating costs, as is the case with the dedicated Primary Carrier service (16 Contractors solely dedicated to the provision of ADA paratransit service, utilizing and maintaining NYC Transit-provided vans and sedans for the AAR program) for Paratransit. Historically, Broker program pricing has been on average 39% lower than the Primary Carrier service, with average per trip pricing of \$32 and \$53, respectively.

The term of the Contracts is three years with an option to extend for up to an additional two years. Board approval will be sought if NYC Transit wishes to exercise its option. Approximately six million trips will be completed within the three year term. Pricing shall remain fixed for the base and option years.

The evaluation criteria for this RFP, listed in descending order of importance, were as follows: Overall Technical Qualification to provide Broker service, Overall Price for Trips and Other Relevant Matters. The solicitation was structured to facilitate NYC Transit's desire to make multiple awards based on a 60%/40% split of the total number of trips, unless pricing received for 100% from a single Proposer was significantly lower than the second lowest Proposer to offset the benefits of a split award. Two contracts benefit the Authority in that a backup provider is available to provide service and competition is cultivated for future related procurements.

Procurement performed an extensive outreach which resulted in 56 companies attending the pre-proposal conference and 23 proposals being submitted in response to the RFP. Following the Selection Committee's review, 16 proposals were eliminated immediately as the Proposers failed to demonstrate an adequate level of understanding of the Broker program. The remaining seven Proposers were invited for oral presentations. Subsequent to oral presentations, four Proposers were eliminated as the Selection Committee determined that these Proposers lacked experience in the Broker program and did not articulate a satisfactory management approach. The Selection Committee determined that remaining companies: Corporate Transportation Group (CTG, the incumbent), Medical Transportation Management (MTM, woman-owned firm certified in Missouri), and MV Transportation (MVT), were technically qualified and demonstrated relevant experience with the Broker program. These three companies were invited to participate in negotiations.

A series of negotiations centered on the variety of elements which made up the price per trip, with the goal of achieving an overall reduction in the weighted average cost per trip (WACPT). During the course of negotiations, interim pricing was submitted and evaluated to ensure substantive price reductions. BAFOs were received on June 4, 2013. The total estimated three-year pricing for 100%, 60% and 40% and corresponding WACPT for each Proposer is as follows:

Proposer	100%	WACPT	60%	40%	WACPT
MTM	\$176,113,846	\$29.48	\$106,206,745	\$70,799,364	\$29.62
CTG	\$178,525,526	\$29.88	\$109,308,975	\$72,868,015	\$30.49
MVT	\$196,131,825	\$32.83	\$119,528,290	\$79,680,476	\$33.34

Discussion Cont'd

The Selection Committee evaluated the BAFOs in accordance with the evaluation criteria. CTG, MTM and MVT all had high technical ratings with CTG ranked slightly higher than MTM. The difference in price for an award of 100% of the estimated trips to a single contractor was not significant enough to outweigh the benefit of a split award. The Selection Committee unanimously voted to make a split award with 60% to MTM and 40% to CTG, based on MTM's lower price, notwithstanding CTG's slightly higher technical ranking. MTM's 60% proposal is \$3,102,230 or 2.8% lower than CTG's 60% proposal. Both MTM and CTG are financially qualified to perform the work at the recommended award amounts. Prices from both are considered fair and reasonable.

Staten Island inter-borough trips are included in this new Contract, whereas the existing contract does not include either Staten Island intra- or inter-borough trips. A comparison of the combined WACPT of \$28.79 (MTM at 60% volume and CTG at 40% volume) for the new Contract excluding SI inter-borough trips, compared to the WACPT of \$32.00 for the existing contract is \$3.21 or 10% less. This equates to an approximate price reduction of \$19.2 million from the existing contract. It should be noted that the combined WACPT of \$29.97 (including SI inter-borough trips) is \$2.03 or 6.3% lower than the existing contract. Under these new Contracts, Broker program pricing will be on average, 43.5% lower than Primary Carrier service with an average per trip price of \$29.97 compared to \$53 for Primary Carrier service.

Through negotiations, from the initial proposals to the BAFOs, the WACPTs for MTM and CTG were reduced by \$2.71 and \$2.11 respectively. Based on the estimated number of trips for the three year term, this represents an estimated savings of \$14.7M.

Schedule H: Modifications to Personal and Miscellaneous Service Contracts



Item Number: 7

Vendor Name (& Location)	
Palm Coast Data, LLC (Palm Coast, FL)	
Description	
Provide MetroCard extended sales fulfillment services	
Contract Term (including Options, if any)	
August 9, 2006 – August 8, 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 checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name:	
Revenue Control, Alan Putre	

Contract Number	AWO/Modification #
05F9218	3
Original Amount:	
	\$ 13,567,242
Option Amount:	
	\$ 5,511,918
Total Amount:	
	\$ 19,079,160
Prior Modifications:	
	\$ 0
Prior Budgetary Increases:	
	\$ 858,909
Current Amount:	
	\$ 19,938,069
This Request:	
	\$ 6,584,779 (Est.)
% of This Request to Current Amount:	
	33.0%
% of Modifications (including This Request) to Total Amount:	
	39.0%

Discussion:

This modification is to extend the contract term by two additional years from August 9, 2013 through August 31, 2015 for continued MetroCard extended sales fulfillment services.

Fare media has traditionally been sold within the NYC Transit subway system at station booths and MetroCard vending machines. Beginning in 1997, MetroCards were distributed out-of-system through the MetroCard Extended Sales Merchant Network program, which now is comprised of over 4,300 MetroCard merchants located throughout the greater New York City area. The program offers customers a convenient alternative means to purchase MetroCards, especially those that are bus only customers. In 2012, there were 66,594 secured deliveries made of over 30 million MetroCards that were sold through this program accounting for \$312.5 million in sales revenue to NYC Transit. Contract pricing is based on estimated quantities of more than 30 different types of transactions related to ordering, packaging, shipping and payment for MetroCards.

In July 2006, the Board approved a five year competitively solicited contract to Kable News Company (Kable) to provide MetroCard extended sales fulfillment services for \$13,567,242, with an option to extend the contract term for two additional one year periods for \$5,511,918 for a combined total of \$19,079,160. In February 2009, the contract was assigned from Kable to Palm Coast Data, LLC, (Palm Coast) per a request made by their shared parent company.

Under this contract, Palm Coast is responsible for accepting orders by telephone, mail or fax and processing each order for shipment. A telephone customer service center is staffed to address the full range of MetroCard merchants' orders. Palm Coast is also responsible for providing secure warehousing, fulfillment, inventory management, payment processing, accounting and other related services.

This two year extension is being requested by Revenue to avoid a break in service and allow sufficient time to make work scope revisions, solicit and award a new multi-year contract. The wide range of services provided, combined with an extensive merchant network dictate an extended re-solicitation schedule. In discussions with Palm Coast, they agreed to continue to perform this work for the next two years at the same unit prices as the last four years. To support accepting Palm Coast's pricing, comparisons were made between the Consumer Price Index (CPI) and the Producer Price Index (PPI) for transportation, equipment and fuel for the period of May 2010 to the present, which show increases of 6%, 8% and 33%, respectively. Based on these levels of increases, Palm Coast's pricing for the two year extension is considered fair and reasonable. The estimated expenditure for this extension is \$6,804,888, which will be partially offset by the remaining contract balance of \$220,108, resulting in a net cost for this modification of \$6,584,779.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 1

Vendor Name (& Location) E.E. Cruz and Tully Construction Company, JV, LLC (CTJV) (Holmdel, NJ)	
Description Civil, Structural, and Utility Relocation for the Second Avenue Subway – 96 th Street Station	
Contract Term (including Options, if any) May 28, 2009 – July 15, 2013	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Dr. Michael Horodniceanu	

Contract Number	AWO/Modification #:
C-26005	132
Original Amount:	\$ 303,863,700
Option 1 Amount:	\$ 17,526,300
Option 2 Amount:	\$ 3,610,000
Total Amount:	\$ 325,000,000
Prior Modifications:	\$ 36,534,759
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 361,534,759
This Request:	\$ 653,000
% of This Request to Current Amount:	0.2%
% of Modifications (including this Request) to Total Amount:	11.4%

Discussion:

This modification is for the application of the contractual steel price adjustment clause.

This contract is for civil, structural, and utility relocation work for the 96th Street Station for the Second Avenue Subway. The work to be performed under this contract includes: the relocation of utilities, demolition of the former Century Lumber Building and interior demolition at Astor Terrace Condominium; construction of temporary and permanent support of excavation (SOE) retaining structures including the construction of slurry walls, secant piles and micro pile walls; connection to the existing tunnel north of 99th Street; installation of temporary roadway decking; construction of the 96th Street Station invert slab; and construction of certain station entrance and ancillary building structural elements.

Contract C-26005 includes a provision allowing for a steel price adjustment for additional compensation to the contractor, or a credit to MTACC, due to increases or decreases in the cost of eligible steel material prices based upon a published monthly index. In accordance with these provisions, the contractor submitted a request for price adjustment for steel purchased between September 2009 and December 2012 including documentation in support of quantities purchased. The quantities were reviewed and verified by MTACC and, when applying the adjustment formula established in the contract, results in an additional cost of \$653,000 which is considered fair and reasonable. It should be noted that during the negotiation of the base contract, a concession of \$3 million was obtained from the contractor for the inclusion of this provision in the contract. Thus overall savings of \$2,347,000 were achieved.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 2

Vendor Name (& Location) Judlau Contracting, Inc. (New York, NY)	
Description Second Avenue Subway - 63 rd St/Lexington Avenue Station Reconstruction	
Contract Term (including Options, if any) January 13, 2011 – May 13, 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 C-26006	AWO/Modification # 41
Original Amount: \$ 176,450,000	
Prior Modifications: \$ 3,505,912	
Prior Budgetary Increases: \$ 0	
Current Amount: \$ 179,955,912	
This Request: \$ 300,586	
% of This Request to Current Amount: 0.2%	
% of Modifications (including This Request) to Original Amount: 2.2%	

Discussion:

This modification is for the installation of a new ventilation system for the Con Edison vault and Electrical Distribution Room 1 (EDR 1) associated with the Second Avenue Subway – 63rd St./Lexington Avenue Station.

The contract calls for station reconstruction, as well as rehabilitation and reconstruction of new entrances to allow access from 3rd Avenue; connect new entrances to platforms; utility installation and relocation; and installation of elevators and escalators in the station and entrances.

The contract did not require any improvements to the existing ventilation system for the Con Edison vault and EDR 1 located on the 6th Mezzanine of the station. However, during construction, it was observed that the existing ventilation system had deteriorated and was not operational. Per design criteria for such facilities, the vault and EDR must be properly ventilated. Based on present information, it appears that an error/omission may be involved with the modification; an Error/Omission Analysis will be performed.

This modification is for the installation of a new ventilation system. The work includes demolition of existing HVAC ducts, grilles, dampers, and fan equipment; furnishing and installing two exhaust fans and two supply fans with associated motor starters; and installation of new ductwork, dampers, grilles, ceiling openings, HVAC equipment and thermostats. It also includes work associated with the instrumentation and control system including furnishing and installing 18 back boxes for communication devices, a Building Management System (BMS) panel, a step-down transformer feeding to the BMS panel, circuit breakers to an existing panel board and all associated conduit, cable, drag lines and junction boxes.

The contractor's proposal was \$407,397; MTACC's revised estimate was \$291,771. Negotiations resulted in the agreed upon lump sum of \$300,586, which is considered fair and reasonable. Savings of \$106,811 were achieved.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 3-4

Vendor Name (& Location) Skanska/Railworks Joint Venture (New York, NY)	
Description Furnishing and Installing Finishes and Systems – No. 7 Line Extension	
Contract Term (including Options, if any) August 10, 2011 - June 9, 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 type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: HYDC	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Dr. Michael Horodniceanu	

Contract Number C-26505	AWO/Modification # 26 & 40
Original Amount: \$ 513,700,497	
Prior Modifications: \$ 5,398,923	
Prior Budgetary Increases: \$ 0	
Current Amount: \$ 519,099,420	
This Request: \$ 1,014,000	
Mod. 26: \$301,000	
Mod. 40: \$713,000	
% of This Request to Current Amount: 0.2%	
% of Modifications (including This Request) to Original Amount: 1.2%	

Discussion:

These modifications address miscellaneous changes associated with the issuance of revised drawings resulting from NYC Transit, Hudson Yards Development Corporation (HYDC), and NYCDEP requests. Funding for these modifications will be provided by HYDC.

This contract includes the completion of the 34th Street Station and covers the entire No. 7 Line extension which runs from Times Square to Site A at 26th Street and 11th Avenue. It includes the furnishing and installation of finishes and systems including elevators and escalators; HVAC, tunnel ventilation and fire protection; plumbing, electrical power and lighting; signal, communications and traction power systems; and track work. The work also includes construction of the ventilation building at Site A.

Modification No. 26

This modification results from post-award requests by NYC Transit for additional mechanical storage rooms and fabricated steel changes; HYDC's request to coordinate with a Parks Department contractor; and coordination changes resulting from contract packaging. NYC Transit requests include the construction of additional Mechanical Storage Rooms at Sites A, K, L and the 34th Street Station; revisions to rooftop mechanical access platforms at Sites J & K; and additional handrails in Entrance 1 & Entrance 2 Tunnels. HYDC's request relates to the relocation of a Canopy Wall Hydrant at Site J to coordinate with the Parks Department contractor. Changes resulting from coordination between contract packages include the reconstruction of approximately 100 LF of concrete curb due to a change in the portal base profile of the new tunnels; revisions to the standpipe transition in the existing tunnel east of 8th Ave to avoid interference with radiating cables; and revisions to stair opening guardrail wire mesh for the final fit-out of stairs installed under prior contracts.

The contractor's proposal was \$433,985; MTACC's revised estimate was \$291,662. Negotiations resulted in the agreed upon net lump sum price of \$301,000, which is considered fair and reasonable. Savings of \$132,985 were achieved.

Modification No. 40

This modification includes changes to the 34th Street Platform Pump Room equipment layout as a result of NYCDEP comments regarding groundwater treatment that could not be addressed in the contract bid documents. Work includes the addition of two sump pumps and two 4" Ground Water Discharge Lines. Structural work includes changes to the Monorail Beam and support beams associated with a 2-ton manual chain hoist in the Pump Room and electrical work includes additional conduit, wiring, and panels to be integrated in the Pump Room. This modification also includes the installation of additional piping associated with the relocation of an eye wash station.

The contractor's proposal was \$938,569; MTACC's revised estimate was \$664,888. Negotiations resulted in the agreed upon net lump sum price of \$713,000, which is considered fair and reasonable. Savings of \$225,569 were achieved.

Item Number: 1

Vendor Name (& Location)
Siemens Industry, Inc. (New York, NY)
Description
Furnish, install, integrate and test a Connection Oriented Ethernet network.
Contract Term (including Options, if any)
Eighteen months
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type
<input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:

Contract Number C-52127	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
This request: \$28,777,000	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Frederick E. Smith	

Discussion:

The MTA Security Program is developing an integrated Inter-Agency Electronic Security System (ESS) infrastructure to allow for commonality across all MTA agencies, as well as direct communication to NYC Police Department (NYPD). The ESS platform transmits data over NYC Transit's SONET network. The ESS is an infrastructure consisting of hardware and software that will integrate all NYC Transit legacy security subsystems as well as new applications onto a single platform. As part of this effort, NYC Transit recognized the need to expand the data transfer capability of its communications network to handle the large amount of data that will be transmitted by the ESS. The Connection Oriented Ethernet (COE) network consists of hardware and software that expands the current bandwidth of NYC Transit's existing communications network.

Contract C-52127 will furnish, install, integrate and test a COE network at various locations in the boroughs of The Bronx, Brooklyn, Manhattan and Queens. The contractor will upgrade NYC Transit's existing SONET network by integrating COE equipment at 221 sites. The work includes creating a core network of 24 main sites, connecting seven MTA centers to the core network and upgrading 190 ancillary locations, including all existing ESS locations. This project is funded in part by the US Department of Homeland Security 2008 Transit Security Grant Program.

An Emergency Declaration signed by all the agency presidents in December 2002 acknowledged that certain types of work, like the work contemplated in this project, include NYC Transit security sensitive information. The declaration allows for competition only to the extent practicable, in lieu of publicly advertised procurements open to any potential bidder. This Contract was publicly advertised utilizing a 2-step selection process whereby interested bidders were evaluated and selected by NYC Transit based on their technical expertise and integrity. This pre-selection process afforded NYC Transit the ability to control the distribution of its security sensitive information and have competition for this procurement. A total of twenty-eight (28) firms were pre-selected using this process. These pre-selected firms were all known contractors who had worked successfully with NYC Transit and/or other government agencies in projects with similar scopes of work. All of the firms were required to sign Non-Disclosure Agreements prior to receipt of bid documents.

Four bids were received. Siemens Industry, Inc. (Siemens) submitted the lowest bid of \$28,777,000, which is 19.7% less than the in-house estimate of \$35,855,477. A review of the bid breakdown indicates that Siemens fully understands the work and has addressed all areas of work in its bid. Based upon adequate price competition, Siemens' bid was found to be fair and reasonable. Siemens is currently performing work on NYC Transit Contract S-32748, Culver Test Track; and its performance is considered satisfactory.

Item Number: 2-4

Vendor Name (& Location) John Civetta & Sons (Bronx, NY)	
Description Full Rehabilitation of Dyckman Street Station and Component Repair of Five Stations on the Broadway/Seventh Avenue Line	
Contract Term (Including Options, if any) June 29, 2010 – September 25, 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: Capital Program Management, Frederick E. Smith	

Contract Number	AWO/Modification #
A-36065	40, 54 & 49
Original Amount:	\$ 46,906,344
Prior Modifications:	\$ 3,789,417
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 50,695,761
This Request:	
Mod. 40: \$2,087,900	
Mod. 54: \$398,000	\$ 3,629,900
Mod. 49: \$1,144,000	
% of This Request to Current Amount:	7.2%
% of Modifications (including This Request) to Original Amount:	15.8%

Discussion:

These retroactive modifications provided for an elevator and friction bearing piles for the elevator, an extension of the substantial completion date by 223 work days (150 impactable) from November 12, 2012 to September 25, 2013 and the combined impact costs for this time extension and the time extension associated with modifications approved by the Board in February 2012 and November 2012.

The contract covers stations on the Broadway/Seventh Avenue Line in Manhattan (Dyckman Street, 207th and 215th Street Stations) and The Bronx (225th, 238th and 242nd Street Stations). The contract provides for the full rehabilitation of the Dyckman Street Station. The contract also provides for component replacements at five stations, consisting of the replacement of street stairs at two stations (207th and 225th Streets) and the replacement of platform edges and canopies at five stations (207th, 215th, 225th, 238th and 242nd Streets).

The contract calls for the installation of ADA elements at the Dyckman Street Station. These elements involve raising the platform; rebuilding stair cases; and installing ADA compliant railings and door handles. Although this is not a designated fully accessible key station, these elements enhance ADA accessibility to the Dyckman Street Station. After contract award, a disability advocacy group filed a federal lawsuit claiming that the Americans with Disabilities Act requires MTA to provide more ADA elements. In March 2011, the lawsuit was settled with NYC Transit's agreement to provide an elevator and access ramp for the southbound platform at the Dyckman Street Station. In February 2012, the Board approved a modification for elevator machine room civil and structural work. In November 2012, the Board approved a modification for interior and exterior landmark finishes, a new station entrance, lighting and communications work, and the extension of the substantial completion date by 94 work days (84 impactable) to November 12, 2012.

Modification No. 40

This retroactive modification provided for the construction of the elevator pit and concrete foundation, the modification of the station platform to accommodate the elevator shaft, the furnishing and installation of structural steel and structural glass walls for the hoist way, the furnishing and assembly of the elevator cab and guide rail, the furnishing and installation of the elevator traction motor and controllers, and all associated electrical, structural, and architectural work. Prior to approval of this modification, the VP Materiel authorized partial payment to the contractor for work performed up to \$1,000,000. The contractor's initial proposal was \$2,996,000; NYC Transit's revised estimate was \$1,920,500. Following negotiations, the lump sum of \$2,087,900 was agreed upon and found to be fair and reasonable. Savings of \$908,100 were achieved. A 223 work day extension of time was agreed upon, of which 150 work days are impactable. It was agreed that the impact cost would be negotiated separately under Modification No. 49, also included as a part of this month's Board submission. On May 8, 2012, the SVP & Chief Engineer signed a retroactive waiver and the contractor was directed to proceed to mitigate delay.

Modification No. 54

This retroactive modification provided the furnishing and installation of friction piles in lieu of bearing piles. The initial modification design called for bearing piles, however when the first bearing pile was being driven, the pile driver was unable to reach bedrock. Accordingly, the modification was redesigned and the contractor was required to furnish and install friction piles for the elevator support system. The contractor's initial proposal was \$412,734; NYC Transit's estimate was \$398,200. Following negotiations, the lump sum of \$398,200 was agreed upon and found to be fair and reasonable. Savings of \$14,534 were achieved. No extension of time is required, as the work was performed concurrently with Modification No. 40. On May 5, 2012, the SVP & Chief Engineer signed a retroactive waiver and the contractor was directed to proceed to mitigate delay.

Schedule K: Ratification of Completed Procurement Actions



Discussion Cont'd:

Modification No. 49

The contract was awarded with a substantial completion date of June 29, 2012. The additional work required by the lawsuit settlement necessitated several modifications and associated extensions of time.

Modification 15 was approved by the Board in February 2012 and provided for elevator machine room, civil and structural work. The Board was advised that the extension of time required for it and a subsequent modification would be negotiated together.

Modification 34 was approved by the Board in November 2012, and provided for interior and exterior landmark finishes, a new station entrance, lighting and communications work, and the extension of the substantial completion date by 94 work days (84 impactable), from June 29, 2012 to November 12, 2012, which covered this and Modification 15. The Board was advised that the impact cost would be negotiated in a future modification.

Modification 40 is being presented to this July 2013 Board for approval and provides for installation of the elevator, all associated electrical, structural, and architectural work, and the extension of substantial completion date by 223 work days (150 impactable), from November 12, 2012 to September 25, 2013.

As a result of the abovementioned modifications, the substantial completion date was extended by 317 work days from June, 29 2012 to September 25, 2013, of which 234 work days are impactable.

The subject Modification 49 provides for the impact costs for the 234 impactable work days. The contractor's initial proposal was \$4,414,876; it was based on the contractor's initial schedule proposal of 441 impactable work days. NYC Transit's estimate was \$1,144,395; it was based on NYC Transit's schedule estimate of 234 impactable work days. Following negotiations, the lump sum cost of \$1,144,000 for 234 impactable work days was agreed upon and found to be fair and reasonable. Savings of \$3,270,876 were achieved.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 5

Vendor Name (& Location) Silverite Construction Co., Inc. (Hicksville, NY)	
Description Design and construction of the new Mother Clara Hale Bus Depot	
Contract Term (including Options, if any) November 2, 2010 – July 1, 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: Capital Program Management, Frederick E. Smith	

Contract Number	AWO/Modification #
C-40455	23
Original Amount:	
	\$ 214,000,000
Prior Modifications:	
	\$ 1,352,342
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 215,352,342
This Request:	
	\$ 458,370
% of This Request to Current Amount:	
	0.2%
% of Modifications (including This Request) to Original Amount:	
	0.8%

Discussion:

This retroactive modification is for the removal and disposal of additional quantities of the existing foundation perimeter wall.

This contract is for the design and construction of the new Mother Clara Hale Bus Depot in the Borough of Manhattan, which will replace the existing depot with a new green building that has environmentally friendly features. The new depot will be a three-story structure built to accommodate 150 standard buses. The Mother Clara Hale Depot was originally a trolley barn built in 1895. It was structurally modified in 1939 to become the 146th Street Bus Depot. NYC Transit rehabilitated the depot in 1990, renaming it in honor of Mother Clara McBride Hale in 1993. The old depot was demolished in 2009 to make way for the new depot.

Prior to the award of this contract, a different contractor demolished the old depot, but was not required to remove the existing, buried foundation walls along the property lines. The property occupies most of the block between West 147th Street, West 146th Street, Lenox Avenue and Adam Clayton Powell Boulevard. The four existing, buried foundation walls could not be removed by the demolition contractor without undermining the soil which supports the adjacent streets and sidewalks. The subject contract for the design and construction of the new depot requires the contractor to install temporary support of excavation walls along the perimeter, so the existing, buried foundation walls could be safely demolished and replaced with new, permanent foundation walls for the new depot.

The subject contract includes a drawing prepared by the demolition contractor which shows the existing, buried perimeter foundation walls. The demolition contractor was required to dig a test pit near a foundation wall to allow the consultant to examine it. The demolition contractor used the test pit information, and drawings from the early 1900's, to create a contract drawing showing the existing, buried perimeter foundation walls. That drawing was included in the subject contract, indicating that the volume of existing, buried perimeter foundation walls to be removed by the contractor is 1,980 cubic yards.

As the work of removing the existing, buried perimeter foundation walls progressed in May and June 2011, most of the foundation walls were found to be deeper and wider at their base than shown by the test pit or the early 1900's drawings. In order to avoid delay, the contractor was instructed to continue with excavation while NYC Transit and the contractor jointly monitored the field conditions. The field conditions were recorded by means of field sketches which depicted the actual changed field conditions; the field sketches were signed by both parties. The actual quantity discovered during the removal of the existing, buried perimeter foundation walls was 4,180 cubic yards, or 2,200 cubic yards above the contractual quantity.

This modification provides for the removal and disposal of the additional 2,200 cubic yards of existing, buried perimeter foundation walls. The costs for the removal and disposal of the additional existing, buried perimeter foundation wall include labor, equipment and material disposal fees. The contractor's proposal was \$496,738; NYC Transit's estimate was \$470,800. Following negotiations, the lump sum amount of \$458,370 was agreed upon and is considered fair and reasonable. Savings of \$38,368 were achieved.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 6

Vendor Name (& Location) Welkin Mechanical, LLC (College Point, NY)	
Description Furnish and install sprinkler systems at five locations in Manhattan and Queens	
Contract Term (including Options, if any) February 15, 2012 – February 15, 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 type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Frederick E. Smith	

Contract Number	AWO/Modification #
C-34812	2
Original Amount:	\$ 5,738,000
Prior Modifications:	\$ 134,000
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 5,872,000
This Request:	\$ 475,000
% of This Request to Current Amount:	8.1%
% of Modifications (including This Request) to Original Amount:	10.6%

Discussion:

This retroactive modification provides for the furnishing and installation of a fire suppression system in a room in the Jay Street Station which will house a new telephone private branch exchange (PBX switch).

The contract provides for the furnishing and installation of sprinkler systems at five locations in the boroughs of Manhattan and Queens.

In April 2012, the Board authorized the surrender of NYC Transit's former headquarters building at 370 Jay Street in Brooklyn to the City of New York ("City"), subject to the reservation of temporary and permanent easements necessary to allow for the relocation of certain vital NYC Transit telecommunications equipment still located in the building. The Board was advised that the City and the New York City Economic Development Corporation ("EDC") have agreed to lease the building to New York University ("NYU") for the purpose of establishing a new "Center for Urban Science and Progress", in consideration of NYU paying \$50,000,000 to NYC Transit, among other terms. Also in April 2012, MTA, NYC Transit, NYU and EDC executed a relocation agreement which stipulates, that the payment from NYU to NYC Transit will be subject to reduction to the extent of specified liquidated damages in the event of unexcused lateness in the abandonment of the premises by NYC Transit. Except for the locations covered by permanent easements, NYC Transit must vacate the building by October 2014.

The PBX switch in the building controls many of the Brooklyn circuits of the NYC Transit telecommunications system, including the emergency alarm and emergency telephone systems in subway tunnels; therefore it must be kept in operation until a new PBX switch is installed in a location outside the building, allowing telephone service to be relocated from the old PBX switch to the new PBX switch.

NYC Transit identified a former Police locker room on the mezzanine level of the Jay Street Station as the optimal location for the new PBX switch. In-house forces have been installing necessary conduit and cabling. NYC Transit procured the new PBX switch which should be installed in October 2013, which will allow in-house forces time to change from the old PBX switch to the new PBX switch in a timely fashion and avoid liquidated damages. However, prior to installing the PBX switch, a fire suppression system must be installed in the Jay Street Station mezzanine room in order to safeguard the PBX switch. The fire suppression system discharges inert gases, which are safe for people and pose no ozone depleting, to suppress fires quickly without damage to the PBX equipment. The inert gas will be stored in tanks in the room. Three rooms (air conditioning mechanical, UPS battery and inert gas storage tank rooms) were constructed within the new PBX room and the ceiling was lowered; this reduced the volume of inert gas needed to fill the new PBX room and the number of storage tanks. After structural calculations ensured that that existing floor could support the weight UPS batteries and inert gas storage tanks, the design of the fire suppression system could be finalized in February 2013. NYC Transit determined that the most expeditious way of installing the fire suppression system would be by means of a modification to an existing contract, in order to assure timely installation and avoid liquidated damages. The fire suppression system for the PBX room must be installed by a plumber. The subject contract was determined to be appropriate for this additional work because the contractor specializes in plumbing, is experienced in providing the plumbing required for fire suppression systems, and will not require an extension of time to complete the modification work.

The contractor submitted a cost proposal in the amount of \$588,731; NYC Transit's estimate was \$476,900. Negotiations resulted in the agreed upon lump sum of \$475,000, which is considered fair and reasonable. Savings of \$113,731 were achieved. On April 8, 2013, the SVP & Chief Engineer signed a retroactive waiver. On April 18, 2013, the contractor was directed to proceed to mitigate delay.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (& Location)	
AECOM*Arup, JV (New York, NY)	
Preliminary and final engineering services for the Second Avenue Subway project	
Contract Term (including Options, if any)	
December 20, 2001 - December 19, 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 #:
CM-1188	90
Original Amount:	\$ 200,478,227
Option Amount:	\$ 150,400,897
Total Amount:	\$ 350,879,124
Prior Modifications (excluding options):	\$ 69,616,461
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 420,495,585
This Request:	\$ 1,275,387 (NTE)
% of This Request to Current Amount:	0.4%
% of Modifications (including This Request) to Total Amount:	20.2%

Discussion:

This modification is for the relocation of the 72nd Street Station entrance.

This contract is for design services for the Second Avenue Subway (SAS). The base contract provided for preliminary engineering (PE) of the segment running from 125th St. to Midtown, PE of the segment running from Midtown to Lower Manhattan, and support services during the construction phase for tunnel boring machine (TBM) activities. The contract also included three options for final design and construction support services for the civil/structural elements, systems and stations.

Under this modification, AECOM*Arup, JV (AAJV) revised the design in order to relocate the 72nd Street Station entrance from the building at 301 East 69th Street to the sidewalk of 69th Street and Second Avenue. Originally, the entrance would have occupied a portion of the ground floor and basement areas of this building. However, a survey by the SAS design team found utilities in the ceiling and walls of the basement that were still actively providing services to the building. The utilities relocation design needed approval from the building owners. The 301 East 69th Street building owners would not approve the design. The shell of the 72nd Street entrance was expected to be constructed under the 72nd St. Station Civil contract (C-26007) and outfitted under the 72nd St. Station Finishes contract (C-26011); however, due to the building owner's disagreement on design, the schedules of these contracts would be negatively impacted. The risk of impact costs and possible delay in the opening date of the SAS stations has caused the SAS Program Office to make this design change.

On November 26, 2012, work commenced with retroactive approval up to \$250,000, by the MTACC Program Executive. This amount was later increased to \$490,000 to continue work until June 14, 2013. It was necessary for AAJV to begin the station entrance design in an effort to avoid scheduling delays and impact costs to Contract C-26007.

AAJV submitted an initial proposal of \$1,658,183; MTACC's revised estimate was \$1,227,611. Subsequent negotiation meetings discussed the revisions to the scope of work and labor hours. AAJV submitted a BAFO in the amount of \$1,275,387, which is considered fair and reasonable. Savings of \$382,796 were achieved.

Item Number: 2-3

Vendor Name (& Location) E.E. Cruz and Tully Construction Company, JV, LLC (CTJV) (Holmdel, NJ)	
Description Civil, Structural, and Utility Relocation for the Second Avenue Subway – 96 th Street Station	
Contract Term (including Options, if any) May 28, 2009 – July 15, 2013	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Dr. Michael Horodniceanu	

Contract Number	AWO/Modification #:
C-26005	123 & 128
Original Amount:	\$ 303,863,700
Option 1 Amount:	\$ 17,526,300
Option 2 Amount:	\$ 3,610,000
Total Amount:	\$ 325,000,000
Prior Modifications:	\$ 36,534,759
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 361,534,759
This Request:	\$ 1,683,500
Mod. 123:	\$600,000
Mod. 128:	\$1,083,500
% of This Request to Current Amount:	0.5%
% of Modifications (including this Request) to Total Amount:	11.8%

Discussion:

These retroactive modifications are for the transfer of tunnel dewatering from tunneling Contract C-26002 to Contract C-26005 for a period of approximately five months and the resolution of a claim associated with the removal of left behind end stops (LBESS).

This contract is for civil, structural, and utility relocation work for the 96th Street Station for the Second Avenue Subway. The work to be performed under this contract includes: the relocation of utilities, demolition of the former Century Lumber Building and interior demolition at Astor Terrace Condominium; construction of temporary and permanent support of excavation (SOE) retaining structures including the construction of slurry walls, secant piles and micro pile walls; connection to the existing tunnel north of 99th Street; installation of temporary roadway decking; construction of the 96th Street Station invert slab; and construction of certain station entrance and ancillary building structural elements.

Modification No. 123

Tunneling Contract C-26002 required the construction of a new storm water pump room at 78th Street and the operation and maintenance of a temporary tunnel dewatering system until such time that the new storm water pump room at 78th Street was operational. Additionally, Contract C-26002 included a separate temporary dewatering system for the south end of the 96th St. Station site (Launch Box) which was to be turned over to the C-26005 follow-on contractor. However, in order to mitigate the impact from tunneling delays on the SAS Master Schedule, a portion of work, including the new storm water pump room at 78th Street, was deleted from tunneling Contract C-26002 and included in the bid documents of the yet to be awarded 86th Street Station Cavern contract (C-26008). The resulting delay to the completion of the new pump room created the need to extend the temporary tunnel dewatering operations beyond the end date of the tunneling contract. To address this requirement, the tunneling contractor was instructed to leave the temporary tunnel dewatering system behind. Responsibility for the temporary tunnel dewatering was transferred to this contract (C-26005) for the structure of the 96th Street Station from June 2012 to November 2012 and then taken over by the 86th Street Station Cavern contractor as part of their contract work. This modification addresses the additional costs associated with the operation and maintenance of the temporary tunnel dewatering system for approximately five months, including quarterly testing of the discharged water in accordance with NYCDEP requirements, installation of a flow meter to accurately measure discharge quantities and removal/relocation of dewatering pipes. Additionally, this modification addresses additional costs associated with the turnover, from Contract C-26002, of the temporary dewatering system at the south end of the 96th St. Station site.

The contractor's proposal was \$742,459; MTACC's estimate was \$560,327. Negotiations resulted in the agreed upon lump sum of \$600,000, which is considered fair and reasonable. Savings of \$142,459 were achieved.

Discussion Cont'd:

Modification No. 128

The southern part of the 96th Street Station structural box was originally constructed under Tunneling Contract C-26002 as the Tunnel Boring Machine Launch Box. Slurry wall panels were used to construct the structural walls of the Launch Box and "T-panels" were installed where the slurry wall was to be continued under this follow-on contract. These T-panels were poured with a perpendicular stub and formed steel end stop. CTJV was required to remove the end stop and use the T-panel stub as the connection point to the existing structural wall for the continuation of slurry wall construction. Contract C-26005 included the removal of 6 LBESs with 2 each at Entrances 1 & 2 and Ancillary 1. Typically, the contractor excavates in front of the end stop and pulls the end stop away from the slurry panel or T-panel. The two LBESs at Ancillary 1 were removed without incident. However, the four LBESs at Entrances 1 and 2 required additional methods for removal including line drilling which removed three of the remaining LBESs.

Several other methods were attempted to remove the last LBES at Entrance 1 culminating with the placement of a 36" diameter steel shaft adjacent to the end stop and deployment of a diver into the slurry-filled steel shaft to cut the end stop approximately 50' below the surface. This modification addresses costs associated with the additional labor and equipment required to remove four LBESs.

The contractor's proposal was \$1,375,726; MTACC's revised estimate was \$993,671. Negotiations resulted in the agreed upon net lump sum price of \$1,083,500, which is considered fair and reasonable. Savings of \$292,226 were achieved.

Item Number: 4

Vendor Name (& Location)	
Skanska USA Civil Northeast, Inc. (Whitestone, NY)	
Fulton Street Transit Center, A/C Mezzanine Reconstruction and J/M/Z Vertical Circulation	
Contract Term (including Options, if any)	
July 31, 2009 – June 30, 2013	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type	<input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name:	
MTA Capital Construction, Dr. Michael Horodniceanu	

Contract Number	AWO/Modification #:
A-36121	308
Original Amount:	\$ 119,965,000
Prior Modifications:	\$ 13,975,606
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 133,940,606
This Request:	\$ 1,383,000
% of This Request to Current Amount:	1.0%
% of Modifications (including This Request) to Total Amount:	12.8%

Discussion:

This retroactive modification is for the construction and fit-out of NYC Transit employee facilities at the north end of the J/Z southbound platform at the Fulton Street Station.

This contract is for the reconstruction of the A/C Mezzanine at the Broadway-Nassau Street (Fulton Center) Station and ADA access and vertical circulation revisions at the J/M/Z Fulton Street Station to improve pedestrian access.

This is another of several modifications to be presented to the Board, across the various Fulton Center contracts, for the implementation of technology changes and the reprogramming of space previously identified for use by NYC Transit personnel at Fulton Center and the Corbin Building into commercial tenant, retail and public spaces. The third floor of Fulton Center was originally intended as space to be utilized by NYC Transit personnel. As part of the reprogramming of Fulton Center, the third floor was converted to retail space. However, NYC Transit still required employee facilities for personnel assigned to the maintenance and operation of the station complex. Suitable space was identified at the north-end of the J/Z southbound platform and a scope of work and layout of the rooms was developed.

This modification includes the construction and fit-out of an ejector room, HVAC room, NYC Transit employee men's and women's restrooms, locker rooms, offices and work shops for NYC Transit's Elevators and Escalators and Electronic Maintenance Divisions, and two storage rooms. The work includes demolition, electrical, communications, HVAC, plumbing, cement block, tile, painting and furnishing of doors, fixtures, accessories and furnishings. In order to minimize impact to the contract schedule, a retroactive waiver was approved by the MTACC President on April 16, 2013.

The contractor's proposal was \$1,593,489; MTACC's revised estimate was \$1,283,572. Negotiations resulted in the agreed upon lump sum price of \$1,383,000, which is considered fair and reasonable. A savings of \$210,489 was achieved.



Metro-North Railroad

**Procurements
July 2013**



Subject Request for Authorization to Award Various Procurements						Date July 5, 2013			
Department Procurement and Material Management						Vendor Name Various			
Department Head Name Anthony J. Bonabace Jr.						Contract Number Various			
Department Head Signature <i>[Signature]</i> for OJB						Contract Manager Name Various			
Project Manager Name						Table of Contents Ref #			
Board Action									
Order	To	Date	Approval	Info	Other				
1	MNRComm Mtg	7-22-13	X						
2	MTA Board Mtg	7-24-13	X						
Internal Approvals (cont.)									
		Approval				Approval			
X	President	X	General Counsel						
X	Acting VP Operations	X	Capital Programs						
X	Sr. VP Administration		VP Planning						
X	VP Finance & IT		Chief of Staff						
Order	Approval	Order	Approval	Order	Approval	Order	Approval		
	Press		Government Relations		Labor Relations		Other		
			Safety		Human Resources				

PURPOSE:

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

DISCUSSION:

MNR proposes to award non-competitive procurements in the following categories:

of Actions \$ Amount

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

NONE

Schedules Requiring Majority Vote

Schedule G: Miscellaneous Service Contracts

1 \$600,000

- NYS Industries for the Disabled (NYSID) \$600,000

SUB TOTAL: 1 \$600,000



MNR proposes to award competitive procurements in the following categories:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>			<u># of Actions</u>	<u>\$ Amount</u>
Schedule C:	Competitive Requests for Proposals		1	\$9,685,547
	• Brookville Equipment Corporation	\$9,685,547		
<u>Schedules Requiring Majority Vote</u>				
Schedule G:	Miscellaneous Service Contracts		6	\$2,036,253
	• Atlantic Detroit Diesel Allison	\$388,800		
	• Sherwood Electromotion	\$425,000		
	• Contemporary Machinery, Inc.	\$377,500		
	• Jala Equipment Company, Inc.	\$101,783		
	• Walco Electric	\$600,000		
	• Newmont Elevator Analysts, Inc.	\$143,170		
Schedule I:	Modifications to Purchase and Public Work Contracts			
	• Georgetown Rail Equipment Company	\$1,335,208	1	\$1,335,208
SUB TOTAL:			8	\$13,057,008

MNR presents the following procurement actions for Ratification:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>				
Schedule D:	Ratification of Completed Procurement Actions		3	\$4,602,907
	• Transportation Technology Center, Inc. (TTCI)	\$1,500,000		
	• Jacobs Civil Consultants, Inc.	\$2,677,907		
	• Railware, Inc.	\$425,000		
<u>Schedules Requiring Majority Vote</u>		NONE		
SUB TOTAL:			3	\$4,602,907
TOTAL:			12	\$18,259,915

The contractors noted above and on the following Staff Summary Sheets have been found in all respects responsive and responsible, and are in compliance with State laws and regulations concerning procurements.

BUDGET IMPACT: The purchases/contracts will result in obligating MNR operating and capital funds in the amount listed. Funds are available in the current MNR operating/capital budgets for this purpose.

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

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, 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.

JULY 2013

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

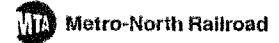
1. **NYS Industries for the Disabled (NYSID) \$600,000 (not-to-exceed) Staff Summary Attached**
Document Scanning Services

Approval is requested for a New York State Preferred Source, miscellaneous service contract with the New York State Industries for the Disabled (NYSID) to perform Document Scanning Services of Metro-North's Plan Room Research Library as part of the Madison Avenue Relocation Project. The term of this contract will be for six months. The scope of services includes scanning and indexing of maps, drawings, and aperture cards that are currently housed in Metro-North's Capital Program Dept.'s Plan Room. The scope also includes indexing and cataloguing of Grand Central Terminal drawings to a database, as well as archiving of these documents. This program will create a digital plan room to have MNR maps and drawings immediately accessible to all project managers and researchers from any MNR location. This program will electronically store and protect original documents from wear and tear, damage or loss, will free up more than one thousand square feet of office space for Metro-North, and will provide a cost-effective method of producing backup copies of records that support mission-critical operations

To advance special social and economic goals, Section 162 of the New York State Finance Law requires that all State agencies, political subdivisions and public benefit corporations obtain commodities and services from "preferred sources" when such commodities and services are on the List of Preferred Source Offerings and when they meet the required form, function and utility. The service requirements must be defined in terms of the minimum essential requirements and every reasonable effort must be made to obtain services through the Preferred Source. The acquisition of document imaging and scanning services is one of the services listed and it is exempted from statutory competitive procurement requirements. The NYS Commissioner of General Services is responsible for reviewing and approving the prices of all services provided by Preferred Sources. In approving the prices, the NYS Office of General Services (OGS) ensures that prices do not exceed 15% of the prevailing market prices among responsive and responsible offers for the same or equivalent services.

The total project cost is not-to-exceed \$600,000 for the six month period. All pricing is deemed within 15% of the prevailing market prices as required by the Preferred Source Law. Services are expected to begin in July 2013. This procurement is funded by the MTAHQ Madison Avenue Relocation Budget.

Schedule G: Miscellaneous Service Contracts



Item Number: G

Vendor Name (& Location) New York State Industries for the Disabled
Description Document Scanning Services
Contract Term (including Options, if any) Six Months
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Preferred Source

Contract Number 27112	AWO/Modification #
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Total Amount:	\$ 600,000 (not to exceed)
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Boschetto	

Discussion:

Approval is requested for a New York State Preferred Source, miscellaneous service contract with the New York State Industries for the Disabled (NYSID) to perform Document Scanning Services of Metro-North's Plan Room Research Library as part of the Madison Avenue Relocation Project. The term of this contract will be for six months. The scope of services includes scanning and indexing of maps, drawings, and aperture cards that are currently housed in Metro-North's Capital Program Dept.'s Plan Room. The scope also includes indexing and cataloguing of Grand Central Terminal drawings to a database, as well as archiving of these documents. This contract will create a digital plan room to have MNR maps and drawings immediately accessible to all project managers and researchers from any MNR location. This program will electronically store and protect original documents from wear and tear, damage or loss. It will also free up more than one thousand square feet of office space for Metro-North, and will provide a cost-effective method of producing backup copies of records that support mission-critical operations.

To advance special social and economic goals, the NYS Finance Law requires that all State agencies, political subdivisions and public benefit corporations obtain commodities and services from "preferred sources" when such commodities and services are on the List of Preferred Source Offerings and when they meet the required form, function and utility. The service requirements must be defined in terms of the minimum essential requirements and every reasonable effort must be made to obtain services through the Preferred Source. The acquisition of document imaging and scanning services is one of the services listed and it is exempted from statutory competitive procurement requirements. The NYS Commissioner of General Services is responsible for reviewing and approving the prices of all services provided by Preferred Sources. In approving the prices, the NYS Office of General Services ensures that prices do not exceed 15% of the prevailing market prices among responsive and responsible offers for the same or equivalent services.

The total project cost is not-to-exceed \$600,000. A fixed price schedule has been negotiated which includes \$1.00 per image for scanning of large D-size drawings (estimated volume of 28.5K images), \$0.55 per image for scanning aperture cards (estimated volume of 100K), and indexing at \$0.80 per image. All pricing is deemed within 15% of the prevailing market prices as required by the Preferred Source Law. Services are expected to begin in July 2013. This procurement is funded thru the MTA HQ Madison Avenue Relocation Project.

JULY 2013

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

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

1. Brookville Equipment Corporation \$9,685,547 (not-to-exceed) Staff Summary Attached
Overhaul of Seven GP35 Locomotives

Approval is requested to award a negotiated thirty-two month purchase contract (RFP process, three proposals received, two firms shortlisted) to Brookville Equipment Corporation (Brookville) for the overhaul of seven GP35 Locomotives that are used in support of Metro-North's (MNR) East of Hudson Service. A total of seven MNR locomotives are in need of overhaul and will include: complete electrical system re-wire, overhaul of the diesel engines and all rotating components as well the federally mandated installation of Positive Train Control (PTC). The locomotives are primarily used as work trains when wayside track work is performed, to facilitate movement of equipment in yards and to rescue disabled passenger revenue trains as necessary. The locomotives are over forty-five years old and were last overhauled more than twenty years ago. This overhaul shall extend the service life of these locomotives an additional fifteen years. This is more cost effective than the purchase of new locomotives.

In accordance with MNR and MTA procurement guidelines, an advertisement for the required services was placed in the New York State Contract Reporter, The New York Post, Railway Age, Progressive Railroading, the minority publications, El Diario and The Daily Challenge, and on the Metro-North Railroad Website.

The MNR Selection Committee unanimously selected Brookville as the best overall firm to perform the required overhaul. Their Best and Final Offer (BAFO) cost proposal is 3.2% lower than the Engineer's Estimate, 21% less than the other proposer. Their revised price of \$9,685,547 for all seven locomotives is deemed fair and reasonable for the level of effort anticipated for this project.

It is recommended that the MTA Board approve the selection of Brookville Equipment Corporation for the overhaul of seven East of Hudson GP35 Locomotives. 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.)

2. Atlantic Detroit Diesel Allison \$388,800 (not-to-exceed)

Pick up and Unit Exchange Services (UTEX) for Brookville Locomotive Fuel Injectors

Approval is requested to award a competitively solicited (one bid received) two year miscellaneous service contract to Atlantic Detroit Diesel Allison to provide pick up and unit exchange services (UTEX) for Brookville Locomotive fuel injectors. As part of the maintenance requirements set by MNR's M of E Dept., the unit exchange of locomotive fuel injectors is planned to coincide with MNR's maintenance requirements for its BL-20 Locomotives. These unit exchanges ensure the efficient, timely, and safe operation of the BL-20 fleet. MNR does not have the equipment or capabilities to perform this work.

In accordance with MNR and MTA procurement guidelines, an advertisement for the UTEX services was placed in the New York State Contract Reporter, New York Post, the minority publications, El Diario and Daily Challenge, and posted on Metro-North Railroad's Website. Further, four vendors were sent the solicitation, with two additional vendors responding to the advertised solicitation. Atlantic Detroit Diesel Allison is the present contractor for this service. Based on the estimated quantities provided with the bid, P&MM compared the previous prices to the proposed prices. Comparing the midpoints of the new contract with the last contract resulted in an increase of approximately 2.7% per year. The all-inclusive unit pricing for the service will remain in effect throughout the new two year contract and it is deemed fair and reasonable. The total award of this contract is not-to-exceed \$388,800. MNR is not obligated for any minimum expenditure in this contract as services are paid when the UTEX replacement is requested and received. This procurement is to be funded by the MNR Operating Budget.

3. Sherwood Electromotion \$425,000 (not-to-exceed)

Repair & Return for MNR's M-7 Railcar Propulsion Inverter and Auxiliary Power System (APS) Blower Assemblies

Approval is requested to award a competitively solicited (five bids received) two year miscellaneous service contract to Sherwood Electromotion to provide for the repair and return of Metro-North M-7 Propulsion Inverter and APS Blower Assemblies. This contract is required to maintain MNR's 336 M-7 Rail Cars.

In accordance with MNR and MTA procurement guidelines, an advertisement for the required services was placed in the New York State Contract Reporter, New York Post and the minority publications, El Diario and the Daily Challenge and posted on the Metro-North Railroad Website. Six vendors were sent solicitations with 5 additional vendors expressing interest by responding to the public advertisement. Sherwood was the low bidder.

Based upon the estimated quantities provided with the bid, P&MM compared the pricing from the previous agreement for these services (2008 - 2013) with the new proposed pricing for this five year agreement. That analysis shows an overall decrease of 14%. The pricing will remain fixed for first two year period and contract price adjustments shall be instituted per producer price index per year for the remaining three years of the contract. All pricing received has been deemed fair and reasonable for the level of service to be provided. The total award of this contract is not-to-exceed \$425,000. This procurement is to be funded by the MNR Operating Budget.

4. **Contemporary Machinery, Inc.** **\$377,500 (not-to-exceed)**
Preventative Maintenance & Inspection of MNR's Croton Harmon Wheel Shop Axle Lathe

Approval is requested for a competitively solicited (one bid received), miscellaneous service contract for up to a five year period (2 year base, and 3 one-year options), with the firm Contemporary Machinery, Inc. to provide preventative maintenance and inspection of MNR's Axle Lathe located at the Croton Harmon Wheel Shop. The axle lathe is used to restore wheel and support bearing seats for MNR's railcar fleets. These preventive maintenance and inspection services are necessary to keep the axle lathe in a state of good repair. The wheel lathe was originally manufactured by Contemporary and is over 15 years old. The procurement also requires Contemporary to perform an overhaul to the lathe which would extend its overall service life.

In accordance with MNR and MTA procurement guidelines, an advertisement for the required services was placed in the New York State Contract Reporter, New York Post and the minority publications, El Diario and the Daily Challenge and posted on the Metro-North Railroad Website. Six contractors were sent the solicitation, and two vendors expressed interest by responding to the public advertisement.

The total value of the agreement is not-to-exceed \$377,500 (\$215K is for the maintenance and \$162.5K is for the requested upgrade) and all unit prices are fixed for up to the five year contract term. The all-inclusive pricing for this agreement represents a less than 2% increase in comparison to the prices paid by MNR during the prior contract period (2007-2012). This procurement is to be funded by the MNR Operating Budget.

5. **Jala Equipment Company, Inc.** **\$101,783**
Upgrade of Stamford Car Wash System

Approval is requested for a competitively solicited (one bid received), miscellaneous service contract with Jala Equipment Company (Jala) to perform an upgrade to the MNR Car Wash facility in Stamford, CT. The current car wash configuration does not allow for the new M-8 railcar fleet to receive a complete and thorough wash therefore requiring an upgrade to the facility's brushes, tanks, walls, valves and piping. The workscope under this contract includes, but is not limited to: removal, disposal and reinstallation of two existing 900 gallon Poly storage tanks with two new double-walled acid and Alkaline tanks, removal and disposal of associated containment walls, upgrading the valves and piping and reconfigure and renew the car wash brushes on six brush shafts based on the M-8 body contour.

In accordance with MNR and MTA procurement guidelines, an advertisement for the required services was placed in the New York State Contract Reporter, New York Post and the minority publications, El Diario and the Daily Challenge and posted on the Metro-North Railroad Website. Additionally, two vendors were sent the solicitation.

Jala Equipment Company is the Original Equipment Manufacturer (OEM) who provided and installed the existing Stamford Car Wash equipment and has been satisfactorily providing maintenance and repair. Jala has a significant amount of experience related to the maintenance and repair of the MNR car wash as well as other systems throughout the Tri-State area. The total cost of this procurement, \$101,783, is consistent with MNR's internal estimate and is deemed to be fair and reasonable. This procurement is to be funded by the MNR Operating Budget.

6. **Walco Electric** **\$600,000 (not-to-exceed)**
Repair and Return for Metro-North M-3 Rail Car Motor Alternator

Approval is requested to award a competitively solicited (two bids received) five year miscellaneous service contract to Walco Electric to provide repair and return for Metro-North's M-3 Railcar's motor alternators.

In accordance with MNR and MTA procurement guidelines, an advertisement for the required services was placed in the New York State Contract Reporter, New York Post, the minority publications, El Diario and the Daily Challenge and posted on the Metro-North Railroad Website.

This contract is required to maintain MNR's 140 M-3 Rail Cars. The overhauls will ensure the efficient, timely and safe operations of the M-3 railcar fleet. The recommended award is based on a competitive bid that was issued to a total of seven firms. Two responses were received. Walco Electric's price for this project is 6.3% lower than RAM Motors, the only other bidder.

Pricing will remain fixed for the initial two year period with annual price adjustments subject to the producer price index for the remaining three years of the contract. All pricing received has been deemed fair and reasonable. The total estimated award of this contract is not-to-exceed \$600,000. This procurement is to be funded by the MNR Operating Budget.

7. **Newmont Elevator Analysts, Inc.** **\$143,170 (not-to-exceed)**

Third Party Witnessing of Elevator/Escalator Safety Inspection and Testing Services

Approval is requested to award a competitively solicited (eight bids received), five year miscellaneous services contract to Newmont Elevator Analysts Inc. (Newmont) to provide third party witnessing of the safety inspections and testing services of 112 elevators and two escalators at various MNR stations and employee facilities in New York State and Connecticut. The contractor will also provide consulting services that include: 1) specification writing for modifications to elevators and escalators; 2) a review of current maintenance plans; and 3) accident investigations.

MNR maintains its own elevator equipment throughout its operating territory and has third party elevator inspection services procured under a separate agreement. To comply with current codes and enhance safety, this agreement with Newmont will provide an additional licensed elevator/escalator consultant who will witness the inspections performed by the inspector of record. In accordance with MNR and MTA procurement guidelines, an advertisement for the required services was placed in the New York State Contract Reporter, the New York Post, the minority publications, El Diario, and the Daily Challenge and posted on MNR's website. Twenty-one contractors were sent the solicitation. Eight vendors responded to the solicitation and the remaining vendors did not have sufficient Qualified Elevator Inspectors required to perform the services.

Newmont submitted the lowest bid in the amount of \$143,170, which is 17.8% less than the second lowest bidder and 32.3% less than the third lowest bidder. Newmont's prices are 43.8% (elevator) and 48.2% (escalator) less than unit prices received for the previous 2010 contract, and are deemed to be fair and reasonable. The unit prices are fixed for the full term of the five year contract. The total cost of the five year contract is not-to-exceed \$143,170. This procurement is to be funded by the MNR Operating Budget.

I. Modifications to Purchase and Public Work Contracts

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

**8. Georgetown Rail Equipment Company \$1,335,208 (not-to-exceed) Staff Summary Attached
Self-Propelled Slot Train**

Approval is requested to extend an existing (competitively solicited and awarded in February 2013) contract with Georgetown Rail Equipment Company (GREX) who is currently providing Self Propelled Slot Train (SPS) services throughout the MNR Operating Territory. The SPS is an articulated excavator which sits securely on the floor of modified gondola cars and has the freedom to move up and down the entire length of the consist. The SPS is used primarily for tie, rail and other track material pick-up and cleanup along the Right-of-Way. The present work being performed by GREX is on schedule and on budget and the train's functionality in cleaning the MNR Right-of-Way has been very effective. The extension of this program shall provide support to the Bronx infrastructure improvement project as well as future right-of-way cleaning programs.

At this time, a contract change is required to extend MNR's contract with GREX by an additional fifty-six weeks. In consideration of the additional time, GREX reduced their fixed weekly price by 10.5% (\$23,843 per week from \$26,343 per week). The extended duration of the Slot train program was not included under the original competitive solicitation as the need for the Bronx project and an extended right-of-way cleanup program had not yet been identified. As there is limited availability for this type of equipment nationally, MNR has elected to not re-advertise for these services as it believed that it would yield no additional savings or efficiencies to the Railroad. All other contract terms and conditions remain unchanged and in effect. Metro-North reserves the right to cancel this contract at any time. The total cost of this change is not-to-exceed \$1,335,208. This contract change is to be funded by the MNR Operating Budget.

Staff Summary

Item Number C					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bonface, Jr. <i>AB</i>					
Division & Division Head Name: Sen. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	7-22-13			
2	MTA Board Mtg.	7-24-13			
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	Acting Sr. V.P. Operations		
X	Sr. V.P. Admin.	X	V.P. Planning		
X	V.P. Finance & IT	X	General Counsel		
	Capital Programs				

SUMMARY INFORMATION	
Vendor Name Brookville Equipment Corporation (Brookville)	Contract Number 8885-A
Description Overhaul of Seven GP35 Locomotives	
Total Amount \$9,685,547.00	
Contract Term (including Options, if any) Thirty-two Months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION: Approval is requested to award a negotiated thirty-two month purchase contract (RFP process, three proposals received, two firms shortlisted) to Brookville Equipment Corporation (Brookville) for the overhaul of seven GP35 Locomotives that are used in support of Metro-North's East of Hudson Service.

II. DISCUSSION: The GP35 Locomotives are over forty-five years old and were last overhauled more than twenty years ago. A total of seven MNR locomotives are in need of overhaul and will include: complete electrical system re-wire, overhaul of the diesel engines and all rotating components as well the federally mandated installation of Positive Train Control (PTC). The locomotives are primarily used as work trains when wayside track work is performed, to facilitate movement of equipment in yards and to rescue disabled passenger revenue trains as necessary. This overhaul shall extend the service life of these locomotives an additional fifteen years. This is more cost effective than the purchase of new Locomotives.

MNR received Board approval to use the Request for Proposal (RFP) process for this procurement during the September 2012 MTA Board session.

On January 25, 2013, RFP No. 8885-A was advertised in the New York State Contract Reporter, Railway Age, Progressive Railroading, the minority publications, El Diario and the Daily Challenge, and on the Metro-North Railroad Website. On March 21, 2013, three technical and cost proposals were received from the firms: Brookville Equipment Corporation, Progressive Rail Services, and Transportation Technology, Inc.

A Selection Committee comprised of six members representing Metro-North's Mechanical, Capital and Procurement & Material Management Departments evaluated the proposals using a two phase approach. The criteria in order of importance for selection established in the RFP are as follows:

Phase 1: Technical Proposal

1. Demonstrate understanding of the Technical Specification Requirements
2. Past Experience and performance on similar projects
3. Demonstrate capability and financial resources to perform the assigned Scope of Work in the time projected

Staff Summary



Metro-North Railroad

Page 2 of 2

Phase 2: BAFO

1. Cost
2. Technical Merit
3. Schedule (Six (6) GP35 with Alternate)
4. Proposed Alternate

After the Selection Committee's evaluation of all three proposals under Phase 1 which included presentations by each proposer and question and answer session(s), each committee member scored each proposal against the Phase 1 criteria. Based upon numerical overall evaluations of all proposals received, a shortlist was established and two firms, Brookville Equipment Corporation and Progressive Rail Services, were selected for Phase 2 evaluation and asked to provide their Best and Final Offer (BAFO).

As part of their BAFO, each short listed proposer was requested to submit an alternate cost for overhauling an additional GP35 locomotive (a total of seven GP35's), the original scope-of-work called for six GP35s and one GP8 Locomotive.

On May 31, 2013, BAFO proposals were received from both Progress Rail and Brookville. After reviewing the BAFOs, the Selection Committee unanimously agreed that Brookville provided the best overall proposal for the required overhaul. Brookville's cost for all seven GP35 Locomotives was \$369,304 or 21% per unit lower than Progress Rail's. In addition, Brookville's revised their schedule indicating a 2.5 month improvement in the overhaul's program schedule.

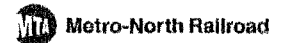
The alternate proposal added a seventh GP35 Locomotive in place of a GP8 Locomotive for which MNR will receive a credit of \$40,000 from Brookville for the GP8's salvage value. It is therefore recommended that the MTA Board approve the selection of Brookville Equipment Corporation for the overhaul of seven GP35 Locomotives. The overhaul of the seven locomotives will begin upon award of the contract and is estimated to be for 32 months.

III. D/M/WBE INFORMATION: The MTA Department of Diversity and Civil Rights did not established MBE or WBE goals for this contract.

IV. IMPACT ON FUNDING: The total cost for this overhaul effort is not-to-exceed \$9,685,547. This contract will be funded by MNR's Operating budget.

V. ALTERNATIVES: None. MNR does not have the manufacturing capability to overhaul these locomotives.

Schedule I: Modifications to Purchase and Public Works Contracts



Item Number: I

Vendor Name (& Location) Georgetown Rail Equipment Company, Georgetown, TX
Description Self-Propelled Slot Train
Contract Term (including Options, if any) April 8, 2013 through May 31, 2013
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace Jr. <i>AKB</i>

Contract Number 1-25246	AWO/Modification # 1
Original Amount:	\$225,000
Prior Modifications:	\$0.00
Prior Budgetary Increases:	\$0.00
Current Amount:	\$225,000
This Request:	\$1,335,208
% of This Request to Current Amount:	493%
% of Modifications (including This Request) to Original Amount:	0%

Discussion:

Approval is requested to extend an existing (competitively solicited and awarded in February 2013) contract with Georgetown Rail Equipment Company (GREX) who is currently providing Self Propelled Slot Train (SPS) services throughout the MNR Operating Territory. The SPS is an articulated excavator which sits securely on the floor of modified gondola cars and has the freedom to move up and down the entire length of the consist. The SPS is used primarily for tie, rail and other track material pick-up and cleanup along the Right-of-Way. The present work being performed by GREX is on schedule and on budget and the train's functionality in cleaning the MNR Right-of-Way has been very effective. The extension of this program shall provide support to the Bronx infrastructure improvement project as well as future right-of-way cleaning programs.

At this time, a contract change is required to extend MNR's contract with GREX by an additional fifty-six weeks. In consideration of the additional time, GREX reduced their fixed weekly price by 10.5% (\$23,843 per week from \$26,343 per week). The extended duration of the Slot train program was not included under the original competitive solicitation as the need for the Bronx project and an extended right-of-way clean-up program had not yet been identified. As there is limited availability for this type of equipment nationally, MNR has elected to not re-advertise for these services as it believed that it would yield no additional savings or efficiencies to the Railroad. All other contract terms and conditions remain unchanged and in effect. Metro-North reserves the right to cancel this contract at any time. The total cost of this change is not-to-exceed \$1,335,208. This contract change is to be funded by the MNR Operating Budget.

JULY 2013

METRO-NORTH RAILROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

K. Ratification of Completed Procurement Actions

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

- | | | |
|----|--|--|
| 1. | Transportation Technology Center, Inc. (TTCD) | MNR - \$750,000 (not-to-exceed)
LIRR- \$750,000 (not-to-exceed) |
|----|--|--|

Consulting Services – Review MNR Maint. of Way Depts. Operations, Track Inspection, Maintenance and Replacement Practices

Ratification is requested of non-competitive, negotiated and awarded personal services contract to Transportation Technology Center, Inc. (TTCI) for consulting services to conduct an expedited review and assessment of MNR's Maintenance of Way Division.

TTCI is a world-class transportation consulting, research and testing organization, providing operations and emerging technology solutions to the railway industry throughout North America and the world. TTCI is headquartered in Pueblo, Colorado and manages extensive track facilities, state-of-the-art laboratory facilities, and a highly experienced and qualified engineering and support staff.

Under the contract, TTCI will review established maintenance and inspection procedures, practices and programs, and include a review of training programs and a Best Practices of M of W methodology, reporting, analysis and quality. This review and assessment is time-critical and a MNR award was expedited with TTCI in June 2013, and it is anticipated to be performed for approximately 3 months (June through August). The cost of the consultant contract for MNR is a total not-to-exceed \$750,000 and is to be funded by Metro-North's Operating Budget.

The contract includes an option for LIRR to use TTCI for a similar assessment in accordance with the pricing, terms and conditions of MNR's contract. The LIRR cost is estimated at a total not-to-exceed \$750K, and there is no obligation for any minimum expenditure with TTCI. Services will be paid only if utilized by LIRR.

- | | | |
|----|--------------------------------|-----------------------------|
| 2. | Jacobs Civil Consultants, Inc. | \$2,677,907 (not-to-exceed) |
|----|--------------------------------|-----------------------------|

Design of Three (3) Substations on the Hudson Line and two (2) AC Substations on the Harlem River Lift Bridge

Ratification of a non-competitive, personal service contract for necessary restoration work as a result of Superstorm Sandy. The storm's flood and tidal surge impacted Metro-North's infrastructure along the Hudson and Harlem Rivers, including flooding the areas under the Harlem River Lift Bridge, which houses power equipment, as well as flooding 30 miles of Metro-North's Hudson Line power and signal infrastructure. The influence of brackish water on the equipment resulted in the immediate failure of

various power components and significantly reduced the life expectancy of the power systems. The damaged Hudson Line substations provide traction power for the Hudson Line trains traveling to and from Grand Central Terminal in Manhattan and the Harlem River Lift Bridge facility houses control the power that operates this vital drawbridge.

As a result of the initial flooding and the subsequent contamination, Metro-North needs to immediately procure engineering design services for the rehabilitation of the two AC facility houses on the Harlem River Lift Bridge and for the replacement of the three traction power substations on the Hudson Line that were damaged by Sandy's flood and tidal surge. Unless these facilities are repaired without delay, power systems will continue to deteriorate and fail which will result in severe impacts to customers, service and safety. In light of this time-sensitive critical need, Metro-North has awarded a non-competitive professional service contract to Jacobs Civil Consultants, Inc. (Jacobs) for engineering design services. This award is based upon the public exigency which will not permit a delay resulting from competitive solicitation. Jacobs is presently under contract (competitively solicited and NYS-funded) with Metro-North to prepare engineering design plans and specifications for 10 Harlem Line substations and circuit breaker houses for the Harlem River Lift Bridge. The designs for these can be easily and quickly modified for the Hudson Line substations and Harlem River Lift Bridge facility houses damaged by Sandy, thus saving Metro-North a substantial amount of time and money in the design work. This would allow the replacement of these critical facilities to proceed faster and more efficiently. The period of performance for this contract will be twenty-four (24) months, which will include five (5) months for initial design and the remainder of the schedule dedicated to construction support services during actual construction. It will also contain an option for an additional 12 months of construction support services.

If Metro-North was to proceed under a new and fully-staged competitive procurement, it would delay this critical repair work by at least a minimum of 4 months. In addition, the duration and cost of the design work would be far longer and more expensive with any design consultant other than Jacobs, as the new consultant would not be able to take advantage of the already-designed plans and specs. Fast tracking the design effort as a non-competitive agreement is the most effective and efficient way to progress this critical repair work, and prevent failure of this vital infrastructure.

A Notice of Award has been issued to Jacobs Civil Consultant, Inc. in the amount of \$2,677,907 to begin work for these services. The period of performance for this work is twenty-four (24) months with an option for an additional 12 months of construction support services. Funding is being provided through the FTA for the relief effort associated with the effects of Superstorm Sandy.

3. Railware, Inc. \$425,000 (not-to-exceed)

Replacement/Upgrade of Track Driver Professional Blocking System Software-C & S Dept.

Ratification of a non-competitive, negotiated, miscellaneous procurement contract with Railware, Inc. to upgrade the present Track Driver Professional Blocking System Software Module. The Blocking System is an integral component of MNR's Centralized Traffic Control (CTC) system which is critical for the safe and reliable control and monitoring of the signal systems throughout Metro North territories. This Blocking System allows Rail Traffic Controllers (RTC's) to temporarily block tracks from train occupancy due to track or signal maintenance and repairs. This system upgrade will prohibit RTC's from lifting or removing a block without approval or confirmation from roadway workers; thereby enhancing the level of safety for the Railroad. This system upgrade will aid in checking the proper application, removal and management of Blocking Devices which is critical to protecting roadway workers and other MNR field

personnel working on or around the right of way; thereby significantly enhancing the level of safety for the Railroad.

Railware is the Original Equipment Manufacturer (OEM) of the MNR CTC system and the proprietary software developer for this module. Railware is the only authorized source for modifications made to its CTC system and is uniquely qualified to provide expert support for all of the software applications and components installed within the CTC system that are unique to Metro-North.

Negotiations with Railware resulted in a 5.6% or \$25,000 reduction in the original price proposed for the upgrade. The negotiated price of \$425,000 is 5.6% below the engineer's estimate and approximately 30% below the price for other complex software developments similar in nature to the Railware software. The price of the upgrade includes design, implementation, testing, documentation and training for the Blocking Software Module, as well as development of the system and its application. This procurement was funded by MNR's Operating Budget.

LONG ISLAND COMMITTEE

PROCUREMENTS

FOR

BOARD ACTION

July 24, 2013

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.

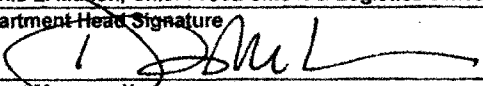
2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical 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.

Subject Request for Authorization to Award Various Procurements						Date July 24, 2013			
Department Procurement & Logistics						Vendor Name			
Department Head Name Dennis L. Mahon, Chief Procurement & Logistics Officer						Contract Number			
Department Head Signature 						Contract Manager Signature			
Project Manager Name									
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
	LI Committee	7.22.13				X	President		Information Technology Chief Information Officer
	MTA Board	7.24.13				X	Executive VP		M of E Chief Mechanical Officer
							VP, General Counsel & Secy		Procurement & Logistics Chief P&L Officer
							VP & Chief Financial Officer		Human Resources Executive Director

PURPOSE:

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

DISCUSSION:

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

None

LIRR proposes to award Competitive Procurements in the following categories:

Schedules Requiring Two-Thirds Vote

		<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedule B</u>	Competitive Requests for Proposals(Solicitation of Purchase and Public Work Contracts)	1	\$ TBD M
<u>Schedule C</u>	Competitive Requests for Proposals(Award of Purchase and Public Work Contracts)	1	3.220M

Schedules Requiring Majority Vote

<u>Schedule E</u>	Miscellaneous Procurement Contracts	1	8.745M
<u>Schedule J:</u>	Modifications to Miscellaneous Procurement Contracts	1	1.770M
SUBTOTAL:		4	\$13.735M



LIRR proposes to award Ratifications in the following categories:

	<u># of Actions</u>	<u>\$ Amount</u>
<u>None</u>		
<u>TOTAL:</u>	<u>4</u>	<u>\$13.735M</u>

BUDGET IMPACT:

The purchases/contracts will result in obligating LIRR operating and capital funds in the amount listed. Funds are available in the current operating/capital budgets for this purpose.

RECOMMENDATION:

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

JULY 2013

MTA LONG ISLAND RAIL ROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)
(Staff Summaries only required for items estimated to be greater than \$1 million)

- | | | |
|--|--------------|--------------------------------------|
| 1. TBD
Competitive Bid
Contract No. TBD | \$TBD | <i><u>Staff Summary Attached</u></i> |
|--|--------------|--------------------------------------|

LIRR requests approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is therefore in the public interest to use the Request for Proposal (RFP) process pursuant to Section 1265-a of the Public Authorities Law to award a contract to provide an upgrade to the Babylon Tower Supervisory Control System in order to accommodate both the upcoming Speonk to Montauk Signalization Project and the new Massapequa Pocket Track Project.

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)
(Staff Summaries only required for items estimated to be greater than \$1 million)

- | | | |
|---|---|--------------------------------------|
| 2. Loram Maintenance of Way, Inc.
Competitive
Contract No. TBD | \$2,058,040 - NYCT
\$ 667,752 - MNR
<u>\$ 494,280 - LIRR</u>
\$3,220,072 | <i><u>Staff Summary Attached</u></i> |
|---|---|--------------------------------------|

LIRR, on behalf of itself, Metro-North and New York City Transit (the Agencies) requests MTA Board approval to award a negotiated Public Work Contract to Loram Maintenance of Way, Inc. (Loram) in the not-to-exceed amount of \$3,220,072 to provide Self-Propelled Rail Grinding Machine Services (Equipment & Personnel) at various points along the Agencies' rights of way. Grinding is a proven method to reduce rail wear, extend the surfacing cycles, lower fuel/power consumption, reduce broken rails and maximize the value of rail assets. Rail grinding utilizes self-propelled, automated, mechanized pieces of equipment, referred to as Rail Grinders. Loram's forces will work under the supervision and at the direction of the Agencies' track personnel along Agencies' rights of way.

Procurements Requiring Majority Vote

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

- | | | |
|--|--|--------------------------------------|
| 3. EMC²
Competitive
Contract No. TBD | \$4,454,399 - LIRR
\$2,741,909 - MNR
<u>\$1,548,863 - MTA BSC</u>
\$8,745,171 | <i><u>Staff Summary Attached</u></i> |
|--|--|--------------------------------------|

LIRR on behalf of itself, Metro-North Railroad ("MNR") and MTA Business Service Center ("BSC") requests MTA Board approval to award a contract in the not to exceed amount of \$8,745,171.00 to EMC² Corporation ("EMC²") utilizing New York State Office of General Services (OGS) Contract PT60953. This award is for the maintenance and support of the Agencies' Storage Area Networks (SANs) for a five-year period, and also covers the expansion and upgrade of the SANs over the next five years.

Schedule J: Modifications to Miscellaneous Procurement Contracts

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

4. Giro, Inc.
Competitive
Contract No. TBD

\$1,769,973
Not-to-Exceed

Staff Summary Attached

LIRR requests approval to issue a contract modification in the amount \$1,769,973.00 to GIRO, Inc. (GIRO) for a 3 year contract extension and upgrade of LIRR's existing HASTUS 2007 Crew Schedules and Equipment Schedules Construction Systems Software (CSCS/ESCS) to HASTUS 2013. While automated scheduling tools are superior to manual scheduling, the current HASTUS 2007 features have become outdated and no longer meet the full range of needs. Both LIRR and MNR use GIRO for software system maintenance and support. This modification would extend both railroads' contracts for an additional three years at the cost of \$115,000 for MNR and \$558,416 for LIRR. The remainder of the funding requested would be used to upgrade LIRR's software to the 2013 standard from the 2007 iteration and would include an option for interfacing a LIRR train scheduling application with HASTUS 2013 in the amount \$150,000.00.

Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary



Item Number: 1					
Dept & Dept Head Name: Procurement & Logistics, Dennis Mahon					
Department Head Signature & Date <i>[Signature]</i>					
Division & Division Head Name: DPM / Richard Oakley					
Division Head Signature & Date <i>9.8.13 [Signature]</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LI Committee	7.22.13			
2	MTA Board	7.24.13			
Internal Approvals					
Order	Approval	Order	Approval		
6	President <i>[Signature]</i>	3	VP/CFO <i>[Signature]</i>		
5	Executive VP <i>[Signature]</i>	2	Sr. VP/Operations <i>[Signature]</i>		
4	VP/Gen'l Counsel & Sec'y <i>[Signature]</i>	1	Sr. VP/Administration <i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name	Contract Number
TBD	TBD
Description	
Babylon Tower Supervisory Control System Upgrade	
Total Amount	
\$TBD	
Contract Term (including Options, if any)	
TBD	
Options(s) included in Total Amount: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION:

LIRR requests approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is therefore in the public interest to use the Request for Proposal (RFP) process pursuant to Section 1265-a of the Public Authorities Law to award a contract to provide an upgrade to the Babylon Tower Supervisory Control System in order to accommodate both the upcoming Speonk to Montauk Signalization Project and the new Massapequa Pocket Track Project.

II. DISCUSSION:

The Babylon Tower Supervisory Control System requires upgrade to encompass two new LIRR infrastructure improvements, the Speonk to Montauk Signalization project and the Massapequa Pocket Track. The supervisory control system permits the remote operation of the interlockings as well as the capability of monitoring the status of the various systems connected, including interlockings, signal system, and grade crossings. Each of these locations falls within the control territory of Babylon Tower.

The utilization of the RFP process will permit the LIRR to evaluate methods and means of proposed contractors including ability to perform the work while reducing the impact on customers. Additionally, the RFP process will facilitate evaluation of factors such as experience with this type of project, past performance, qualifications of key personnel, and safety records. The MTA Board has previously authorized use of the RFP process in connection with a number of signal-related projects, including the Jamaica Interlocking, the Harold Interlocking, and the Speonk to Montauk Signalization contracts.

III. D/M/WBE INFORMATION:

MTA Department of Diversity & Civil Rights will be asked to provide DBE goals for this contract.

IV. IMPACT ON FUNDING:

This contract will be funded by the LIRR's Capital Budget.

V. ALTERNATIVES:

This work is a necessary part of both the Speonk to Montauk Signalization and the Massapequa Pocket Track projects to tie the new signal systems into the supervisory control system at Babylon Tower.

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

Staff Summary



Long Island Rail Road

Page 1 of 2

Item Number: 2					
Dept & Dept Head Name: Procurement & Logistics, Dennis Mahon					
Department Head Signature & Date <i>[Signature]</i>					
Division & Division Head Name: Engineering, Kevin Tomlinson					
Division Head Signature & Date <i>[Signature]</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LI Committee	7.22.13			
2	MTA Board	7.24.13			
Internal Approvals					
Order	Approval	Order	Approval		
6	President <i>[Signature]</i>	3	VP/CFO <i>[Signature]</i>		
5	Executive VP <i>[Signature]</i>	2	Sr. VP/Operations <i>[Signature]</i>		
4	VP/Gen'l Counsel & Sec <i>[Signature]</i>	1	Sr. VP/Administration <i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name	Contract Number TBD
Loram Maintenance of Way, Inc.	
Description	
Rail Grinding – Joint Procurement with MNR & NYCT	
Total Amount \$3,220,072	
LIRR = \$494,280 (Capital, Federal)	
MNR = \$667,752 (Operating, Federal)	
NYCT = \$2,058,040 (Operating)	
Contract Term (Including Options, if any)	
4 - 6 mos.	
Options(s) included in Total Amount: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type	
<input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Competitive Negotiation	
Funding Source	
<input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

LIRR, on behalf of itself, Metro-North and New York City Transit (the Agencies) requests approval to award a negotiated Public Work Contract to Loram Maintenance of Way, Inc. (Loram) in the not-to-exceed amount of \$3,220,072 to provide Self-Propelled Rail Grinding Machine Services (Equipment & Personnel) at various points along the Agencies' rights of way.

II. DISCUSSION

Wheel/rail interface is critical to the operation and safety of trains. Rail grinding is an effective maintenance practice used to restore worn rail to its optimal profile, and thereby improve wheel/rail contact. Grinding is a proven method to reduce rail wear, extend the surfacing cycles, lower fuel/power consumption, reduce broken rails and maximize the value of rail assets. Rail grinding utilizes self-propelled, automated, mechanized pieces of equipment, referred to as Rail Grinders. Loram's forces will work under the supervision and at the direction of the Agencies' track personnel along Agencies' rights of way.

LIRR advertised in the New York State Contract Reporter and the NY Post its intention to procure grinding services using the competitive bid process. In addition to the advertisement, six firms were solicited, however, only Loram submitted a bid for the work. When vendors were queried as to why they did not submit bids, several responded that their (i) particular equipment did not meet all of the requirements of the specs, or (ii) existing equipment was already committed on long term leases to other railroads. Based upon a single response and in accordance with the provisions of the MTA All-Agency Guidelines, the competitive bid was converted into a negotiated procurement.

Loram's base proposal for rail grinding was higher than for previous contracts with the Agencies. The increase was attributed to the following: (i) increase in NYS Prevailing Wages (from \$51.78/hour to \$60.15/hour – 16.2% increase) (ii) a 5.9% increase in Consumer Price Index, (iii) Loram increased crew size to 3 employees to provide better reliability, maintenance and safety on these labor intensive machines. LIRR also negotiated a rate structure providing for six and eight-hour day options to help reduce potential overtime costs by 6%. Further, Loram has certified that the Agencies are receiving their "Most Favored Customer" pricing for this work. As a result Loram's pricing for the Agencies is determined to be fair and reasonable.

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights has assigned 0% MBE, and 0% WBE Goals for this contract.

Staff Summary



Long Island Rail Road

Page 2 of 2

IV. IMPACT ON FUNDING

This contract will be funded by Agency Operating, Capital & Federal funds, as applicable.

V. ALTERNATIVES

There is no viable or economically feasible alternative other than contracting with a qualified 3rd party as the Agencies do not have the appropriate equipment, skill sets or necessary manpower to perform this Rail Grinding work.

Staff Summary

Item Number: 3

Vendor Name (& Location) EMC ² Corporation, 2 Penn Plaza, New York, New York		Contract Number 130612IT4-L-Y	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description Expansion and Maintenance of the LIRR/MNR/BSC SANs		Total Amount Total - NTE \$8,745,171.00 MTA LIRR - \$ 4,454,399.00 MTA MNR - \$ 2,741,909.00 MTA BSC - \$ 1,548,863.00	
Contract Term (including Options, if any) August 1, 2013 to July 31, 2018		Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Requesting Dept/Div & Dept/Div Head Name: Mark Young, Acting CIO	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Contract Manager: R.A. Mack/Jack Latterner	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Ride of NYSOGS Contract			

I. PURPOSE/RECOMMENDATION:

LIRR on behalf of itself, Metro-North Railroad ("MNR") and MTA Business Service Center ("BSC") requests approval to award a contract in the not to exceed amount of \$8,745,171.00 to EMC² Corporation ("EMC²") utilizing New York State Office of General Services (OGS) Contract PT60953. This award is for the maintenance and support of the Agencies' Storage Area Networks (SANs) for a five-year period, and also covers the expansion and upgrade of the SANs over the next five years.

II. DISCUSSION:

The primary function of the SANs is to manage the growth in data storage. Additionally, the data center, on an application level, acts as a backup disaster recovery site in order to allow processing to be "swapped" to other facilities as circumstances warrant.

LIRR stores data for applications such as the Ticket Selling System; Schedules and Fares; CTAMS; CAMS; Oracle databases; email notifications for customers and train crews; VMware server virtualization; and Exchange 2010 email, including Blackberry service. Additional critical applications stored on the SANs are the Ticket Selling System (TSS) that supports the Ticket Vending Machines, the KRONOS Time and Attendance application, the Resource Process Control Scheduling System (RPCS), the MAXIMO Corporate Asset Management System, and the Microsoft Outlook Mail and Calendar Systems, including the Enterprise Vault archiving system.

LIRR negotiated a single Master Agreement covering LIRR, MNR and MTA Business Service Center's requirements including the purchase of new EMC² products required for the expansion of the SAN's, and maintenance and support of the SAN over a five year period at a reduced rate. LIRR further negotiated favorable discounts from EMC² off their published pricing under their New York State Office of General Services Contract ("NYSOGS") Contract Number PT60953 for both new products and maintenance and support services. In some instances, EMC² provided a 60% price discount compared to the standard 25% discount under the NYSOGS Contract. As such, pricing is deemed fair and reasonable.

III. M/WBE INFORMATION

DDCR has established goals for this contract as follows: MBE = 4.0% / WBE = 4.0%

IV. IMPACT ON FUNDING

The funding for this project is included in LIRR's Operating Budget.

V. ALTERNATIVES

LIRR does not have the skilled personnel, nor the specialized equipment needed to perform the support services portion of the contract. Therefore, it is necessary to contract with a qualified third-party provider for this equipment and the maintenance services.

Schedule J: Modifications to Miscellaneous Procurement Contracts

Staff Summary



Item Number: 4

Vendor Name (& Location) GIRO, Inc., (75, rue de Port-Royal Est, bureau 500, Montreal, CA H3L3T1)	
Description Software Upgrade & Maintenance/Support of HASTUS Crew & Equipment Construction Systems	
Contract Term (including Options, if any) 11/03/06 – 10/09/15 with Extension Option from 10/09/15-10/08/18	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Information Technology, Mark Young (Acting)	

Contact Number		AWO/Modification #
IT03330-G529/POG8618 – LIRR 20238 -MNR		1
Original Amount:	\$1,588,219.33 -LIRR	\$95,000.00 -MNR
Prior Modifications:	\$215,662.22 -LLIRR	\$ 0 -MNR
Prior Budgetary Increases:	\$0- LIRR	\$ 0-MNR
Current Amount:	\$1,803,881.55-LIRR	\$95,000.00 -MNR
This Request:	\$1,654,973.00-LIRR	\$115,000.00 - MNR
% of This Request to Current Amount:		
91% - LIRR 121% -MNR		
% of Modifications (including This Request) to		
Original Amount:		
117% - LIRR 121% MNR		

PURPOSE:

LIRR requests approval to issue a contract modification in the amount \$1,769,973.00 to GIRO, Inc. (GIRO) for a 3 year contract extension and upgrade of LIRR's existing HASTUS 2007 Crew Schedules and Equipment Schedules Construction Systems Software (CSCS/ESCS) to HASTUS 2013. While automated scheduling tools are superior to manual scheduling, the current HASTUS 2007 features have become outdated and no longer meet the full range of needs. Both LIRR and MNR use GIRO for software system maintenance and support. This modification would extend both railroads' contracts for an additional three years at the cost of \$115,000 for MNR and \$558,416 for LIRR. The remainder of the funding requested would be used to upgrade LIRR's software to the 2013 standard from the 2007 iteration and would include an option for interfacing a LIRR train scheduling application with HASTUS 2013 in the amount \$150,000.00.

DISCUSSION:

GIRO provides a new release periodically containing new features and functionality. By periodically upgrading, the LIRR will balance the cost of upgrades against utilization of higher functioning technology. The proposed upgrade to HASTUS 2013 will enhance accuracy in train and crew scheduling and reduce the time required to develop new schedules and represent a six-year interval between upgrades.

GIRO's final proposal is based on rates that have remained consistent with the pricing terms established at the time of the initial award in 2006 and are within industry standards for IT consulting services. An analysis of GIRO's proposal indicated that the proposed 2013 rates are approximately 18% greater than those rates proposed to perform the work in 2006. This represents a modest 2.5% escalation factor. Training, testing and implementation requirements for the system upgrade are expected to be minimal since Service Planning personnel have extensive experience with the current system. Therefore, based on the above, price is determined to be fair and reasonable.

MNR currently utilizes the crew scheduling module of the HASTUS system and requires system maintenance and support at this time. LIRR, however, utilizes both the crew scheduling and equipment scheduling modules, which are interfaced to other internal legacy systems at the railroad.

IMPACT ON FUNDING:

Funding for annual maintenance and support for both Railroads, and LIRR's upgrade and option for an interface to its train scheduling application are funded respectively, by each Agency's Operating Budget.

RECOMMENDATION:

Approval of a contract modification in the amount of \$1,654,973.00 for LIRR and \$115,000.00 for MNR is hereby recommended.

LONG ISLAND COMMITTEE
BOARD PROCUREMENT PACKAGE
JULY 2013

Staff Summary



Subject	Request for Authorization to Award Various Procurements				
Department	Law and Procurement				
Department Head Name	Evan M. Eisland				
Department Head Signature					
Project Manager Name	David K. Cannon				
Board Action					
Order	To	Date	Approval	Info	Other
1	LI Committee	7/22/13	X		
2	Board	7/24/13	X		

Date	July 9, 2013		
Vendor Name	Various		
Contract Number	Various		
Contract Manager Name	Various		
Table of Contents Ref #			
Internal Approvals			
	Approval		Approval
	President	3 AD	Chief Financial Officer
	Executive Vice President	2 FJD	Vice President Project Controls
		once	Chief Procurement Officer

PURPOSE

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

DISCUSSION

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

Schedules Requiring Majority Vote

Schedule I Modifications To Purchase and Public Work Contracts

	# of Actions	\$ Amount
	5	\$ 9,997,257
SUBTOTAL	5	\$ 9,997,257

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

Schedules Requiring Majority Vote

Schedule K Ratifications of Completed Procurement Actions

	# of Actions	\$ Amount
	2	\$29,245,298
SUBTOTAL	2	\$29,245,298
TOTAL	7	\$39,242,555

Responsibility/Responsiveness and Compliance

The contractors/consultants noted 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/modifications will result in obligating MTA Capital Construction capital funds in the amount listed. Funds are available in the current capital budget for this purpose.

Recommendation:

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

MTA Capital Construction Company
BOARD RESOLUTION

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

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

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

NOW, the Board resolves as follows:

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

JULY 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

Schedule I. Modifications To Purchase and Public Work Contracts

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

1. **Dragados/Judlau JV** **\$7,500,000** **Staff Summary Attached**
Contract No. CM019
Modification No. 58
 In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval of a contract modification in order to make incentive payments earned by the Contractor for achieving the early completion of four milestones.

2. **Tutor Perini Corporation** **\$1,355,000** **Staff Summary Attached**
Contract No. CH054A
Modification No. 32
 In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval of a contract modification for Tutor Perini to furnish transformers, control panels and disconnects for power separation.

3. **Yonkers Contraction Company, Inc.** **\$ 413,124** **Staff Summary Attached**
Contract No. CM014A
Modification No. 9
 In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval of a contract modification to furnish, install and energize two new distribution panels (with all related conduit, cable runs, concrete, etc.) and to relocate and upgrade four circuit breakers from 800A to 1600A.

4. **Tutor Perini Corporation** **\$ 369,133** **Staff Summary Attached**
Contract No. CH053
Modification No. 108
 In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval of a contract modification for the permanent rerouting of the Amtrak Car Wash feeder cables.

5. **Skanska USA Civil Northeast, Inc.** **\$ 360,000** **Staff Summary Attached**
Contract No. PS837
Modification No. 3
 In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval of a contract modification to reconfigure the MTAPD C3 Center space and provide additional monitors and communication consoles and other incidentals.

Schedule I: Modification to Purchase or Public Work Contracts



Item Number: 1

Vendor Name (& Location) Dragados/Judlau, JV		Contract Number CM019	AWO/Modification # 58
Description Manhattan Structures Part I for the East Side Access Project		Original Amount: \$ 734,000,000	
Contract Term (including Options, if any) 04/01/08 – 10/29/13		Prior Modifications: \$ 45,527,132	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Prior Budgetary Increases: \$ 0	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$ 779,527,132	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		This Request \$ 7,500,000	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:		% of This Request to Current Amount: 0.96%	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, A. Paskoff, P.E.		% of Modifications (including This Request) to Original Amount: 7.20%	

Discussion:

The work under this Contract includes the excavation and lining of four tunnel drives, shafts, escalator wellways, air plenums, cross passages, and caverns mainly under Grand Central Terminal. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC is requesting Board approval to modify the contract in order to make incentive payments earned by the Contractor for achieving early completion of four milestones.

In January 2012, the Board approved a Settlement Agreement with the Contractor which included revised interim contract milestones, increased liquidated damages and created early completion incentives in an effort to recover approximately 28 months of schedule delay. The Contractor has completed four milestones earlier than the contract specified Milestone Completion Dates and, pursuant to the Settlement, as amended by subsequent Modification 55, is entitled to the following incentive payments:


Milestone	Milestone Description	Completion Date for Incentives	Milestone Completion Date	Incentives	
				Amount Received if Milestone is achieved on or before date	Total Incentive
6	55th Street - Phases 1 & 2	9/30/12	9/28/12	\$3,000,000	\$3,000,000
7	55th Street - Phases 3, 4 & 5	1/10/13	11/16/12	\$1,500,000	\$1,500,000
8	55th Street - Phases 6, 7 & 8	6/1/13	6/1/13	\$1,500,000	\$1,500,000
9	Work associated with Substantial Completion	6/1/13	6/1/13	\$1,500,000	\$1,500,000
				TOTAL	\$7,500,000

While the Settlement Agreement was previously approved by the Board, the Contract amount was not increased at that time because the incentive payments were contingent on early completion of the milestones. This modification will increase the Contract amount to include the incentive payments actually earned.

Schedule I: Modification to Purchase or Public Work Contracts



Item Number: 2

Vendor Name (& Location) Tutor Perini Corporation		Contract Number CH054A	AWO/Modification # 32
Description Construct Harold Structures Part IIA for the East Side Access Project		Original Amount: \$ 21,777,777	
Contract Term (including Options, if any) 28 Months		Prior Modifications: \$ 20,249,902	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		Prior Budgetary Increases: \$ 0	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$ 42,027,679	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		This Request \$ 1,355,000	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		% of This Request to Current Amount: 3.22 %	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, A. Paskoff, P.E. 		% of Modifications (including This Request) to Original Amount: 99.2 %	

Discussion:

The work under this Contract involves civil construction work consisting of demolition, clearing, grubbing and grading, construction of retaining walls, storm sewers and utility relocation in the Harold Interlocking area for the East Side Access Project. Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval of a modification for Tutor Perini to furnish transformers, control panels and disconnects required for power separation.

As explained previously and in connection with related modifications, LIRR and Amtrak currently share power for their signals within the Harold Interlocking area. As part of the ESA project, signal power is being separated so that LIRR and Amtrak will have independent signal power (this work was not part of the original design and is part of an Errors and Omissions claim).

Accomplishing signal power separation has affected multiple East Side Access contracts. This modification provides for furnishing and delivery of the equipment that is required to power the H-3 and H-4 Signal Huts during the cutovers to the new switching and signaling systems scheduled for the fourth quarter of 2013 and first quarter of 2014 respectively. In order to meet the cutover schedule, the equipment must be procured now and the CH054A Contractor has provided similar equipment in the past.

We also anticipate at least three future modifications for Contract CH053 related to signal power separation, one for installing the equipment to be purchased under this modification, a second for the civil and site work associated with the installation of the Motor Generator Sets and a third for furnishing and installing catenary poles and guy anchors. In addition, there is one future modification for Contract CQ031 to furnish two catenary poles and a guy anchor in the vicinity of the work being performed under that contract.

The Contractor submitted a cost proposal in the amount of \$1,413,240 while the MTACC estimate was \$1,246,203. Negotiations were held and the parties agreed to a cost of \$1,355,000 for the work which is considered to be fair and reasonable. There is no time impact associated with this modification.

Schedule I: Modification to Purchase or Public Work Contracts



Item Number 3

Vendor Name (& Location) Yonkers Contracting Company (Yonkers, New York)		Contract Number CM014A	AWO/Modification # 9
Description GCT Concourse and Facilities Fit-Out		Original Amount: \$ 43,502,000	
Contract Term (including Options, if any) 534 Calendar Days		Prior Modifications: \$ 151,153	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		Prior Budgetary Increases: \$ 0	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$ 43,653,153	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		This Request \$ 413,124	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:		% of This Request to Current Amount: 0.9%	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, A. Paskoff, P.E.		% of Modifications (including This Request) to Original Amount: 1.2%	

Discussion:

The work under Contract CM014A is for the facility fit-out of the lower portion of the new LIRR Concourse located in the lower level of Grand Central Station for the East Side Access (ESA) project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC is requesting Board approval for a modification to the contract to furnish, install and energize two new distribution panels (with all related conduit, cable runs, concrete, etc.) and to relocate and upgrade four circuit breakers from 800A to 1600A.

Currently the Manhattan construction contracts use power from Metro North Railroad through distribution panels TP1 and TP2 and the TBM Substation, located at 2nd Ave. However, in view of the decisions to split CM014 into two separate contracts and CM012 into three contracts, MTACC has reassessed the future power load requirements for the Concourse and Cavern contracts and determined that additional power is required to support those demands.

In order to provide sufficient construction power for all future construction activities, this Modification provides for the installation of two new distribution panels (TP-3 and TP-4) along with the relocation and upgrade of four existing circuit breakers from 800A to 1600A. Due to the long lead time to procure, fabricate and install the distribution panels, and to ensure that sufficient power is available for the future contracts in a timely manner, the work will be performed under the existing CM014A Contract.

The Contractor submitted a proposal in the amount of \$519,478 while the MTACC estimate was \$437,951. Negotiations were held and the parties agreed to \$413,124 for the work, which is considered to be fair and reasonable. There is no time impact associated with this modification.

Schedule I: Modification to Purchase or Public Work Contracts



Item Number: 4

Vendor Name (& Location) Tutor Perini Corporation (Peekskill, New York)	Contract Number CH053	AWO/Modification # 108
Description Construct Harold Structures Part I for the ESA Project	Original Amount: \$ 139,280,000	
Contract Term (including Options, if any) 42 Months	Prior Modifications: \$ 84,089,318	
Option(s) Included In Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	Prior Budgetary Increases: 0	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount: \$ 223,369,318	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request \$ 369,133	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount: .17%	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, A. Paskoff, P.E.	% of Modifications (Including This Request) to Original Amount: 61%	

Discussion:

This contract is for the construction of various civil infrastructure elements in Harold Interlocking and to expand the existing LIRR/AMTRAK right-of-way to enable mainline track diversions and facilitate the future construction of tunnels for the East Side Access ("ESA") Project. In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval to modify the Contract for the permanent rerouting of the Amtrak Car Wash feeder cables.

As part of the original contract, the Amtrak Car Wash feeder cables were to run through conduits within Microtunnel Run 6/7. Due to design errors with regard to the 12KV ductbank (currently a subject of an errors and omissions claim against the designer), a redesign of the 12KV ductbank was required. The redesign reassigned to the 12KV ductbank the conduits within Microtunnel Run 6/7 originally designated for the Amtrak Car Wash feeder cables. As part of that redesign, two Car Wash feeder cables will run through Microtunnel Run 12. In addition, a new secondary source of power is to be created. This modification is to provide that new secondary service and includes tying in to an existing Con Ed manhole at the intersection of Skillman Avenue and 37th Street, and providing concrete encased ductbanks, a new 300 KVA transformer, a service panel to house a disconnect switch and a meter for the new service.

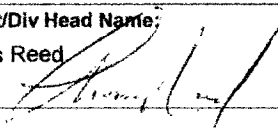
The Contractor submitted a cost proposal of \$524,469 while the MTACC estimate was \$390,860. Negotiations were held, and both parties agreed to \$369,133 which is considered to be fair and reasonable.

Please note that the Car Wash is currently operating under generator power due to the failure of a temporary reroute performed under a previous modification. A separate Schedule K seeking Board ratification of a modification to the Contract for the generators to power the Car Wash is routing concurrently with this Schedule I.

Schedule I: Modification to Purchase or Public Work Contracts



Item Number: 5

Vendor Name (& Location) Skanska USA Civil Northeast, Inc.		Contract Number PS837	AWO/Modification # 3
Description Activu Video Wall and Associated Electrical Work for the MTAPD C3 Center		Original Amount: \$ 1,541,403	
Contract Term (including Options, if any) 9 Months		Prior Modifications: \$ 20,000	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		Prior Budgetary Increases: \$ 0	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$ 1,551,403	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		This Request \$ 360,000	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		% of This Request to Current Amount: 23.20%	
Requesting Dept/Div & Dept/Div Head Name: Security Program, Thomas Reed 		% of Modifications (including This Request) to Original Amount: 24.45%	

Discussion:

The work under this Contract includes providing a new Activu Video Wall, relocating the existing video wall and providing all associated electrical and incidental work for the MTAPD C3 Center. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC is requesting Board approval to modify the contract to reconfigure the C3 Center space and provide additional monitors and communication consoles and other incidentals.

MTAPD has determined that there is a need for on-site interaction with other State and Law enforcement agencies from their C3 location during emergencies or catastrophic events. In order to facilitate this interaction, MTAPD has determined that the C3's Security Theatre and office space needs to be reconfigured. The work under this modification will involve installation of additional communication consoles and monitors, subdivision of some office space, installation of equipment, furniture and, other incidentals required for the efficient use of the space during a crisis. In addition, the existing non-acoustical ceiling tiles are to be replaced with acoustical ceiling tiles in the dispatching area (where the communication consoles are located) in order to reduce the amount of unwanted background noise created from simultaneous conversations by multiple dispatchers located in the same room.

It is beneficial for this work to be done by the PS837 Contractor who is currently performing related work within the C3. This will among other benefits obviate the need to release security sensitive as-built drawings to additional contractors.

The Contractor submitted a proposal in the amount of \$422,000 while the MTACC estimate was \$356,000. Negotiations were held and the parties agreed to \$360,000 for the work, which is considered to be fair and reasonable. The contract duration will be extended by six months in order to perform this work and there will be no impact costs.

JULY 2013

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

- | | | | |
|---|---|---------------------|--------------------------------------|
| 1. | Dragados/Judlau JV
Contract No. CM009
Modification No. 46 | \$28,400,000 | <u>Staff Summary Attached</u> |
| <p>Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC requests the Board ratify a contract modification for the installation of concrete invert slabs, embedded conduits, subsoil drainage, embedded track drainage systems, and mudslabs along with maintaining existing systems within the CM009 and CM019 work sites. This is a scope and budget transfer.</p> | | | |
| 2. | Tutor Perini Corporation
Contract No. CH053
Modification No. 110 | \$ 845,298 | <u>Staff Summary Attached</u> |
| <p>Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC requests the Board ratify a contract modification to provide two temporary generators to power the Amtrak Car Wash for 22 months from December 2011 through October 2013.</p> | | | |

Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (& Location) Dragados/Judlau, JV	Contract Number CM009	AWO/Modification # 46
Description Manhattan Tunnels Excavation for the East Side Access Project	Original Amount: \$ 427,954,000	
Contract Term (including Options, if any) 7/10/06 – 12/31/13	Prior Modifications: \$ (25,668,458)	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Prior Budgetary Increases: \$ 0	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount: \$ 402,285,542	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request \$ 28,400,000	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount: 7.06%	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, A. Paskoff, P.E.	% of Modifications (including This Request) to Original Amount: 0.64%	

Discussion:

The work under this Contract includes the construction of four tunnels utilizing two 22 foot diameter rock tunnel boring machines (TBM), and includes installation of temporary utilities, excavation of chamber and wyes, TBM excavation of approximately 25,000 linear feet of tunnels and final concrete lining of 11,600 linear feet of the running tunnels. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC is requesting the Board ratify a modification for additional concrete invert slabs and mudslabs. This is a scope and budget transfer.

Following the rejection of all bids received under CM012, a decision was made to divide the work into several new contract packages - CM005, CM006 & CM007. The scope of Contract CM006 includes the north tunnels and structures but this Contract is still being repackaged and work will not begin until late 2013. The CM009 Contractor is currently mobilized and on-site and has the available experience and resources to complete some of the invert work in the interim period before CM006 commences. Transfer of this scope allows critical ESA work to continue during the procurement process for the new Contracts thereby minimizing the impact to the overall Project Schedule and will have a direct schedule savings of 3 ½ months to Contract CM006. In addition, the completion of this work reduces a significant risk to the CM005 contract by reducing coordination between the CM005 and CM006 contracts because the invert slabs will be completed prior to CM005's access to the Work Site. Finally, this modification will provide more flexibility in access routes for the follow-on Contracts for the delivery of equipment and materials from the Queens Bellmouth

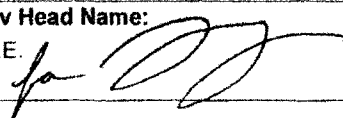
The scope of work for this modification includes the installation of mudslabs, concrete invert slabs, embedded conduits, subsoil drainage & embedded track drainage systems at the GCT 5 WB Wye and GCT 3 & 4 Crossovers. In addition, the Contractor will operate and maintain all existing temporary systems for the CM009 and CM019 work sites through September 2013. Also, Milestone 9, the Substantial Completion milestone, was revised to require completion of all work other than the work added by this Modification by June 1 (which requirement was timely satisfied) and a new milestone 9A was created for Substantial Completion on September 13, 2013, together with liquidated damages provision for failure to achieve Milestone 9A in the amount of \$12,500/day. Final Completion has likewise been extended from October 29 to December 31, 2013.

The Contractor submitted a combined proposal of \$31,230,133 while the MTACC combined estimate for the work was \$26,160,722. Negotiations were held and the parties agreed to a cost of \$28,400,000 which is considered to be fair and reasonable. The budget for this work (inverts and mudslabs) is a scope transfer from CM012R and the negotiated value is within the budgeted amount for this scope. In order to achieve the schedule savings and risk mitigation benefits discussed above, the MTACC President approved a retroactive memorandum and on June 13, 2013, the Contractor was authorized and directed to proceed with the work up to a not-to exceed amount of \$12,000,000.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 2

Vendor Name (& Location) Tutor Perini Corporation (Peekskill, New York)		Contract Number CH053	AWO/Modification # 110
Description Construct Harold Structures Part I for the ESA Project		Original Amount: \$ 139,280,000	
Contract Term (including Options, if any) 42 Months		Prior Modifications: \$ 84,089,318	
Option(s) Included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		Prior Budgetary Increases: \$ 0	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$ 223,369,318	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		This Request \$ 845,298	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:		% of This Request to Current Amount: .38%	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, A. Paskoff, P.E. 		% of Modifications (including This Request) to Original Amount: 61%	

Discussion:

This contract is for the construction of various civil infrastructure elements in Harold Interlocking and to expand the existing LIRR/AMTRAK right-of-way to enable mainline track diversions and facilitate the future construction of tunnels for the East Side Access ("ESA") Project. In accordance with Article IX of the MTA All-Agency Procurement Guidelines MTACC is requesting the Board ratify a modification to provide two temporary generators to power the Amtrak Car Wash for 22 months from December 2011 through October 2013.

As a result of design errors and delays associated with the installation of the 12kv ductbank (currently a subject of an errors and omissions claim against the designer), Modification 20 was issued to temporarily reroute the power feed cables for the Amtrak Car Wash. For the temporary reroute, the Contractor pulled cables supplied by MTACC through existing conduits previously installed by LIRR and Amtrak. The cables were successfully installed, passed the tests required by Amtrak and were used to power the car wash. However, the cables failed after only eight months of operation and the cause of the failure remains under investigation. In order to operate the Car Wash until the permanent reroute design was finalized and the power feeds installed (expected to be completed in October 2013), the Contractor was directed to provide two power generators. Please note that a separate Schedule I seeking Board approval of a modification for the permanent rerouting of the power feed cables to power the Amtrak Car Wash is routing concurrently with this Schedule K.

The Contractor submitted a cost proposal \$912,591 while the MTACC estimate was \$787,298. Negotiations were held, and both parties agreed to \$845,298, which is considered to be fair and reasonable.



Bridges and Tunnels

Procurements July 2013

Staff Summary



Subject:	Request for Authorization to Award Various Procurements
Department:	Procurement
Department Head Name	M. Margaret Terry
Department Head Signature	<i>Julia R. Chavet for MMTJ</i>
Project Manager Name	Various

Date	July 8, 2013
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	President	7/8/13	<i>[Signature]</i>		
2	MTA B&T Committee	7/22/13			
3	MTA Board	7/24/13			

Internal Approvals			
Order	Approval	Order	Approval
	President <i>[Signature]</i>		VP Operations
	Executive Vice President <i>[Signature]</i>		Chief Procurement Officer <i>[Signature]</i>
	VP Staff Services/COS		Chief Engineer
	General Counsel <i>[Signature]</i>		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 F	Personal Service Contracts	1	\$ 0.500M
SUBTOTAL		1	\$ 0.500M

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

Schedules Requiring Two-Thirds Vote		# of Actions	\$ Amount
Schedule B	Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)	2	TBD
Schedules Requiring Majority Vote		# of Actions	\$ Amount
Schedule F	Personal Service Contracts	3	\$ 7.078M
Schedule G	Miscellaneous Service Contracts	4	\$ 1.409M
Schedule H	Modifications to Personal/Miscellaneous Service Contracts	5	\$14.033M
Schedule I	Modifications to Purchase & Public Works Contracts	1	\$ 0.154M
SUBTOTAL		15	\$22.674M

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

Staff Summary

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

<u>Schedules Requiring Majority Vote</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule D	Ratification of Completed Procurement Actions (Involving Schedule A-C)	3	\$ 0.860M
Schedule K	Ratification of Completed Procurement Actions (Involving Schedule E-J)	4	\$ 2.658M
SUBTOTAL		7	\$ 3.518M
TOTAL		23	\$26.692M

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.)

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
JULY 2013

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

F: Personal Service Contracts

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

- | | | | |
|----|---|---------------------------------|--------------------------------------|
| 1. | John W. Fisher & Associates, Inc.
Contract No. PSC-13-2934 | \$500,000.00
(Not to Exceed) | <u>Staff Summary Attached</u> |
|----|---|---------------------------------|--------------------------------------|

3 yr. contract – Non-Competitive

Provide expert technical advisory services on fracture and fatigue damage at various Authority facilities.

Staff Summary

Page 1 of 2

Item Number 1 (Final)					
Dept. & Dept Head Name: Joe Keane, P.E. <i>Joe Keane for J. Keane 6/18/13</i> Department Head Signature & Date					
Division & Division Head Name: Michael Broffman, P.E. <i>M. Broffman 6/28/13</i> Division Head Signature & Date					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	7/8/13	<i>[Signature]</i>		
2	MTA B&T Committee	7/22/13			
3	MTA Board	7/24/13			
Internal Approvals					
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		
3	Chief Procurement Officer <i>[Signature]</i>	6	President <i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name John W. Fisher and Associates, Inc. P.O. Box 5183 Bethlehem, PA 18015	Contract Number PSC-13-2934
Description: Project GES-204, Expert Technical Advisory Services on Fracture and Fatigue Damage at Various Authority Facilities	
Total Amount \$500,000	
Contract Term (Including Options, if any) Three (3) years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to award a non-competitive personal service contract, Contract PSC-13-2934, Expert Technical Advisory Services on Fracture and Fatigue Damage at Various Authority Facilities to John W. Fisher and Associates, Inc. in the not-to-exceed amount of \$500,000 for a duration of three (3) years.

II. DISCUSSION

B&T requires independent expert outside technical assistance at times on an expedited basis. These services typically involve highly technical and complex critical requirements such as fatigue design of complex steel structures for which the competitive consultant selection process is impractical. The required services are best provided by Dr John W. Fisher who is a nationally recognized structural bridge expert from the field of academia and a world-renowned expert in fatigue design of steel bridge structures. Dr. Fisher provides current state of the art knowledge regarding new analytical design methods, new codes and structural requirements, innovative procedures and recommendations for new and updated materials. Issues for which B&T may require expert technical expert advice on include the following: (i) uncommon failure of critical structural components and connections; (ii) fatigue failure of structural members; and (iii) corrosion of steel members and cables.

Staff Summary

Page 2 of 2

B&T has previously utilized the services of Dr. Fisher, Professor Emeritus Civil Engineering, Lehigh University and Director Emeritus of the National Science Foundation's Engineering Research Center, Advanced Technology for Large Structural Systems (ATLSS) Laboratory at Lehigh University. Dr. Fisher has performed several investigations and reviews for the Bronx-Whitestone Bridge relating to: (i) Main Cable Wire Research; (ii) Review and Verification of the Wind Effect Analysis; (iii) Consultation on Design Tests on orthotropic decks; (iv) Observation of Wind Tunnel Tests of Aerodynamic Behavior at B&T bridges; and (v) Review of Conceptual Design Reports for Deck Replacement and Wind Study. In addition, Dr. Fisher has provided expert assistance by performing technical reviews on fatigue issues at the Verazano-Narrows, Robert F Kennedy, and Throgs Neck Bridges. The level of expertise provided by Dr. Fisher is not available at B&T or readily available in the consulting engineering community. Dr. Fisher has an unparalleled knowledge of the B&T's complex structural bridge systems.

Under this Contract, the initial billing rate is the same as the rate in Dr. Fisher's existing contract. For the second and third year of this Contract the rate will increase 6.25%. This increase is comparable to the current rate being charged to other public and private entities. The rate is therefore considered fair and reasonable.

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights ("DDCR") has established goals of 0% MBE and 0% WBE for the referenced contract.

IV. IMPACT ON FUNDING

Funding is available in the 2013 Operating Budget under General Ledger Code 71251.

V. ALTERNATIVES

None are recommended. To competitively solicit the required expert advisory services is not a practical alternative. Dr. Fisher has unique qualifications and an extensive well-established track record in the field of structural engineering behavior and analysis. He possesses proven background and expertise, and has advised numerous agencies and B&T on complex fracture and fatigue problems.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2013

MTA BRIDGES & TUNNELS

Procurements Requiring Two-Thirds Vote:

B: Request to Use RFP for Procurement of Purchase & Public Works in lieu of Sealed Bid
(Staff Summaries only required for items estimated to be greater than \$1 million)

- | | | | |
|----|---|------------------------------|--------------------------------------|
| 1. | Contractor to be Determined
Contract No. RK-65R2
Request that the Board declare competitive bidding to be impractical and/or inappropriate and authorize B&T to enter into a competitive Request for Proposal process for Design/Build Services for the TBTA Training Facility on Randall's Island. | Cost to be Determined | <u>Staff Summary Attached</u> |
| | | | |
| 2. | Contractor to be Determined
Contract No. MP-21
Request that the Board declare competitive bidding to be impractical and/or inappropriate and authorize B&T to enter into a competitive Request for Proposal process for Design/Build Services for Rehabilitation of the Rockaway Point Boulevard Bridge and Jacob Riis Pedestrian Bridge. | Cost to be Determined | <u>Staff Summary Attached</u> |

Procurements Requiring Majority Vote:

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

- | | | | |
|----|---|-----------------------|--------------------------------------|
| 3. | Sterling Infosystems, Inc.
Contract No. PSC-11-2893
3 yr. contract – Competitive RFP – 5 Proposals
Provide background verification and investigation services. | \$3,172,492.75 | <u>Staff Summary Attached</u> |
| | | | |
| 4. | URS Corporation – New York
Contract No. PSC-12-2921
2 yr. 4 mo. contract – Competitive RFP – 3 Proposals
Provide construction administration and inspection services for Project TN Task 26, Integrated Electronic Security System at the Throgs Neck Bridge. | \$2,922,570.12 | <u>Staff Summary Attached</u> |
| | | | |
| 5. | Weidlinger Associates, Inc.
Contract No. PSC-13-2927
2 yr. contract – Competitive RFP – 4 Proposals
Provide design and construction support services for Project TN-60, Dehumidification System for the Main Cable Splays and Elimination of Water Infiltration at the Throgs Neck Bridge. | \$983,385.67 | <u>Staff Summary Attached</u> |

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2013

G: Miscellaneous Service Contracts

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

6. **Engineered Energy Solutions , Inc.** **\$742,003.00**
 Contract No. 12-MNT-2899

5 yr. contract - Competitive Bid - Low responsive bid/2 bids

In December 2012 B&T issued a solicitation for a Contractor to provide preventive maintenance and repair services for the traffic and signal control system located at the Hugh L. Carey Tunnel. The services are required so that lane signals and variable message signs may be properly controlled and monitored throughout the tunnels and at the portals. The service requirements were publicly advertised. The solicitation notice was sent to 332 firms. Five (5) firms requested copies of the solicitation. On April 26, 2013, two bids were submitted as follows:

<u>Bidders</u>	<u>Bid Amount</u>
Engineered Energy Solutions	\$742,003.00
Jacobs Civil Consultants, Inc.	\$901,215.33

The scope of services for the first three years of the five year prospective contract with EES for preventive maintenance, emergency work and unscheduled repair work during normal business hours is the same as that compared with the current contract. The preventive maintenance and repair rates for the initial three year period under the prospective contract compared with the same period under the current contract are on average 32% lower than the current rates. The rates are fixed over the five year period. After evaluation of the bids, it was determined that Engineered Energy Solutions, Inc. is a responsive, responsible bidder. Based on competition, the prices are considered fair and reasonable. The MTA Department of Diversity and Civil Rights has established goals of 10% MBE and 10% WBE for this contract. The contract will not be awarded until the M/WBE requirements are satisfied. Funding is available in the Operating Budget under GL #711315.

7. **Highway Locksmiths, Inc.** **\$418,900.00**
 Contract No. 12-MNT-2901X

3 yr. contract – Competitive Bid – Low responsive bid/2 bids

In April 2013 B&T issued a solicitation for a Contractor to provide labor, material and equipment necessary to provide locksmith services at various locations. The service requirements were publicly advertised. The solicitation notice was sent to thirty (30) firms. Two (2) firms requested copies of the solicitation. On April 19 two bids were submitted as follows:

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2013

<u>Bidders</u>	<u>Bid Amount</u>
Highway Locksmiths, Inc.	\$418,900.00
Nicholas Simon & Sierra Inc. (dba Popalock of Queens)	\$757,975.00

The scope of repair and emergency services under the prospective contract is the same as that compared with the current contract. Estimated hours for shop repairs (when the contractor performs services at its facility) increased significantly; however, the labor rate decreased compared with the current contract's price. The rates under the prospective contract, which are fixed over the three year period, are on average 13.6% lower than the current rates. After evaluation of the bids, it was determined that Highway Locksmiths, Inc. is a responsive, responsible bidder. Based on competition, the price is considered fair and reasonable. No M/WBE goals were established by the MTA Department of Diversity and Civil Rights. Funding is available in the Operating Budget under GL #714220.

8. **Continental Lift Truck, Inc.** **\$161,050.00**
Contract No. 12-MNT-2898X

5 yr. contract -- Competitive Bid -- Low responsive bid/2 bids

In March 2013 B&T issued a solicitation for a Contractor to provide maintenance and repair services for "off road" heavy-duty vehicles and equipment. Such vehicles, e.g. frontend loaders and trucks with mobile light towers, are intended for use when services are required to be performed at a reasonable distance from main transportation routes or standard roadways. The services include: (i) preventive maintenance inspections; (ii) scheduled and unscheduled maintenance; and (iii) required repair work and vehicular modifications. The service requirements were publicly advertised. The solicitation notice was sent to 144 firms. Three (3) firms requested copies of the solicitation. On April 19 two bids were submitted as follows:

<u>Bidders</u>	<u>Bid Amount</u>
Continental Lift Truck Inc.	\$161,050.00
First Star Auto Repair, Inc. dba Daimner Fleet	\$183,520.00

The scope of services under the prospective five year contract differs from that compared with the current three year contract. The estimated quantity for maintenance and repair work for the initial three year period under the prospective contract compared with the same period under the current contract reflects a 17% increase. Continental's overall bid is 17% lower than the user's estimate of \$193,500. The rates are fixed over the five year period. After evaluation of the bids, it was determined that Continental Lift Truck Inc. is a responsive, responsible bidder. Based on competition, the prices are considered fair and reasonable. The MTA Department of Diversity and Civil Rights established goals of 10% MBE and 10% WBE participation under this contract. The contract will not be awarded until the M/WBE requirements are satisfied. Funding is available in the Operating Budget under GL #710901.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2013

9. Stertil-Koni, USA, Inc. \$86,739.00
Contract No. 12-MNT-2907X

5 yr. contract – Competitive Bid – Low responsive bid/2 bids

In April 2013 B&T issued a solicitation for a Contractor to provide labor, material and equipment necessary to inspect, maintain and repair B&T's vehicle lifts and overhead crane equipment. The service requirements were publicly advertised. The solicitation notice was sent to one hundred and sixty (160) firms. Two (2) firms requested copies of the solicitation. On May 17 two bids were submitted as follows:

<u>Bidders</u>	<u>Bid Amount</u>
Stertil-Koni USA, Inc.	\$86,739.00
Permadr Industries Inc. dba Sissco	\$105,992.50

The scope of services under the prospective five year contract differs from that compared with the current three year contract. The estimated hours for maintenance, repair and inspection of vehicle lift equipment for the initial three year period under the prospective contract compared with the same period under the current contract reflect a 20% increase. Stertil-Koni's overall bid is 7% lower than the user's estimate of \$93,240. The rates are fixed over the five year period. After evaluation of the bids, it was determined that Stertil-Koni, USA, Inc. is a responsive, responsible bidder. Based on competition, the price is considered fair and reasonable. The MTA Department of Diversity and Civil Rights established goals of 10% MBE and 10% WBE participation under this contract. The contract will not be awarded until the M/WBE requirements are satisfied. Funding is available in the Operating Budget under GL #710901.

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

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

10. Hatch Mott MacDonald, NY Inc. \$4,862,545.00 Staff Summary Attached
Contract No. PSC-12-2913

Perform emergency and in-depth condition inspections, damage reporting and restoration design activities as a result of Superstorm Sandy under Project BB-28, Phase II Rehabilitation of the Tunnel Walls, Roadway, Drainage, Ceiling and Fireline at the Brooklyn Battery Tunnel (now known as the Hugh L. Carey Tunnel).

11. URS Corporation-New York \$3,977,373.88 Staff Summary Attached
Contract No. PSC-12-2920

Perform structural, civil, electrical, mechanical designs as well as hardening designs, restoration and mitigation services as a result of Superstorm Sandy under Project QM-40, Tunnel Control at the Queens Midtown Tunnel.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2013

12. **Peak Technical Services, Inc.** **\$1,950,000.00** **Staff Summary Attached**
Rotator Staffing Services, Inc.
HEPCO, Inc.
Metro-Tech Consultant Services, Inc.
L. J. Gonzer Associates, Inc.
Contract Nos. 3000001036 (Peak)
3000001212 (Rotator)
3000001289 (HEPCO)
3000001390 (Metro-Tech)
3000001391 (Gonzer)
Amend Purchase Orders issued or to be issued by B&T that ride NYCT Contracts for temporary professional and technical staffing (Job Shopper) services.
13. **PB Americas, Inc.** **\$1,831,528.00** **Staff Summary Attached**
Contract No. PSC-06-2805
Perform electrical and mechanical designs, restoration, mitigation and construction support services as a result of Superstorm Sandy under Project QM-30, Electrical Switchgear Replacement at the Queens Midtown Tunnel.
14. **AWL Industries, Inc.** **\$1,231,639.28 (B&T)** **Staff Summary Attached**
\$ 0.00 (SIRT)
Ultimate Power, Inc. **\$ 180,000.00 (NYCT DOB)**
Contract No. 10-MNT-2860
Perform additional maintenance and repair of heating, ventilation and air conditioning systems located at various B&T, SIRT and NYCT DOB facilities and extend each contract through January 2014.

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)

15. **Franklin Company Contractors, Inc.** **\$153,873.75**
Contract No. 3000000957
In May 2012 New York City Transit (NYCT) awarded three (3), three (3) year public work contracts to Franklin for the Department of Buses/MTA Bus Company, Department of Subways and Triborough Bridge and Tunnel Authority (B&T) for the repair, replacement and testing of petroleum tanks and associated piping at various agency facilities. B&T issued a delivery order to Franklin against NYCT Contract RFQ5482 from June 1, 2012 through May 21, 2015 in an amount of \$180,915. Payment for these services is in accordance with the prices and terms contained in the NYCT Contract.

The Maintenance Division requires that additional funding be added to our delivery order in an amount of \$153,873.75. Such additional funds are necessary to remove and

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2013

dispose of contaminated soil, remediate the land area, adjust tank air venting and install tank monitoring equipment at the Robert Moses Building located on Randall's Island. Such efforts are in accordance with the contract and NYS DEC regulations. Additionally, B&T requires Franklin to perform precision tank tightness testing to ensure conformance with the specifications and verify that the cathodic protection system is effectively controlling corrosion of the metal surfaces of the tanks. Since the rates payable are the same as those contained in the NYCT contract, the value of this amendment is considered fair and reasonable. Funding for this amendment is available in the Operating Budget under GL #711437.

Staff Summary

Page 1 of 2

Item Number 1 (Final)					
Dept & Dept Head Name: <i>Joe Keane</i> Engineering and Construction, Joe Keane, P.E.					
Division & Division Head Name: Engineering and Construction, Aris Stathopoulos, P.E. <i>Aris Stathopoulos</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	7/8/13	<i>[Signature]</i>		
2	MTA B&T Committee	7/22/13			
3	MTA Board	7/24/13			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>DS</i>	4	Chief of Staff <i>[Signature]</i>		
2	General Counsel <i>MMT</i>	5	Executive Vice President <i>DS & P.M.</i>		
3	Chief Procurement Officer <i>CM</i>	6	President		

SUMMARY INFORMATION	
Vendor Name N/A	Contract Number RK-65R2
Description Design-Build Services for the TBTA Training Facility on Randall's Island	
Total Amount \$12,200,000 (estimated)	
Contract Term (including Options, if any) 1 year, 6 months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All-Agency Procurement Guidelines to declare competitive bidding to be impractical and/or inappropriate in accordance with the All-Agency Procurement Guidelines, Article III.A.6. and Public Authorities Law §559 and authorize B&T to enter into a competitive Request For Proposal process for Design-Build Services for the TBTA Training Facility on Randall's Island.

II. DISCUSSION

Interim restoration of the Manhattan Toll Plaza of the Robert F. Kennedy Bridge (RFKB) is scheduled to start in the Fall of 2014. Before the complete demolition of the Manhattan Plaza elevated structure can begin, B&T personnel and training facilities currently housed under the plaza must be relocated. The training facilities and associated office functions were originally to be relocated from under the Manhattan Plaza of the RFKB to 2 Broadway; however, the anticipated space in the building has subsequently been allocated for other purposes and is no longer available.

B&T is requesting to advance this project as expeditiously as possible. The scope of work includes designing and building a new training facility on Randall's Island. The design/build procurement process will enable the project to be awarded and completed approximately one year sooner than the typical design/bid/build procurement method and take advantage of currently favorable construction market conditions. The budget for this design/build contract is \$12,200,000 over a duration of 1 year, 6 months. B&T determined the proposed building option to be the lowest cost alternative and the best value solution for B&T's needs based upon an analysis of alternatives for a similar maintenance facility being constructed under RK-65R, Design-Build Services for the TBTA Central Maintenance North Facility on Randall's Island.

Staff Summary

Page 2 of 2

Based on the above, B&T deems it to be in the public interest to request that the Board adopt a resolution declaring competitive bidding to be impractical in favor of contract award by means of a competitive RFP process.

III. D/M/WBE INFORMATION

The MTA DDCR will assign applicable goals prior to the issuance of the Request for Proposals.

IV. IMPACT ON FUNDING

Funding is available under Project RK-65R2 in the 2010-2014 Capital Program.

V. ALTERNATIVES

Utilize the conventional design/bid/build procurement process. This process is impractical due to B&T's time and budget constraints on this project.



Staff Summary

Page 1 of 2

Item Number 2 (Final)					
Dept & Dept Head Name: <i>Joe Keane</i> Engineering and Construction, Joe Keane, P.E.					
Division & Division Head Name: Engineering and Construction, Aris Stathopoulos, P.E. <i>Aris Stathopoulos</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	7/8/13			
2	MTA B&T Committee	7/22/13			
3	MTA Board	7/24/13			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>OS</i>	4	Chief of Staff		
2	General Counsel <i>AM</i>	5	Executive Vice President <i>OS</i>		
3	Chief Procurement Officer <i>OS</i>	6	President <i>JP</i>		

SUMMARY INFORMATION	
Vendor Name N/A	Contract Number MP-21
Description Design-Build Services for Rehabilitation of the Rockaway Point Boulevard Bridge & Jacob Riis Pedestrian Bridge	
Total Amount \$6,790,529 (Design Build budget)	
Contract Term (including Options, if any) 2 years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input 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 Procurement Guidelines to declare competitive bidding to be impractical and/or inappropriate in accordance with the All-Agency Procurement Guidelines, Article III.A.6. and Public Authorities Law §559 and authorize B&T to enter into a competitive Request For Proposal process for Design-Build Services for Rehabilitation of the Rockaway Point Boulevard Bridge & Jacob Riis Pedestrian Bridge.

II. DISCUSSION

Currently the design for Project MP-21, Rehabilitation of the Rockaway Point Boulevard and Jacob Riis Overpasses at the Marine Parkway – Gil Hodges Memorial Bridge, is in the early design stage. However, the most recent biennial inspection has revealed a significant increase in the extent of the deterioration of structural elements. Accordingly, B&T has determined that it is prudent to accelerate this project.

The scope of work includes completing the design, installing new structural steel, bearings and roadway deck, and painting various bridge elements. The design/build procurement process will enable the project to be awarded and completed approximately six months sooner than the typical design/bid/build procurement method and it will take advantage of currently favorable construction market conditions. The Design Build budget is \$6,790,529 and Contract duration of 2 years. Based on the above, B&T deems it to be in the public interest to request that the Board adopt a resolution declaring competitive bidding to be impractical in favor of contract award by means of a competitive RFP process.

Staff Summary

Page 2 of 2

III. D/M/WBE INFORMATION

The MTA DDCR will assign applicable goals prior to the issuance of the Request for Proposals.

IV. IMPACT ON FUNDING

Funding is available under Project MP-21 in the 2010-2014 Capital Program.

V. ALTERNATIVES

Utilize the conventional design/bid/build procurement process. This process is impractical due to B&T's time and budget constraints on this project.



Staff Summary

Page 1 of 2

Item Number 3 (Final)					
Dept & Dept Head Name:					
Staff Services, Catherine Sweeney					
Division & Division Head Name:					
Staff Services, Eric J. Perry					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	7/8/13			
2	MTA B&T Committee	7/22/13			
3	MTA Board	7/24/13			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer 	4	Chief of Staff 		
2	General Counsel 	5	Executive Vice President		
3	Chief Procurement Officer 	6	President 		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Sterling Infosystems, Inc.	PSC-11-2893
Description:	
Background Verification and Investigation Services	
Total Amount	
\$3,172,492.75	
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to award an all-agency personal service contract for Background Verification and Investigation Services to Sterling Infosystems, Inc. (Sterling) in the amount of \$1,200,000 for Metro North Railroad; \$1,081,147.50 for Long Island Rail Road; \$544,324 for Bridges and Tunnels; \$246,481.25 for NYCT; \$48,510 for MTA Headquarters; \$35,860 for the Business Service Center; and, \$16,170 for Capital Construction. The aggregate value of this procurement is \$3,172,492.75 over a period of three years.

II. DISCUSSION

All MTA agencies require the services of a consultant to conduct employment and education verification, background check, criminal and other investigative services in connection with candidates seeking employment or promotion. The service requirements were publicly advertised; five firms submitted proposals. The proposals were evaluated against established criteria set forth in the RFP, including cost, qualifications of the firm, qualifications of proposed personnel, record of performance of the firm, and an understanding of the technical requirements. Three firms were chosen to provide oral presentations: Sterling, Carco Group and KENTECH Consulting. The committee selected Sterling based on its: (i) proposed cost which was the lowest among the three firms and (ii) thorough understanding of the scope of work both in its technical proposal and oral presentation. Carco Group demonstrated substantial technical experience in this field as well as a complete understanding of the services, however its proposed cost was significantly higher than that submitted by Sterling. KENTECH Consulting did not demonstrate an acceptable level of knowledge regarding the

Staff Summary

Page 2 of 2

agencies' requirements which led to the committee's determination that they be excluded from any further consideration.

Negotiations were initiated with Sterling; however, it declined to negotiate its proposed unit prices. The unit prices submitted by the consultant reflect an overall average decrease of 40.8% compared with those under the current contract. Such prices under the prospective contract, which are fixed for the three year period, are lower for 27 of 28 items in comparison with the current contract. The prices under this contract are considered fair and reasonable. Sterling is deemed to be a responsible consultant.

III. D/M/WBE INFORMATION

The MTA DDCR has established a 10% MBE goal and 10% WBE goal for the referenced contract. No goals were assigned under the current contract. This contract will not be awarded without approval of MTA DDCR.

IV. IMPACT ON FUNDING

Funding is available in each agency's Operating Budget for these services.

V. ALTERNATIVES

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



Staff Summary

Page 1 of 2

Item Number 4 (Final)					
Dept & Dept Head Name: <i>Joe Keane</i>					
Engineering and Construction, Joe Keane, P.E.					
Division & Division Head Name: <i>Aris Stathopoulos</i>					
Engineering and Construction, Aris Stathopoulos, P.E.					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	7/8/13	<i>[Signature]</i>		
2	MTA B&T Committee	7/22/13			
3	MTA Board	7/24/13			
Internal Approvals					
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>		

SUMMARY INFORMATION	
Vendor Name	Contract Number
URS Corporation- New York	PSC-12-2921
Description:	
Construction Administration and Inspection Services for Project TN Task 26, Integrated Electronic Security System at Throgs Neck Bridge	
Total Amount	
\$2,922,570.12	
Contract Term (including Options, if any)	
Two years, four months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: G Fund	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to award a personal service contract for Construction Administration and Inspection Services for Project TN Task 26, Furnishing and Installation of an Integrated Electronic Security System (IESS) at Throgs Neck Bridge to URS Corporation- New York (URS) in the amount of \$2,922,570.12 for a period of two years, four months.

II. DISCUSSION

B&T requires the services of a consultant to provide construction administration and inspection services for TN Task 26 as described above. The work includes, but is not limited to: construction administration, inspection, testing, emergency response and all other oversight services to ensure that the cost, schedule, quality, safety and other contract criteria are met.

The service requirements were publicly advertised; five firms submitted qualification information. Four firms were chosen to receive the RFP based on a review of those qualifications and three firms submitted proposals: URS, HAKS and PBS Engineering & Associates, P.C. (PBS). The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements, technical expertise, proposed personnel, oral presentations and cost. The committee selected URS based on: (i) a highly qualified team with significant experience that includes New York City Transit's Under River Tunnel Security Program and the MTA Capital Construction IESS Program; (ii) a Resident Engineer that has a vast amount of experience in conjunction with management of security-related installation projects, as well as vulnerability assessments and risk analysis as part of the MTA Capital Security

Staff Summary

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Program; (iii) the consultant's thorough understanding of the scope of work as presented in its technical proposal and oral presentation and (iv) a cost proposal that was the lowest of the three received and the most aligned with the Engineer's estimate. PBS also demonstrated impressive technical experience in this field and understanding of the services, however its proposed cost was significantly higher than that of URS. Although HAKS was qualified to perform these services, it proposed the highest cost.

URS submitted a proposal of \$2,922,407.46. The Engineer's estimate is \$3,156,490. Negotiations were conducted and the parties agreed to the amount of \$2,922,570.12. The negotiated amount is 7.4% below the Engineer's estimate and is considered fair and reasonable. URS is deemed to be a responsible consultant.

III. D/M/WBE INFORMATION

The MTA DDCR has established a DBE goal of 17% for the referenced contract. This contract will not be awarded without approval of MTA DDCR. URS has achieved its previous M/WBE goals on its prior MTA contracts.

IV. IMPACT ON FUNDING

Funding is available under the 2005-2009 MTA Security Program, project G5140108.

V. ALTERNATIVES

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

Staff Summary

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Item Number 5 (Final)					
Dept & Dept Head Name: Joe Keane, P.E.					
<i>Chris Stathopoulos For Joe Keane</i>					
Division & Division Head Name: Aris Stathopoulos, P.E.					
<i>Aris Stathopoulos</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	7/8/13	<i>[Signature]</i>		
2	MTA B&T Committee	7/22/13			
3	MTA Board	7/24/13			
Internal Approvals					
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		

SUMMARY INFORMATION	
Vendor Name Weidlinger Associates, Inc.	Contract Number PSC-13-2927
Description: Design and Construction Support Services for Project TN-60, Dehumidification System for the Main Cable Splays and Elimination of Water Infiltration in the Anchorages at the Throgs Neck Bridge	
Total Amount \$983,385.67	
Contract Term (including Options, if any) Two (2) years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to award a personal service contract for Design and Construction Support Services for Project TN-60, Dehumidification System for the Main Cable Splays and Elimination of Water Infiltration in the Anchorages at the Throgs Neck Bridge (TNB) to Weidlinger Associates, Inc. (WAI) located at 40 Wall Street, New York, NY 10005 for a period of two (2) years. The cost of the design portion of the contract is \$983,385.67. At a future date, the cost of construction support services will be negotiated and presented to the Board for approval.

II. DISCUSSION

B&T requires the services of a consultant to provide design and construction support services to install a dehumidification system for the main cable splays and eliminate water infiltration in the anchorages at the TNB. The design activities required include but are not limited to the following: desiccant dehumidification systems; cleaning and coating/oiling cable splays/strand shoes and eyebars as required; repairing/waterproofing the anchorage top and walls in order to eliminate storm water infiltration; and integrate remote monitoring and system alarm into the facility's existing monitoring system.

The service requirements were publicly advertised; four firms submitted qualification information. All four firms Weidlinger Associates, Inc. (WAI), Parsons Brinkerhoff, Inc. (PB), Ammann & Whitney Consulting Engineers, PC

Staff Summary

Page 2 of 2

(A&W) and Modjeski and Masters, Inc. (M&M) were chosen to receive the RFP based on a review of their qualifications. All four firms submitted proposals. The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements and expertise, proposed personnel, oral presentations and cost. The Selection Committee unanimously recommended that B&T enter into negotiations with WAI. Their proposal thoroughly addressed the key design issues pertinent to this project. WAI: (i) proposed an innovative modification to the electrical scope of work, which should result in less electrical equipment and subsequent cost savings during the construction phase of this project; (ii) proposed a well developed structural system to enclose the eyebars and splay cables; and (iii) proposed a mechanical design which not only incorporated all of the RFP requirements, but proposed advanced controls to monitor the mechanical equipment. PB's technical approach did not have the same quality as that submitted by the selected firm for this project. A&W proposed the lowest cost, however, their technical proposal did not offer a sufficient level of detail. M&M's proposal demonstrated an adequate understanding of the project requirements, but they proposed the highest cost. The Engineer's estimate is \$ 834,344. WAI proposed an amount of \$1,036,198.75. Based on the proposals received, the Committee determined that the Engineer's estimate understated the level of direct labor required. Negotiations were conducted and the parties agreed to an amount of \$983,385.67, which is considered fair and reasonable. WAI 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. WAI was in full compliance with the M/WBE goals on its most recently completed contract (PSC-05-2736).

IV. IMPACT ON FUNDING

Funding is available under Project TN-60 in the amount of \$983,385.67 in the 2010-2014 Capital Budget.

V. ALTERNATIVES

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

**Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts**Item Number: **10** (Final)

Vendor Name (& Location) Hatch Mott MacDonald, NY Inc. (New York, New York)	Contract Number PSC-12-2913	AWO/Modification #
Description Design and Construction Support Services for Project BB-28, Phase II Rehabilitation of the Tunnel Walls, Roadway, Drainage, Ceiling and Fireline at the Brooklyn Battery Tunnel	Original Amount:	\$2,702,411.00
Contract Term (including Options, if any) December 21, 2012 – March 20, 2014	Prior Modifications:	\$0.00
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	N/A
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$2,702,411.00
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$4,862,545.00
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: Sandy	% of This Request to Current Amount:	179.9%
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction/Joe Keane, P.E.	% of Modifications (including This Request) to Original Amount:	179.9%

Discussion:

As a result of Superstorm Sandy (Sandy), B&T is seeking the Board's approval under the All-Agency Guidelines For Procurement of Services to amend the contract with Hatch Mott MacDonald NY, Inc., (HMM) to perform tunnel restoration design services, including post storm inspections and completed damage recovery reports already provided, in the negotiated amount totaling \$4,862,545 which shall be included for FEMA reimbursement. The Declaration of Emergency issued by the President effective on October 29, 2012 authorized immediate action to provide the following: emergency and in-depth condition inspections; damage reporting; and the commencing of restoration design activities. B&T has committed \$900,000 for these activities to date.

Following the storm, B&T determined that it was judicious to engage professional services firms that were competitively selected prior to Sandy and where possible to utilize existing contracts for design and construction inspection wherever feasible to mitigate risk to the public, maintain critical transportation and evacuation infrastructure, truncate the duration of Sandy recovery and restoration and utilize pre-storm pricing. HMM was in the process of being awarded Contract PSC-12-2913 when Sandy occurred and its scope for the facility inspection and design work is similar to the post Sandy tunnel restoration design activities being currently undertaken. HMM has extensive tunnel design and restoration expertise both internationally and nationally and therefore represents the most qualified, cost effective and expeditious means of performing the required services at the Hugh L. Carey Tunnel (HLC), formerly known as the Brooklyn Battery Tunnel. Consistent with the Procurement Guidelines, this amendment constitutes a substantial change.

Sandy resulted in extensive flooding of both tunnel tubes entering through the HLC Manhattan Plaza via Morris Street, the Manhattan Blower Building and Manhattan Cellular Structure. Salt water, debris and contaminant laden floodwaters inundated the HLC thereby causing tunnel system failures and its closure for approximately two weeks. The HLC is a critical infrastructure facility, vital to the New York City and national economies. It is imperative that restoration and mitigation efforts be expeditiously undertaken to restore the tunnel to its pre-storm functionality and to prevent future flooding events. HMM's scope of services includes: (i) post storm emergency and in-depth inspections and damage reporting; (ii) structural restoration replacement designs for veneer ceiling, wall finishes, catwalk, railings, polymer panels, low tension cable ducts and rehabilitation of the curbs and gutters; (iii) electrical restoration replacement designs for tunnel lighting, traffic control, monitoring, communication, e-boxes, variable message sign, and lane usage systems; and (iv) mechanical and pumping equipment restoration replacement designs for life safety, fire stand pipe, heat tracing and fire extinguishers. Construction support services shall be negotiated at a future date.

Negotiations and discussions resulted in revisions to the scope and HMM submitting a proposal in an amount totaling \$4,862,545. The Engineer's estimate is in the amount of \$4,702,274. The proposal and estimate include an allowance for unanticipated design in an amount of \$500,000. B&T and HMM agreed to the amount of \$4,862,545, which is 3.4% above the estimate and is fair and reasonable. Funding is available in the 2010-2014 Capital Program (Sandy Restoration Program) Restoration/Recovery in the amount of \$4,862,545 (Projects ED 010228, ED 020228, ED 040243, ED 050230).

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

Item Number: **11** (Final)

Vendor Name (& Location) URS Corporation-New York (New York, New York)	Contract Number PSC-12-2920	AWO/Modification #
Description Comprehensive Tunnel Inspection and Design for Project QM-40, Tunnel Control at the Queens Midtown Tunnel	Original Amount:	\$ 3,206,383.44
Contract Term (including Options, if any) February 15, 2013 – February 14, 2015	Prior Modifications:	\$ 0.00
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	\$ 0.00
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$ 3,206,383.44
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$ 3,977,373.88
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: Sandy	% of This Request to Current Amount:	124%
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Joe Keane, P.E.	% of Modifications (including This Request) to Original Amount:	124%

Discussion:

As a result of Superstorm Sandy (Sandy), B&T is seeking the Board's approval under the All-Agency Guidelines for Procurement of Services to amend the Contract with URS Corporation-New York (URS) to include structural, civil, electrical and mechanical designs, including services which have been performed, as well as structural hardening designs for Sandy restoration and mitigation services at the Queens Midtown Tunnel (QMT) in the negotiated amount totaling \$3,977,373.88. Following the storm, B&T determined that it was judicious to engage professional services firms that were competitively selected prior to Sandy and where possible to utilize existing contracts for design and construction support services to mitigate risk to the public, maintain critical transportation and evacuation infrastructure, truncate the duration of Sandy recovery and restoration and utilize pre-storm pricing. Consistent with the Procurement Guidelines this amendment constitutes a substantial change.

Sandy resulted in extensive tunnel flooding. Salt water, debris and contaminant laden flood waters from the East River and Newtown Creek overflowed their banks and entered the tunnel through the Queens Plaza and Queens Ventilation Building. The QMT is a critical infrastructure facility, vital to the New York City, Long Island and national economies. It is imperative that restoration and mitigation efforts be expeditiously undertaken to restore the tunnel to its pre-storm functionality and prevent future flooding events. The Consultant selection process was underway for Contract PSC-12-2920 when Sandy occurred and its scope was similar to the post Sandy tunnel inspection and restoration design activities currently being undertaken. Therefore, B&T requested URS to perform structural, civil, electrical and mechanical design efforts since they have extensive tunnel design and inspection experience at the QMT and represents the most qualified, cost effective and expeditious means of performing the required restoration and mitigation design services.

URS's design scope of services includes: (i) structural restoration replacement designs for veneer ceiling, wall finishes, catwalks, railings, polymer panels, low tension cable ducts, and rehabilitation of curbs and gutters; (ii) electrical restoration replacement designs for tunnel lighting, traffic control, monitoring, communication, e-boxes, variable message signs, and lane usage systems, as well as ventilation building electrical restorations; (iii) mechanical and pumping equipment restoration replacement designs for life safety, fire stand pipe, heat tracing and fire extinguishers; (iv) flood mitigation designs and (v) tunnel structural hardening. Construction support services shall be negotiated at a future date.

URS submitted a proposal in the amount \$4,292,523.52. The Engineer's estimate is \$4,031,239. The proposal and estimate both include an allowance in an amount of \$500,000 for unanticipated design services. Additional scope revisions resulted in B&T and URS agreeing to the amount of \$3,977,373.88, which is 1.3% below the estimate and is fair and reasonable. Funding is available in the 2010 – 2014 Capital Program (Sandy Restoration Program) for Restoration (\$3,053,926.52) (Projects ED 010240, ED 040281, ED 020203), which shall be reimbursed under Project Worksheet A6PS004 and Project AW-98 (\$923,447.36).

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

Item Number: **12** (Final)

Vendor Name (& Location) Peak Technical Services, Inc., Pittsburgh PA Rotator Staffing Services, Inc., New York, NY HEPCO, Inc., Saddle Brook, NJ Metro-Tech Consultant Services, Inc., New York, NY L. J. Gonzer Associates, Inc., Cranford, NJ		Contract Number 3000001036 (Peak) 3000001212 (Rotator) 3000001289 (HEPCO) 3000001390 (Metro-Tech) 3000001391 (Gonzer)	AWO/Modification #
Description Temporary Professional and Technical Staffing (Job Shopper)		Original Amount: \$592,800.00	
Contract Term (Including Options, if any) 60 months ending 12/10/16		Prior Modifications: \$0.00	
Option(s) Included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Budgetary Increases: \$0.00	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$592,800.00	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Ride		This Request: \$1,950,000.00	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		% of This Request to Current Amount: 328%	
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Joe Keane, P.E.		% of Modifications (including This Request) to Original Amount: 328%	

Discussion:

B&T is seeking the Board's approval under the All-Agency Guidelines For Procurement of Services authorizing B&T to amend purchase orders issued and to issue new purchase orders that ride NYCT Contracts for Temporary Professional and Technical Staffing (Job Shopper) services. The prospective amendments will extend the existing ride purchase orders beyond a one year period to co-terminate with the NYCT Job Shopper contracts.

In September 2011, NYCT obtained Board approval of the joint solicitation for itself, MTACC, MTABC and MNR to award ten consultant contracts (five Federal and five State contracts) to five firms based on a competitive RFP process to provide temporary professional and technical staff over a period of 60 months. B&T elected not to participate in that joint procurement as it had no requirement for these services at that time. Since that time, new initiatives and programs within the Engineering & Construction Department such as Quality Assurance, Construction Safety, Small Business Mentoring Program, Bridge Preservation and Sandy Related Programs were implemented. In order to maintain staffing levels and meet immediate staffing requirements with these initiatives and programs, B&T rode the NYCT Job Shopper contracts instead of hiring consultants for these requirements. Riding the NYCT contracts has given B&T flexibility and temporary means to maintain a proper level of staffing to supplement full time staff when needed to support peak-period workload or address loss/turnover of full time staffing. To date, B&T has issued three purchase orders: (i) 3000001036 with Peak Technical Services, Inc. riding NYCT Contract CM-1419 in an amount of \$247,000; (ii) 3000001212 with Rotator Staffing Services, Inc. riding NYCT Contract CM-1420 in an amount of \$132,600 and (iii) 3000001289 with HEPCO, Inc. riding NYCT Contract CM-1418 in an amount of \$213,200 for one year periods with a cumulative total of \$592,800. B&T plans to also issue ride purchase orders 3000001390 and 3000001391 with the other 2 firms, Metro-Tech Consultant Services, Inc. and L.J. Gonzer Associates, Inc., respectively. In order to fund projected Job Shopper requirements, B&T will increase funding available for the existing purchase orders and fund the new Job Shopper ride purchase orders with an aggregate pool of \$1,950,000 for all these ride purchase orders. Consistent with the Procurement Guidelines this amendment constitutes a substantial change. Since the pricing under work orders to be issued against these purchase orders is in accordance with the terms of the NYCT Job Shopper contracts, the proposed amount is fair and reasonable.

Funding is available in the Operating Budget chargeable to G.L.712151.

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

Item Number: **13** (Final)

Vendor Name (& Location) PB Americas, Inc., New York, New York		Contract Number PSC-06-2805	AWO/Modification #
Description Design Services for Project QM-30, Electrical Switchgear Replacement at the Queens Midtown Tunnel		Original Amount: \$ 2,111,179.00	
Contract Term (including Options, if any) July 30, 2008 - March 31, 2018		Prior Modifications: \$ 1,250,040.95	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Budgetary Increases: \$ 0.00	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$ 3,361,219.95	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		This Request: \$ 1,831,528.00	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: Sandy		% of This Request to Current Amount: 54.5%	
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Joe Keane, P.E.		% of Modifications (including This Request) to Original Amount: 146.0%	

Discussion:

As a result of Superstorm Sandy, B&T is seeking the Board's approval under the All-Agency Guidelines for Procurement of Services to amend the Contract with PB Americas, Inc. (PBA) to include additional electrical and mechanical design services, including services which have been performed, and construction support services (CSS) for Sandy restoration and mitigation work at the Queens Midtown Tunnel (QMT) in the negotiated amount totaling \$1,831,528. Following the storm, B&T determined that it was judicious to engage professional services firms that were competitively selected prior to Superstorm Sandy and where possible to utilize existing contracts for design and construction support services wherever feasible to mitigate risk to the public, maintain critical transportation and evacuation infrastructure, truncate the duration of Superstorm Sandy recovery and restoration and utilize pre-storm pricing. Consistent with the Procurement Guidelines this amendment constitutes a substantial change.

Superstorm Sandy resulted in extensive tunnel flooding. Salt water, debris and contaminant laden flood waters from the East River and Newtown Creek overflowed their banks and entered the tunnel through the Queens Plaza and Queens Ventilation Building. The QMT is a critical infrastructure facility, vital to the New York City, Long Island and national economies. It is imperative that restoration and mitigation efforts be expeditiously undertaken to restore the tunnel to its pre-storm functionality and prevent future flooding events. The B&T requested PBA to undertake electrical and mechanical design efforts since they recently completed the design for Project QM-30, whose scope includes electrical upgrades to the tunnel's electrical systems. Furthermore, PBA has extensive electrical and mechanical design experience at the QMT and therefore represents the most qualified, cost effective and expeditious means of performing the required electrical mechanical design services at the QMT.

PBA's design scope of services includes: (i) Sandy Restoration Replacement Tasks – Tunnel Air Duct Lighting and Code Call System; Tunnel Duct Bank System Temporary Relocation; and Tunnel Roadway Lighting and Conduit System; (ii) Sandy Mitigation Tasks – Reconfiguration of the Mid River Pumps; Elevating the Emergency Generators at the Service Building and Manhattan Plaza; Reconfiguring the Service Building Electrical Feed; and Modifications to the Tunnel Ventilation Controls; (iii) Scope revisions to the Project QM-81, Control/Communication System Upgrade requirements and (iv) Construction Support Services. PBA submitted a proposal in the amount of \$2,035,627. The Engineer's estimate is \$1,807,710. B&T and PBA agreed to the not-to-exceed amount totaling \$1,831,528, which is 1.3% above the estimate and is fair and reasonable.

Funding is available in the 2010 – 2014 Capital Program (Sandy Restoration Program) as follows: Restoration (\$1,817,271) and Project QM-30 (\$14,257).

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

Item Number: **14** (Final)

Vendor Name (& Location) AWL Industries, Inc., Brooklyn, NY Ultimate Power, Inc., West Babylon, NY		Contract Number 10-MNT-2860		AWO/Modification #	
Description Maintenance and Repair of Heating, Ventilation and Air Conditioning Systems		Original Amount:		B&T \$6,451,308.48 (AWL) NYCT DOB \$789,105.00 (UPI) SIRT \$7,244.80 (AWL)	
Contract Term (including Options, if any) August 1, 2010 through July 31, 2013		Prior Modifications:		B&T \$85,000.00	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Budgetary Increases:		\$0.00	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount:		B&T \$6,536,308.48 NYCT DOB \$789,105.00 SIRT \$7,244.80	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		This Request:		B&T \$1,231,639.28 NYCT DOB \$180,000.00 SIRT \$0.00	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		% of This Request to Current Amount:		B&T 18.8% NYCT DOB 22.8%	
Requesting Dept/Div & Dept/Div Head Name: Operations, James Fortunato		% of Modifications (including This Request) to Original Amount:		B&T 20.4% NYCT DOB 22.8%	

Discussion:

B&T is seeking approval in accordance with the All-Agency Guidelines for Procurement of Services to modify three multi-agency miscellaneous service contracts with AWL Industries, Inc. (AWL) and Ultimate Power, Inc. (UPI) to enable the contractors to perform additional maintenance and repair of heating, ventilation and air conditioning (HVAC) systems located at various B&T, NYCT Department of Buses (NYCT DOB) and Staten Island Rapid Transit (SIRT) facilities in the amounts of \$1,231,639.28 for B&T and \$180,000 for DOB. Consistent with the Procurement Guidelines, the aggregate value of these amendments constitutes a substantial change.

In March 2010 B&T, designated as the lead agency for this procurement, issued a competitively bid joint solicitation for a Contractor(s) to provide the required services. In July 2010, B&T and SIRT awarded contracts to AWL in the amounts of \$6,451,308.48 and \$7,244.80, respectively and NYCT DOB awarded a contract to UPI in the amount of \$789,105. The contracts expire on July 31, 2013 and will be extended through January 31, 2014 so that there is sufficient time to finalize specifications, solicit and award a new multi-agency contract.

B&T estimated an amount of \$1,371,108.54 to support its needs through January 2014. AWL proposed an amount of \$1,264,852.09 which includes (i) a 10% increase in the labor rates and (ii) additional funds for subcontracting, parts and other direct expenses. Negotiations between the parties resulted in a 6% increase in labor rates for an overall total amount of \$1,231,639.28. The adjustment for labor is consistent with the increase in the CPI of 6% over the three year period of the contract. The negotiated amount is \$139,469.26 or 10.2% below the user's estimate. This disparity may primarily be attributed to an overestimation of funding required to replace major equipment components. In connection with the \$180,000 in funding required by NYCT DOB, UPI agreed to maintain the rates under its contract. SIRT does not require additional funding. Based on the above, the proposed amendments for AWL and UPI are considered fair and reasonable. Funding for the amendments is available in each Agency's Operating Budget.

LIST OF RATIFICATIONS FOR BOARD APPROVAL

JULY 2013

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

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. **American Littoral Society** **\$500,000.00** **Staff Summary Attached**
Contract No. MOU-13-60
5 yr. contract - Non-competitive
Compensation to the American Littoral Society (ALS) for anticipated loss of channel bottom habitat in Jamaica Bay, Queens due to upcoming construction under Project MP-06, Substructure and Underwater Work at the Marine Parkway-Gil Hodges Memorial Bridge. ALS will use the funds for wetlands mitigation, plantings, protection and monitoring services for the Rulers Bar Marsh Islands Restoration Project.
2. **Tamco Mechanical, Inc.** **\$271,750.35** **Staff Summary Attached**
Contract No. 3000001252
8 month contract - Non-competitive
Temporary repairs to the drainage pump motors and associated equipment at the Hugh L. Carey Tunnel that was damaged as a result of Superstorm Sandy.
3. **Satin American Corporation.** **\$88,507.50** **Staff Summary Attached**
Contract No. 3000001201
5 month contract - Non-competitive
Rebuild and reinstall the motor control equipment at the Queens Midtown Tunnel's pump room that was damaged as a result of Superstorm Sandy.

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

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

4. **TAP Electrical Contracting Service, Inc.** **\$1,098,580.40** **Staff Summary Attached**
Contract No. BB-45
Amendment for temporary repairs to the lighting system at the Hugh L. Carey Tunnel (formerly BBT) as a result of Superstorm Sandy under Contract BB-45, Replacement of Switchgear and Power Distribution System at the Brooklyn Battery Tunnel.
5. **Michael Stapleton Associates Ltd., dba MSA Security** **\$833,000.00** **Staff Summary Attached**
Contract No. 3000001380
5 yr. contract -- Ride NYC DCAS Contract
Provide trained explosive detection canine teams (canines and handlers) at designated locations on an as needed basis.

LIST OF RATIFICATIONS FOR BOARD APPROVAL
JULY 2013

6. **Dewberry Engineering Inc., NY** **\$401,660.49** **Staff Summary Attached**
 Contract No. PSC-03-2682
 Amendment for repair and restoration design work and construction support services at two facilities as a result of Superstorm Sandy under Project CB-08, Deck and Drainage Rehabilitation at the Cross Bay Bridge.
7. **Ammann & Whitney Consulting** **\$325,075.24** **Staff Summary Attached**
 Engineers, PC
 Contract No. PSC-06-2787
 Amendment for construction management and inspection services during construction restoration activities at two facilities as a result of Superstorm Sandy under Project CB-08/CB-09, Deck and Structural Rehabilitation/Substructure and Underwater Work at the Cross Bay Veterans Memorial Bridge.

Schedule D: Ratification of Completed Procurement Actions

Item Number: **1** (Final)

Vendor Name (& Location) American Littoral Society, (Broad Channel, New York)		Contract Number MOU-13-60	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description Rulers Bar Wetland Mitigation for Project MP-06, Substructure and Underwater Work at the Marine Parkway-Gil Hodges Memorial Bridge		Total Amount: \$500,000.00	
Contract Term (including Options, if any) March 25, 2013 – March 24, 2018		Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Joe Keane, P.E.	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive		Contract Manager: Brian A. Walsh	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Public Works Mitigation & Permit			

Discussion:

B&T is seeking the Board's ratification under the All-Agency Procurement Guidelines of a Memorandum of Understanding with the American Littoral Society (ALS) for a five-year wetlands restoration program to be performed as part of the Rulers Bar Marsh Islands Restoration Project (Rulers Bar) to comply with the express requirements of the permits issued to B&T by the United States Army Corps of Engineers (USACE) and the New York State Department of Environmental Conservation (NYSDEC) for B&T Project MP-06, Substructure and Underwater Work at the Marine Parkway-Gil Hodges Memorial Bridge (MPB). The Work of Project MP-06 includes the installation of scour protection materials at the bottom of the navigable waters in the Rockaway Inlet and is mandated by federal requirements imposed to ensure the structural integrity of "scour critical" bridges such as the MPB. The USACE and NYSDEC require B&T to mitigate the scour countermeasures that impact the channel bottom habitat by having ALS undertake off-site wetland restoration efforts at the Rulers Bar, a marsh island which is owned by the National Parks Service and located in Jamaica Bay.

ALS is dedicated to the study and conservation of aquatic life and its habitat and will be paid \$500,000 fee for mitigation planting of approximately 88,000 seedling plugs on the eight-acre marsh island. The permits require that B&T ensure an 85% plant survival rate and an 85% coverage rate at Ruler's Bar for at least three consecutive years after mitigation planting. Because B&T is required to mitigate only 5.04 acres, the size of the channel bottom habitat affected by B&T's scour countermeasures in the Rockaway Inlet around the MPB, the measurement of the 85% success rate criteria shall be based on 5.04 acres.

The Scope of Work for Contract MP-06 includes among other things the following: (i) restoration of scour protection at Piers 9 through 17; (ii) rehabilitation of all unsound concrete on all substructure elements; (iii) rehabilitation or replacement of all damaged bridge pier protection plates; and iv) rehabilitation or replacement of all of the bridge's fender systems structural elements. The permits allow B&T to perform the necessary scour countermeasure work, which is essential to maintain the structural integrity of the MPB. The \$500,000 compensation for the Rulers Bar wetlands mitigation is considered fair and reasonable. Funding is available in the 2010 - 2014 Capital Program and is to be charged to Project MP-06.

Schedule D: Ratification of Completed Procurement Actions

Item Number: **2** (Final)

Vendor Name (& Location) Tamco Mechanical, Inc., Brooklyn, NY		Contract Number Purchase Order: 3000001252		Renewal <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Description Repair and Reinstall Pump Motors at the Hugh L. Carey Tunnel		Total Amount: \$271,750.35			
Contract Term (including Options, if any) Eight Months		Funding Source Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: Sandy			
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction/Joe Keane			
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: RFQ		Contract Manager: Brian Bajor			

Discussion:

As a result of Superstorm Sandy, B&T is seeking the Board's ratification under the All-Agency Procurement Guidelines for a Purchase Order awarded under the Declaration of Emergency issued by the President effective on October 29, 2012.

Flooding in the tubes of the Hugh L. Carey Tunnel (HCT) resulted in significant damage to all major systems and protective finishes in the tunnel. Exigent disaster circumstances resulted in the immediate mobilization of available and qualified resources. In response to the emergency, authorization was given to Tamco Mechanical, Inc. (Tamco) to run tests and perform temporary repairs to the drainage pump motors and associated equipment in an effort to get the tunnel re-opened. Utilizing Tamco was deemed the most expeditious and cost effective means of repairing the pumping system. These temporary repairs were necessary to render the HCT operational until permanent repairs can be completed.

Purchase Order 3000001252 was awarded to Tamco in the amount of \$271,750.35 and will be submitted for FEMA reimbursement. The Engineer's estimate for this work was \$278,907.39. Since Tamco's costs compared favorably with the estimate, the price is considered fair and reasonable. This firm was deemed to be a responsible contractor. Funding is available in the Operating Budget, Sandy-B&T Emergency Repairs to Critical Infrastructure Projects (GL # 171139).



Schedule D: Ratification of Completed Procurement Actions

Item Number: 3 (Final)

Vendor Name (& Location) Satin American Corporation, Shelton, CT	Contract Number Purchase Order: 3000001201	Renewal <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description Furnish and Install Electrical Equipment	Total Amount: \$88,507.50	
Contract Term (including Options, if any) Five (5) months	Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: Sandy	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction/Joe Keane	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	Contract Manager: Brian Bajor	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: RFQ		

Discussion:

As a result of Superstorm Sandy, B&T is seeking the Board's ratification under the All-Agency Procurement Guidelines of work awarded under the Declaration of Emergency issued by the President effective on October 29, 2012.

Flooding in the tubes of the Queens Midtown Tunnel (QMT) resulted in significant damage to the tunnel's electrical and mechanical systems. Satin American Corporation (Satin) had previously supplied and installed motor control components for the tunnel's pumping system and had specialized knowledge of the equipment and site logistics. The use of this firm was therefore deemed the most expeditious and cost effective means of restoring the pumping system. Authorization was given to rebuild and re-install the motor control equipment for the tunnel's pump room in order to restore the pumping system back to operation.

Purchase Order 3000001201 was awarded to Satin in the amount of \$88,507.50. The Engineer's estimate for this work was \$88,109.30. Since Satin's costs were in line with the estimate, the price was considered fair and reasonable. This firm was deemed to be a responsible contractor. Funding is available in the Operating Budget, Sandy-B&T Emergency Repairs to Critical Infrastructure Projects (GL# 171139).

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

Item Number: **4** (Final)

Vendor Name (& Location) TAP Electrical Contracting Service, Inc., Holbrook, NY		Contract Number BB-45	AWO/Modification #
Description Replacement of Switchgear and Power Distribution System at the Brooklyn Battery Tunnel		Original Amount: \$43,650,000.00	
Contract Term (including Options, if any) December 29, 2010 – May 28, 2014		Prior Modifications: \$2,652,512.69	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Budgetary Increases: \$0.00	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$46,302,512.69	
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:		This Request: \$1,098,580.40	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: Sandy		% of This Request to Current Amount: 2.4%	
Requesting Dept/Div & Dept/Div Head Name: Engineering and Construction, Joe Keane, P.E.		% of Modifications (including This Request) to Original Amount: 8.6%	

Discussion:

As a result of Superstorm Sandy, B&T is seeking the Board's ratification under the All-Agency Procurement Guidelines of work awarded under the Declaration of Emergency issued by the President effective October 29, 2012. TAP Electrical Contracting Service, Inc. (TAP) was performing electrical work under Contract BB-45 at the Hugh L. Carey Tunnel (HCT) when Sandy occurred. After the storm, TAP was directed to provide exigent temporary repairs to the tunnel's lighting and pumping systems. The work performed by TAP at the HCT is for an amount totaling \$1,098,580.40.

Due to the flooding at the HCT, the electrical and pumping systems sustained significant damage. Critical, temporary repairs to the lighting system were urgently needed in order to improve safe working conditions for employees and for contractors mobilized for Superstorm Sandy response operations. The repairs were also needed to re-open the tunnel in an expedited manner that would ensure an acceptable level of temporary lighting for safe operations and resumption of traffic flow. The lighting work included temporary repairs to approximately 850 lighting fixtures as well as running 167,000 linear feet of wire for those fixtures. The scope of work to complete the permanent HCT lighting repairs is currently being designed and is not reflected in this amendment. Additionally, TAP provided temporary electrical repairs to the Governors Island pump room, which was inundated with stormwater.

Amendments totaling \$1,098,580.40 will be issued to TAP for the Work performed at the HCT and will be submitted for FEMA reimbursement. For the temporary lighting work, the Engineer has verified the hours worked, the material quantities and costs, and the labor rates have been reviewed and negotiated. The negotiated cost of \$634,580.40 for the temporary lighting work is considered fair and reasonable. TAP submitted proposals in the amount of \$531,887.09 for the temporary electrical work in the pump room. The Engineer's estimate is \$432,068.88. The negotiated amount of \$464,000 is considered fair and reasonable. Funding is available in the Operating Budget, Sandy-B&T Emergency Repairs to Critical Infrastructure Projects (GL# 171139).

**Schedule K: Ratification of Completed Procurement Actions (Involving Schedules E Through J)**Item Number: **5** (Final)

Vendor Name (& Location) Michael Stapleton Associates Ltd., dba MSA Security, New York, NY	Contract Number PO 3000001380	AWO/Modification #
Description Explosive Detection Canine Services	Original Amount:	\$833,000
Contract Term (including Options, if any) July 1, 2013 - April 14, 2018	Prior Modifications:	\$0
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	\$0
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$833,000
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Ride	This Request:	\$833,000
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	0%
Requesting Dept/Div & Dept/Div Head Name: Operations, James Fortunato	% of Modifications (including This Request) to Original Amount:	0%

Discussion:

B&T is seeking the Board's ratification under the All-Agency Guidelines for Procurement of Services for issuing a purchase order (delivery order) against a competitively solicited New York City Department of Citywide Administrative Services (DCAS) - Contract #20131202431 - with Michael Stapleton Associates Ltd. dba MSA Security (MSA). B&T authorized the contractor to provide trained explosive detection teams (canines and handlers) at designated locations on an as needed basis. The effective date of the delivery order was July 1, 2013 and extends through April 14, 2018 in an amount of \$833,000.

Pursuant to a competitive process, DCAS awarded a five year contract through April 14, 2018 to MSA to provide trained canine teams at its facilities. B&T requires these services to enhance the security at our facilities including the safety of our customers and employees. The trained canine teams are deployed as required at designated locations to supplement current security operations. B&T does not possess the resources needed to perform these services. In accordance with the All-Agency Guidelines for Procurement of Services, it was determined that the rate and commercial terms specified in the DCAS Contract were satisfactory. The pricing included in our delivery order is considered fair and reasonable. MSA is deemed to be a responsible contractor. Funding is available in the Operating Budget under General Ledger #713302.

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

Item Number: 6 (Final)

Vendor Name (& Location) Dewberry Engineering Inc. New York, New York		Contract Number PSC-03-2682	AWO/Modification #
Description Design and Construction Support Services for Project CB-08, Deck and Drainage Rehabilitation at the Cross Bay Bridge		Original Amount: \$1,658,551.80	
Contract Term (including Options, if any) October 2, 2003 – June 30, 2014		Prior Modifications: \$1,045,741.96	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Budgetary Increases: N/A	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$2,704,293.76	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		This Request:	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: Sandy		Cross Bay Veterans Memorial Bridge \$167,703.30	
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Joe Keane, P.E.		Marine Parkway-Gil Hodges Memorial \$233,957.19	
		% of This Request to Current Amount: 14.9%	
		% of Modifications (including This Request) to Original Amount: 87.3%	

Discussion:

As a result of Superstorm Sandy, B&T is seeking the Board's ratification under the All-Agency Guidelines For Procurement of Services under the Declaration of Emergency issued by the President effective on October 29, 2012 for the damage assessments, underwater survey inspection for scour damage (Cross Bay only), restoration design and construction support services performed by Dewberry Engineers Inc. (Dewberry) at the Cross Bay Veterans Memorial (CBB) and Marine Parkway-Gil Hodges Memorial Bridges (MPB) in an amount totaling \$401,660.49. Following the storm, B&T determined that it was judicious to engage professional services firms that were competitively selected prior to Superstorm Sandy and where possible to utilize existing contracts for design and construction inspection wherever feasible to mitigate risk to the public, maintain critical transportation and evacuation infrastructure, truncate the duration of Superstorm Sandy recovery and restoration and utilize pre-storm pricing. Dewberry has performed similar design assignments previously under Project CB-09 and therefore represents the most qualified, cost effective and expeditious means of performing the required services at the CBB and MPB. Consistent with the Procurement Guidelines, these amendments constitute a substantial change.

Cross Bay Veterans Memorial Bridge:

High winds and storm surges in the area of the north abutment caused the following damage: (i) extensive erosion and scour holes at the east side; (ii) cracking and shifting of a low concrete wall below the roadway; and (iii) extensive erosion and slope failure at embankments on the west side. These areas required immediate repair and restoration in order to prevent further structural damage and to protect the facility should another significant weather event occur. Furthermore, an underwater inspection was performed to determine scour damage. Dewberry performed the required engineering services and submitted an initial proposal in an amount totaling \$181,885.34. The Engineer's estimate totaled \$180,634. Negotiations resulted in B&T and Dewberry agreeing to the amount of \$167,703.30, which was 7.2% below the estimate and is fair and reasonable.

Marine Parkway-Gil Hodges Memorial Bridge:

High winds and storm surges in the area of the south abutment caused the following damage: (i) undermining of a concrete wing-wall at the east end of the rip-rap; (ii) undermined and destabilized areas of the walkway along the seawall, east and west of the south abutment; (iii) extensive erosion of approximately 1,100 linear feet of the shoreline embankment, thereby destabilizing the existing rip-rap on the east and west sides of the south abutment; (iv) damage to three 24" concrete outfall pipes along the east end; (v) erosion in and around the arched underpass behind the south abutment; and (vi) damage to the electrical and mechanical systems of the MPB. These areas required immediate repair and restoration in order to prevent further structural damage and to protect the facility should another significant weather event occur. Dewberry performed the required engineering services and submitted an initial proposal in the amount of \$219,775.15, which was increased to \$233,957.19 to reflect additional meetings and services relating to the damages to the electrical and mechanical systems. The Engineer's estimate totaled \$188,708 and did not include the additional electrical/mechanical services required. Negotiations resulted in B&T accepting the revised proposal in the amount of \$233,957.19, which is 24.0% above the estimate. The accepted amount is considered fair and reasonable based on the actual cost to perform the services and the required ongoing reporting and support services to be provided by Dewberry. Funds are available in the 2010 – 2014 Capital Program (Sandy Restoration Program): CBB Restoration (\$167,703.30) (Project ED 010204) and MPB Restoration (\$233,957.19) (Projects ED 040207, ED 010206, ED 040208).

Schedule K: Ratification of Completed Procurement Actions (Involving Schedules E Through J)
Item Number: 7 (Final)

Vendor Name (& Location) Ammann & Whitney Consulting Engineers, PC New York, New York		Contract Number PSC-06-2787	AWO/Modification #
Description Construction Management and Inspection Services for Project CB-08/CB-09, Deck and Structural Rehabilitation / Substructure and Underwater Work at the Cross Bay Veterans Memorial Bridge			
Contract Term (including Options, if any) October 2, 2003 – September 30, 2013		Original Amount: \$4,514,000.00	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Modifications: \$574,868.12	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Prior Budgetary Increases: N/A	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		Current Amount: \$5,088,868.12	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: Sandy		This Request:	
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Joe Keane, P.E.		Cross Bay Veterans Memorial Bridge \$92,400.75 Marine Parkway-Gil Hodges Memorial \$232,674.49	
		% of This Request to Current Amount: 12.0%	
		% of Modifications (including This Request) to Original Amount: 26.2%	

Discussion:

As a result of Superstorm Sandy, B&T is seeking the Board's ratification under the All-Agency Guidelines For Procurement of Services under the Declaration of Emergency issued by the President effective on October 29, 2012 for the construction inspection and administration services performed by Ammann & Whitney Consulting Engineers, P.C, (A&W) which were required during the restoration construction activities at the Cross Bay Veterans Memorial (CBB) and Marine Parkway-Gil Hodges Memorial Bridges (MPB) in an amount totaling \$325,075.24. Following the storm, B&T determined that it was judicious to engage professional services firms that were competitively selected prior to Superstorm Sandy and where possible to utilize existing contracts for design and construction inspection wherever feasible to mitigate risk to the public, maintain critical transportation and evacuation infrastructure, truncate the duration of Superstorm Sandy recovery and restoration and utilize pre-storm pricing. A&W has performed similar construction inspection activities previously under Project CB-09 and therefore represents the most qualified, cost effective and expeditious means of performing the required services at the CBB and MPB. Consistent with the Procurement Guidelines, these amendments constitute a substantial change.

Cross Bay Veterans Memorial Bridge:

High winds and storm surges in the area of the north abutment caused the following damage: (i) extensive erosion and scour holes at the east side; (ii) cracking and shifting of a low concrete wall below the roadway; and (iii) extensive erosion and slope failure at embankments on the west side. These areas required immediate repair and restoration in order to prevent further structural damage and to protect the facility should another significant weather event occur. The restoration construction scope required: clearing of debris along with excavation and disposal activities; placement of rip-rap (stone) in gabion baskets and mats and re-establishing the turf and plantings. A&W submitted an initial proposal in an amount totaling \$148,047.37 and performed the required construction inspection and administration services. The Engineer's estimate totaled \$145,971. B&T and A&W agreed to the value of the services provided in the amount of \$92,400.75, which compares favorably to the estimate and is fair and reasonable.

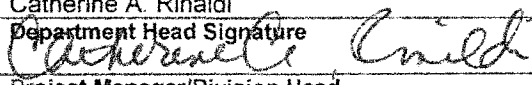
Marine Parkway-Gil Hodges Memorial Bridge:

High winds and storm surges in the area of the south abutment caused the following damage: (i) undermining of a concrete wing-wall at the east end of the rip-rap; (ii) undermined and destabilized areas of the walkway along the seawall, east and west of the south abutment; (iii) extensive erosion of approximately 1,100 linear feet of the shoreline embankment, thereby destabilizing the existing rip-rap on the east and west sides of the south abutment; (iv) damage to three 24" concrete outfall pipes along the east end; and (v) erosion in and around the arched underpass behind the south abutment. These areas required immediate repair and restoration in order to prevent further structural damage and to protect the facility should another significant weather event occur. The restoration construction scope required: clearing of debris along with excavation and disposal activities; replacement of a section of the concrete seawall below and above the water line; placement of rip-rap in gabion baskets and mats; replacement of the asphalt walkway; and re-establishing the turf and plantings. A&W submitted an initial proposal in the amount of \$463,294.86 and performed the required construction inspection and administration services. The Engineer's estimate totaled \$436,774. B&T and A&W agreed to the value of the work performed in the amount of \$232,674.49, which compares favorably to the the estimate and is fair and reasonable.


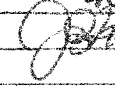
Funds are available in the 2010 – 2014 Capital Program (Sandy Restoration Program) (Projects ED 010204, ED 010206).

Staff Summary

Page 1 of 2

Subject Changes to Board Meeting Schedule and Committee Structure	Date July 22, 2013
Department Chief of Staff	Vendor Name
Department Head Name Catherine A. Rinaldi	Contract Number
Department Head Signature 	Contract Manager Name
Project Manager/Division Head	Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Governance	7/22	x	X	
2	Board	7/24	x	X	

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

Purpose:

To seek Board authorization of the annexed resolution authorizing amendments to the MTA and agency by-laws, committee charters and governance guidelines to reflect changes to the scheduling of Board and Committee meetings.

Discussion:

Until this year, the MTA Board met eleven times a year, with a meeting occurring in every month except for the month of August. In addition, the following Committees of the Board met eleven times a year: the Finance Committee; the New York City Transit Committee; the Bus Committee (which has since been merged into the Transit Committee); the Long Island Rail Road Committee; the Metro-North Railroad Committee; the Bridges & Tunnels Committee; and CPOC.

At a Board meeting held last September, the Board voted to adjust the Board and Committee meeting cycle to provide for regular meetings of the Board and these noted Committees eight times per year, or approximately every six weeks. These changes went into effect at the beginning of this year. At that time, it was also announced that the Chairman intended to initiate two additional public forum meetings to be held over the course of the year, at which the public would be able to address and ask questions of a panel consisting of the chairman and the agency presidents.

It was envisioned that the new schedule would promote more efficient use of the time and resources of staff. That, however, has not proven to be the case, since much of the information contained in the Committee and Board books is compiled on a monthly basis, regardless of how frequently the Board actually meets. Moreover, the longer interval between Board meetings is in some instances a challenge for the agency procurement departments, especially in the wake of Superstorm Sandy, because it can take longer to obtain the necessary Board approvals. Finally, while it was anticipated that the revised meeting schedule would not reduce the quantity or type of information that is currently presented to the Board, the monthly posting of agency data on the MTA website has not been entirely successful in getting Board members and the public the timely information that they have come to expect.

Accordingly, it is proposed that the Board return to the traditional eleven meeting Board cycle. With the resumption of an eleven-meeting-per-year schedule in 2014, the operating agencies will prepare to resume holding President Forum meetings, at which members of the public can answer questions to senior management representatives. This practice is similar to the Chairman's forum concept that was described in the September 2012 Staff Summary. MTA New York City Transit and the MTA Bus Company would hold a combined forum, while the two commuter railroads and Bridges & Tunnels would hold their own individual forums.

Finally, beginning earlier this year, certain meetings of the Audit, Diversity, and Corporate Governance Committees – which meet less frequently than the other Committees of the Board— have been scheduled on Wednesday mornings, immediately before the regular Board meeting. The Chairman will continue to look for opportunities to schedule meetings of one of these three committees for Wednesday mornings in advance of the Board meeting, in an effort to make the already lengthy Committee meeting schedule on Mondays a little less onerous.

Recommendation:

It is recommended that the Board approve the attached resolution, adopting amendments to the MTA and agency by-laws, MTA governance guidelines and annexed Committee charters, to provide for meetings at least eleven times per year, to become effective as of January 1, 2014.

RESOLUTION

ADOPTION OF CHANGES TO BY-LAWS, GOVERNANCE GUIDELINES AND COMMITTEE CHARTERS

WHEREAS, to ensure the timely receipt of operational information by Board members and the public and to eliminate delays in the agency procurement process it has been recommended that the Board and Committee meeting cycle of MTA and its affiliated and subsidiary agencies (collectively, the "MTA") be adjusted to provide for regular meetings of the Board, and those Board committees addressing agency operations, eleven times per year, and that the By-Laws, Governance Guidelines and Committee Charters be amended to effect such change;

NOW, THEREFORE, upon motion duly made and seconded the following resolution was adopted:

RESOLVED, that the Board hereby amends the by-laws of the MTA and the affiliated and subsidiary MTA agencies to make changes to said by-laws as set forth in Appendix A to this Resolution, which by-laws, as so revised, shall go into effect on January 1, 2014;

RESOLVED, the Board hereby amends the MTA Governance Guidelines to make the changes set forth on Appendix B to this Resolution, which Governance Guidelines, as so revised, shall go into effect on January 1, 2014; and

RESOLVED, that the Board hereby amends the charters of the Finance, NYCT, Long Island Rail Road, Metro-North Commuter Railroad, Triborough Bridge and Tunnel Authority and CPOC committees, to make changes to said committee charters as set forth in Appendix C to this Resolution, which charters, as so revised, shall go into effect on January 1, 2014.

Appendix A

BY-LAWS METROPOLITAN TRANSPORTATION AUTHORITY

ARTICLE 1. OFFICES

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

ARTICLE II. THE BOARD

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

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

Section 3. Regular Meetings. Regular meetings of the board shall be held ~~eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year, without other notice than these by-laws at 10:00 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month.~~ The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-laws for delivery of notice to members of special meetings.

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

the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

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

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

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the

same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

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

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

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

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

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

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

ARTICLE III. OFFICERS

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

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Authority. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

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

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

appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

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

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

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

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

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

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

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

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

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

ARTICLE V. FISCAL YEAR

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

ARTICLE VI. CORPORATE SEAL

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

ARTICLE VII. INDEMNIFICATION

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

may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

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

Appendix B

METROPOLITAN TRANSPORTATION AUTHORITY

GOVERNANCE GUIDELINES

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

Adopted by the Board ~~September 27, 2012~~ July 24, 2013

Mission Statement of the Metropolitan Transportation Authority

The Metropolitan Transportation Authority ("MTA") preserves and enhances the quality of life and economic health of the region we serve through cost-efficient provision of safe, on-time, reliable and clean transportation services.

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

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

Governance Guidelines

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

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

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

(a) The Chairman of the MTA shall be primarily responsible for providing leadership to the MTA Board in performing oversight of the senior management in the effective and ethical management of the MTA Agencies' integrated mass transportation system. The Chairman, inter alia, convenes and presides over Board meetings, establishes Board committees and appoints committee members and chairs, and shall serve as the principal liaison between MTA management and the Board.

(b) The Chairman, pursuant to statute, is the chief executive officer of the Authority and shall have responsibility to discharge the executive and administrative functions and powers of the Authority. In discharging the executive and administrative functions and

powers of the Authority, the Chairman shall, inter alia, be responsible for (i) managing the day-to-day operations of the MTA's integrated mass transportation system, (ii) coordinating the development and approval by the Board of long term strategy for the maintenance and expansion of that system, (iii) overseeing and providing appropriate direction to the President of each of the MTA's constituent Agencies and (iv) appointing, disciplining, and removing officers or employees.

2. **Functions of the MTA Board.** The Board shall meet no less than ~~8-11~~ times a year at which the Board shall review and discuss reports by management on the performance of the MTA, its plans and prospects, as well as immediate issues facing the MTA. Board members are expected to attend all scheduled meetings of the Board and meetings of Committees on which they serve. The entire Board shall be responsible for the general oversight of the Authority's senior management in furtherance of the effective and ethical management of the entire MTA, as required by law. In addition to this general responsibility, the entire Board (with the assistance of Committees of the Board as appropriate) shall also perform a number of specific functions, including

- (a) providing counsel and oversight on the evaluation, development and compensation of senior management. When determining compensation for the Chairman/Chief Executive Officer, the Board, as required by law, shall act without the participation of the Chairman/Chief Executive Officer;
- (b) reviewing, approving and monitoring fundamental financial and business strategies and major actions, including fundamental financial and management controls;
- (c) assessing major risks facing the MTA and reviewing options for the mitigation of these risks;
- (d) ensuring processes are in place for maintaining the integrity of the MTA, including the integrity of the financial statements of the MTA (and the financial statements of the MTA subsidiaries or component units that are required by law to issue separate financial statements), the integrity of the MTA's compliance with law and ethics (including by adopting and updating codes of ethics applicable to MTA directors, officers and employees that at a minimum incorporate the standards established in section seventy-four of the Public Officers Law), the integrity of the MTA's relationships with customers and suppliers, and the integrity of the MTA's relationship with the public at large;
- (e) establishing written policies and procedures on personnel including policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by an employee or board member of the authority; investments; travel; the acquisition of real property; the disposition of real and personal property; and the procurement of goods and services; and
- (f) adopting a defense and indemnification policy and disclose such plan to any and all prospective board members.

3. **Functions of Senior Management:** The Chairman/Chief Executive Officer serves ex officio as the chair and chief executive officer of each of affiliated and subsidiary MTA Agencies and is responsible for appointing such other officials and employees (including, in his or her discretion, an Executive Director) as he or she determines is necessary and appropriate. These other officials and employees serve under the direction and at the pleasure of the Chairman/Chief Executive Officer. The Presidents of the MTA's constituent Agencies, pursuant to the direction of the Chairman/Chief Executive Officer, are primarily responsible for the general management and operations of such constituent Agencies.
4. **Committees of the Board.** The Chairman has established the following Committees to assist him and the Board in discharging their responsibilities: (1) the Audit Committee; (2) the Committee on Finance; (3) the Committee on Operations of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority and the MTA Bus Company; (4) the Committee on Operation of the Metro-North Commuter Railroad; (5) the Committee on Operation of the Long Island Rail Road; (6) the Committee on Operations of the Triborough Bridge and Tunnel Authority; (7) the Committee on Capital Program Oversight; (8) the Diversity Committee; and (9) the Corporate Governance Committee. The current charters and key practices of these Committees shall be maintained on the MTA website. The Committees may hold meetings in conjunction with the entire Board, as appropriate.
5. **Self-Assessment.** The Board, as a whole, and each of the Committees, individually, will perform an annual self-assessment. The Board will be requested to provide their assessments of the effectiveness of the Board, as a whole, and of the Committees on which they serve. The individual assessments will be organized and summarized for discussion with the Board and the Committees.
6. **Setting Agendas for Meetings of the Board.** The Chairman shall be responsible for the agenda of the Board meetings. Upon the request of the Chairman, an Agency President shall report to the Board regarding that Agency's operations, finances, and performance (with specific reference to the benchmarks established for that Agency) since the last time such Agency President reported to a meeting of the Board. The Chairman, or Committee chair as appropriate in consultation with the Chairman, shall determine the nature and extent of information that shall be provided regularly to Board members before each scheduled Board or Committee meeting. Committee chairs shall report to the entire Board for approval the matters discussed or recommended at Committee meetings as appropriate. Board members are urged to make suggestions for agenda items, or additional pre-meeting materials, to the Chairman, or the appropriate Committee chair at any time.
7. **Ethics and Conflicts of Interest.** The Chairman, Board members and the other officers and employees of the MTA are expected to act ethically at all times, to acknowledge their adherence to the policies comprising the MTA All-Agency and MTA Board Members Codes of Ethics and to comply in all respects with the Codes of Ethics. If an actual or potential conflict of interest arises for an MTA Board Member, the MTA Member shall promptly inform the Chairman. All Board members will recuse themselves from any discussion or decision affecting their personal or commercial interests. Other than in such

instances where jurisdiction over a conflict matter lies with the New York State Joint Commission on Public Ethics, the Board shall resolve any unresolved conflict of interest question involving the Chairman, a Vice Chairman, an MTA Member, the Auditor General, or an Agency President, and the Chairman shall resolve any unresolved conflict of interest issue involving any other officer of the MTA. If a significant conflict exists and cannot be resolved, the MTA Board Member should resign.

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

Appendix C

THE METROPOLITAN TRANSPORTATION AUTHORITY

FINANCE COMMITTEE

The Charter for the Finance Committee was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on ~~September 27~~ July 24, 20132.

I. PURPOSE

The Finance Committee (the "Committee") shall assist the Board Chair and the Board by (1) reviewing, providing guidance, and making recommendations with respect to the MTA's core financial policies and (2) reviewing, providing guidance and making recommendations with respect to MTA real estate matters.

II. COMMITTEE AUTHORITY

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

III. COMMITTEE MEMBERSHIP

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

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least ~~8-11~~ times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings and records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

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

V. COMMITTEE REPORTS.

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

VI. KEY RESPONSIBILITIES

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

To fulfill its purpose, the Committee shall:

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

7. Oversee the operations of MTA headquarters, including by reviewing proposed procurements for MTA headquarters that require Board approval.
8. Oversee the operations of the First Mutual Transportation Assurance Company ("FMTAC"), including by reviewing proposed procurements for FMTAC.
9. Review annually the scope and terms of the MTA's insurance policies and coverage.
10. Monitor the economic performance of the various MTA pension plans.
11. Review and make recommendations to the Board with respect to the leasing and acquisition of real property; the licensing of customer services and amenities; the maximizing of advertising opportunities; the disposition or conveyance of interests in real property; the management of occupancies on the property of the MTA and the adoption or amendment of any policies relating thereto;
12. Review and make recommendations to the Board with respect to the procurement of certain professional services in support of the activities of the real estate department, including real estate brokerage and other specialized consultant services;
13. Review the MTA's offering and management of leasing, licensing, or other business opportunities on the property of the MTA and its subsidiaries and affiliates;
14. Provide support and guidance to the MTA in its formulation of its real estate policies and procedures;
15. Review and assess the adequacy of this Charter annually;
16. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
17. Report regularly to the Board Chair and Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

THE METROPOLITAN TRANSPORTATION AUTHORITY

COMMITTEE ON OPERATIONS OF THE LONG ISLAND RAIL ROAD AND THE METROPOLITAN SUBURBAN BUS AUTHORITY

This Charter for the Committee on Operations of the Long Island Railroad and the Metropolitan Suburban Bus Authority was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on ~~September 27~~ July 24, 2013.

I. PURPOSE

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

II. COMMITTEE AUTHORITY

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

III. COMMITTEE MEMBERSHIP

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

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least ~~8-11~~ times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings, which shall include records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate. The Committee may request

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

V. COMMITTEE REPORTS.

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

VI. KEY RESPONSIBILITIES

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

To fulfill its purpose, the Committee shall:

- 1 monitor and update the Board Chair and the Board on the operating performance of the LIRR/LIB, including information on railroad, bus and paratransit service;
- 2 monitor and update the Board Chair and the Board on the safety record of LIRR/LIB; such monitoring shall include reviewing and monitoring customer and employee safety;
- 3 monitor and update the Board Chair and the Board on the implementation of security programs pertaining to LIRR/LIB operations and facilities;
- 4 monitor and update the Board Chair and the Board on the finances of the LIRR/LIB, including financial reports, ridership reports, and the use of LIRR/LIB funds;
- 5 review and make recommendations to the Board Chair and the Board regarding proposed procurement contracts of the LIRR/LIB that require Board approval;
- 6 review and make recommendations to the Board Chair and the Board on proposed capital projects of the LIRR/LIB and monitor the status of such projects;
- 7 review and make recommendations to the Board Chair and the Board regarding service and policy changes that require Board approval;

- 8 facilitate the identification of approaches and solutions that address LIRR/LIB security issues, including best practices in national and international security respecting transportation operations and facilities and review and make recommendations to the Board Chair and the Board regarding LIRR/LIB security issues;
- 9 review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of the LIRR/LIB: (i) legal and regulatory matters that may have a material impact on the LIRR/LIB; and (ii) the scope and effectiveness of compliance policies and programs;
- 10 conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
- 11 review and assess the adequacy of this Charter annually; and
- 12 report regularly to the Board Chair and the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

With respect to capital projects undertaken by the MTA Capital Construction Company (MTACC) on behalf of Long Island Railroad or Long Island Bus:

- 1 Review and make recommendations to the Board Chair and Board with respect to the proposed procurements made by the MTACC that require Board approval;
- 2 Review and make recommendations to the Board Chair and the Board with respect to contract procurement solicitations that require Board approval;
- 3 Monitor the progress of the capital projects undertaken by the MTACC;
- 4 Monitor the budget and the schedule of capital projects undertaken by the MTACC;
- 5 Monitor the progress of contract commitments and completions with respect to capital projects; and
- 6 Track funding needs of capital projects as well as the availability of funds to meet such needs from all sources of funding.

THE METROPOLITAN TRANSPORTATION AUTHORITY

COMMITTEE ON OPERATIONS OF THE METRO-NORTH COMMUTER RAILROAD

This Charter for the Committee on the Operations of the Metro-North Commuter Railroad was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on ~~September 27~~July 24, 20132.

I. PURPOSE

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

II. COMMITTEE AUTHORITY

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

III. COMMITTEE MEMBERSHIP

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

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least ~~8~~11 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings, which shall include records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

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

V. COMMITTEE REPORTS.

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

VI. KEY RESPONSIBILITIES

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

To fulfill its purpose, the Committee shall:

- 1 monitor and update the Board Chair and the Board on the operating performance of Metro-North, including information on railroad service;
- 2 monitor and update the Board Chair and the Board on the safety record of Metro-North; such monitoring shall include reviewing and monitoring customer and employee safety;
- 3 monitor and update the Board Chair and the Board on the implementation of security programs pertaining to Metro-North operations and facilities;
- 4 monitor and update the Board Chair and the Board on the finances of Metro-North, including financial reports, ridership reports, and the use of funds by Metro-North;
- 5 review and make recommendations to the Board Chair and the Board regarding proposed procurement contracts of Metro-North that require Board approval;
- 6 review and make recommendations to the Board Chair and the Board on proposed capital projects of Metro-North and monitor the status of such projects;
- 7 review and make recommendations to the Board Chair and the Board regarding Metro-North service and policy changes that require Board approval;

- 8 facilitate the identification of approaches and solutions that address Metro-North security issues, including best practices in national and international security respecting transportation operations and facilities and review and make recommendations to the Board Chair and the Board regarding Metro-North security issues;
- 9 review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of Metro-North: (i) legal and regulatory matters that may have a material impact on Metro-North; and (ii) the scope and effectiveness of compliance policies and programs;
- 10 conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
- 11 review and assess the adequacy of this Charter annually; and
- 12 report regularly to the Board Chair and the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

With respect to capital projects undertaken by the MTA Capital Construction Company (MTACC) on behalf of Metro-North:

- 1 Review and make recommendations to the Board Chair and Board with respect to the proposed procurements made by the MTACC that require Board approval;
- 2 Review and make recommendations to the Board Chair and the Board with respect to contract procurement solicitations that require Board approval;
- 3 Monitor the progress of the capital projects undertaken by the MTACC;
- 4 Monitor the budget and the schedule of capital projects undertaken by the MTACC;
- 5 Monitor the progress of contract commitments and completions with respect to capital projects; and
- 6 Track funding needs of capital projects as well as the availability of funds to meet such needs from all sources of funding.

THE METROPOLITAN TRANSPORTATION AUTHORITY

COMMITTEE ON OPERATIONS OF THE TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

This Charter for the Committee on Operations of the Triborough Bridge and Tunnel Authority was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on ~~September 27~~ July 24, 2013.

I. PURPOSE

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

II. COMMITTEE AUTHORITY

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

III. COMMITTEE MEMBERSHIP

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

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least ~~8-11~~ times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

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

V. COMMITTEE REPORTS.

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

VI. KEY RESPONSIBILITIES

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

To fulfill its purpose, the Committee shall:

1. monitor and update the Board Chair and the Board on the operating performance of B&T, including information on the service and conditions of the bridges and tunnels operated by B&T and the operation, maintenance, construction and reconstruction of B&T projects;
2. monitor and update the Board Chair and the Board on the safety record of B&T; such monitoring shall include reviewing and monitoring customer and employee safety;
3. monitor and update the Board Chair and the Board on the implementation of security programs pertaining to B&T operations and facilities;
4. monitor and update the Board Chair and the Board on the finances of B&T, including financial reports the use of funds by the B&T, and the collection and distribution of B&T revenue, such as tolls, fees and rentals charged for the use of B&T projects;
5. review and make recommendations to the Board Chair and the Board regarding proposed procurement contracts of B&T that require Board approval;
6. review and make recommendations to the Board Chair and the Board on proposed projects of B&T and monitor the status of such projects;
7. review and make recommendations to the Board Chair and the Board regarding B&T policy changes;

8. facilitate the identification of approaches and solutions that address B&T security issues, including best practices in national and international security respecting transportation operations and facilities and review and make recommendations to the Board Chair and the Board regarding B&T security issues;
9. review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of B&T: (i) legal and regulatory matters that may have a material impact on B&T; and(ii) the scope and effectiveness of compliance policies and programs;
10. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter; and
11. review and assess the adequacy of this Charter annually; and report regularly to the Board Chair and the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

THE METROPOLITAN TRANSPORTATION AUTHORITY

CAPITAL PROGRAM OVERSIGHT COMMITTEE

This Charter for the Capital Program Oversight Committee was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on ~~September 27~~ July 24, 2013~~2~~.

I. PURPOSE

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

II. COMMITTEE AUTHORITY

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

III. COMMITTEE MEMBERSHIP

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

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least ~~8-11~~ times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings and records of any action taken. Committee members will

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

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

V. COMMITTEE REPORTS

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

VI. KEY RESPONSIBILITIES

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

To fulfill its purpose, the Committee shall, with respect to any approved or proposed capital program plans:

1. Monitor the current and future availability of funds to be utilized for such capital improvement programs and plans;

2. Monitor the contracts awards of the MTA to insure that such awards are consistent with:
 - a. provisions of law authorizing United States content and New York State content;
 - b. any collective bargaining agreements;
 - c. provisions of law providing for participation by minority and women-owned businesses;
 - d. New York State labor laws;
 - e. competitive bidding requirements including those regarding sole source contracts; and
 - f. any other relevant requirements established by law.
3. Monitor the award of contracts to determine if such awards are consistent with the manner in which the work was traditionally performed in the past;
4. Review the relationship between capital expenditures pursuant to each such capital program plan and current and future operating budget requirements;
5. Monitor the progress of capital elements described in each approved capital program plan;
6. Monitor the expenditures incurred and to be incurred for each such element;
7. Identify capital elements not progressing on schedule, ascertain responsibility therefor and recommend those actions required or appropriate to accelerate their implementation;
8. Monitor the proposed benefits for approved projects in the capital program at appropriate points during the life of the capital project to ensure that the benefits materialize;
9. Review capital elements and program management to improve the efficiency and effectiveness of the program, securing analytic resources as needed;
10. Monitor awarded contracts to determine if the work is being implemented in the most efficient and effective manner possible;
11. Consult as necessary with other New York State departments, agencies and divisions with respect to the foregoing;
12. Provide guidance to the Board Chair and the Board with respect to the appointment (and if appropriate dismissal), evaluation, and compensation of an independent engineering firm to provide an independent review of reports by the MTA agencies with respect to the foregoing;

13. In consultation with the Office of Construction Oversight, oversee the work of such independent engineering firm;
14. Together with the Office of Construction Oversight, review the periodic and/or special reports provided by such independent engineering firm;
15. Monitor the implementation of MTA security projects contained in approved capital programs, provide a forum for discussion of MTA-wide security issues among representatives of MTA and each of its subsidiaries and constituent agencies, and provide guidance to the Board Chair and the Board with respect to security on an MTA-wide basis;
16. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
17. Review and assess the adequacy of this Charter annually; and
18. Report regularly to the Board Chair and the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests.

THE METROPOLITAN TRANSPORTATION AUTHORITY

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

This Charter for the Committee on Operations of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority and the MTA Bus Company was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA") on ~~September 27~~July 24, 2013~~2~~.

I. PURPOSE

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

II. COMMITTEE AUTHORITY

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

III. COMMITTEE MEMBERSHIP

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

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least ~~8-11~~8-11 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its

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

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

V. COMMITTEE REPORTS.

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

VI. KEY RESPONSIBILITIES

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

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

- 1 monitor and update the Board Chair and the Board on the operating performance of NYCT and MTA Bus, including information on subway, bus and paratransit service;
- 2 monitor and update the Board Chair and the Board on the safety record of NYCT and MTA Bus; such monitoring shall include reviewing and monitoring customer and employee safety as well as crime statistics;
- 3 monitor and update the Board Chair and the Board on the implementation of security programs pertaining to NYCT and MTA Bus operations and facilities;
- 4 monitor and update the Board Chair and the Board on the finances of NYCT and MTA Bus, including financial reports, ridership reports, and the use of funds by NYCT and MTA Bus;

- 5 review and make recommendations to the Board Chair and the Board regarding proposed procurement contracts of NYCT and MTA Bus that require Board approval;
- 6 review and make recommendations to the Board Chair and the Board on proposed capital projects of NYCT and MTA Bus and monitor the status of such projects;
- 7 review and make recommendations to the Board Chair and the Board regarding NYCT and MTA Bus service and policy changes that require Board approval;
- 8 facilitate the identification of approaches and solutions that address NYCT and MTA Bus security issues, including best practices in national and international security respecting transportation operations and facilities and review and make recommendations to the Board Chair and the Board regarding NYCT and MTA Bus security issues; and
- 9 review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of NYCT and MTA Bus: (i) legal and regulatory matters that may have a material impact on NYCT; and (ii) the scope and effectiveness of compliance policies and programs.

With respect to capital projects undertaken by the MTA Capital Construction Company (MTACC) on behalf of NYCT or MTA Bus:

- 1 review and make recommendations to the Board Chair and Board with respect to the proposed procurements made by the MTACC that require Board approval;
- 2 review and make recommendations to the Board Chair and the Board with respect to contract procurement solicitations that require Board approval;
- 3 monitor the progress of the capital projects undertaken by the MTACC;
- 4 monitor the budget and the schedule of capital projects undertaken by the MTACC;
- 5 monitor the progress of contract commitments and completions with respect to capital projects; and
- 6 track funding needs of capital projects as well as the availability of funds to meet such needs from all sources of funding.


In addition, the Committee shall have the following responsibilities:

- 1 conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
- 2 review and assess the adequacy of this Charter annually; and




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

Staff Summary

Page 1 of 2

Subject All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services	Date July 22, 2013
Department Chief Operating Officer	Vendor Name
Department Head Name Nuria Fernandez	Contract Number
Department Head Signature 	Contract Manager Name
Project Manager/Division Head	Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Governance	7/22			
2	Board	7/24			

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

Purpose:

To adopt revisions to the All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services (together, "the Guidelines") that keep pace with inflation and that will expedite the processing of change orders.

Discussion:

MTA and agency staff have for several years been undertaking a review of how the MTA and agencies do business in order to improve processes and find efficiencies and cost savings. This effort has included both formal and informal interviews with and recommendations by the contracting community, both with industry associations and with individual company leaders. A number of improvements have already been implemented.

One of the specific concerns often expressed that we have not yet fully addressed is the time required to negotiate and process construction change orders. The volume and nature of the repair and mitigation work necessitated by Superstorm Sandy has refocused attention on this issue. It is anticipated that certain of the contracts for Sandy-related repairs may require a high number of change orders because unanticipated repair needs may only become apparent after demolition and removal of damaged facilities, equipment or infrastructure.

Dialogue with the construction community has made clear that expediting the change order process, with its attendant cost savings, is not simply an issue for Sandy-related projects. As MTA agencies work to identify projects for the 2015-19 Capital Program, the need to achieve savings is particularly acute. Adoption of policies and practices that give contractors confidence that they will not incur excessive financing costs to sustain cash flow pending payment for change orders should result in more competitive bids.

Currently, the All Agency Procurement Guidelines ("Procurement Guidelines") require Board approval of contract change orders over \$250K, or over \$50K if the change order exceeds 15% of the adjusted contract value. Under the proposed revisions to the Procurement Guidelines, Board approval of change orders would only be required if the change order is over \$750K, or over \$250K if the change order exceeds 15% of the

adjusted contract value. In addition, the All Agency Guidelines for the Procurement of Services ("Service Guidelines") are proposed to be revised to clarify that change orders to service contracts less than or equal to \$750K, or less than or equal to \$250K if the change order exceeds 15% of the adjusted contract amount, would not require Board approval.

The proposed changes to the Guidelines would reduce the time required to award change orders in the \$250K - \$750K range by anywhere from eight to ten weeks and facilitate adherence to project schedules. Board approval generally adds eight to ten weeks to change order lead time due to the time required for agency and MTA staff review, production lead times and the intervals between Board meetings.

The current Board approval threshold of \$250K (or \$50K and 15%) for change orders has been in effect since the mid-1980s. Inflation alone over the past 27 years warrants a reconsideration of that policy. From December 1985 through July 2013, the Engineering News Record Construction Cost Index for NY City has increased 170%. The total inflation percentage from the mid-1980s through the end of the 2015-19 Capital Program is anticipated to be 203%. Using this rate, the original \$250K threshold in the current Procurement Guidelines will equate to \$758K in the construction market that MTA agencies expect to be facing by the end of the next capital program.

The proposed change will streamline the approval process for change orders while maintaining appropriate controls. As an example, looking at 2012 NYCT and MTACC-managed NYCT projects alone, the Board approved 87 change orders for a total of \$468.2 million. If the proposed change had been in effect, it would have reduced the number of change orders requiring Board approval by 43% while only reducing the dollar value of change orders requiring Board approval by \$15.7 million (3.4%). In other words, 50 change orders exceeded \$750K in 2012 and therefore would have required Board approval had the proposed revision been in effect, and the Board would still have reviewed change order requests amounting to \$452.5 million. Thus, it is expected that the proposed Guideline amendment will reduce lead times for a significant number of change orders with only a modest reduction in the total value of change orders that the Board reviews. In addition, while the attached revisions to the Guidelines would increase Board approval thresholds for operating and capital change orders and budget adjustments as described above, change orders in excess of \$250K will still require the approval of the applicable agency president or his or her delegate.

These proposed revisions, along with other efforts to better partner with the contracting community, are expected to help ensure strong competition and good bids for MTA projects. This is all the more important given both the volume and nature of the work generated by Sandy, as well as the upcoming 2015-19 Capital Program, which is, at this point, almost entirely unfunded.

Recommendation:

It is recommended that the Board adopt the revised All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services to expedite change orders.

ALL AGENCY PROCUREMENT GUIDELINES

These guidelines apply to the Metropolitan Transportation Authority ("MTA"), the New York City Transit Authority ("Transit"), the Long Island Rail Road Company ("LIRR"), The Metro-North Commuter Railroad Company ("MNCRR"), Staten Island Rapid Transit Operating Authority ("SIRTOA"), Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"), MTA Capital Construction ("MTACC"), MTA Bus Company ("MTA Bus"), and to the Triborough Bridge and Tunnel Authority ("Bridges and Tunnels") insofar as they are consistent with the provisions of law applicable to Bridges and Tunnels (each of which is referred to severally and together, as the "Authority").

Article I - Applicability of Guidelines

This policy applies to i) purchase contracts for supplies, materials or equipment ("purchase contracts"); ii) public work contracts ("public work contracts"); and iii) leases of equipment with or without an option to purchase, computer software licenses and maintenance agreements, printing contracts (where editorial services do not predominate), and to any other contract which is not otherwise classified under these guidelines or the All Agency Guidelines for Procurement of Services ("miscellaneous procurement contracts"). In the event a proposed contract contains elements of more than one type of contract under these Guidelines or the All Agency Guidelines for Procurement of Services, the elements which predominate shall determine the type of contract for purposes of both Guidelines.

Article II - Delegation of Authority

The Chairman, the presidents of the Authorities, or the designated representative or representatives thereof (each defined for purposes of these guidelines as an "Authorized Officer") are hereby empowered with respect to purchase contracts, public work contracts, and miscellaneous procurement contracts to be entered into by the respective Authority acting on its own behalf or as agent for MTA, as follows:

- A. to establish procedures which shall be competitive to the extent deemed practicable by the Authorized Officer, for the award of purchase contracts estimated to involve the expenditure of \$15,000 or less and public work contracts estimated to involve the expenditure of \$25,000 or less;
- B. to establish procedures for the award of miscellaneous procurement contracts regardless of the estimated expenditure, which procedures shall provide for Board approval of the award if the contract provides for the estimated expenditure of more than \$25,000 and is not awarded pursuant to sealed competitive bidding. A majority of the members of the Board in attendance at a meeting at which a quorum is present shall be required to approve the resolution authorizing such award;

- C. for purchase contracts estimated to involve the expenditure of more than \$15,000 and public work contracts estimated to involve the expenditure of more than \$25,000:
1. to determine the criteria for the evaluation of bids which may include but are not limited to unit or aggregate amount bid, life cycle costs or savings (including but not limited to costs or savings associated with installation, energy use, maintenance, operation, salvage and disposal), discounts and costs of maintenance and inspection services;
 2. to determine whether a contract required to be advertised in the New York State contract reporter is exempt from such requirement on the basis of a need to award the contract on an emergency or critical basis;
 3. to advertise for, solicit and open bids;
 4. to record the name of each bidder and the amount(s) bid;
 5. to determine the lowest responsive and responsible bidder, including, in the event two or more responsible bidders submit identical bids which are the lowest bids, to award the contract to any of such bidders or obtain new bids from such bidders;
 6. to reject all bids when it is determined to be in the public interest to do so;
 7. to award the contract.
- D. to determine whether a bidder or prospective bidder should be ineligible to act or bid as a contractor or act as a subcontractor for a fixed or indefinite period of time with respect to contracts of the Authority in question.
- E. in addition to the other authorizations set forth elsewhere in this document, to establish guidelines governing the qualifications of bidders for public works and public contracts, and to fix the standards for the prequalification of bidders entering into such contracts, for the East Side Access Project in accordance with Section 1265-a.2(c) of the Public Authorities Law.

Article III - Award of Contracts Without Competitive Bidding

- A. A purchase contract estimated to involve the expenditure of more than \$15,000 and a public work contract estimated to involve the expenditure of more than \$25,000 may be awarded without competitive bidding under the circumstances set forth below, provided that the Authorized Officer recommends such an action and the Board adopts a resolution declaring competitive bidding to be impractical or inappropriate and states the reasons therefore, and summarizes any negotiations that have been conducted. Except in a situation specified in Article III (A) (1), such resolution shall be approved by two-thirds of the members of the Board then in office. A declaration under Article III (A) (1) shall require approval by a majority of the members of the Board in attendance at a meeting at which a quorum is present.

1. The existence of an emergency involving danger to life, safety or property which requires immediate action and cannot await competitive bidding; or when the item to be purchased is essential to the efficient operation of or the adequate provision of service and, as a consequence of an unforeseen circumstance, such purchase cannot await competitive bidding. Competitive bidding is hereby declared to be impractical and inappropriate in any of the foregoing situations where an Authorized Officer must take appropriate action and cannot await action by the Board; provided, however, that notice of such action shall be given to the Board at its next scheduled meeting together with a statement of the reasons for such action and a request for ratification by the Board.
2. The item to be purchased is available only from a single responsible source provided, however, that a notice of the Authority's intent to purchase such item without competitive bidding shall be posted on the Authority's website, and, if bids have not been solicited for such item within the preceding twelve months, a notice must be published pursuant to Article VI(A) hereof. Any notices required by this paragraph shall set forth the Authority's intent to purchase the item without competitive bidding because the item is available from only one source and invites any firm which believes it can provide the item to so inform the Authority and to provide the Authority with additional information which confirms that it can supply the item.
3. Competitive bids are solicited and
 - a. no responsive bid is received; or
 - b. only a single responsive bid is received, and the Authorized Officer rejects the bid.
4. With respect to a product or technology, the Authority wishes to:
 - a. experiment with or test it;
 - b. experiment or test a new source for it; or
 - c. evaluate its service or reliability.

Such a contract may not be awarded until at least thirty days after the date the Board has declared competitive bidding to be impractical or inappropriate.

5. The item is available through an existing contract between a vendor and any of the following and the resolution adopted by the Board includes a determination that, and the reasons, why, it is in the public interest to do so:

- a. An Authority or any other public authority provided such contract had been awarded through a process of competitive bidding or a competitive request for proposals;
- b. The State of New York, The City of New York, or (except for Transit and MaBSTOA) the County of Nassau.

It is hereby determined that competitive bidding is inappropriate and, because of the likelihood that a competitive process will not result in better commercial terms, that it is in the public interest to purchase an item through an existing contract of the State of New York, The City of New York or an Authority, , where price and other commercial terms specified in such contract are satisfactory to the Authorized Officer. Such a determination shall be documented in writing by the Authorized Officer.

- 6. The Authority determines that it is in the public interest to award the contract through a competitive request for proposals ("RFP") in accordance with the procedures set forth in Article IV. For purposes of this subsection, a competitive RFP shall mean a method of soliciting proposals and awarding a contract on the basis of a formal evaluation of the characteristics which are deemed relevant to the Authority's operations, such as quality, cost, delivery schedule and financing, against stated selection criteria. Where the RFP involves the purchase or rehabilitation of rail cars, transit cars or buses, the selection criteria may also include the extent to which the performance of all or a portion of the contract will involve the use of sites within the State of New York or the use of goods produced or services provided within the State of New York.

- B. Under the MTA Small Business Mentoring Program, a non-federally funded public work contract that is designated by the Authority as a small business mentoring program contract within the meaning of Section 1265-b(1)(e) of the Public Authorities Law, may be awarded in accordance with the provisions of Section 1265-b of the Public Authorities Law, notwithstanding any other provision of law or these guidelines. A public work contract that is partially or wholly federally funded, subject to Department of Transportation regulations and estimated to involve an expenditure of not more than \$3 million, may be awarded pursuant to the MTA Small Business Federal Program established under 49 CFR 26.39 in accordance with the competitive procedures established under that Program, notwithstanding any other provision of law or these guidelines. The Chairman or his designee is authorized to designate which eligible public work contracts shall be small business mentoring program or small business federal program contracts.
- C. A contract, in an amount not to exceed \$200,000 for the purchase of goods, for public works or for a miscellaneous procurement that is not federally funded, may be awarded pursuant to Section 2879(3)(b)(i) of the Public Authorities Law without competitive bidding or other formal competitive process, notwithstanding any other provision of law or these guidelines, where either (i) the contract

involves goods or technology that are recycled or remanufactured or (ii) the proposed award is to a small business concern or a certified minority or women-owned business enterprise ("MWBE"). The Chairman or his designee shall determine which contracts are appropriate for such types of procurements in consultation with the Authorized Officer of the appropriate agency. In the case of contracts that are designated pursuant to Section 2879(3)(b)(i) for award to eligible small business concerns or MWBEs, there shall be notice of the proposed contract on the Authority website inviting responsive bids or proposals from qualified small business concerns and MWBEs. Notice of such procurement shall also be provided to identified organizations that represent or regularly notify small business concerns or MWBEs of the type of procurement opportunity that is the subject of the award. Awards pursuant to Section 2879(3)(b)(i) shall be made to the bidder or proposer determined to have submitted the bid or proposal that is most advantageous to the Authority, price and any other relevant factors considered. An award proposed to be made to a bidder or proposer other than the lowest responsible, responsive bidder or proposer shall require approval by a majority of the Board at which a quorum is present. The Chairman or his designee, in consultation with the Authorized Officer of the appropriate agency, may reject all offers and withdraw the designation of a contract as one to be awarded pursuant to Section 2879(3)(b)(i) if the Chairman or his designee determines that an award will result in the payment of an unreasonable price or otherwise not be advantageous to the Authority.

Article IV - Requests for Proposals

A contract authorized pursuant to Article III (A)(6) may be awarded after the issuance of an RFP in the following manner:

- A. Public notice shall be given of the RFP in accordance with the procedures specified in Article VI(A) and (B). In addition to the information required under Article VI(C), the public notice must include a statement of the selection criteria. Such notice shall also be provided to professional and other organizations that represent or regularly notify certified MWBEs of the type of procurement opportunity that is the subject of the RFP. The Authority may engage in a selection process involving multiple steps such as requests for qualifications, requests for technical proposals and requests for quotations. After the publication of the notice, any or all of the selection criteria specified in the advertisement may be changed, provided that, if the change is material, proposers and potential proposers who, prior to the deadline for the receipt of proposals, have expressed an interest in the RFP, shall be informed of the change and afforded the opportunity to modify their proposals.
- B. After receipt of the proposals, an Authority may:

1. change the selection criteria provided that, if the change is material, all proposers are informed of the change and afforded the opportunity to modify their proposals;
 2. request that any of the proposers make a presentation. If it does so, it is not required to afford such opportunity to all proposers;
 3. negotiate with any of the proposers. If it does so, it is not required to negotiate with all proposers;
 4. reject any proposal at any time; and
 5. reject all proposals, in which event the Authority may decide to take no further action, solicit new proposals or solicit bids.
- C. A contract may be awarded pursuant to an RFP only after adoption of a resolution by a 2/3 vote of the Board members then in office (the "award resolution"). The award resolution:
1. must be recommended to the Board by the Authority's Authorized Officer;
 2. must identify all proposers;
 3. must set forth the substance of the proposals received;
 4. must, as applicable, summarize the negotiation process including the opportunities, if any, available to proposers to present and modify their proposals; and
 5. must set forth the criteria upon which the selection was made.
- D. The award resolution may be adopted simultaneously with or subsequent to the adoption of the resolution declaring that competitive bidding is impractical or inappropriate because it is in the public interest to use the RFP process specified in the opening paragraph of Article III hereof (the "RFP authorizing resolution"), provided that, if the RFP authorizing resolution and the RFP award resolution are adopted simultaneously or within less than thirty days of each other, the contract may be executed by the Authority no less than thirty days after the adoption of the RFP authorizing resolution.

Article V - Qualified Products Lists ("QPL")

The Board hereby determines that for reasons of efficiency, economy, compatibility or maintenance reliability, there is a need for standardization as to various supplies, materials and equipment which are purchased by the Authorities and authorizes the establishment of a qualified products list ("QPL") identifying such supplies, materials and equipment as hereinafter provided. A purchase contract for an item which has been included on a QPL duly established and maintained by an Authority, may be entered into by that Authority as hereafter set forth:

- A. The Authorized Officer of the Authority determines as to a specific item that, for reasons of efficiency, economy, compatibility or maintenance reliability, there is a need for standardization.

- B. The QPL is reviewed no less than two times per year. The purpose of this review is to evaluate whether to add or delete items or vendors to or from the QPL.
- C. A notice is published by the Authority no less than one time per year in a general circulation newspaper and in the New York State contract reporter which:
 - 1. advertises the existence of the QPL;
 - 2. states that the QPL is available for public inspection; and
 - 3. specifies the name and address of the Authority's office which may be contacted in regard to the procedure for the compilation of the QPL.
- D. A contract for an item on the QPL may be awarded:
 - 1. without competitive bidding if only one source for the item is specified on the QPL;
 - 2. by competitive sealed bidding but without advertising provided the invitation to bid is sent to all vendors listed on the QPL for the particular item;
 - 3. by competitive sealed bidding after advertising the bid pursuant to Article VI (A) of these procedures.
- E. Two or more Authorities may utilize the same QPL provided that such Authorities jointly comply with the provisions of this Article.

Article VI - Advertising

Except as provided in subsection D of this Article and Article II(C)(2), in those instances where advertising is required under these Guidelines:

- A. For purchase contracts in the actual or estimated amount in excess of \$15,000 for all Authorities and for public work contracts in the estimated amount in excess of \$25,000, the advertisement shall be published at least once in a newspaper of general circulation in the area served by the Authority and in the New York State contract reporter provided that, if the contract is to be awarded without the solicitation of competitive bids or RFP, the timing of the publication in the New York State contract reporter shall be determined by an Authorized Officer;
- B. The first publication shall be no less than fifteen business days prior to the planned bid opening date and the second publication shall be within a reasonable period prior to the planned bid opening date.
- C. The advertisement must contain, as applicable, a statement of: (i) the time and place where bids received will be publicly opened and read; (ii) the name of the contracting Authority; (iii) the contract identification number; (iv) a brief description of the public work supplies, materials, or equipment sought, the location where work is to be performed, goods are to be delivered or services provided and the contract term; (v) the address where bids or proposals are to be

submitted; (vi) the date when bids or proposals are due; (vii) a description of any eligibility or qualification requirement or preference; (viii) a statement as to whether the contract requirement may be fulfilled by a subcontracting, joint venture or co-production arrangement; (ix) any other information which the Authority deems useful to potential contractors; and (x) the name, address, and telephone number of the person to be contacted for additional information. In addition, if a purchase contract is involved, the advertisement in the New York State contract reporter shall also include a statement as to whether the goods sought had in the immediately preceding three year period been supplied by a foreign business enterprise as that term is defined in Article 4-C of the Economic Development Law.

- D. Advertisement in a general circulation newspaper and in the New York State contract reporter is not required if the Authority regularly purchases the particular supplies, material or equipment and bids are solicited from a list of potential suppliers for the item which has been established and maintained as set forth in Article VII hereof.
- E. In addition to the above advertisements, the Authority shall provide notice to professional and other organizations that regularly notify certified MWBEs of the type of procurement opportunity that is the subject of the solicitation.

Article VII - Contractor Outreach

The Authority shall encourage firms to be interested in competing for Authority contracts. The Authority shall do so in the following manner:

- A. Suppliers Lists for Purchase Contracts: The Authority shall compile a list of potential sources of supplies, materials or equipment which it regularly purchases. Such list must be compiled in accordance with the following procedures:
 - 1. Advertisements must be periodically placed in one or more publications which are likely to be read by manufacturers, suppliers and others who deal in the item including firms which may be minority or woman owned businesses, which set forth a general description of categories of items which are regularly procured by the Authority and invites firms to advise the Authority in writing of their interest in being placed on the suppliers list for specific items or categories of items.
 - 2. A periodic effort:
 - i) must be undertaken to identify potential bidders for the item who are not on the list including minority or woman owned businesses. Such effort shall include the use of the Authorities' websites, use of appropriate publications, including those that serve minority and women's business communities, other sources of information, and cooperation with federal,

state and local agencies and other Authorities. Where appropriate, a print or electronic letter shall be sent to a new potential bidder which invites it to request that it be added to the list and, if it does not wish to be added, requests that it indicate why.

ii) where appropriate, must be undertaken to identify firms which have not responded to bids or expressed an interest in remaining on a list. An effort should be made to contact such firms to determine why they have not bid, whether they are interested in remaining on the list and, if not, why not. A firm may be deleted from the list where it requests deletion, or where the circumstances indicate that it is unlikely that the firm is interested in remaining on the list.

3. The Authority will maintain lists of qualified and certified MWBEs, including professional firms that have expressed an interest in doing business with the Authority and ensure that such lists are updated regularly. The Authority will also consult the lists of certified MWBEs maintained by the New York State Department of Economic Development ("DED").
4. An advertisement must be placed quarterly in the State Register and in the New York State contract reporter.
5. In the event it is not practicable to maintain a suppliers list for a specific item, such item shall be included in a broader category or other appropriate classification which reasonably includes the item, and a suppliers list shall be maintained with respect to the category or classification.

- B. Capital Program Purchase and Public Work Contracts: The Authority shall place an advertisement in the New York State contract reporter no less than four times per year which sets forth a general list of anticipated capital program purchase contracts and public work contracts, and the address of the Authority's office which may be contacted in order to be afforded the opportunity to compete for such contracts and for other Authority contracts. Advertisements will also be placed in publications that serve minority and women's business communities.

Article VIII – Minority/Women Owned and Disadvantaged Business Enterprises

The potential exists for disadvantaged/minority/women owned business enterprise involvement in Authority contracts. The Authority shall use its best efforts to maximize the utilization, as applicable, of DBEs under the Authority's federal program, and MBEs/WBEs under the New York State program set forth in Public Authorities Law §2879, Article 15-A of the Executive Law and these guidelines.

- A. The MTA Chief Diversity Officer ("Chairman's Designee") is responsible for overseeing the programs established by the MTA to promote and assist: i) the participation by certified MWBEs in procurement opportunities and facilitation of the award of procurement contracts to such enterprises; ii) the utilization of certified MWBEs as subcontractors and suppliers to Authority prime contractors; and iii) the utilization of partnerships, joint ventures ("JVs") or other similar arrangements between certified MWBEs and prime contractors. The Chief Diversity Officer reports directly to the Chairman in connection with the responsibilities set forth herein, and will participate in the procurement process either directly or through his or her designees.
- B. For contracts awarded pursuant to these Guidelines, the Authority shall establish appropriate goals for participation by certified MWBEs and for the utilization by prime contractors of MWBEs as subcontractors and suppliers. Statewide numerical participation target goals will be established by the Authority based on the findings of the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study.
- C. The Authority will conduct procurements in a manner that enables the Authority to achieve the maximum feasible portion of the goals set pursuant to Article VIII (B) above, including by taking the following actions: i) establishing measures and procedures to ensure that certified MWBEs are given the opportunity for maximum feasible participation in the performance of Authority contracts and to assist in the identification of those contracts that are best suited for which certified MWBEs may best bid to actively and affirmatively promote and assist their participation in the performance of Authority contracts so as to facilitate the Authority's achievement of the maximum feasible portion of the MWBE goals; ii) designating the New York State Division of Minority and Women-owned Business Development ("DMWBD") to certify and decertify MWBEs for purposes of these guidelines; iii) setting forth in each contract solicitation the expected degree of MWBE participation based on potential subcontracting opportunities and the availability of certified MWBEs to respond competitively to those opportunities; iv) providing to prospective contractors in writing, or by identifying a link to a specific web site, a current list of MWBEs; v) with regard to joint ventures, allowing a bidder to count toward meeting its MWBE participation goal, the MWBE portion of the joint venture; vi) waiving a contractor's obligation relating to MWBE participation after a showing of good faith efforts to comply with the participation goal; and vii) verifying that MWBEs listed in a successful bid or proposal are actually participating to the extent listed in the project for which the bid or proposal was submitted. In implementing its MWBE programs, the Authority will also consider, where practicable: i) the severability of construction projects and other bundled contracts; ii) the implementation of a program that will enable the Authority to evaluate each contract to determine the appropriateness of the goal pursuant to the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study;

iii) compliance with the requirements of any federal law concerning opportunities for any MWBEs which effectuates the purpose of this section; and iv) consultation of the most recent disparity study.

Article IX - Change Orders

- A. A change order which exceeds the lesser of ~~\$250,750,000~~ or \$250,000 in the event such change order exceeds 15% of the adjusted contract value, may be entered into by an Authorized Officer, upon the approval of the Board pursuant to a resolution adopted in accordance with Article IX hereof. The submission to the Board shall include an explanation of the need for the change order. All other change orders shall be approved by an Authorized Officer; provided that a change order over \$250,000 must be approved by the Authority president or his or her designee. For purposes of this Article, the "adjusted contract value" shall mean the original amount of the contract plus the aggregate amount of all prior change orders (whether or not approved by the Board). This provision applies to all contracts subject to these Guidelines, including budget adjustments to estimated quantity contracts previously approved by the Board which exceed the threshold.
- B. Notwithstanding the foregoing, an Authorized Officer may enter into a change order in any of the following situations as determined by an Authorized Officer:
 - 1. The existence of an emergency; or
 - 2. There is a risk of a substantial increase in cost or delay if prompt action is not taken.
- C. The Chief Operating Officer shall establish policies with respect to the delegation of responsibilities set forth in this Article.

Article X - Form of Board Resolution

- A. Except as otherwise required in Article III and Article IV(C), the procedure for the adoption by the Board and the format of a resolution pursuant to this policy shall be determined by the MTA Chairman. Provided, however, that any Board resolution sought pursuant to these Guidelines shall (i) identify the contract by vendor; (ii) briefly describe the substance of the contract; (iii) specify all the information required under the applicable provisions of this policy; and (iv) specify the estimated or actual cost to the Authority.
- B. To the extent practicable, the request for the resolution shall first be submitted to the standing committee of the Board responsible for the Authority.
- C. The MTA Chairman may modify the procedures in this Article for all Authorities.

Article XI - Miscellaneous

- A. Any provision of this policy may be waived by the Chairman, an Authority President, or the Board except to the extent prohibited by law. A waiver may also be in the form of a ratification.
- B. No Board Committee action or Authority policy, other than one approved by the Chairman, shall be inconsistent with these Guidelines.
- C. An Authority may not divide or split any contract or series of contracts for the purpose of avoiding the requirements of these Guidelines.
- D. If prior to the commencement of an Authority fiscal year, an Authorized Officer reasonably anticipates that, during the next fiscal year, the Authority will expend, in the aggregate, in excess of fifteen thousand dollars for a series of purchase contracts for the same or substantially similar good: i) such requirement shall be met pursuant to a requirements contract awarded pursuant to the applicable provisions of these guidelines; or ii) each such contract shall be awarded pursuant to the provisions of Article II(C), III, IV, V or Article VII of these Guidelines.
- E. If prior to the commencement of an Authority fiscal year, an Authorized Officer reasonably anticipates that, during the next fiscal year, the Authority will expend, in the aggregate, in excess of twenty-five thousand dollars for a series of contracts for same or substantially the same type of public work: i) such requirements shall be met pursuant to a requirements contract awarded pursuant to the provisions of Article II(C), III, or IV or a procedure determined by an Authorized Officer to be comparable to Article V or VII of these Guidelines; or ii) each such contract shall be awarded pursuant to the provisions of Article II(C), III, or IV or a procedure determined by an Authorized Officer to be comparable to Article V or VII.
- F. Nothing in these Guidelines shall preclude the Authority from accepting bids or proposals in an electronic format, to the extent permitted by law.
- G. A contract awarded by an Authority pursuant to these Guidelines may provide that the contract includes the requirements of one or more other Authorities.
- H. The Authority shall prepare a publicly available report no less frequently than annually, summarizing procurement activity by the Authority for the period of the report in accordance with the reporting requirements of Section 2879(6) of the Public Authorities Law.
- I. These guidelines are intended for the guidance of officers and employees of the Authority only. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof.

ALL AGENCY GUIDELINES FOR
PROCUREMENT OF SERVICES

These guidelines apply to the Metropolitan Transportation Authority ("MTA"), the New York City Transit Authority ("Transit"), the Long Island Rail Road Company ("LIRR"), the Metro-North Commuter Railroad Company ("MNCRR"), Staten Island Rapid Transit Operating Authority ("SIRTOA"), Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"), MTA Capital Construction ("MTACC"), MTA Bus Company ("MTA Bus") and to the Triborough Bridge and Tunnel Authority ("Bridges and Tunnels") insofar as they are consistent with the provisions of law applicable to Bridges and Tunnels (each of which is referred to as the "Authority").

Article 1-Applicability of guidelines

This policy applies to contracts for services. A contract for services is either a personal service contract or a miscellaneous service contract.

- A. Personal services contracts generally involve retaining a consultant who specializes in one of the following:
- (1) Legal
 - (2) Financial
 - (3) Accounting
 - (4) Auditing
 - (5) Management
 - (6) Human Resources
 - (7) Investment
 - (8) Bonds
 - (9) Planning
 - (10) Analysis
 - (11) Training
 - (12) Data Processing
 - (13) Computer Systems
 - (14) Statistics
 - (15) Research
 - (16) Public and corporate relations
 - (17) Architecture
 - (18) Engineering
 - (19) Surveying
 - (20) Labor Relations

- (21) Real Estate
- (22) Legislation
- (23) Public Affairs
- (24) Marketing
- (25) Advertising
- (26) Records Management
- (27) Office services requiring specialized skills
- (28) Printing where editorial services predominate
- (29) Other Consulting, Professional or Technical Services

- B. A miscellaneous service contract is any contract for service which is not a: i) personal service contract; ii) public work contract; or iii) a miscellaneous procurement contract. Examples include but are not limited to contracts for guard service, custodial service and maintenance work performed by laborers, workers or mechanics which does not result in a substantial improvement to a building or other fixed asset.
- C. In the event a proposed contract contains elements of more than one type of contract under these guidelines or the All Agency Procurement Guidelines, the elements which predominate shall determine the type of contract for purposes of both Guidelines.

Article II - Delegation of Authority

The Chairman, the presidents of the Authorities or the designated representative or representatives thereof (each defined for purposes of these guidelines as an "Authorized Officer") are hereby empowered with respect to service contracts to be entered into by his/her respective Authority acting on its own behalf or as agent for the MTA, as follows:

- A. to implement these guidelines.
- B. to establish procedures which shall be in accordance with these guidelines to the extent deemed practicable by the Authorized Officer, for the award of: (i) a miscellaneous service contract estimated to involve the expenditure of \$15,000 or less; and (ii) a personal service contract estimated to involve the expenditure of \$25,000 or less, provided that the contract shall be advertised, Board approval of the award obtained and reported if otherwise required under these guidelines.
- C. to determine whether a miscellaneous service contract shall be awarded pursuant to the provisions of these guidelines or the provisions of the All Agency Procurement Guidelines, provided that, notwithstanding the vote otherwise required by the All Agency Procurement Guidelines, the vote of approval of a majority of the members of the Board present at a meeting at which a quorum is present shall in any event be required for the award of the following miscellaneous service contracts:
 - i) Without regard to whether or not the contract was awarded pursuant to

sealed competitive bidding, the actual or estimated amount of the contract is \$15,000 or more and the services will be rendered over a period in excess of one year.

- ii) Without regard to the period of performance of the services, the miscellaneous service contract provides for the expenditure of more than \$25,000 and was not awarded pursuant to sealed competitive bidding.

Article III - Policy

It is the policy of the Authority to contract for personal and miscellaneous services when, because of factors such as timing, costs, qualifications or the nature of the services to be rendered, it is more beneficial for such services to be contracted for than performed by employees of the Authority.

Contractors shall be selected on a competitive basis except when competition is not required pursuant to these Guidelines or is waived as impractical or inappropriate.

Article IV - Advertising

- A. Regardless of the selection process used, notice of a contract for the acquisition of services of any kind in the actual or estimated amount of \$15,000 or more shall be published at least one time in New York State Contract Reporter, except as provided in paragraph C of this Article. The publication shall be no less than fifteen business days prior to the planned date on which a bid or proposal is due, provided that if the contract is to be awarded without bids or proposals and advertising is required, the timing of the publication shall be, determined by an Authorized Officer.
- B. The notice must contain, as applicable, a statement of: i) the name of the contracting Authority; ii) the contract identification number; iii) a brief description of the services sought, the location where services are to be provided and the contract term; iv) the address where bids or proposals are to be submitted; v) the date when bids or proposals are due; vi) a description of any eligibility or qualification requirement or preference; vii) a statement as to whether the contract may be fulfilled by a subcontracting, joint venture or co-production arrangement; viii) any other information which the Authority deems useful to potential contractors; ix) the name, address and the telephone number of the person to be contacted for additional information; and x) a statement as to whether the services sought had, in the immediately preceding three year period, been supplied by a foreign business enterprise as that term is defined in Article 4-C of the Economic Development Law.
- C. The advertisement is not required under the following circumstances:
 - i) In the event of an emergency or critical need for the services as determined by an Authorized Officer;

- ii) The contract is re-bid or re-solicited for substantially the same services within forty-five business days after the date bids or proposals were originally due;
 - iii) The contract is awarded to a not-for-profit provider of human services;
 - iv) The contract is awarded pursuant to the provisions of Article V(C)(1) or (2) (single or unique source) of these Guidelines.
- D. In addition to the above advertisements, the Authority shall provide notice to professional and other organizations that regularly notify certified minority and women owned business enterprises ("MWBES") of the type of procurement opportunity that is the subject of the solicitation.

Article V - Selection of Personal Services Contractors

A. Requirements

The following are the requirements to be followed for selection of contractors for personal services, except for: i) contracts for architectural, engineering, and survey services (which are subject to paragraph B); ii) contracts equal to or less than \$25,000 (which may be entered into pursuant to the provisions of this paragraph or pursuant to procedures established by an Authorized Officer which shall be competitive to the extent deemed practicable by the Authorized Officer); and iii) contracts for services for which a competitive selection process is inappropriate pursuant to the provisions of paragraph C.

1. The Division/Department of the Authority requiring the services shall prepare a written statement containing a description of the services, the reasons why they are required, and the required or estimated schedule or duration of the services.
2. A request for proposals ("RFP") to perform the required services shall be sent to three or more firms to assure competition, including any DBE/WBE/MBE firms selected to receive the RFP pursuant to applicable Authority or New York State DBE/WBE/MBE programs, unless there are only two qualified firms or unless competition is waived as hereinafter provided. The RFP or notice thereof shall also be provided to professional and other organizations that represent or regularly notify certified MWBEs of the type of procurement opportunity that is the subject of the RFP notice.
3. The RFP shall describe the services to be performed, any completion dates or time requirements, DBE/WBE/MBE requirements, if applicable, and the criteria to be utilized by the Authority in evaluating proposals and shall contain a requirement for a cost proposal and the date, time and place when proposals must be received.

4. The Authority may select one or more proposers with which to negotiate after evaluation of the proposals received. The award shall be made to the proposer or proposers whose proposal(s) will be the most advantageous to the Authority, price, qualifications and other factors considered, using the evaluation criteria specified in the RFP as the basis for the decision.

B. Architectural- Engineering and Survey Contracts

1. In the procurement of architectural, engineering and surveying services, the Authority shall determine whether to comply with the RFP procedures set forth in paragraph A or the "Brooks" method set forth in this paragraph, provided that if federal assistance is involved, the decision shall take into account applicable federal requirements.
2. The Authority shall encourage professional firms engaged in the lawful practice of the profession to submit an annual statement of qualifications and performance data. For each proposed project identified in accordance with Article V(A)(1), the Authority shall evaluate current statements of qualifications and performance data on file with the Authority. If desired and to the extent appropriate if federal assistance is involved, the Authority may conduct discussions with three or more professional firms regarding anticipated design concepts and proposed methods of approach to the assignment.
3. The Authority shall then evaluate whether a modification to the written statement prepared in accordance with subparagraph 1 of Paragraph A is appropriate, and shall then comply with the provisions of subparagraphs 2 and 3 of Paragraph A.
4. The Authority shall select from the proposals submitted, in order of preference, based upon the criteria established by the Authority, no less than three professional firms deemed to be the most highly qualified to provide the services required.
5. The Authority shall negotiate a contract with the highest qualified professional firm for architectural, engineering or surveying services at compensation which the Authority determines in writing to be fair and reasonable. In making this decision, the Authority shall take into account the estimated value of the services to be rendered, the scope, complexity, and professional nature thereof. Should the Authority be unable to negotiate a satisfactory contract with the professional firm considered to be the most qualified, at a fee it determines to be fair and reasonable, negotiations with that professional firm shall be formally terminated. The Authority shall then undertake negotiations with the second most qualified professional firm. Failing accord with the second most qualified professional firm, the Authority shall formally terminate negotiations.

The Authority shall then undertake negotiations with the third most qualified professional firm. Should the Authority be unable to negotiate a satisfactory contract with any of the selected professional firms it shall select additional professional firms, in order of their competence and qualification and it shall continue negotiations in accordance with this subparagraph until an agreement is reached.

6. The provisions of this paragraph B shall apply only to engineering, architectural, or surveying services contracts in excess of \$25,000.00. Contracts for engineering, architectural or surveying services involving lesser amounts may be entered into pursuant to the provisions of this paragraph or pursuant to procedures established by an Authorized Officer which shall be competitive to the extent deemed practicable by the Authorized Officer.

- C. It is hereby determined that a competitive selection process is inappropriate and that a competitive process shall not be required in the following instances:

1. When the services are obtainable from one source only.
2. When the provider of the services has unique or otherwise outstanding qualifications.
3. When an emergency or other circumstances exist which make competition impracticable or inappropriate.
4. Legal Services.

- D. Pursuant to Section 2879(3)(b)(i) of the Public Authorities Law, a contract in an amount not to exceed \$200,000, that is not federally funded, for personal services or miscellaneous services may be awarded without competitive procedures otherwise required by law or these Guidelines, where the proposed award is to a small business concern or a certified minority or women-owned business enterprise ("MWBE"). Contracts may be designated for solicitation and award pursuant to Section 2879(3)(b)(i) by the Chairman or the Chairman's designee in consultation with the Authorized Officer of the appropriate agency. In the case of contracts that are designated pursuant to Section 2879(3)(b)(i) for award to eligible small business concerns or MWBEs, there shall be notice of the proposed contract on the Authority website inviting responsive bids or proposals from qualified small business concerns and MWBEs. Notice of such procurements shall also be provided to identified organizations that represent or regularly notify small business concerns or MWBEs, of the type of procurement opportunity that is the subject of the award. Awards pursuant to Section 2879(3)(b)(i) shall be made to the bidder or proposer determined to have submitted the bid or proposal that is most advantageous to the Authority, price and any other relevant factors considered. An award proposed to be made to a bidder or proposer other than the lowest responsible, responsive bidder or proposer, shall require approval by a majority of the Board at a meeting at which a quorum is present; in addition, the approval of the Board is required in any other instance in which it is required by law. The Chairman or his designee, in consultation with the Authorized Officer

of the appropriate agency, may reject all offers and withdraw the designation of a contract as one to be awarded pursuant to Section 2879(3)(b)(i) if the Chairman or his designee determines that an award will result in the payment of an unreasonable price or otherwise not be advantageous to the Authority. The requirements of Article IV and of Article V(B) shall not apply to contracts awarded in accordance with Section 2879(3)(b)(i).

- E. The Chairman, President, General Counsel, or Chief Procurement Officer of the Authority, or such individuals as they may designate, may give verbal authorization to contractors or consultants to commence the performance of contracts entered into pursuant to the provisions of this paragraph E, where prior written agreement is impracticable, provided, however, that the contract shall be reduced to writing as soon as practicable. Prior to issuing a verbal authorization for a federally assisted contract, consideration should be given to the steps which may be taken to assure that federal assistance is not jeopardized.

Article VI – Minority/Women Owned and Disadvantaged Business Enterprises

The potential exists for disadvantaged/minority/women owned business enterprise involvement in personal service and miscellaneous service contracts. The Authority shall use its best efforts to maximize the utilization, as applicable, of DBEs under the Authority's federal program, and MBEs/WBEs under the New York State program set forth in Public Authorities Law §2879, Article 15-A of the Executive Law and these guidelines.

- A. The MTA Chief Diversity Officer ("Chairman's Designee") is responsible for overseeing the programs established by the MTA to promote and assist: i) the participation by certified MWBEs in procurement opportunities and facilitation of the award of procurement contracts to such enterprises; ii) the utilization of certified MWBEs as subcontractors to Authority prime contractors; and iii) the utilization of partnerships, joint ventures ("JVs") or other similar arrangements between certified MWBEs and prime contractors. The Chief Diversity Officer reports directly to the Chairman in connection with the responsibilities set forth herein, and will participate in the procurement process either directly or through his or her designees.
- B. For contracts awarded pursuant to these Guidelines, the Authority shall establish appropriate goals for participation by certified MWBEs and for the utilization by prime contractors of MWBEs as subcontractors and suppliers. Statewide numerical participation target goals will be established by the Authority based on the findings of the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study.
- C. The Authority will conduct non-federally funded procurements in a manner that enables the Authority to achieve the maximum feasible portion of the goals set pursuant to Article VI(B) including taking the following actions: (i) establishing measures and procedures to ensure that certified MWBEs are given the opportunity for maximum feasible participation in the performance of Authority

contracts and to assist in the identification of those contracts that are best suited for which certified MWBEs may best bid to actively and affirmatively promote and assist their participation in the performance of Authority contracts so as to facilitate the Authority's achievement of the maximum feasible portion of the MWBE goals; (ii) designating the New York State Division of Minority and Women-owned Business Development ("DMWBD") to certify and decertify MWBEs for purposes of these guidelines; (iii) setting forth in each contract solicitation the expected degree of MWBE participation based on potential subcontracting opportunities and the availability of certified MWBEs to respond competitively to those opportunities; (iv) providing to prospective contractors in writing or by identifying a link to a specific web site a current list of MWBEs; (v) with regard to JVs, allowing a bidder to count toward meeting its MWBE participation goal, the MWBE portion of the JV; (vi) waiving a contractor's obligation relating to MWBE participation after a showing of good faith efforts to comply with the participation goal; and (vii) verifying that MWBEs listed in a successful bid or proposal are actually participating to the extent listed in the project for which the bid or proposal was submitted. The Authority will also consider, where practicable: (i) the severability of service requirements and other bundled service contracts; (ii) the implementation of a program that will enable the Authority to evaluate each contract to determine the appropriateness of the goal pursuant to the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study; (iii) compliance with the requirements of any federal law concerning opportunities for any MWBEs which effectuates the purpose of this section; and (iv) consultation of the most recent disparity study.

Article VII-Types of Provisions to be Contained in Service Contracts

- A. The following types of provisions shall be contained in all personal services contracts, except that it is not necessary to include any provision which is inapplicable or unnecessary because of the nature or duration of the services to be performed, the location or locations where they are to be performed or the type of compensation being paid.
1. Description of Services
 2. Compensation
 3. Time for Performance or date of completion
 4. Liability of Contractor or Consultant; Indemnification of Authority
 5. Reports of Contractor or Consultant
 6. Ownership of Plans, Drawings or Other Products of the Performance of the Services
 7. Assignments; Subcontracts
 8. Maintenance of Records, Accounts
 9. Right of Authority to Inspect and/or Audit Books and Records of Contractor or Consultant
 10. Insurance Requirements
 11. Termination
 12. Monitoring of the Performance of Services
 13. Use of Authority Supplies, Facilities or Property

14. Use of Authority Personnel
 15. All Provisions required to be included in Authority contracts by Federal, State or Local Laws Ordinances, Codes, Rules or Regulations.
 16. Such modifications and additions as are appropriate in light of the specific circumstances presented.
- B. To the extent practicable, a verbal authorization to commence work and a writing which is not intended to constitute the final agreement, at a minimum shall:
1. Describe the services to be performed;
 2. Specify the amount of compensation to be paid or the rates or fees which will be utilized to determine such compensation; and
 3. Specify a date for completion or the anticipated duration of the services (except in instances where the nature of the services makes an estimate of the time required impossible or impracticable or where the contract is a retainer for the performance of services over an extended period of time on an "as-needed" basis and contains provisions allowing termination by the Authority at any time without cause).
- C. Miscellaneous service contracts shall contain those provisions of paragraph A and of other standard forms of contract deemed appropriate by an Authorized Officer.

Article VIII - Responsibilities of Services Contractors

A service contractor shall have the following responsibilities:

- A. To perform the contract in accordance with its terms;
- B. To perform the services required under the contract competently, efficiently, in a timely manner, at a reasonable cost and in a manner which is satisfactory to the Authority; and
- C. To cooperate with the Authority personnel who are directing, supervising or monitoring the performance of the services or who are assisting in their performance.

Article IX - Contracts Involving Former Officers or Employees of the Authority

The Authority may enter into contracts with any Authority's former officers or employees or with firms employing such officers or employees only to the extent permitted by Public Officers Law §73.

Article X - Monitoring of Service Contracts

The Division/Department of the Authority requiring the services shall be responsible for monitoring the performance of the contract to assure that the contract is performed in accordance with its terms.

Article XI Reporting of Service and Purchase Contracts

- A. Each Division/Department of an Authority shall maintain records, for each fiscal year, of the following contracts entered into by the Authority at the request of such Division/Department: i) personal service contracts in the actual or estimated amount of \$15,000 or more; ii) miscellaneous service contracts in the actual or estimated amount of \$15,000 or more; and iii) purchase contracts in an actual or estimated amount of \$15,000 or more.
- B. The Authority's Authorized Officer shall designate a Division or Department which shall be responsible for preparing a report at the end of each fiscal year with respect to the foregoing contracts. With respect to each such contract, the report shall contain the following information:
 - 1. Name of Contractor;
 - 2. Short description of the services involved;
 - 3. Amounts paid pursuant to the contract as of the end of such fiscal year;
 - 4. The selection process used;
 - 5. Status of the contract;
 - 6. If it was exempt from advertising in the New York State Contract Reporter pursuant to Article IV(C) of these Guidelines:
 - i) a statement to that effect; and
 - ii) the basis for such exemption; and
 - 7. Whether the contract was entered into with a New York State business enterprise or a foreign business enterprise, as those terms are defined in Public Authorities Law § 2879.
 - 8. Whether the contract was entered into with a New York State certified minority or women-owned business enterprise.
 - 9. Referrals to and penalties imposed by the Director of DMWBD pursuant to Executive Law § 316.
- C. Each Authority shall submit a copy of such report to the board of the Authority upon its completion.

Article XII-Personal Service Contracts Requiring Approval of the Board

The following personal service contracts shall require the approval of the Board of the Authority by resolution approved by a majority of the members present at a meeting at which a quorum is in attendance and shall be reviewed by the Board on an annual basis:

- A. Personal Service Contracts of all Authorities except for Bridges and Tunnels: All personal service contracts entered into by an Authority in the actual or estimated amount of \$20,000 or more;

- B. Personal Service Contracts of Bridges and Tunnels: All personal services contracts entered into by Bridges and Tunnels in the actual or estimated amount of \$15,000 or more where the services will be rendered over a period in excess of one year; and
- C. Miscellaneous service contracts: See Article II(C) of these guidelines.

Article XIII-Change Orders

An Authority may enter into a change order or amendment to a personal service or miscellaneous service contract provided that approval of the Board of the Authority by a resolution approved by a majority of the members present at a meeting at which a quorum is in attendance, shall be required in the following circumstances:

- A. The contract did not equal or exceed the applicable monetary or durational threshold for board approval set forth in Article XII or Article II of these guidelines and the applicable threshold is equaled or exceeded as a result of the change order or amendment. This provision applies to all contracts subject to these Guidelines, including budget adjustments to estimated quantity contracts previously approved by the Board which exceed the threshold.
- B. The contract was approved by the Board and the change order or amendment, including any change orders or amendments since Board approval was last obtained, results in a substantial change in the contract as determined by an Authorized Officer. Notwithstanding the foregoing, Board approval of change orders shall only be required if the change order is over \$750,000, or over \$250,000 if the change order exceeds 15% of the adjusted contract value, provided that a change order over \$250,000 must be approved by the Authority president or his or her designee.
- C. The miscellaneous service contract was awarded pursuant to the All-Agency Procurement Guidelines and the change order or amendment equals or exceeds the requirements for Board approval under Article IX of the All Agency Procurement Guidelines.
- D. Notwithstanding the foregoing, an Authorized Officer may enter into a change order or amendment in any of the following situations as determined by an Authorized Officer,
 - 1. The existence of an emergency; or
 - 2. The risk of a substantial increase in cost or delay if prompt action is not taken.
- E. The Chief Operating Officer shall establish policies with respect to the delegation of responsibilities set forth in this Article.

Article XIV – Miscellaneous

- A. Any provision of these guidelines may be waived by the Chairman, an Authority President or the Board, or such individuals as they may designate, except to the extent prohibited by law. A waiver may also be in the form of a ratification. If a contract is federally assisted, prior to issuing a waiver, consideration should be given to the steps which may be taken to assure that federal assistance is not jeopardized.
- B. No Board committee procedure or action or Authority policy, other than one approved by the Chairman, shall be inconsistent with these Guidelines.
- C. A contract awarded by an Authority pursuant to the provisions of these Guidelines may provide that the contract includes the requirements of one or more other Authorities.
- D. An Authority may contract for a service available through an existing contract between a contractor and the State of New York or the City of New York or another Authority if: i) the existing contract was awarded pursuant to a process of competitive sealed bids or a competitive request for proposals; ii) the Authority's Authorized Officer determines that the price and other commercial terms specified in the contract are satisfactory; and iii) if board authorization would otherwise be required under these Guidelines, the Board adopts a resolution by a majority vote of the members of the Board present meeting at which a quorum is in attendance which sets forth the reasons why a competitive process is impractical or inappropriate and authorizes the Authority to enter into the contract.
- E. These Guidelines are intended for the guidance of officers and employees of the Authority only. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under or by reason, of any requirement or provision thereof.
- F. Nothing contained in these Guidelines shall be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, the provisions of these Guidelines.
- G. Where applicable federal, state or local laws, ordinances, codes, rules or regulations contain requirements which are in conflict with or which impose greater obligations upon the Authority than these Guidelines, then such requirements shall take precedence over those contained herein.
- H. The Authority shall prepare a publicly available report no less frequently than annually, summarizing procurement activity by the Authority for the period of the report, in accordance with the reporting requirements of Section 2879(6) of the Public Authorities Law.

- I. Nothing in these guidelines shall preclude the Authority from accepting bids or proposals in an electronic format, to the extent permitted by law.

Staff Summary



Metropolitan Transportation Authority

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Subject Travel and Business Expense Policy
Department Corporate Compliance
Department Head Name Lamond W. Kearse
Department Head Signature
Project Manager Name Lamond W. Kearse

Date July 22, 2013
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref # N/A

Board Action					
Order	To	Date	Approval	Info	Other
1	Governance	7/22/13	X		
2	Board	7/24/13	X		

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

Purpose:

To obtain Board authorization of a proposed non-substantive revision to the All-Agency Travel and Business Expense Policy, as set forth on the Attachment to this staff summary.

Discussion:

Pursuant to Public Authorities Law Section 2824, Board members of state authorities are to establish written policies and procedures regarding travel. Based upon a recent review of the existing MTA All-Agency Travel and Business Expense Policy by the Agency Comptrollers, a non-substantive revision to the Policy is proposed.

The non-substantive revision (contained on page 9 of the proposed Policy) would direct employees to MTA's intranet to obtain information regarding MTA's maximum per diem allowance for domestic travel based upon U.S. General Services Administration rates.

Recommendation:

It is recommended that the Board approve the proposed revisions to the All-Agency Travel and Business Expense Policy.

All Agency Policy Directive

TRAVEL AND BUSINESS EXPENSE

Policy Number	Responsible Agency/Department	Effective Date	Page
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I. PURPOSE

The purpose of this All-Agency Policy Directive is to establish a standardized policy for employees of MTA Headquarters and its Constituent Agencies (collectively, to be referred to as the "Authority") when incurring, recording, approving and claiming reimbursement for eligible travel and business expenses.

II. SCOPE

This Policy Directive applies to all employees of the MTA including MTA Headquarters (including the Business Service Center), MTA Long Island Rail Road, MTA Capital Construction, MTA Bridges and Tunnels, MTA Bus Company, MTA Metro-North Railroad, MTA New York City Transit, and all future subsidiary/affiliated entities of the MTA.

III. DEFINITIONS

1. Agency Head: An "Agency Head" is defined as including: the Chairman/Chief Executive Officer and Agency Presidents.
2. Authorized Signer: An individual who has been granted the authority to approve employee expense documents and travel authorization requests.
3. Business Meal: A meal (breakfast, lunch, dinner, or other) whereby the attendees' principal function is to conduct Authority business.
4. Constituent Agencies: For the purposes of this policy, the group of agencies referred to as "Constituent Agencies" include: MTA Long Island Rail Road; MTA Metro-North Commuter Railroad; MTA New York City Transit; MTA Staten Island Railway; MTA Bridges and Tunnels; MTA Capital Construction; MTA Bus Company and all future subsidiary/affiliated entities of the MTA.
5. Foreign Travel: Travel outside the Continental United States is considered "Foreign Travel."
6. Local Travel: Travel inside the New York Metropolitan area is considered "Local Travel."

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TRAVEL AND BUSINESS EXPENSE

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7. Official Station: A location within 35 miles of the office where an employee is regularly assigned is her/her "Official Station."
8. Out-of-Area Travel: Travel outside the New York Metropolitan area or an employee's Official Station; and beyond the boundaries of the States of New York, New Jersey and Connecticut is considered "Out-of-Area Travel."
9. Per Diem Allowance: A payment made to reimburse, without receipts, the personal meal expenses of an Authority employee, payable under certain conditions on days when the employee is in travel status is a "Per Diem Allowance."
10. Travel Status: An employee who travels outside his/her Official Station for at least three consecutive hours on Authority business on a regular workday, authorized holiday or weekend is in "Travel Status." Employees of the Long Island Rail Road and Metro-North Commuter Railroad must see "SPECIAL NOTE", below, for proper determination of travel status designation.

SPECIAL NOTE:

Long Island Rail Road employees must travel outside of their Official Station and outside of the Borough of Queens and the Counties of Nassau and Suffolk to be considered in any type of travel status.

Metro-North Commuter Railroad employees must travel at least 35 miles beyond Metro-North territory to qualify for any type of travel status designation.

IV. POLICY

A. GENERAL

1. Policy Authority: This policy takes precedence over all other policies of any MTA Constituent Agency regarding reimbursement of employee travel and business expenses.

All Agency Policy Directive

TRAVEL AND BUSINESS EXPENSE

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2. Categories of Expenditures: This policy instruction covers the general categories of expenditures related to business travel and meal expenses, such as, transportation, lodging, per diem meals, business meals, and other miscellaneous expenses.
3. Actual and Necessary Expenses: Reimbursement for travel and business expenses will be made only for actual and necessary expenses incurred in the performance of official duties and upon submission of properly documented and approved employee expense reports as outlined in this policy instruction.
4. Travel Arrangements through Travel Agent: Except as set forth herein, employees must make all arrangements for lodging and transportation (excluding local travel) through the Authority's official Travel Agent. Amtrak train tickets may be purchased directly from Amtrak without use of the Travel Agent provided such tickets are purchased at a widely available discount rate. Employees can make lodging reservations directly at a location if they are attending conferences, seminars or meeting at that location and the travel agent is unable to book alternative lodging that is cost effective (after taking into account the cost of travel to alternative lodging). Travel arrangements secured by any other means must be fully explained and justified in writing by the employee and approved according to the Agency-specific procedures covered in Section V.
5. Discounted, No Cost or Reimbursed Travel: Prior to accepting discounted or no cost travel arrangements or travel arrangements reimbursed by a source other than MTA, Employees should review Sections 2.01, 3.03, and 3.08 of the MTA All Agency Code of Ethics or consult their Agency Ethics Officer.
6. Emergency Situations: During an emergency situation or under extraordinary circumstances, expenses which normally would be disallowed may be considered for reimbursement. The employee must provide a complete explanation of the emergency and the need for the expense, and obtain approval from the respective Agency Head or his/her designee. This documentation must be submitted along with the employee's expense report.

All Agency Policy Directive

TRAVEL AND BUSINESS EXPENSE

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B. AUTHORIZATION

1. General: All employee travel and business expense reports must be approved by the employee's Supervisor or, if the Supervisor is not authorized to approve such expenses, by the next highest individual in the employee's chain of command designated as the Authorized Signer to approve expense documents.
2. Expense Reports of Agency Heads: Travel and business expense reports of Agency Heads must be approved by the MTA Chairman/CEO or his/her designee.
3. Reports Covering Business Meals for More than One Employee: Travel and business expense reports covering business meals for more than one employee must be submitted by the highest-ranking employee and approved according to this policy.
4. Expenditures Requiring Prior Approval: All business travel must be approved in advance. Requests for travel must be made by an employee by completing an Agency-designated travel request form. In addition, prior approval is required for cash advance requests; expenses to be directly billed to the Authority; interview and relocation expenses; and other special circumstances as described in this policy instruction. See the respective section of this policy to determine the approval requirements.

C. METHODS OF PAYMENT

1. Payment by Employees: Employees are expected to pay for their business and travel expenses at the time they are incurred. Payment in advance is permitted if necessary to secure reservations and/or advantageous rates.
2. Direct Billing: Direct billing to the Authority is permitted when advantageous to the Authority. Arrangements for direct billing are subject to prior approval. See Section V, Agency-specific procedures for the required approvals.
3. Cash Advances: An Employee may request a cash advance to cover anticipated business and travel expenditures eligible for reimbursement under this policy instruction. No cash advances will be granted for interview and relocation expenses. Requests for cash advances must be made using an Agency-designated

All Agency Policy Directive

TRAVEL AND BUSINESS EXPENSE

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form and must be approved according to the Agency-specific procedures. Cash advances needed for out-of-area travel must be approved by the Agency Head, or designee.

Cash advances will be disbursed through payroll. Refunds of unused portions of cash advances from employees will be accepted only by personal check, money order, or bank check. Cash will not be accepted.

If the trip is canceled or postponed, appropriate documentation must be filed and the cash advance must be returned within five business days of notification of the cancellation or postponement.

4. Credit Cards: Employees who have been authorized to purchase goods and services for business and travel purposes with an Authority credit card must account for these purchases by filing expense reports. Expense reports must be filed even in those instances when no additional business expenses are incurred. Authority credit cards are not to be used for personal items.

D. DOCUMENTATION

1. Use of Travel Request Form: Plans for travel must be documented and requested, in specific detail, by the employee on an Agency-designated travel request form.
2. Use of Expense Report Form: Travel and business expenses must be reported on an Agency-designated employee expense report form.
3. Actual Expenditures: Unless specifically exempted herein, all reimbursements for employee expenses must be based on actual expenditures and must be supported by receipts or other acceptable documentation.
4. Acceptable Documentation: Acceptable documentation may include ticket stubs; paid receipts; invoices indicating dates and amounts of payment; original cardholder's copies of validated credit card charge vouchers; or copies of the employee's canceled checks. With the exception of canceled checks, original documents, not copies, must be submitted.

All Agency Policy Directive

TRAVEL AND BUSINESS EXPENSE

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5. Statement of Purpose: A specific statement of the business purpose must be included on the employee's expense report. General statements such as "on official business," "by direction of supervisor," or "in connection with duties as director of division" will not suffice.
6. Conventions and Conferences: Travel vouchers for expenses incurred when attending conventions and conferences must be supported by program literature setting forth the opening and closing dates of the convention.
7. Documentation of Authorization: Copies of any documents approved by an appropriate Agency official authorizing the travel must be attached to the employee's expense report.
8. Cash Advances: Cash advances must be requested using the appropriate BSC cash advance request form. The approved form must be attached to the expense report along with related schedules and other documentation.
9. Separate Reports: Separate reports should be filed for each business trip. Requests for reimbursement for different types of expenses (local business meals; business travel and out-of-town business meals; interview and relocation expenses) should be submitted on separate employee expense report forms.
10. Timeliness of Report Submission: Employee expense reports must be submitted in accordance with the time frames established by the respective Agency Head or his/her designee. See Section V, Agency-specific Procedures, for timing requirements regarding the filing of expense reports.

E. TRAVEL (GENERAL POLICY)

1. Official Business: Reimbursement for travel and business expenses of employees will be made only for actual and necessary expenses in the performance of official duties upon proper documentation.
2. Out-of-Area Travel: Employees who are planning out-of-area travel for business must obtain prior written approval of their respective Agency Head or his/her designee. Employees, who usually travel to Washington, D.C. or other out-of-area locations, should request blanket approval from their Agency Head or his/her

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designee. Out of area travel costing more than \$1,500 or by an Agency Head requires the prior written approval of MTA's Chief of Staff.

3. Travel: Except as provided above in Section IV. A.4, all Authority business travelers must make arrangements for all lodging and transportation needs (excluding local travel) through the Authority's official Travel Agent. Travel must be by the most cost effective route reasonably possible, and must be by either coach, economy, or equivalent discount fare unless (a) the trip is of an emergency nature and coach, economy or equivalent discount fares are not available; or (b) a business purpose necessitates late night and/or over-night travel or requires continuous air travel in excess of six hours in duration. Any travel by other than coach, economy, or equivalent fare must be approved in writing in advance by the Agency Head or his/her designee. Unless so approved, an employee shall assume any extra expense incurred.

It is important that travelers make airline reservations as much in advance as possible to secure the lowest possible fare.

F. BUSINESS MEALS

1. Business Purpose: Business meal expenses are reimbursable only when the principal purpose of the meeting or meal is to transact Authority business. A statement of the business purpose must be set forth on the expense report.
2. Attendance: A list of attendees present at the business meal must be included with the expense report.

The cost of food at a business meeting attended only by Authority employees must be approved by an Agency Head or his/her direct reports to be eligible for reimbursement. If a business meal involves consultants and/or contractors hired by the Authority, prior approval is required to be eligible for reimbursement.

3. Responsibility to Report Meals: Business meal expenses must be reported by the highest-ranking employee in attendance.
4. Documentation: Original receipts must be attached to the travel and business expense report.

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5. Maximum Allowance: Business meal expenses are reimbursed at actual but reasonable cost.

G. PER DIEM MEAL ALLOWANCE (DOMESTIC TRAVEL)

1. Eligibility: Employees in travel status are eligible for a per diem allowance (or a portion thereof) to cover certain meals, subject to the following limits on time of departure and return:

When departing from home or office at the beginning of a trip before the following hours:

Breakfast	6:00 a.m.
Dinner	6:00 p.m.

When returning to home or office at the conclusion of a trip after the following hours:

Breakfast	8:00 a.m.
Dinner	8:00 p.m.

Foreign travelers should see Foreign Travel Expense section for per diem allowance discussion.

2. Ineligibility within Employee's Official Station: No per diem meal allowance shall be allowed while an employee is within his or her official station or place of residence, regardless of the departure or arrival times of a particular trip.
3. Ineligibility of Meal Reported as Business Meal: An employee who has been included in an employee expense report requesting reimbursement for a business meal is not eligible for a per diem allowance for the same meal.
4. Documentation: The per diem allowance is payable upon approval of an employee expense report. No receipts are required. The per diem allowance pertains only to an employee's personal meal expenses; business meals involving non-MTA Headquarters or Constituent Agency personnel are discussed in Section IV-F.

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5. Maximum Allowance: The Authority uses the maximum allowable per diem meal allowances for domestic travel set by U.S. General Service Administration (GSA). Links to current and prior year GSA rates as well as other travel related information can be found on MTA's intranet at www.mtahq.org/travel/index.html. Current and prior year rates are available from the GSA website at <http://www.gsa.gov/portal/content/104877>. GSA rates are established based upon a fiscal year beginning October 1. Authority employees must use the rates that were in effect during the date of travel. (Example: if you travel on November 1, 2013 use the GSA rate that would be in effect on that date which would be for fiscal year 2014)
6. It is the policy of the Authority that lunch expenses while in domestic travel status shall remain the obligation of the employee.
7. An employee who has been included in a business meal for which reimbursement is sought under the employee expense policy is not eligible for a per diem allowance for the same meal.

G. TRANSPORTATION

1. Intercity Travel: (Plane, Train, or Bus)
 - a. Travel must be arranged through the authorized MTA Travel Agency except as authorized above in Section IV.A.4. Travel generally shall be by either coach, economy, or equivalent discount fare. All other travel at rates other than coach, economy, or equivalent rates must be approved in advance by the Agency Head or his/her designee to secure reimbursement.
 - b. The employee must attach the passenger's portion of used tickets and must return any unused tickets.
2. Local Travel: (Mass Transit, Taxicabs, etc.)
 - a. The use of established mass transit lines is encouraged.
 - b. If it is necessary to use taxicabs, receipts must be submitted for expenses of \$10

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or more (including tips).

- c. If receipts are not available for individual taxicab rides or mass transit fares of \$10 or more, the employee must explain the circumstances when submitting his/her expense report.

3. Automobiles

- a. Official Cars: If travel by an automobile is required, employees are encouraged to use official vehicles. The MTA All-Agency Policy, 41-002, regarding use of official automobiles must be followed.
- b. Personal Cars: Employees, with approval of their supervisors, will be reimbursed for the use of personal cars at the mileage rate established at intervals by the Authority. This mileage rate, as calculated, includes costs for depreciation, gasoline, oil, maintenance and repairs, and insurance. The current mileage rate can be found on the BSC Travel and Expense Reimbursement Form.
- c. Tolls and Parking Fees: Tolls and parking fees are reimbursable at actual cost. Receipts must be submitted for expenses of \$10 or more. Long-term parking fees (4 or more consecutive days) must be justified as cost effective and reimbursement for long-term fees requires pre-approval.

4. Rental Cars

- a. Justification: Car rental expenses will not be reimbursed unless cost savings based on alternative modes of transportation and/or business necessity can be substantiated. Compact cars should be chosen unless a larger car is justified.
- b. Arrangements: If an employee has been approved to use a rental car while on a business trip, arrangements to rent a car must be made through the Authority's official Travel Agent.
- c. Documentation: The signed car rental agreement, other appropriate receipts and the justification must be submitted with documentation.
- d. Drop-Off Charges: Drop-off charges for one-way rentals should be avoided, if possible, by obtaining a vehicle assigned to the destination city. Advance

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reservations and/or early inquiry will assist in obtaining such vehicles.

- e. Insurance: When renting a car in a domestic location, collision insurance and third-party liability insurance coverage available through the car rental company should not be selected and will not be reimbursed. Employees are covered for any accidents that occur through:

MTA Self Insurance
Risk Management
347 Madison Avenue
New York, New York 10017

This address should be given to the rental car agency if it is requested.

When renting a car in a foreign location, employees are advised to purchase collision insurance and third-party insurance coverage if available through the rental company. These insurance costs are reimbursable to the employee.

- f. Weekly or Discount Rates: If the use is sufficiently long to justify a weekly or other discount rate, efforts should be made to secure such a rate.

I. LODGING

1. Official Business: Hotel and motel room expenses shall be reimbursed when incurred in the conduct of official business.
2. Arrangements: Reservations for hotel/motel stays should be made through the Authority's official Travel Agent.
3. Government Rates: State or Government discount rates shall be secured whenever possible.
4. Weekly or Monthly Rates: If the stay is sufficiently long to justify a weekly or monthly rate, efforts should be made to secure such rates.
5. Documentation: Original hotel bills and receipts for hotel and motel room expenses must be attached to the travel and business expense report.

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6. Tax-Exemption: Lodging accommodations on official business are exempt from payment of occupancy tax in New York State. In addition, Metro-North Commuter Railroad employees are exempt from paying occupancy tax in the State of Connecticut. Employees will not normally be reimbursed for any ineligible taxes included in their bills for lodging. Employees can obtain tax exemption forms to supply to vendors from their respective Agency Comptroller's Office (Accounts Payable Manager).
7. Advance Payment: Requests for a check from MTA Headquarters or a Constituent Agency to make an advance payment for hotel accommodations or registration fees must be made by submitting the applicable agency form to the Agency Comptroller and approved in advance.
8. Ineligible Costs: When the cost of lodging has been included in the cost of a program reimbursable under this policy, no reimbursement will be made for lodging substituted at additional cost.
9. Maximum Allowance: Lodging costs are reimbursed at actual but reasonable cost.

J. EXTENDED OR WEEKEND STAYS; TRAVELING WITH SPOUSE OR OTHERS

1. Extended or Weekend Stays: Any extension of business travel to include weekends or any days prior or following the minimum time necessary to accomplish Authority business is subject to prior written approval. Such approval must be attached to the related employee expense reports. If such an extension will result in increased costs for the Authority, prior approval must be requested from the respective Agency Head or his/her designee. Reimbursement for meals and lodging for authorized extended or weekend stays would apply.
2. Extensions Resulting in Cost Savings: If the extension of business travel beyond the normal length of time necessary will result in overall savings to the Authority when all costs are considered, an analysis of the cost savings using the lowest rates available must be included in the request for approval of the extension. Expenses incurred during the extended portion of trip will be reimbursed only when savings to the Authority can be substantiated.

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3. Traveling with Spouse or Others: Expenses incurred on behalf of a spouse or other person who is not involved in the conduct of Authority business, or expenses incurred while on vacation or personal leave, will not be reimbursed. Such expenses should be deducted from the related expense reports.

K. TELEPHONE AND SIMILAR SERVICES

1. Business Calls and Similar: Employees will be reimbursed for all business calls, telegrams, express mail, facsimile transmissions, or similar expenditures required in the performance of their official duties. Receipts for these expenses must be included as supporting documentation with the employee's expense report.
2. Personal Calls: Reimbursement for personal telephone calls is limited to two per day while in travel status. The calls must be reasonable in length in order to obtain full reimbursement.

L. FOREIGN BUSINESS TRAVEL

1. Foreign travelers can use a per diem rate for reimbursement of meals and incidental travel costs such as laundry and dry cleaning. The Authority uses the foreign travel per diem rates of the U.S. State Department. The rates are available from the MTA Comptroller's Department or from the following Internet website: http://aoprals.state.gov/web920/per_diem.asp Reimbursement for partial day travel should follow the same allocation method as defined for the domestic per diem allowance.
2. Other allowable expenses related specifically to foreign travel include the cost of passports and visas, the cost of immunizations and inoculations (if required or recommended), the cost of car rental insurance coverage, travelers' check fees, currency exchange fees, travel fees and taxes, and airport fees and taxes.
3. It is important that all currency exchange transactions are supported by documentation which reflects the exchange rates used for the transactions. Acceptable documentation will include the exchange rate per the credit card statement or, if not available, the Wall Street Journal rate on the last day of the trip.

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4. Lodging costs are reimbursed at actual but reasonable cost.

M. OTHER REIMBURSABLE EXPENSES

Expenses not specifically listed in the preceding paragraphs shall be reimbursable when incurred for business purposes as follows:

1. Laundry and Dry Cleaning: On domestic trips lasting more than three days, employees will be reimbursed for the actual cost of such services when incurred and paid for after the third day in travel status. Foreign travelers are reimbursed for laundry and dry cleaning costs through the per diem allowance which includes a portion of the rate for incidental cost items.
2. Baggage Checking and Tips: Baggage checking, tips, and normal gratuities are reimbursable. Tips related to another expense such as meals, taxi fare, etc. should be reported in the total cost of the related expenses.
3. Other Miscellaneous Expenses: Reimbursement for any other category of expenditures is subject to the interpretation of the Agency Comptroller.

N. INTERVIEW & RELOCATION EXPENSES

Employees and job candidates eligible for the reimbursement of certain travel, lodging, meal, or other expenses pursuant to the All-Agency Interview and Relocation Policy (11-001) should refer to that policy instruction for further details. Nothing in the Travel and Business Expense Policy shall be interpreted as in any way superseding or mitigating the requirements of the Interview and Relocation Policy.

O. UNALLOWABLE EXPENSES

The following categories of expenditures are eligible for reimbursement only on an exceptional basis, or under the special circumstances outlined in this policy instruction.

1. Direct Billing: No employee may incur business expenses to be billed directly to the Authority, except for the authorized use of Authority credit cards for air travel or gasoline, or as otherwise authorized in advance.

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2. Expenses Incurred on Behalf of Spouse or Others: The costs of travel, lodging, meals, or other expenses for a spouse, dependent, or other person who is not performing official Authority business and who accompanies an employee on a business trip are not reimbursable.
3. Personal, Recreational or Entertainment Expenses: Costs incurred for personal, recreational or entertainment purposes, or while on vacation or personal leave, even when such leave has been approved as an extension of approved business travel, are not reimbursable.
4. Commuting Costs: Transportation costs incurred for commuting between the employee's residence and official work station are not reimbursable.
5. Expenses Eligible for Third-Party Recovery: Business expenses which are legitimately recoverable from a third-party are not reimbursable. Such expenses and recovery must be explained on the employee's expense report.
6. Personal Losses: Reimbursement is not allowed for losses of personal property or the loss of funds or tickets.
7. Substituted Lodging: Costs for this item included in a seminar or other package is not allowed.
8. Clothing, Valet Service, and Similar: Reimbursement for clothing, toiletries, barbering, or similar personal goods or services is not allowed. Laundry and dry cleaning or valet services are reimbursed at actual cost for domestic trips only after an employee has been in travel status for at least three consecutive days, as explained in Section IV-M.1., and as part of the per diem allowance for foreign trips.
9. Alcoholic Beverages: The cost of alcoholic beverages, of any kind, are not reimbursable.
10. Personal Car Expenses: Repairs or maintenance costs of any kind are not reimbursable. Expenses for gasoline, motor oil and other automobile fluids are

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not reimbursable. These types of expenses are included when the standard mileage rate of reimbursement is calculated and determined.

11. Insurance, Fines and Fees: Reimbursement is not allowed for personal credit cards fees, fines for traffic/parking violations, third-party liability insurance on automobile rentals, or travel insurance.

P. RESPONSIBILITIES

1. Agency Comptrollers: Each Agency Comptroller is responsible for overall administration of this Policy Directive for his/her respective agency, and for ensuring that all expenditures included in employee expense reports are in accordance with Authority policy.
2. MTA Comptroller: The MTA Comptroller is responsible for administration of this policy for MTA Headquarters, for providing policy interpretation to the Constituent Agencies, and for establishing effective reimbursement rates.
3. Agency Heads: Exceptions to this policy may be approved in writing by the respecting Agency Head or his/her designee based on the recommendation of the Agency Comptroller.
4. MTA Chairman and Chief Executive Officer: The MTA Chairman/CEO or his/her designee has the authority to grant exceptions to this policy without the recommendation or approval of another Agency Head in circumstances deemed by the MTA Chairman/CEO to warrant special consideration.
5. Authorized Signers: Authorized Signers are responsible for informing their staffs of this policy instruction; for controlling expenditures by careful examination of travel requests and expense reports; and for insuring that only reasonable expenses actually incurred and directly related to Authority business are reported.
6. All Employees: Employees are responsible, prior to incurring any expenses or submitting expense reports, for seeking appropriate authorization from their supervisors and/or clarification from their respective Agency Comptroller's Office of any exceptional circumstances or expenditures.

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V. ADDITIONAL REQUIREMENTS

MTA Headquarters and each of its Constituent Agencies shall issue Agency-specific procedures consistent with this Policy Directive for the recording and claiming of reimbursement for eligible employees travel and business expenses.