

March 2014

MTA Board Action Items



**MEETING AGENDA
METROPOLITAN TRANSPORTATION AUTHORITY BOARD
March 26, 2014 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, April 30, 2014 at 10:00 a.m.

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

**Wednesday, February 26, 2014
10:00 a.m.**

The following members were present:

**Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke**

The following members were absent:

**Hon. Charles G. Moerdler
Hon. David A. Paterson
Hon. James L. Sedore, Jr.**

Catherine Rinaldi, Chief of Staff, Jerome F. Page, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member James Blair, Board Member Ira R. Greenberg, Carmen Bianco, President, NYCTA, Helena Williams, President, Long Island Rail Road, Joseph J. Giuliatti, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, President/SVP, MTA Bus Operations 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

**Regular Board Meeting
February 26, 2014**

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 three (3) public speakers. The following speaker addressed action item #3 on the MTA Committee on Finance agenda:

Richard Ravitch, Former MTA Chairman

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 the content of the speaker's statement and identification and comments of the other speakers.

2. **CHAIRMAN'S OPENING COMMENTS.**

The Chairman called for a moment of silence in honor of William Pena, an MTA Bus Operator, who was killed when a stolen truck ran into his bus.

Chairman Prendergast, following up on the safety presentations provided by the agencies at the committee meetings on Monday, provided an overview of the top-level safety-related actions taken over the past month in support of the MTA's renewed commitment to safety across the agencies.

In line with the new safety initiatives, the Chairman announced that he has created the position of Chief Safety Officer, a senior management position reporting directly to the Chairman to ensure safety is a top priority throughout all MTA operations. Chairman Prendergast announced the creation of a new Safety Committee of the Board to provide focused oversight of safety issues. In addition, the Chairman said that to ensure that safety remains a top priority each agency's Chief Safety Officer will begin reporting directly to the agency's president. At Metro-North Railroad, where safety and security currently report to the same position, the Chairman announced the separation of the safety function from the security-management function, and he said that the new Chief Safety Officer, Anne Kirsch, would only manage matters relating to safety at Metro-North.

Chairman Prendergast introduced Joseph Giulietti, President of Metro-North and he announced the appointment of Jerome F. Page as MTA's General Counsel. The Chairman welcomed Mr. Giulietti back to the MTA family and he welcomed Mr. Page to his new position.

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on January 29, 2014.

4. **COMMITTEE ON FINANCE.**

A. **Action Items.** Upon motion duly made and seconded, the Board approved the following action items, described in further detail in the staff summaries and documentation filed with the meeting materials. Board Member Mark Page abstained from the vote on item #3 below.

1. **2013 TBTA Operating Surplus.** Approved a resolution which will:
 - (i) certify and transfer \$614,210,249 of operating surplus to the MTA and NYCTA pursuant to Section 1219-a(2)(b) of the Public Authorities Law (“PAL”) of the State of New York;
 - (ii) Transfer \$131,302 representing 2013 investment income to the MTA pursuant to Section 569-c of the PAL;
 - (iii) Deduct from the operating revenues of the TBTA for its fiscal year ending December 31, 2014 the amount of \$25,895,344, which amount shall be paid into the Necessary Reconstruction Reserve established by the Authority by resolution adopted March 29, 1968;
 - (iv) Deduct from the operating revenues of the TBTA for its fiscal year ending December 31, 2014 and set aside into a special account, an amount determined from time-to-time by such Authority to help fund post-retirement liabilities other than pension benefits of its employees; and
 - (v) Advance the 2014 TBTA Surplus as set forth in the resolution.
2. **Mortgage Recording Tax (MRT-2) – Escalation Payments to Dutchess, Orange and Rockland Counties.** Authorized the escalator payments totaling \$2,844,289.57 to Dutchess, Orange and Rockland counties from available funds on deposit in the MRT-2 Corporate Transportation Account.
3. **Verrazano Narrows Bridge (“VNB”) Rebate Program.** Approved a resolution delegating authority to the MTA Chairman and Chief Executive Officer to take such actions as may be necessary or appropriate in connection with the proposed VNB Staten Island Resident Rebate Program and the VNB Commercial Rebate Program, including conducting environmental review of the proposed VNB Rebate Programs as may be required by the State Environmental Quality Review Act, prior to making a determination to implement such programs.

B. **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. **Various Contractors – As-Needed Purchase of Canines for MTAPD – Nos. 13180-0100 thru 0800.** Approved competitively negotiated contracts with Alabama Canine Law Enforcement Officer’s Training Center, Inc., Blue Rebel K9, LLC, Cobra Canine, LLC, Law Enforcement Training Services, LLC, iK9, LLC, Shallow Creek Kennels Inc., Controlled F.O.R.C.E. K9, and East Coast K-9

Academy, LLC (d/b/a Connecticut Canine Services) to provide, on an as-needed basis, canines for dual purposes of explosive detection and patrol duties.

2. Gartner, Inc. – MTA Information Technology (“IT”) Transformation – No. 14037-0100. Approval to ride a New York State competitively negotiated contract to provide as-needed IT consulting services to assist MTA with its IT Transformation Initiative.
 3. Oracle America, Inc. – All-Agency Software Implementation, Hosting and Training Services – No. 13229-0100. Approved a competitively negotiated contract to provide all-agency, software implementation services, hosting and training for the Oracle Hyperion Planning consolidated budgeting system.
 4. AFT Project at LIRR Facility. Approved a competitively negotiated contract to provide technical design, fabrication, crating, storage, delivery, installation and oversight of installation of materials at the MTA LIRR Moe Booker, Wyandanch Station Facility, Ronkonkoma Line.
- C. Real Estate Items. Upon motion duly made and seconded, the Board approved the following real estate items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

Metro-North Commuter Rail Road

1. Lease agreement with North Fork Wines & Vineyards LLC d/b/a One Woman Wines for Retail Space MC-05 for use as a “TASTE NY” location selling alcoholic and non-alcoholic beverages, specialty foods and other culinary products grown or produced in New York State at Grand Central Terminal, N.Y.
2. Long-term sublease with Degennaro Construction, LLC, with purchase options, of the Ardsley-on-Hudson station building and outdoor lot for parking located on Metro-North’s Hudson Line.

Long Island Rail Road

3. Lease modification and extension with Sutphin LLC for office space located at 90-27 Sutphin Boulevard, Jamaica Queens, N.Y.

MTA Capital Construction

4. Approval to proceed with negotiated purchase or condemnation of permanent and temporary easements in property known as 335 Madison Avenue and owned by 335 Madison Avenue LLC (controlled by Milstein Properties Corp.), Block 1278, Lot 20, in support of construction and operation of two new elevators in connection with the MTA LIRR’s East Side Access Project.

5. **GOVERNANCE COMMITTEE.** Upon motion duly made and seconded, the Board approved the following items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.
 1. **Revisions to MTA Code of Ethics.** Approved amendments to the existing MTA All-Agency Code of Ethics.
 2. **Revisions to Committee Charters.** Approved revisions to the Corporate Governance and Finance Committee Charters.

6. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board voted to convene an executive session in accordance with Section 105(1)(e) of the New York State Public Officers Law to discuss matters relating to collective negotiations.

Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.

7. **ADJOURNMENT.** Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:20 a.m.

Respectively submitted,

Victoria Clement
Assistant Secretary

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

**Wednesday, February 26, 2014
10:00 a.m.**

The following members were present:

**Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke**

The following members were absent:

**Hon. Charles G. Moerdler
Hon. David A. Paterson
Hon. James L. Sedore, Jr.**

Catherine Rinaldi, Chief of Staff, Jerome F. Page, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member James Blair, Board Member Ira R. Greenberg, Carmen Bianco, President, NYCTA, Helena Williams, President, Long Island Rail Road, Joseph J. Giulietti, President, Metro-North Rail Road, James Ferrara, President, TBTA, Darryl Irick, President/SVP, MTA Bus Operations and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.

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

2. **PUBLIC COMMENT PERIOD**

One public speaker addressed NYC Transit/MTA Bus issues:

Murray Bodin discussed the issue of crowding on trains.

3. **CHAIRMAN PRENDERGAST'S COMMENTS**

Details of Chairman Prendergast'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 NYC Transit/SIR/MTA Bus Company.

4. **MINUTES**

Upon motion duly made and seconded, the Board unanimously approved the minutes of the regular board meeting of MTA NYC Transit, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Railway Transit Operating Authority, and MTA Bus Company held on January 29, 2014.

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

Action Item: Upon motion duly made and seconded, the Board authorized MTACC to enter into an access and work agreement with 301/69 Street Owners Corp. to construct alterations to a privately owned building located at 301 East 69th Street for Entrance 1 of the 72nd Street Station.

Procurements:

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

6. **CORPORATE GOVERNANCE COMMITTEE**

Upon motion duly made and seconded, the Board approved: (i) amendments to the existing MTA All-Agency Code of Ethics and (ii) revisions to the Corporate Governance and Finance committee charters.

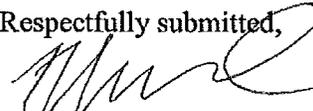
8. **EXECUTIVE SESSION**

Upon motion duly made and seconded, the Board voted to convene an executive session in accordance with Section 105(1)(e) of the New York State Public Officers Law to discuss matters relating to collective bargaining negotiations. Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.

9. **ADJOURNMENT**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:20 a.m.

Respectfully submitted,



Mariel A. Thompson
Assistant Secretary

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company
Wednesday, February 26, 2014
10:00 a.m.

The following members were present:

Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Charles G. Moerdler
Hon. David A. Paterson
Hon. James L. Sedore, Jr.

Joseph J. Giuliatti, President, Metro-North Railroad, Catherine Rinaldi, MTA Chief of Staff, Jerome F. Page, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member James Blair, Board Member Ira R. Greenberg, Carmen Bianco, President, NYCTA, Helena Williams, President, Long Island Rail Road, James Ferrara, President, TBTA, Darryl Irick, President/SVP, MTA Bus Operations Michael Horodniceanu, President, MTA Capital Construction, John Kesich Metro-North Railroad (MNR) Senior Vice President Operations, Donna Evans, MNR Chief of Staff, James B. Henly, MNR General Counsel and additional officers of Metro-North Railroad also attended the meeting.

Chairman Prendergast called the meeting to order.

1. Public Speakers: There were three public speakers.

Murray Bodin of Concerned Grandparents commented on the safety devices used at railroad crossings. He expressed his opinion that the railroad should convert older rail cars to three car articulated units which would enable the railroad to operate nine and 10 car trains on eight car platforms.

The details of all the speakers' comments are contained in the video recording of the meeting, produced by the Metropolitan Transportation Authority (MTA) and maintained in the MTA records and in the minutes of the other Agencies of this date.

2. Chairman's Opening Remarks:

The Chairman called for a moment of silence in honor of William Pena, an MTA Bus Operator, who was killed when a stolen truck ran into his bus.

Chairman Prendergast, following up on the safety presentations provided by the agencies at the committee meetings on Monday, provided an overview of the top-level safety-related actions taken over the past month in support of the MTA's renewed commitment to safety across the agencies.

In line with the new safety initiatives, the Chairman announced that he has created the position of Chief Safety Officer, a senior management position reporting directly to the Chairman, to ensure safety is a top priority throughout all MTA operations. Chairman Prendergast announced the creation of a new Safety Committee of the Board to provide focused oversight of safety issues. In addition, the Chairman said that to ensure that safety remains a top priority each agency's Chief Safety Officer will report directly to the agency's president. The Chairman announced that at Metro-North Railroad, where safety and security functions currently are grouped in the same department, the safety function would be separated from the security-management function, enabling the Chief Safety Officer, Anne Kirsch, to focus undivided attention on management of matters relating to safety at Metro-North.

Chairman Prendergast introduced Joseph Giuliatti, the new President of Metro-North and he announced the appointment of Jerome F. Page as MTA's General Counsel. The Chairman welcomed Mr. Giuliatti back to the MTA family and Mr. Page to his new position.

3. Approval of Minutes:

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of January 29, 2014 were approved.

4. Committee on Finance:

Action Item:

Upon motion duly made and seconded, the MTA Board approved the following action item. A staff summary setting forth the details of the above item is filed with the minutes of the meeting of the MTA Board held this day.

- Authorization of MRT-2 escalator payments to Dutchess, Orange and Rockland Counties.

Procurements:

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

- A rider to an OGS contract with Gartner, Inc. to provide as-needed information technology consulting services assist the effort to consolidate the agencies' information technology divisions.
- An all-agency, competitively negotiated contract with Oracle America, Inc. to provide software implementation and hosting services.

Staff summaries setting forth the details of the above items are filed with the minutes of the meeting of the MTA Board held this day.

Real Estate Items:

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

- Lease with North Fork Wines & Vineyards, LLC, d/b/a One Woman Wines for a TASTE NY location selling alcoholic and non-alcoholic beverages, specialty foods and other culinary products grown or produced in New York State in Retail Space MC-05 at Grand Central Terminal.
- Long term sublease with purchase option relating to Ardsley-on-Hudson Station Building with Degennaro Construction, LLC.

Staff summaries setting forth the details of the above items are filed with the minutes of the meeting of the MTA Board held this day.

5. Committee on Metro-North Railroad:

Procurements:

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

- A non-competitive, negotiated, one-time purchase of On-Board Communication Public Address Controller Head equipment for Metro-North coach cars from Axion Technologies (USA) Ltd., the Original Equipment Manufacturer (OEM) and sole authorized supplier for this equipment.

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

- As part of the continuing right-of-way improvement program, ratification of an expedited lease of a hi-rail backhoe with various attachments from Ballast Tools

Equipment Company to assist in-house maintenance of way forces in performing track and drainage improvements and tie replacement to address subterranean deterioration.

- As part of the continuing right-of-way improvement program, ratification of a contract with East Coast Railroad Services (ECRS) for the removal and disposal of concrete ties which were damaged as a result of the on-going right-of-way improvements, as well as, the Spuyten Duyvil derailment.
- Ratification of the emergency purchase and delivery of a main diesel engine from Stewart & Stevenson Power, Inc. to replace the engine of a BL-20 locomotive that is currently out-of-service due to main engine failure.

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

6. Committee on Governance:

Upon motion duly made and seconded, the MTA Board approved the following item recommended to it by the Committee on Governance that relates to Metro-North.

- Amendments to the existing MTA All-Agency Code of Ethics.

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

7. Executive Session:

Upon motion duly made and seconded, the Board voted to convene in Executive Session pursuant to Section 105(1)(e) of the New York State Public Officers Law to discuss matters relating to collective negotiations. Thereafter, upon motion duly made and seconded, the Board voted to reconvene in public session.

8. Adjournment:

Upon motion duly made and seconded, the members of the Board present voted to adjourn the meeting at 11:20 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, February 26, 2014
10:00 a.m.

The following members were present:

Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Charles G. Moerdler
Hon. David A. Paterson
Hon. James L. Sedore, Jr.

Catherine Rinaldi, Chief of Staff, Jerome F. Page, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member James Blair, Board Member Ira R. Greenberg, Carmen Bianco, President, NYCTA, Helena Williams, President, Long Island Rail Road, Joseph J. Giulietti, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, President/SVP, MTA Bus Operations and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.

Chairman Prendergast called the meeting to order.

1. Public Speakers:

There were three public speakers, none of whom spoke concerning LIRR agenda items. The details of the speakers' comments are contained in the video recording of the meeting, produced by MTA and maintained in the MTA records, and in the minutes of the other Agencies of this date.

2. **Opening Remarks:**

The Chairman called for a moment of silence in honor of William Pena, an MTA Bus Operator, who was killed when a stolen truck ran into his bus.

Chairman Prendergast, following up on the safety presentations provided by the agencies at the committee meetings on Monday, provided an overview of the top-level safety-related actions taken over the past month in support of the MTA's renewed commitment to safety across the agencies.

In line with the new safety initiatives, the Chairman announced that he has created the position of Chief Safety Officer, a senior management position reporting directly to the Chairman to ensure safety is a top priority throughout all MTA operations. Chairman Prendergast announced the creation of a new Safety Committee of the Board to provide focused oversight of safety issues. In addition, the Chairman said that to ensure that safety remains a top priority each agency's Chief Safety Officer will begin reporting directly to the agency's president. At Metro-North Railroad, where safety and security currently report to the same position, the Chairman announced the separation of the safety function from the security-management function, and he said that the new Chief Safety Officer, Anne Kirsch, would only manage matters relating to safety at Metro-North.

Chairman Prendergast introduced Joseph Giulietti, President of Metro-North and he announced the appointment of Jerome F. Page as MTA's General Counsel. The Chairman welcomed Mr. Giulietti back to the MTA family and he welcomed Mr. Page to his new position.

3. **Approval of Minutes:**

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of January 29, 2014 were approved.

4. **Committee on Finance:**

Procurements:

Among the Finance Committee procurements approved were the following: the ride of an OGS contract, in the not-to-exceed amount of \$196,092, with Gartner, Inc. to provide Consulting Services assisting the effort to consolidate the agencies' information technology divisions; a \$7,641,199 competitively negotiated award to Oracle America, Inc. for All-Agency Software Implementation and Hosting Services; and a \$275,000 competitively negotiated award for AIT Project installation to Moe Brooker, at the LIRR Wyandanch Station Facility.

Real Estate Items:

Upon motion duly made and seconded, the Board approved the following real estate item relating to LIRR:

- Lease modification and extension with Sutphin LLC for the period of January 1, 2015 through June 30, 2015 for leased space at 90-27 Sutphin Boulevard, Jamaica Queens, at the per annum rate of \$475,104.
- With respect to the MTA LIRR East Side Access Project, on behalf of MTACC, authorization to commence steps for acquisition of permanent and temporary easements in 335 Madison Avenue, NY, NY to support construction and operation of two new elevators.

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

5. Long Island Rail Road Committee:

Procurements:

There were no LIRR procurement items presented at this meeting.

MTA Capital Construction Procurements:

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

1. Approval to employ the Request for Proposal method for Grand Central Terminal Fit-Out Contract, Contract No. CM014B.
2. Modification to Contract No. CH053 for the reconfiguration of manholes associated with traction power.

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

6. Committee on Governance:

Upon motion duly made and seconded, the Board approved the following item recommended to it by the Committee on Governance that relates to LIRR.

- Amendments to the existing MTA All-Agency Code of Ethics.

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.

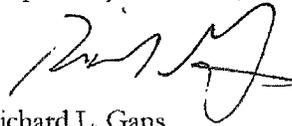
7. **Executive Session:**

The Board convened into Executive Session pursuant to Section 105(1)(e) of the New York State Public Officers Law to discuss matters relating to collective negotiations. Thereafter, upon motion duly made and seconded, the Board voted to reconvene in public session.

8. **Adjournment:**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:20 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard L. Gans", written in a cursive style.

Richard L. Gans
Secretary

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
February 26, 2014

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

10:00 a.m.

The following members were present:

Hon. Thomas F. Prendergast, Chairman & CEO, MTA
Hon. Fernando Ferrer, Vice Chairman, MTA
Hon. Andrew Albert
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Mark D. LeBow
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke

Not Present:

Hon. Charles G. Moerdler
Hon. David A. Paterson
Hon. James L. Sedore, Jr.

Catherine Rinaldi, Chief of Staff; Jerome F. Page, MTA General Counsel; Stephen J. Morello, Counselor to the Chairman; Board Member James Blair; Board Member Ira R. Greenberg; Carmen Bianco, President, New York City Transit; Helena Williams, President, Long Island Rail Road; Joseph J. Giulietti, President, Metro-North Railroad; James Ferrara, President, Triborough Bridge and Tunnel Authority; Darryl Irick, President/SVP, MTA Bus Operations; 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.

Chairman and Chief Executive Officer Prendergast called the meeting to order.

1. **Public Speakers**

There were three (3) public speakers. Richard Ravitch, a former MTA Chairman, objected to the proposed Verrazano-Narrows Bridge (VNB) Toll Rebate Programs. He discussed the Board's fiduciary responsibilities and that lowering the VNB tolls is a breach of those responsibilities. He recognized that the MTA is in the midst of labor negotiations where it is being appropriately asserted that the MTA's financial constraints make it impossible to meet the labor unions' demands. In his opinion, the unaffordability argument is inconsistent with voluntarily reducing the revenues of the MTA. Lowering the tolls will result in reduced revenue and capacity to incur debt for capital purposes in the next Five-Year Capital Plan.

Joseph Cutrufo of Tri-State Transportation Campaign, urged the Board to reject the proposal to reduce the VNB tolls because the inequity that must be addressed is Staten Island's lack of robust transit and better options so they can choose not to drive. The toll reductions are bad policy because they incentivize driving and contribute to traffic congestion. The proposed \$7 million loss to the MTA and the proposed \$40 million diversion of dedicated transit revenue from the State represent that many opportunities to improve service are lost with the overall decrease of \$47 million in the MTA budget. Toll relief for one year is not a strategy that addresses Staten Island's long-term transportation needs.

The remaining public speaker 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. **Chairman and Chief Executive Officer Prendergast's Opening Comments**

Chairman Prendergast opened his remarks with a moment of silence for a bus operator who was killed when a stolen truck slammed into his bus. In addition, Chairman Prendergast discussed the MTA's renewed commitment to providing safe and reliable service to our customers. A Corporate Chief Safety Officer position was created to oversee safety at all MTA agencies. Each agency will ensure that its top safety official reports directly to the agency's president, to reinforce that safety is a prime concern for every agency's management. At Metro North Railroad the safety functions will be separated from the security management function so that Anne Kirsch, the new Chief Safety Officer, will only manage safety. Finally, Chairman Prendergast introduced Joseph Giulietti as President of MNR and Jerry Page as MTA General Counsel.

The details of Chairman and CEO Prendergast'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 January 29, 2014**

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on January 29, 2014 were approved.

4. **Committee on Finance**

Upon motions duly made and seconded, the Board approved the following Action Items recommended to it by the Committee on Finance, however, Commissioner Page abstained from the vote on the third Action Item, below:

(a) Action Items:

1. Transfer of the 2013 TBTA operating surplus as described in the Staff Summary and Resolution distributed at the Bridges and Tunnels and the Finance Committee meetings;
2. Authorization of the MRT-2 escalation payments to Dutchess, Orange and Rockland Counties; and
3. Two Verrazano-Narrows Bridge (VNB) Toll Rebate Programs as described in the Staff Summary and Resolution distributed at the Bridges and Tunnels and the Finance Committee meetings.

With regard to the VNB Toll Rebate Programs, Commissioner Cappelli expressed his support and recognized the support of the State for the Staten Island Resident and Commercial Rebate Programs as interim relief for Staten Island residents and commercial businesses regionally, while recognizing that investment is needed in Staten Island's infrastructure to improve public transportation.

Commissioner Pally expressed his support for the Rebate Programs and stated that it should be part of a larger more far-reaching MTA-wide services relief program for residents and commuters throughout the region.

Commissioner Metzger stated that the inequities in MTA services abound and should be explored and that she is opposed to a piecemeal relief approach.

Commissioners Albert and Blair asked for clarification as to whether the Rebate Programs would be for one year or successive years and whether the Legislature and the MTA would have to annually reappropriate funds to support the programs. Chairman Prendergast, Mr. Ferrara and Mr. Page responded that the Rebate Programs are multi-year programs provided that the Legislature commits funds for half of the Rebate Programs each year. Commissioner Albert commented that the TBTA tolls are too high and that they should be realigned.

Commissioner Wortendyke stated that due to current labor union negotiations and other issues, action should not be taken with regard to the Rebate Programs, which should be looked into in the future.

Commissioner Kay recognized that while there are service inequities throughout the MTA system that need to be addressed, the Rebate Programs represent an incremental change where the State is a funding partner with the MTA.

Commissioner Brown questioned why lowering tolls is the only method to address inequities for Staten Island since bus service and free ferry service also provide transportation to and from Staten Island. The Staten Island resident tolls already represent a substantial toll reduction. Instead of lowering the tolls further, other Staten Island service inequities should be addressed because fares and service should have an equal claim on revenue.

With respect to the Board's fiduciary obligations, Commissioner Ballan stated that the Board carefully reviewed the facts and considered the impact on the MTA system and he recognized that the Board has wide latitude to make policy decisions related to tolls and service. He also confirmed with Mr. Page that the Resolution does not violate the bond covenants to which the Board is obligated.

Commissioner Saul commented that the Legislature should be held to funding the Rebate Programs if the State wants them to continue.

Commissioner Page stated that the State has determined that it will support the VNB Rebate Programs but that the Board would not be taking such action alone in light of its resources. The MTA's basic agenda is mass transit and more efficient use of its facilities. Because he believes this is a State initiative, he intends to abstain from the vote. Finally, Commissioner Page stated that the Board has not considered all of the judgmental considerations that it normally would to balance out and consider an investment of this kind.

Commissioner Greenberg expressed his concern about the \$7 million impact on the MTA and the equity with others throughout the region. He stated that going forward the Board needs to look at increases in service.

Chairman Prendergast discussed the fiduciary responsibility of the Board and recognized that the Board is exercising its fiduciary responsibilities. He stated that he is committed to bring forward at the Mid-Year Forecast in July whatever resources that the MTA has to see if there are opportunities to add service that was cut in 2010 or implement new service based on matching available resources to identifiable needs in service. Chairman Prendergast stated that he is in support of the VNB Rebate Programs and recognized that they are important to the State and that the MTA depends on the State's support. He also stated that the MTA is able to charge more in fares and tolls in order to use the revenue to subsidize public transportation initiatives and operations to meet the MTA's needs and responsibilities.

(b) Procurements:

4. 4 competitive procurement actions in the amount of \$8.4 million, and
5. No ratifications.

(c) Real Estate Items:

6. 4 real estate action items.

A copy of the staff summaries, resolutions and documents setting forth the details of the above items, as well as discussion with regard to same, are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority held this day.

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

Procurements

Commissioner Cappelli stated that there are two (2) procurements totaling \$12.913 million.

Non-Competitive Procurements

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

Competitive Procurements

Commissioner Cappelli stated that there are two (2) competitive procurement totaling \$12.913 million.

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

Competitive Requests for Proposals

Mass. Electric Construction Co.	Contract No. VN-87 Provide Design/Build Services for a New 5kV Electrical Switchgear Substation at the Verrazano-Narrows Bridge.	\$11,432,000.00
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Personal Service Contracts

HNTB New York Engineering & Architecture, P.C.	Contract No. PSC-13-2945 Provide Consultant Services for Developing Specifications for a New York E-ZPass Customer Service Center.	\$1,481,494.00
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Commissioner Cappelli stated that there are no ratifications.

6. **Executive Session**

Upon a motion duly made and seconded, the Board unanimously voted to convene in Executive Session pursuant to Public Officers Law §105(1)(e) to discuss matters relating to collective negotiations.

7. **Public Session**

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

8. **Adjournment**

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 11:20 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Julia R. Christ".

Julia R. Christ
Acting Assistant Secretary

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

**Wednesday, February 26, 2014
10:00 a.m.**

The following members were present:

Hon. Thomas F. Prendergast, Chairman & Chief Executive Officer
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. Carl V. Wortendyke

The following member was absent:

Hon. Charles G. Moerdler
Hon. David A. Paterson
Hon. James L. Sedore, Jr.

Catherine Rinaldi, Chief of Staff, Jerome F. Page, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member James Blair, Board Member Ira R. Greenberg, Carmen Bianco, President, NYCTA, Helena Williams, President, Long Island Rail Road, Joseph Giuliatti, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, President/SVP, MTA Bus Operations 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.

Chairman and Chief Executive Officer (“CEO”) Prendergast called the meeting to order.

Public Comment Period

There were three public speakers, none of whom spoke on MTA Capital Construction Company matters. The names of the speakers and the subject matter of their comments are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held on February 26, 2014.

Chairman and Chief Executive Officer's Opening Remarks

Chairman and Chief Executive Officer ("Chairman") Thomas F. Prendergast opened up by requesting a moment of silence for William Pena, a bus operator for New York City Transit who was killed while performing his duties when a stolen truck hit the bus he was operating.

The Chairman stated that there is a renewed commitment to safety across all of the Agencies which is everyone's responsibility, our number one priority and it is essential we keep that as our top focus. Safety will shape all decisions made by the Chairman and the Agencies' Senior Leadership. Nothing is more important to the Chairman than the safety and security of the system, the customers, our employees and the public that we interact with. A new Senior Management position has been created at the MTA. The new position, Corporate Chief Safety Officer, will report directly to the Chairman and will assist, support and provide oversight of the safety function at the Agencies. Each Agency will ensure that their top Safety Officer is a direct report to that Agency's Chief Executive. In many of the Agencies that already existed, but in those in which it did not, that change is being made. A new Safety Committee on the Board has been created to ensure that there is a Board level focus on safety initiatives that are either held at the MTA level, at the Agencies or across the Agencies. The Chairman and CEO further stated that these actions will reinforce in the minds of our customers, our Board and our employees that safe operations is the foundation of each Agency.

The Chairman and CEO introduced the new President of Metro-North, Mr. Joseph Giulietti. Mr. Giulietti commented that it is an honor to be back at Metro-North.

The Chairman and CEO announced the appointment of Jerome Page as the MTA's General Counsel.

The Chairman's full remarks are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held on February 26, 2014.

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 January 29, 2013.

Committee on Finance

Procurement Item

Upon motion duly made and seconded, the Board approved a competitive procurement item for the award of an all-agency personal service contract for software implementation services, hosting and training for Oracle Hyperion Planning system software.

A copy of the Staff Summary and details of the above item is filed with the records of the meeting of the Board of the Metropolitan Transportation Authority held on February 26, 2014.

Real Estate Item

Upon motion duly made and seconded, the Board approved a request to proceed with the negotiated purchase or condemnation of permanent and temporary easements in property known as 335 Madison Avenue, Block 1278, Lot 20 to construct two elevators for MTA's East Side Access Project.

A copy of the Staff Summary and details of the above item is filed with the records of the meeting of the Board of the Metropolitan Transportation Authority held on February 26, 2014.

Committee on New York City Transit and Bus

Action Item

Upon motion duly made and seconded, the Board approved entering into an agreement with the owners of property known as 301 East 69th Street, in order to construct alterations needed to accommodate Entrance No. 1 at the 72nd Street of the Second Avenue Subway.

A copy of the Staff Summary and details of the above item is filed with the records of the meeting of the Board of the Metropolitan Transportation Authority held on February 26, 2014.

Procurement Item

Upon motion duly made and seconded, the Board approved a competitive procurement item for the award of a modification to the Second Avenue Subway Project's 96th St. Station Finishes Contract for the manufacture and installation of medium voltage switchgear.

A copy of the Resolution, Staff Summary and details of the above item is filed with the records of the meeting of the Board of the Metropolitan Transportation Authority held on February 26, 2014.

Committee on Long Island Rail Road

Procurement Items

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

1. A resolution authorizing use of the Request for Proposal method to solicit the East Side Access Project's Grand Central Terminal Concourse and Facilities Fit-Out contract.

2. A modification to the East Side Access Project's Harold Structures Part I contract for reconfiguration of manholes associated with traction power.

A copy of the resolution, 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 February 26, 2014.

Executive Session

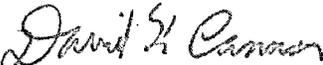
Upon motion duly made and seconded, the Board voted to convene into Executive Session pursuant to Section 105(1)(e) of the New York State Public Officers Law to discuss matters relating to collective bargaining negotiations.

Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.

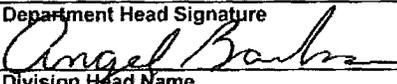
Adjournment

Upon motion duly made and seconded, the Board voted to adjourn the public meeting at 11:20 a.m.

Respectfully submitted,


David K. Cannon
Assistant Secretary

Staff Summary

Subject 2013 Annual Procurement Report
Department MTA Business Service Center
Department Head Name Angel Barbosa
Department Head Signature 
Division Head Name Procurement Directors

Date March 3, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	3/24/14	X		
2	Board	3/26/14	X		

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

Purpose:

To authorize the filing with the State of New York of the annual MTA All-Agency Procurement report for the period January 1, 2013 – December 31, 2013 as required under Section 2879 of the Public Authorities Law ("PAL").

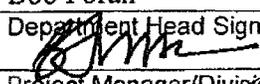
This report includes the following required material:

1. Contracts awarded in 2013 as prepared by each agency with payments made in 2013 as prepared by each agency and
2. Contracts awarded prior to 2013 as prepared by each agency with payments made in 2013 as prepared by each agency.

The report, which is being submitted on CD, conforms to the format/content requirements of both PAL Section 2879, as well as the Public Authorities Reporting Information System (PARIS) overseen by the New York State Independent Authorities Budget Office. The All –Agency Procurement Guidelines will be attached to the report, as required by PAL Section 2879.

Many of the contracts on this list came before the Board during the course of the calendar year. The active contracts that were awarded prior to this calendar year were also included in the prior years' annual procurement reports, which have previously been reviewed by the Board.

Staff Summary

Subject MTA Prompt Payment Annual Report 2013
Department Chief Financial Officer
Department Head Name Bob Foran
Department Head Signature 
Project Manager/Division Head Wael Hibri 

Date March 11, 2014
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 report to the Board the compliance by the MTA Business Service Center with the New York State Prompt Payment Legislation.

Discussion:

The Prompt Payment Legislation, implemented in April, 1988 requires that the Authority must pay amounts due under its contracts within 30 days of the receipt of a proper invoice or the receipt of the goods or services, whichever is later. When payment of a proper invoice is delayed beyond the allotted time, the agency must pay interest at the rate set forth by the New York State Commission of Taxation and Finance which is currently at 7.5%, if such interest payment exceeds a ten dollars threshold.

Additionally, the Prompt Payment Legislation requires that the MTA issue an annual report within ninety days after each fiscal year. This report shall include the following:

- 1) A listing of the types of categories of contracts which the Authority entered into during the twelve month period covered by the report, together with a brief description of whether each such type or category of contract was subject to the prompt payment requirements promulgated by the Authority and, if not, the reasons why;
- 2) The total amount and number of interest payments made to vendors for contracts allocated to the type or category;
- 3) The number of interest "chargeable" days and the total number of days required to process each delayed/late contract vendor payment; and
- 4) A summary of the "principal" reasons why such delayed/late payments occurred.

For the current period, the total amount of prompt payment interest paid, Agency-wide is \$53,068 on a total invoice value paid of \$9,608,014,147

The principal reason for the late payments is as follows:

- 1) Delays in processing Public Works (Capital) related invoices due to implementation delays in converting to a new centralized system.

The Legislation requires the MTA to file the report with the State Comptroller, State Director of the Budget, the Chairman of the Senate Finance committee, and the Chairman of the Assembly Ways and Means Committee.

Enclosed is a copy of the Annual Prompt Payment Report for 2013, which will be filed by the MTA in accordance with the legislation requirement.

**METROPOLITAN TRANSPORTATION AUTHORITY
2013 ANNUAL REPORT OF CONTRACTS AND PAYMENTS SUBJECT TO PROMPT PAYMENT LEGISLATION**

REPORTING AGENCY: MTA - LONG ISLAND BUS

CONTRACT CATEGORY	SUBJECT TO PROMPT PAYMENT YES/NO	ITEMS NOT SUBJECT TO PROMPT PAYMENT	INTEREST			TOTAL DAYS	PRINCIPAL REASON(S) FOR LATE PAYMENTS
			NUMBER OF PAYMENTS	AMOUNT PAID	CHARGEABLE DAYS	TO PROCESS LATE PAYMENTS	
1 PURCHASE CONTRACTS	YES		0	\$0.00	0	0	
2. PUBLIC WORKS	NO		0	0.00	0	0	
3. PERSONAL SERVICES	YES		0	0.00	0	0	
4 REAL ESTATE	YES		0	0.00	0	0	
5 PUBLIC UTILITIES	NO		0	0.00	0	0	
6 MISCELLANEOUS	YES		0	0.00	0	0	
TOTALS FOR MTA - LONG ISLAND BUS			0	\$0.00	0	0	

**METROPOLITAN TRANSPORTATION AUTHORITY
20132 ANNUAL REPORT OF CONTRACTS AND PAYMENTS SUBJECT TO PROMPT PAYMENT LEGISLATION**

REPORTING AGENCY: MTA - METRO-NORTH RAILROAD

CONTRACT CATEGORY	SUBJECT TO PROMPT PAYMENT YES/NO	ITEMS NOT SUBJECT TO PROMPT PAYMENT	INTEREST			TOTAL DAYS TO PROCESS LATE PAYMENTS	PRINCIPAL REASON(S) FOR LATE PAYMENTS
			NUMBER OF PAYMENTS	AMOUNT PAID	CHARGEABLE DAYS		
1 PURCHASE CONTRACTS	YES	N/A	0	\$0 00	0	0	
2 PUBLIC WORKS	YES	N/A	0	0 00	0	0	
3 PERSONAL SERVICES	YES	N/A	0	0 00	0	0	
4 REAL ESTATE	YES	N/A	0	0 00	0	0	
5 PUBLIC UTILITIES	NO	N/A	0	0 00	0	0	
6 MISCELLANEOUS	YES	N/A	0	0 00	0	0	
TOTALS FOR MTA - METRO-NORTH RAILROAD			0	\$0 00	0	0	

**METROPOLITAN TRANSPORTATION AUTHORITY
2013 ANNUAL REPORT OF CONTRACTS AND PAYMENTS SUBJECT TO PROMPT PAYMENT LEGISLATION**

REPORTING AGENCY MTA - STATEN ISLAND RAILWAY

CONTRACT CATEGORY	SUBJECT TO PROMPT PAYMENT YES/NO	ITEMS NOT SUBJECT TO PROMPT PAYMENT	NUMBER OF PAYMENTS	INTEREST		TOTAL DAYS TO PROCESS LATE PAYMENTS	PRINCIPAL REASON(S) FOR LATE PAYMENTS
				AMOUNT PAID	CHARGEABLE DAYS		
1 PURCHASE CONTRACTS	YES		0	\$0.00	0	0	
2. PUBLIC WORKS	YES		0	0.00	0	0	
3 PERSONAL SERVICES	YES		0	0.00	0	0	
4. REAL ESTATE	YES		0	0.00	0	0	
5 PUBLIC UTILITIES	NO		0	0.00	0	0	
6 MISCELLANEOUS	YES		0	0.00	0	0	
TOTALS FOR MTA - STATEN ISLAND RAILWAY			0	\$0.00	0	0	

**METROPOLITAN TRANSPORTATION AUTHORITY
2013 ANNUAL REPORT OF CONTRACTS AND PAYMENTS SUBJECT TO PROMPT PAYMENT LEGISLATION**

REPORTING AGENCY MTA - NEW YORK CITY TRANSIT

CONTRACT CATEGORY	SUBJECT TO PROMPT PAYMENT YES/NO	ITEMS NOT SUBJECT TO PROMPT PAYMENT	NUMBER OF PAYMENTS	INTEREST		TOTAL DAYS TO PROCESS LATE PAYMENTS	PRINCIPAL REASON(S) FOR LATE PAYMENTS
				AMOUNT PAID	CHARGEABLE DAYS		
1. PURCHASE CONTRACTS	YES		0	\$0 00	0	0	
2. PUBLIC WORKS	YES		0	0 00	0	0	
3. PERSONAL SERVICES	YES		0	0 00	0	0	
4. REAL ESTATE	YES		0	0 00	0	0	
5. PUBLIC UTILITIES	NO		0	0 00	0	0	
6. MISCELLANEOUS	YES		0	0 00	0	0	
TOTALS FOR MTA - NEW YORK CITY TRANSIT			0	\$0 00	0	0	

**METROPOLITAN TRANSPORTATION AUTHORITY
2013 ANNUAL REPORT OF CONTRACTS AND PAYMENTS SUBJECT TO PROMPT PAYMENT LEGISLATION**

REPORTING AGENCY MTA - LONG ISLAND RAIL ROAD

CONTRACT CATEGORY	SUBJECT TO PROMPT PAYMENT YES/NO	ITEMS NOT SUBJECT TO PROMPT PAYMENT	NUMBER OF PAYMENTS	INTEREST		TOTAL DAYS TO PROCESS LATE PAYMENTS	PRINCIPAL REASON(S) FOR LATE PAYMENTS
				AMOUNT PAID	CHARGEABLE DAYS		
1. PURCHASE CONTRACTS	YES		0	\$0.00	0	0	
2. PUBLIC WORKS	YES		0	\$0.00	0	0	
3. PERSONAL SERVICES	YES		0	0.00	0	0	
4. REAL ESTATE	YES		0	0.00	0	0	
5. PUBLIC UTILITIES	NO		0	0.00	0	0	
6. MISCELLANEOUS	YES		0	0.00	0	0	
TOTALS FOR MTA - LONG ISLAND RAIL ROAD			0	\$0.00	0	0	

**METROPOLITAN TRANSPORTATION AUTHORITY
2013 ANNUAL REPORT OF CONTRACTS AND PAYMENTS SUBJECT TO PROMPT PAYMENT LEGISLATION**

REPORTING AGENCY MTA - BRIDGES AND TUNNELS

CONTRACT CATEGORY	SUBJECT TO PROMPT PAYMENT YES/NO	ITEMS NOT SUBJECT TO PROMPT PAYMENT	INTEREST			TOTAL DAYS TO PROCESS LATE PAYMENTS	PRINCIPAL REASON(S) FOR LATE PAYMENTS
			NUMBER OF PAYMENTS	AMOUNT PAID	CHARGEABLE DAYS		
1 PURCHASE CONTRACTS	YES		0	\$0.00	0	0	
2 PUBLIC WORKS	YES		0	0.00	0	0	
3 PERSONAL SERVICES	YES		0	0.00	0	0	
4 REAL ESTATE	YES		0	0.00	0	0	
5 PUBLIC UTILITIES	NO		0	0.00	0	0	
6 MISCELLANEOUS	YES		0	0.00	0	0	
TOTALS FOR MTA - BRIDGES AND TUNNELS			0	\$0.00	0	0	

**METROPOLITAN TRANSPORTATION AUTHORITY
2013 ANNUAL REPORT OF CONTRACTS AND PAYMENTS SUBJECT TO PROMPT PAYMENT LEGISLATION**

REPORTING AGENCY MTA - HEADQUARTERS

CONTRACT CATEGORY	SUBJECT TO PROMPT PAYMENT YES/NO	ITEMS NOT SUBJECT TO PROMPT PAYMENT	NUMBER OF PAYMENTS	INTEREST	CHARGEABLE DAYS	TOTAL DAYS	PRINCIPAL REASON(S) FOR LATE PAYMENTS
				AMOUNT PAID		TO PROCESS LATE PAYMENTS	
1 PURCHASE CONTRACTS	YES		40	\$53,068 10	1,526	6,965	
2 PUBLIC WORKS	YES		0	0 00	0	0	
3 PERSONAL SERVICES	YES		0	0.00	0	0	
4 REAL ESTATE	YES		0	0.00	0	0	
5 PUBLIC UTILITIES	NO		0	0 00	0	0	
6 MISCELLANEOUS	YES		0	0 00	0	0	
TOTALS FOR MTA - HEADQUARTERS			40	\$53,068 10	1,526	6,965	

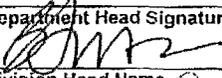
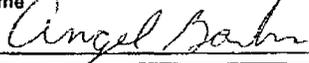
**METROPOLITAN TRANSPORTATION AUTHORITY
2013 ANNUAL REPORT OF CONTRACTS AND PAYMENTS SUBJECT TO PROMPT PAYMENT LEGISLATION**

REPORTING AGENCY: MTA - BUS COMPANY

- 37 -

CONTRACT CATEGORY	SUBJECT TO PROMPT PAYMENT YES/NO	ITEMS NOT SUBJECT TO PROMPT PAYMENT	INTEREST		TOTAL DAYS TO PROCESS LATE PAYMENTS	PRINCIPAL REASON(S) FOR LATE PAYMENTS
			NUMBER OF PAYMENTS	AMOUNT PAID		
1 PURCHASE CONTRACTS	YES		0	\$0.00	0	0
2 PUBLIC WORKS	YES		0	0.00	0	0
3 PERSONAL SERVICES	YES		0	0.00	0	0
4 REAL ESTATE	YES		0	0.00	0	0
5 PUBLIC UTILITIES	NO		0	0.00	0	0
6 MISCELLANEOUS	YES		0	0.00	0	0
TOTALS FOR MTA - BUS COMPANY			0	\$0.00	0	0
GRAND TOTAL FOR MTA - ALL AGENCIES			40 0	53,068 0	1,526 0	6,965

Staff Summary

Subject	Request for Authorization to Award Various Procurements
Department	Executive
Department Head Name	Bob Foran
Department Head Signature	
Division Head Name	Angel Barbosa 

Date	March 14, 2014
Vendor Name	Various
Contract Number	Various
Contract Manager Name	Various
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	3/24/2014			
2	Board	3/26/2014			

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

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
Non-competitive procurements	None	None

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule J: Modifications to Miscellaneous Procurement Contracts	1	\$ 3,486,000.00
SUBTOTAL	1	\$ 3,486,000.00

MTAHQ presents the following procurement actions for Ratification:

Schedule D: Ratification of Completed Procurement Actions (Schedules A-C)	1	\$ 80,266.68
TOTAL	2	\$ 3,566,266.68

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, MARCH 2014
COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Majority Vote:

J. Modifications to Miscellaneous Procurement Contracts

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

- | | | | |
|----|--|-------------------------------|-------------------------------|
| 1. | Oracle U.S.A.
All-Agency Oracle Proprietary Software and
Maintenance under MTA's Enterprise License
Agreement (ELA) | \$3,486,000
(Total) | <u>Staff Summary Attached</u> |
|----|--|-------------------------------|-------------------------------|

Base plus previous change orders = \$55,732,756.60

To recommend that the Board approve an amendment to a previously Board-approved, all-agency contract with Oracle U.S.A. for additional Oracle proprietary software, including three years maintenance, in the amount of \$3,486,000 to address software needs in support of the MTA's core financial application acquired under MTA's Enterprise License Agreement (ELA) expiring in 2017. The acquisition of this additional software is required for the planned all-agency Peoplesoft environment upgrade to Version 9.2 and covers a wide range of functionality. This All-Agency Enterprise License Agreement has formalized Oracle/PeopleSoft software as the standard MTA Financial/Human Resource suite of products and further implements the Board's directive for MTA and the Agencies to achieve more integrated budgeting and financial reporting practices. The proposed cost of \$3,486,000 is 98.8% off Oracle's list price and 97.9% lower than NYS OGS pricing. Based on the above, the cost is deemed fair and reasonable. The above favorable pricing is a result of terms negotiated by MTAHQ in 2007 under the base ELA contract.

Staff Summary

Schedule J: Modifications to Miscellaneous Procurement Contracts



Item Number:

Page 1 of 1

Vendor Name (& Location): Oracle U.S.A	Contract Number: 03158-0100	AWO/Modification # 17
Description: All-Agency Oracle Proprietary Software and Maintenance under MTA's Enterprise License Agreement (ELA)	Original Amount:	\$ 1,870,000.00
Contract Term (including Options, if any): May 30, 2012 through May 29, 2017	Prior Modifications:	\$53,862,756.60
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	\$ --
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$55,732,756.60
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$3,486,000.00
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:	6.25%
Requesting Dept/Div & Dept/Div Head Name: Business Service Center/Wael Hibri	% of Modifications (including This Request) to Original Amount:	

DISCUSSION:

To recommend that the Board approve an amendment to a previously Board-approved, all-agency contract with Oracle U.S.A. for additional Oracle proprietary software, including three years maintenance, in the amount of \$3,486,000 to address software needs in support of the MTA's core financial application acquired under MTA's Enterprise License Agreement (ELA) expiring in 2017.

The acquisition of this additional software is required for the planned all-agency Peoplesoft environment upgrade to Version 9.2 and covers a wide range of functionality. The Oracle software tools such as Advanced Security, Data Masking Pack, Audit Vault, Database Firewall, Service Oriented Architecture (SOA) component monitoring and Advanced Compression are essential for completing the upgrade in a timely, secure and reliable manner.

In 2003 MTA Board directed MTA to achieve integrated budgeting and financial reporting practices, standardizing Financial and Human Resources systems as they are replaced or upgraded. To meet this Board-directive, MTAHQ rode MNR's competitive Board-approved contract to implement the PeopleSoft (Oracle acquired PeopleSoft U.S.A. in 2004) software solution acquiring Oracle database and development tools and Peoplesoft Application Software.

In May, 2007 the Board approved an amendment to this contract for: i) Enterprise License Agreement (ELA) to provide the most cost effective use of PeopleSoft Financial/Human Resource software and related Oracle Database and Development tools across the MTA and its agencies; and ii) purchase of a new database software license with five years of software maintenance for the adaptation of various Oracle software development tools.

One of the fundamental tenets in the creation of the ELA is to generate cost savings for the MTA by seeking out and implementing operational efficiencies. A prime way to achieve this is through the use of cost-effective technology and by reducing annual licensing and maintenance costs, which is being realized under this contract. This All-Agency Enterprise License Agreement has formalized Oracle/PeopleSoft software as the standard MTA Financial/Human Resource suite of products and further implements the Board's directive for MTA and the Agencies to achieve more integrated budgeting and financial reporting practices.

The proposed cost of \$3,486,000 is 98.8% off Oracle's list price and 97.9% lower than NYS OGS pricing. Based on the above, the cost is deemed fair and reasonable. The above favorable pricing is a result of terms negotiated by MTAHQ in 2007 under the base ELA contract.

LIST OF PROCUREMENTS FOR BOARD APPROVAL, MARCH 2014
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. International Salt Company | \$80,266.68 |
| Purchase of Highway Salt for Bridges and Service Buildings | (Total) |
| Purchase Order No. 300001646 | |

Non-competitive

MTAHQ on behalf of MTA Bridges & Tunnels is requesting Board ratification for the purchase of highway salt. The severe winter and the high demand of salt throughout the East Coast and Mid-West caused manufacturers the inability to meet demand which created a severe shortage of salt. Because the Authority was running low on salt and back-to-back snowstorms were predicted, there was an immediate need to procure approximately 889 tons of untreated salt (typically the Authority would purchase treated salt which was not available). This salt was used to de-ice the entrance and exit ramps of MTA bridges as well as other Authority properties. The Authority paid \$90.24 per ton for the salt. There is no prior contract for untreated salt with which this cost can be compared; however, the total cost of \$80,266.68 is considered fair and reasonable.

MARCH 2014
MTA REAL ESTATE
LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ACTION ITEMS

MTA NEW YORK CITY TRANSIT

Lease Agreement with The New Stand LLC for operation of retail gift shop / newsstand at 14 Street-Union Square station, Canarsie Ave line, Manhattan

Lease Agreement with Consul International, Inc. for operation of newsstand at 14 Street-Union Square station, Lexington Ave line, Manhattan

MTA METRO-NORTH RAILROAD

Modification to lease with 1687 Properties LLC / Dyson Foundation relating to parking spaces at Poughkeepsie Station

Modification to lease with Apple Inc. relating to "Carey's Hole" at Grand Central Terminal

Modification to policy included within Guidelines for Selection of Tenants for Grand Central Terminal

MTA CAPITAL CONSTRUCTION

Authorization to enter into agreements with long stay residential hotels to accommodate temporary relocation of residential residents in connection with Second Avenue Subway project

MTA LONG ISLAND RAIL ROAD

License agreements with Maglios Catering, Victor Ferruggiari, Expressway Mobile Catering Inc., and Kenneth James Patrick Doran to operate coffee trucks at Seaford , Amityville , Kings Park and Massapequa stations

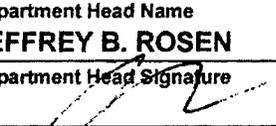
MTA STATEN ISLAND RAPID TRANSIT OPERATION AUTHORITY

Approval of Final Environmental Impact Statement findings relating to Staten Island Railway's rail yard in St. George, Staten Island

METROPOLITAN TRANSPORTATION AUTHORITY

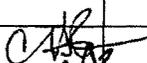
All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines required by Public Authorities Law Sections 2895-2897
(separately distributed)

Staff Summary

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name MICHAEL T. THADATHIL

Date MARCH 24, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	03/24/14	X		
2	Board	03/26/14	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: The New Stand LLC
 LOCATION: Union 01, 14th Street-Union Square Station (Canarsie Ave. line, mezzanine level), Manhattan
 ACTIVITY: Operation of a retail gift shop / newsstand
 ACTION REQUESTED: Approval of terms
 TERM: 10 years
 SPACE: 156 square feet
 SECURITY: Three months of year 5 rent plus "good guy" guarantees from George Alan Bender and Alex Kendall and a limited corporate guarantee from Cayuga Capital Management, LLC (limited to six months' rent after vacating of premises)

COMPENSATION:	Year	Annual	Monthly	% Increase	Per Sq. Ft.
	1	\$60,000.00	\$5,000.00		\$384.62
	2	\$61,800.00	\$5,150.00	3.00%	\$396.15
	3	\$63,654.62	\$5,304.55	3.00%	\$408.04
	4	\$65,563.53	\$5,463.63	3.00%	\$420.28
	5	\$67,530.53	\$5,627.54	3.00%	\$432.89
	6	\$69,556.44	\$5,796.37	3.00%	\$445.87
	7	\$71,643.14	\$5,970.26	3.00%	\$459.25
	8	\$73,792.43	\$6,149.37	3.00%	\$473.03
	9	\$76,006.20	\$6,333.85	3.00%	\$487.22
	10	\$78,286.39	\$6,523.87	3.00%	\$501.84

COMMENTS:

MTA Real Estate issued a request for proposals ("RFP") for this retail / newsstand space and received two responsive proposals. A partnership led by George Alan Bender (The New Stand LLC) proposed the highest rent, offering \$60,000 for the initial year with 3% annual increases over the term of the lease. The proposed rent exceeds the fair market value of the space as estimated by MTA Real Estate's independent consultant. Over the ten-year term, the present value of the proposed rent, using a 9% discount rate, is \$432,316.

Staff Summary

FINANCE COMMITTEE MEETING
THE NEW STAND LLC (Cont'd.)

Details of the proposals are listed in the following table:

Name of Proposer	First Year Rent	Present Value: Ten Year Term, 9% Discount Rate
The New Stand LLC	\$60,000	\$432,316
Gulam Zilani	\$26,928	\$194,022

Mr. Bender (and his partners) has experience owning or operating small businesses in New York City. The full renovation of the space and other start-up costs will be financed by an affiliate of the proposer, Cayuga Capital Management LLC, a private real estate investment firm based in New York City.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with The New Stand LLC 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 MICHAEL T. THADATHIL

Date MARCH 24, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	03/24/14	X		
2	Board	03/26/14	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 New York City Transit ("NYCT")
 LESSEE: Consul International, Inc. ("Consul")
 LOCATION: Unit 02, 14th Street-Union Square Station, (Lexington Ave line), Manhattan ("Unit 02")
 ACTIVITY: Operation of a newsstand
 ACTION REQUESTED: Approval of terms
 TERM: 10 years
 SPACE: 174 square feet

COMPENSATION:	<u>Year</u>	<u>Annual</u>	<u>Monthly</u>	<u>% Increase</u>	<u>Per Sq. Ft.</u>
	1	\$176,400.00	\$14,700.00		\$1,013.79
	2	\$181,692.00	\$15,141.00	3.00%	\$1,044.15
	3	\$187,142.27	\$15,595.19	3.00%	\$1,075.53
	4	\$192,757.04	\$16,063.09	3.00%	\$1,107.80
	5	\$198,539.66	\$16,544.97	3.00%	\$1,141.03
	6	\$204,495.82	\$17,041.32	3.00%	\$1,175.26
	7	\$210,630.71	\$17,552.56	3.00%	\$1,210.52
	8	\$216,949.56	\$18,079.13	3.00%	\$1,246.84
	9	\$223,458.12	\$18,621.51	3.00%	\$1,284.24
	10	\$230,161.89	\$19,180.16	3.00%	\$1,322.77

COMMENTS:

MTA Real Estate issued a request for proposals ("RFP") for Unit 02 and received eight responsive proposals. Consul proposed the third highest rent, offering \$176,400 for the initial year with 3% annual increases over the term of the lease. The proposed rent exceeds the fair market value of the space as estimated by MTA Real Estate's independent consultant. Over the ten year term, the present value of the proposed rent, using a 9% discount rate, is \$1,271,006.

Staff Summary

FINANCE COMMITTEE MEETING CONSUL INTERNATIONAL (Cont'd.)

Details of the proposals are listed in the following table:

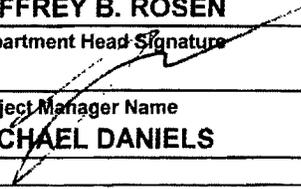
Name of Proposer	First Year Rent	Present Value: Ten Year Term, 9% Discount Rate
Poshora Market Corp.	\$220,000	\$1,592,204
Gulam Zilani	\$207,072	\$1,492,006
Consul International, Inc.	\$176,400	\$1,271,006
Rainy Day News	\$150,000	\$1,080,783
Jai Bajrang Newsstand Corp	\$108,000	\$985,580
George Alan Bender	\$121,800	\$877,610
Mohammed L.A. Khan	\$96,000	\$705,289
Hasmukhbhai Patel	\$95,000	\$678,441

Poshora Market Corp., the highest proposer, withdrew its proposal in late December. Gulam Zilani, the next highest proposer, was willing to lease Unit 02 if he was also awarded a lease for Unit 01 at the 14th Street-Union Square Station, above the Canarsie Avenue Line, (also offered pursuant to the RFP.) However, MTA Real Estate proposes to lease Unit 01 to a different proposer, the New Stand, LLC, as described in a separate staff summary presented to for Board action this month. (The combined rent Mr. Zilani proposed for Units 01 and 02 is less than the combined rent proposed by Consul and the New Stand LLC.)

Consul's principal, Mr. Fakhru Alam, is a longtime, successful operator of newsstands throughout the New York City Transit subway system. He currently operates 10 newsstands within Manhattan (including four at 42nd Street – Grand Central) and was recently awarded the newsstand at 14th Street- 8th Avenue (see November 2013 staff summary). He has the resources to complete a full renovation of the newsstand and has a good rent payment history with MTA.

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

Staff Summary

Subject LEASE MODIFICATION
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name MICHAEL DANIELS

Date MARCH 24, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	3/24/14	X		
2	Board	3/26/14	X		

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

AGENCY: MTA Metro-North Railroad ("Metro-North")
 LESSOR: 1687 Properties LLC ("Landlord")
 LOCATION: 19-21 Water Street, Poughkeepsie, NY
 CURRENT USE: Parking lot for MNR customers and employees
 ACTION REQUESTED: Approval of lease modification
 TERM: 1/1/2006 – 12/31/2055
 SPACE: Approximately 33,000 sq ft of parking space (68 spaces)
 COMPENSATION: \$5,900.00 per annum, with annual increases pegged to city property tax rate increases (unchanged).

COMMENTS

Since 2006, Metro North has leased this parking facility, located in close proximity to the Poughkeepsie Station, for Metro-North employee and agency vehicle parking. In 2012, the City of Poughkeepsie sold the property to 1687 Properties LLC, a subsidiary of the Dyson Foundation, which assumed the lease with Metro-North (the "Lease").

The Dyson Foundation has converted the adjacent area into a public park that celebrates the history of Poughkeepsie and serves as the gateway to the new elevator to the "Walkway Over the Hudson" located on adjacent state property. The Walkway Over the Hudson is expected to attract over 500,000 visitors a year when the 21-story, glass-enclosed elevator opens in April 2014.

As the Lease entitles Metro-North to exclusive possession of the 68 spaces in question, Landlord has requested and Metro-North has agreed that during weekends and holidays (when, as a practical matter, demand for employee and agency vehicle parking is substantially reduced in any case) Metro-North will allow 53 of such parking spaces to be used by visitors to Walkway Over the Hudson. The rent will remain unchanged as Metro-North's use of the lot will not be impacted. The Landlord will be responsible for the additional signage notifying the public of this weekend parking arrangement, and will take over responsibility for garbage removal during weekends and holidays.

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

Staff Summary

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

Date MARCH 24, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	3/24/14	X		
2	Board	3/26/14	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")
 TENANT: Apple Inc. dba Apple
 LOCATION: Grand Central Terminal
 ACTIVITY: Lease modification
 ACTION REQUESTED: Approval of modification terms
 TERM: Unchanged (10 years and two 5-year options)
 SPACE: Portion of area covered by Lease in "Carey's Hole"
 COMPENSATION: \$2.625 million

COMMENTS

The portion of Grand Central Terminal known as "Carey's Hole" encompasses spaces on two levels in the southwest corner of the Terminal ("CH1" and "CH2"), which are located, respectively, one level and two levels below the level of the Terminal's Main Concourse. For many years, Carey's Hole was occupied by facilities for Metro-North train crews. However, such facilities are now located upstairs in Grand Central's Hall D tower, in space that was formerly occupied [in large part] by a tennis club.

The 2011 lease between Metro-North and Tenant (the "Lease") entitles Tenant to occupy, in addition to Tenant's store on the east and north balconies overlooking the Main Concourse, a portion of CH2 that Tenant intended to use as an employee break and meeting facility ("Tenant's CH2 Space"). However, due to timing constraints during the push to open Tenant's store in 2011, Tenant has to date elected not to take occupancy of CH2, having opted instead to lease space for such purpose in the Graybar Building.

The Lease contemplated that Tenant would perform certain work in Carey's Hole (the "CH Work") consisting of (a) demolition work within Tenant's CH2 Space (which Tenant has completed), (b) the modification and extension of egress stairways, construction of a new elevator shaft and installation in such shaft of a new elevator (the "CH Stair & Elevator Work"), which is the subject of the proposed Lease modification, and (c) construction of a demising wall for the CH2 Space and the fitting out of the CH2 Space to the extent required for Tenant's occupancy (the "Other CH2 Work").

Given that Tenant itself had no immediate need for the CH Stair & Elevator Work to be completed, Metro-North and MTA Real Estate have thought it prudent to allow such work to be deferred pending analysis of potential alternative railroad and/or commercial uses for CH1 itself and while planning proceeded with respect to a variety of major initiatives potentially impacting CH1 and the vertical transportation and other building systems by which it and CH2 are served,

Staff Summary

FINANCE COMMITTEE MEETING

Lease modification (Cont'd.)

Page 2 of 2

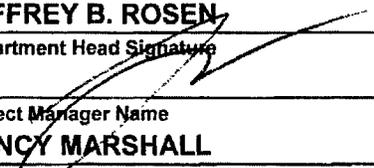
including (a) a pending leak remediation project relating to 42nd Street and Vanderbilt Avenue, (b) the proposed development of a major restaurant complex that is expected to occupy (in addition to the west side of Vanderbilt Hall) areas immediately above CH1 and (c) a major new office tower, and associated public circulation facilities, that are expected to be developed immediately west of CH1.

In light of the potential uses that have been identified, Metro-North has determined that its interests would be better served by two hydraulic piston elevator cabs, rather than the single geared traction cab that Tenant originally undertook to provide, and by having such elevators continue to street level, rather than terminating at the Main Concourse level as contemplated by the Lease, a change that would not be possible if a geared traction cab were used as contemplated by the Lease.

The proposed Lease modification would obligate Tenant to make a lump sum payment of \$2.625 million to Metro-North, in consideration of Metro-North relieving Tenant of responsibility for the CH Stair and Elevator Work. Such amount reflects the estimated cost of the CH Stair & Elevator Work (including contingency and overhead), as determined by Metro-North's capital projects department. Tenant would remain responsible for the performance of the Other CH Work, if and when Tenant elects to occupy CH 2; and in all events the proposed Lease modification would leave unaffected Tenant's obligation to continue to pay rent for Tenant's CH2 Space, which Tenant has faithfully honored from the outset.

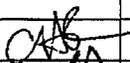
Based on the foregoing, MTA Real Estate requests authorization to enter into an amendment of the Lease on the above-described terms and conditions.

Staff Summary

Subject GUIDELINES FOR SELECTION OF TENANTS
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name NANCY MARSHALL

Date MARCH 24, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	3/24/14	X		
2	Board	3/26/14	X		

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

PURPOSE: To obtain MTA Board approval to modify an existing policy included within the Guidelines for Selection of Tenants for Grand Central Terminal ("GCT")

COMMENTS:

In October 2009, the MTA Board approved improved guidelines for selecting GCT tenants. To give MTA enhanced protection under existing leases, MTARE hereby proposes to modify the GCT tenant selection guidelines to require current GCT tenants who seek new leases at GCT to agree to modify their current leases to conform to the security deposit and lease guaranty obligations that are now required for all new leases at GCT, which are generally more stringent than those of most of the older leases. The proposed modification would reduce the significant financial cost to the MTA when existing tenants hold over after the expiration of their lease term. The proposed modification modifies Step 3 of the **Procedures for Evaluation of Proposals** as follows:

Step 3: Initial Determination of Responsibility:

The third step is an initial determination of responsibility by the Director of GCT Development. The Director of GCT Development may determine that a prospective tenant is not responsible for any reason contemplated by the General Policies and Procedures (including unsuitability due to a record of criminality, lack of integrity, violations of the Procurement Lobbying Law (State Finance Law §§ 139-j and 139-k)).

A prospective tenant *shall* be deemed "not responsible" (and thus disqualified and eliminated from consideration by the Director of GCT Development) if (a) such prospective tenant, or any Affiliate of such prospective tenant, owes, by reason of an amount due not more than five years prior to the date of the RFP, in excess of \$10,000 to the MTA, (b) such amount is not (in the view of the MTA Legal Department) the subject of a bona fide dispute and (c) such amount has remained unpaid for more than 90 days; provided, however, that before disqualifying any prospective tenant by reason of any such non-payment, the Director of GCT Development must provide written notice of such non-payment to such prospective tenant and afford such prospective tenant a period of not less than 30 days to pay the amount that remains unpaid. Late payment, as opposed to non-payment, shall not constitute grounds for disqualification of an otherwise responsible prospective tenant (although it may be taken into account in scoring proposals, as described above under the heading "Selection Criterion A"). *A prospective tenant may be deemed "not responsible" (and thus may be disqualified and eliminated from consideration by the Director of GCT Development) if such prospective tenant, or an Affiliate of such prospective tenant, (a) is the current tenant in the space being offered by the RFP or any other retail space at GCT, and (b) refuses to agree to amend its current lease for such space to include security provisions identical to those in the draft lease issued as part of the RFP.*

Staff Summary

FINANCE COMMITTEE MEETING

Real Estate Policies (Cont'd.)

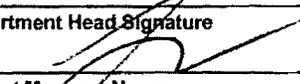
Page 2 of 2

Additionally, MTARE will correct references in the "Application" section of the GCT tenant selection guidelines by replacing the last sentence of the section with the following:

Application

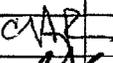
These guidelines ("Guidelines") apply to the selection of lessees for leases of commercial spaces at Grand Central Terminal ("GCT"). They do not apply to the selection of licensees at GCT, which is governed by policies adopted by the Board in January, 2006 and April, 2009. (The principal difference between a lease and license for these purposes is that a license is terminable at the discretion of the licensor for any reason upon short notice, typically 60 days.) *These Guidelines supplement the MTA Real Estate Department Policies and Procedures For the Leasing-Out and Sale of Real Property, adopted by the Board on March 13, 2013, as such policies and procedures may be amended from time to time (the "General Policies and Procedures"). In the event of any conflict between these Guidelines and the General Policies and Procedures, these Guidelines will govern.*

Staff Summary

Subject AGREEMENTS FOR TEMPORARY HOUSING
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name HELENE CINQUE

Date MARCH 24, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	3/24/14	X		
2	Board	3/26/14	X		

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

AGENCY: MTA Capital Construction Company ("MTACC") (Second Avenue Subway Project)
 LOCATION: Buildings in Manhattan that may be impacted by Second Avenue Subway Construction
 ACTIVITY: Temporary residential relocation
 ACTION REQUESTED: Approval to enter into agreements to accommodate temporary relocation of residential occupants.

COMMENTS

In the course of performing various construction activities in and adjacent to buildings along the Second Avenue Subway alignment, MTA Capital Construction Company ("MTACC") and its contractors periodically have required affected building occupants to relocate temporarily while the necessary construction work is performed. In accordance with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act and applicable federal regulations, MTA is required to relocate such displaced occupants to suitable accommodations until the work is completed and to compensate the occupants for all necessary and reasonable out-of-pocket expenses resulting from their temporary displacement.

In the past, when sufficient advance notice of such temporary relocations was available, MTA Real Estate has obtained advance approval by the Board to enter into agreements with short-term stay providers to provide the necessary accommodations. Most recently, however, only a few weeks before work scheduled at 1322 Second Avenue to accommodate construction work for the Second Avenue Subway's 72nd Street Station was to be performed, MTACC and its contractors concluded that all of the residents in the 17 residential apartments in the building would need to be relocated temporarily as a safety precaution while the building was supported. To comply with federal law and regulations and to avoid costly delays to the project's schedule, MTA Real Estate, in conjunction with the MTA's relocation consultant, O.R. Colan Associates, made arrangements with the Affinia 50 Hotel near 50th Street and Lexington Avenue in Manhattan to accommodate all displaced occupants during the week of March 17, 2014 while MTACC's work on their building was to be undertaken. The total projected cost of the rooms during that week was approximately \$26,000. Board ratification of such expenditure is requested.

In the future, Second Avenue Subway construction activities may require temporary relocation of occupants at 1322 Second Avenue and other locations. In order to accomplish such relocations in a timely manner and without delay to MTACC's construction schedule, MTA Real Estate hereby requests advance approval to enter into an agreements with one or more short-term stay residential facilities to accomplish these relocations or to offer housing stipends to temporarily displaced occupants who choose to find their own temporary accommodations. MTA Real Estate and O.R. Colan will endeavor in each case to negotiate the best available rates for accommodations that meet all applicable federal standards. The Board is requested to adopt the attached Resolution.

RESOLUTION

BOARDS OF THE MTA CAPITAL CONSTRUCTION COMPANY and NEW YORK CITY TRANSIT AUTHORITY

WHEREAS, Metropolitan Transportation Authority Capital Construction Company (“MTACC”) and New York City Transit Authority (“NYCT”) and collectively with MTACC, the “Agencies”) are involved in the construction of Phase 1 of the Second Avenue Subway project;

WHEREAS, from time to time Second Avenue Subway construction activities may require temporary relocation of occupants in buildings impacted by such construction and the ability to accomplish such relocations in a timely manner and without delay to the construction schedule is critical;

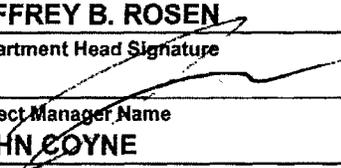
WHEREAS, the MTA Real Estate Department makes a good faith effort to obtain advance Board approval for such relocations and the associated cost but in some circumstances the need for such relocations arise in a time frame that would result in a schedule delay if the relocations had to await advance Board approval;

NOW THEREFORE, the Boards of the Agencies resolve as follows:

1. The Agencies hereby ratify the relocation and associated expenses relating to 1322 Second Avenue as more fully described in the attached Staff Summary.
2. In connection with future occupant relocations determined by MTACC to be necessary for the construction of the Second Avenue Subway project on a time frame where obtaining advance Board approval of the associated expenses of such relocations would result in project schedule delays, the Agencies hereby authorize the Chairman and Chief Executive Officer or the Director of Real Estate, acting singly, to commit one or both of the Agencies to payment of such relocation expenses through agreements with one or more short-term stay residential facilities or through the payment of housing stipends to temporarily displaced occupants who choose to find their own temporary accommodations.
3. The Chairman and Chief Executive Officer and the Director of Real Estate, acting singly, are hereby authorized to take any and all actions as may be necessary, desirable or convenient to facilitate the foregoing actions.

Dated: March 26, 2014

Staff Summary

Subject LICENSE AGREEMENTS
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name JOHN COYNE

Date MARCH 24, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	3/24/14	X		
2	Board	3/26/14	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: Maglios Catering; Victor Ferruggiari; Expressway Mobile Catering Inc.; and Kenneth James Patrick Doran

LOCATION: Seaford , Amityville , Kings Park, and Massapequa stations

ACTIVITY: Operation of coffee trucks

ACTION REQUESTED: Approval of terms

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

COMPENSATION:

Maglios Catering (Seaford)			Victor Ferruggiari (Amityville)		
Year	Annual	Monthly	Year	Annual	Monthly
1	\$4,500.00	\$375.00	1	\$2,100.00	\$175.00
2	\$4,635.00	\$386.25	2	\$2,163.00	\$180.25
3	\$4,774.05	\$397.84	3	\$2,241.00	\$186.75
4	\$4,917.27	\$409.77	4	\$2,308.00	\$192.33
5	\$5,064.79	\$422.07	5	\$2,377.00	\$198.08
6	\$5,216.73	\$434.73	6	\$2,448.00	\$204.00
7	\$5,373.24	\$447.77	7	\$2,521.00	\$210.08
8	\$5,534.43	\$461.20	8	\$2,697.00	\$224.75
9	\$5,700.47	\$475.04	9	\$2,778.00	\$231.50
10	\$5,871.48	\$489.29	10	\$2,861.00	\$238.42

Expressway Mobile Catering Inc. (Kings Park)			Kenneth James Patrick Doran (Massapequa)		
Year	Annual	Monthly	Year	Annual	Monthly
1	\$3,300.00	\$275.00	1	\$3,600.00	\$300.00
2	\$3,399.00	\$283.25	2	\$3,708.00	\$309.00
3	\$3,500.97	\$291.75	3	\$3,819.00	\$318.25
4	\$3,605.99	\$300.50	4	\$3,933.00	\$327.75
5	\$3,714.16	\$309.51	5	\$4,051.00	\$337.58
6	\$3,825.58	\$318.80	6	\$4,172.00	\$347.67
7	\$3,940.34	\$328.36	7	\$4,297.00	\$358.08
8	\$4,058.55	\$338.21	8	\$4,426.00	\$368.83
9	\$4,180.30	\$348.36	9	\$4,559.00	\$379.92
10	\$4,305.70	\$358.81	10	\$4,695.00	\$391.25

Staff Summary

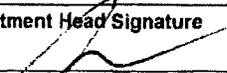
COMMENTS:

In March, 2012, the Board approved a 10-year license to Partnered Beverages, LLC to operate coffee trucks at the Seaford, Amityville, Kings Park, and Massapequa stations. Partnered Beverages, LLC, proposed the highest compensation for the concessions at these stations pursuant to a request for proposals ("RFP") process. In each case, there was only one other proposer for each location: Maglios Catering at Seaford, Victor Ferruggiari at Amityville, Expressway Mobile Catering, Inc., at Kings Park, and Kenneth James Patrick Doran at Massapequa. Each of these second-highest proposers is the incumbent coffee truck operator at the applicable station and has continued to provide service under the terms of his or its current agreement.

In the months after the Board approval, Partnered Beverages, LLC, was unable to move forward with license. MTA Real Estate contacted the runners-up listed above and confirmed their willingness to enter into license agreements under their original proposals. In each case, the compensation offered in response to the RFP significantly exceeds the current compensation paid by the incumbent.

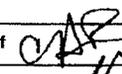
Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with Maglios Catering at Seaford station, Victor Ferruggiari at Amityville station, Expressway Mobile Catering, Inc., at Kings Park station, and Kenneth James Patrick Doran at Massapequa station on the above-described terms and conditions.

Staff Summary

Subject APPROVAL OF FEIS FINDINGS
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name ROBERT PALEY

Date MARCH 24, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	03/24/14			
2	Board	3/26/14			

Internal Approvals			
Order	Approval	Order	Approval
			Legal 
	Chief of Staff 		
	Chief Financial Officer 		

AGENCY: MTA Staten Island Railway ("SIR")

LOCATION: Portion of rail yard (the "Rail Yard") northwest of the Staten Island Ferry Terminal (near Richmond County Bank Ballpark) in the St. George section of Staten Island, Borough of Staten Island, County of Richmond, New York (Block 2, Lot 15)

ACTIVITY: Accommodation of City-sponsored development project

COMPENSATION: None

COMMENTS:

In connection with the St. George Waterfront Redevelopment project (the "Redevelopment Project"), the City of New York (the City) demanded pursuant to Section 1.2 of the operating lease between the City and SIR (the "Operating Lease"), that SIR surrender certain air rights over a small portion of SIR's right-of-way to accommodate two parking lots to be developed by developers under leases to be entered into with such developers by the New York City Economic Development Corporation ("EDC") on behalf of the City -- one on the north side of the Richmond County Bank Ballpark and the other on the south side. Such Section 1.2 obligates SIR to "surrender to the City... excess property on demand of the City." By the attached December 16, 2013 staff summary the MTA Board was informed of MTA's non-discretionary actions to facilitate such surrender.

A Final Environmental Impact Statement (FEIS) for the St. George Waterfront Redevelopment was completed in Sept. 2013 by the New York City Department of Small Business Services acting as the lead agency. The Notice of Completion of FEIS states that "It is intended that state agencies, including MTA . . . , would be in a position to make the required findings for their respective actions based on this environmental review." A copy of the FEIS has been provided to the Board members under separate copy for their review. In the case of the south parking lot, the City has re-leased such surrendered air rights to St. George Outlet Development LLC ("Developer") for development of a hotel and retail outlets. Developer intends to deck over a portion of the Rail Yard, and for such purpose intends to locate columns at agreed upon locations within the Rail Yard to support such deck. The areas of such columns will also be surrendered to the City upon its demand pursuant to the Operating Lease. The decking over of the Rail Yard is not expected to have any unmitigated adverse impact on the operation of the Rail Yard.

To maintain and protect SIR's operations, MTA, on behalf of SIR, will be entering an agreement (the "Overbuild Agreement") with the City and Developer that will provide for Developer access to the Rail Yard for the construction and maintenance of the aforementioned deck and related improvements. Reciprocal access rights with respect to Developer's property will also be provided.

Staff Summary

FINANCE COMMITTEE MEETING SIR Rail Yard (Cont'd.)

Because MTA could be considered to be taking a discretionary action by entering into the Overbuild Agreement and potentially facilitating associated infrastructure work, the MTA and SIR must adopt the proposed resolution setting forth the environmental findings required under law before MTA and SIR execute the Overbuild Agreement and any other related, necessary agreements, make the grants described herein and the MTA facilitates any associated infrastructure work.

Based on the foregoing, MTA Real Estate requests approval of the FEIS findings and the other actions set forth in the attached resolution.

Staff Summary

Subject SURRENDER AIR RIGHTS
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name PRESCOTT VANN

Date DECEMBER 16, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/18/13		X	

Internal Approvals			
Order	Approval	Order	Approval
			Legal
	Chief of Staff		

FOR REFERENCE PURPOSES ONLY

AGENCY: MTA Staten Island Railway
 LOCATION: St. George section of Staten Island, north of the Richmond County Bank Ballpark (the "Stadium"), Borough of Staten Island, County of Richmond, New York
 ACTIVITY: Surrender of air rights above stadium on demand of the City of New York (the "City")
 COMPENSATION: None

COMMENTS:

The City of New York (the "City") owns two parking lots, one on either side of the Stadium, which the City is going to lease to two different developers (the "Developers"), New York Wheel, LLC and BFC Partners. On the north side of the Stadium, New York Wheel, LLC is planning to build a giant Ferris wheel along with restaurants and retail stores; on the south side, BFC Partners is planning to build a hotel and retail outlets. Both projects are adjacent to the SIR tracks and both Developers will need to deck over the SIR tracks to enable their customers to cross over the tracks from Richmond Terrace to either the north or south side developments. Parking will be underground.

Pursuant to 1.2 of the Lease and Operating Agreement between the City and SIR under which SIR operates the railway, SIR agrees to "surrender to the City... excess property ...on demand of the City." Prior to executing leases with the respective Developers, the City will demand that SIR surrender the air rights on north and south sides of the stadium to a height of 17 feet 8 inches from the current top of rail. The City will then lease the respective air rights to the Developers.

The Developers will need to locate columns within the SIR right of way to support the decks. The location of the supports will be determined in the future, and access, construction, and maintenance agreements for the decks will be negotiated with each developer.

RESOLUTION OF THE BOARD OF THE
METROPOLITAN TRANSPORTATION AUTHORITY (MTA)

WHEREAS, as described in more detail in the Staff Summary to which this Resolution is attached, St. George Outlet Development LLC (“Developer”) is currently engaged in the initial phase of the St. George Waterfront Redevelopment Project (“Project”) on the Staten Island waterfront;

WHEREAS, Lease and Operating Agreement between the City and Staten Island Rapid Transit Operating Authority (“SIR”), under which SIR operates the railway, requires SIR to surrender to the City . . . excess property . . . on demand of the City,” and accordingly, SIR has surrendered the air rights north and south of the Richmond County Bank Ballpark (the "Stadium) in Staten Island, and will surrender properties on which columns and footings to support a deck to be built there by Developer, which the City will then lease Developer; and

WHEREAS, the location of the supports, and access, construction, and maintenance agreements for the decks have been negotiated with Developer that will allow for such construction and thereafter necessary access to the columns and footings by Developer and its successors in interest that is protective of the operations of the Rail Yard and SIR; and

WHEREAS, MTA may facilitate additional infrastructure work associated with the Project; and

WHEREAS, it is necessary for the Board to issue findings in connection with the Final Environmental Impact Statement that was prepared and issued in connection with the Project prior to entering into the agreements;

NOW THEREFORE, the Board of the MTA resolves as follows:

1. MTA hereby adopts the attached SEQRA Findings Statement.
2. The Chairman of MTA and his designees, including the MTA Director of Real Estate and the President of the New York City Transit Authority, are hereby authorized to execute and deliver any and all documents and other necessary or appropriate agreements, writings and other instruments and to take any other necessary or appropriate steps as he or she may deem necessary, desirable or appropriate to implement this Resolution.

Dated: March 26, 2014

STATEMENT OF FINDINGS & DECISION
ST. GEORGE WATERFRONT REDEVELOPMENT

Lead Agency: New York City Department of Small Business Services

Lead Agency Contact: New York City Economic Development Corporation
(Attention: Meenakshi Varandani),
110 William Street
New York, NY 10038

CEQR Number: 13SBS001R

SEQR Classification: Type I

Location: Block 2, Lots 1, 5, 10, and 20
Staten Island Community District 1
Richmond County, NY

Involved Agency: MTA/Staten Island Rapid Transit Operating Authority (SIR)

Involved Agency Contact: Gordon J. Johnson
Deputy General Counsel
MTA Legal Department
347 Madison Avenue- 9th Floor
New York, NY 10017
(212) 878-4633

Date Final Environmental
Impact Statement Filed: August 29, 2013

FINDINGS & DECISION

This Statement of Findings and Decision has been prepared in accordance with the environmental review requirements of Article 8 of the New York State Environmental Conservation Law, the State Environmental Quality Review Act (SEQRA), as set forth in Section 617.11 of its implementing regulations. This Statement of Findings 1) certifies that the procedural requirements of 6 NYCRR Part 617 have been met; 2) has taken into consideration the relevant environmental impacts, facts, and conclusions disclosed in the Final Environmental Impact Statement (FEIS); 3) has weighed and balanced the relevant environmental impacts of the proposed actions with social, economic, and other considerations; and 4) provides a rationale for the decision of the Board of the Metropolitan Transportation Authority. The MTA/SIR was an Involved Agency relative to this project for the purposes of SEQRA.

Under SEQRA, the MTA must examine the environmental review conducted by the NYC Department of Small Business Services that determined whether the proposed action would have

some significant adverse environmental impacts with respect to traffic and transportation, and required mitigation to the extent practical. The FEIS was certified as being complete and a Notice of Completion was issued on August 29, 2013. On September 11, 2013, the New York City Planning Commission (CPC) adopted a Statement of Findings and authorized zoning text amendments to facilitate the redevelopment of the two city-owned commuter parking lots at the St. George Ferry Terminal for a 625-ft. tall, 1,440-passenger observation wheel with an accessory terminal building including approximately 18,500 square feet (sq. ft.) of accessory retail; a 950-space, 170,000 sq. ft. covered public parking facility; and a 340,000 sq. ft. a retail outlet mall with a 130,000 sq. ft. (approximately 200-room hotel); and 20,000 sq. ft. catering facility. A deck will be built over the existing railroad right of way that abuts Richmond Terrace ("the Rail Yard") to permit pedestrian and vehicular connections between Richmond Terrace and the site. The proposal is known as the St. George Waterfront Redevelopment Project ("Project").

The Project requires the installation of columns and footings at agreed upon locations to support the deck that Developer will build over the Rail Yard; the MTA will grant licenses to Developer to construct and maintain the columns, footings and deck that will allow for such construction and thereafter necessary access by Developer and its successors in interest that is protective of the operations of the Rail Yard and SIR.

For the reasons set forth in the FEIS, the MTA adopts and incorporates by reference into its Statement of Findings, that Statement of Findings and report on the environmental review contained therein adopted by the CPC, a copy of which is attached. Consistent with social, economic and other considerations, the transactions required of the MTA and described above do not result in any environmental impacts not heretofore described in the FEIS. The MTA certifies that the requirements of 6 NYCRR Part 617 have been met, and that consistent with social, economic and other essential considerations from among the reasonable alternatives available, the action is one that avoids or minimizes adverse environmental impacts to the maximum extent practicable, and that adverse environmental impacts will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigative measures that were identified as practicable in the FEIS.

For the foregoing reasons, and pursuant to our obligations as an Involved Agency under SEQRA, the Board of the MTA hereby issues these Findings.

DATED: March 26, 2014

6. ACTION ITEM

Staff Summary

Subject Tariff Revision: Valid Senior Citizen Identification
Department Office of Management & Budget
Department Head Name Aaron Stern
Department Head Signature
Project Manager Name Robert Hickey

Date February 3, 2014
Vendor Name NA
Contract Number NA
Contract Manager Name NA
Table of Contents Ref #

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

Internal Approvals			
Order	Approval	Order	Approval
11	President <i>W.M. 2/24/14</i>	5	VP Corp Comm. <i>W.M. 2/19/14</i>
10	Executive V P <i>W.M. 2/21/14</i>	4	VP General Counsel <i>W.L. 2/12/14</i>
9	SD Strategic Initiatives <i>W.M. 2/18/14</i>	3	VP GCR <i>W.M. 2/14/2014</i>
8	SVP Buses <i>W.M. 2/14/14</i>	2	Chief OP <i>W.M. 2/14/14</i>
7	SVP Subways <i>W.M. 2/14/14</i>	1	Director OMB <i>W.M.</i>
6	Chief Station Officer <i>W.M. 2-17-14</i>		

Purpose

To obtain Board approval for a tariff change to:

- Expand the acceptable forms of identification for a senior citizen without a Reduced Fare MetroCard (RFM) to obtain a reduced-fare. Under this proposal, senior citizens would be permitted to use a driver's license (or legal equivalent issued to non-drivers) from any state or a passport as a valid form of identification, in addition to the currently approved identification.
- Update the procedures for reduced fare customers without a RFM to obtain a reduced fare on the subway to include the Reduced Fare Round Trip MetroCard, which replaced the Return Trip Ticket.

Discussion

The MTA's RFM program serves approximately 875,000 reduced-fare customers and accounts for approximately 90% of all reduced fare subway and bus trips. An additional 300,000 customers per month who are not part of the RFM program, purchase a Reduced Fare Round Trip MetroCard in subway stations, and approximately 1.9 million trips per month, are made by reduced-fare customers paying with coins on buses. The current procedures for senior citizen or disabled customers without a RFM are as follows:

Subways - upon display of valid identification and the payment of \$2.50, the station agent issues a Reduced Fare Round Trip MetroCard to the customer. This non-refillable 2-trip MetroCard (for which one trip is deducted for each use) is accepted on subways, local buses and the Staten Island Railway. The \$1.00 new card fee does not apply to purchases of this card.

Buses - the customer displays valid identification and deposits \$1.25 in coins in the fare box.

Current valid identification for both subways and buses are:

- Medicare Card
- NYC Department for the Aging Senior Citizen Reduced-Fare Card (no longer issued)
- MTA Half-Fare Card for People with Disabilities (no longer issued)
- NYC Transit Paratransit Identification Card.

The valid forms of identification accepted by NYC Transit have not been revised in over 15 years, and two of the accepted cards are no longer produced.

It is now recommended that the policy be updated to accept a driver's license (or legal equivalent issued to non-drivers) from any state or a passport as a valid form of identification for customers without a RFM to obtain a reduced fare. Expired licenses or passports will not be accepted.

These two forms of government-issued identification are already used widely in most major transit systems, and clearly show the photo of the individual along with their date of birth, which is the information needed to determine if the customer is qualified for the reduced-fare. Drivers licenses (or legal equivalent issued to non-drivers) and passports appear in a standard English format with minimal variation between states and countries.

Recommendation

It is recommended that the Board approve the proposed tariff changes effective April 1, 2014.

Alternatives

Continue accepting only the existing forms of identification. Under the existing policy, many tourists or foreign visitors are unable to obtain a reduced fare because they do not have an acceptable form of identification.

Impact on Funding

As only Reduced Fare MetroCards may be used to obtain reduced fare pay-per-ride or monthly or weekly passes, those displaying valid driver's licenses or passports will be limited to the use of cash on buses and Reduced Fare Round Trip MetroCards. Therefore, no significant revenue impact is expected.

Approved: _____



Carmen Bianco
President

RESOLUTION

WHEREAS, in a Staff Summary dated February 3, 2014, the Office of Management and Budget has recommended a change to the Authority's Tariff to accept a driver's license (or legal equivalent issued to non-drivers) from any state or a passport as a valid form of identification to receive a reduced fare ;

WHEREAS, the Authority has determined it is in the public interest to make this change;

NOW, THEREFORE, BE IT RESOLVED, that modifications to the Tariff in accordance with said Staff Summary and its attachments are hereby approved.

I. INTRODUCTION

1. This Tariff delineates the fares charged for regular scheduled bus and subway service operated in the City of New York by the New York City Transit Authority (NYCTA), the MTA Bus Company (MTABC), the Manhattan and Bronx Surface Transit Operating Authority (MaBSTOA) and the Staten Island Rapid Transit Operating Authority (SIRTOA) and for paratransit service operated under contract for the NYCTA.
2. Basic fares charged by the NYCTA, MTABC and NYCTA Affiliates may be paid by SingleRide Ticket, value-based MetroCard (also referred to as Regular MetroCard), time-based MetroCard, or cash (on buses only).

Regular Fare Services (Subway, Local Bus, and SIRTOA)

<u>Fare Category</u>	<u>Fare/Fare Medium</u>
Basic Fare	<ul style="list-style-type: none"> -- A valid SingleRide Ticket (sold for \$2.75) or the deduction of \$2.50 from a valid value-based MetroCard. --Payment of \$2.50 with combination of MetroCard then coin on buses only. --Payment of \$2.50 in exact change on buses only. --Swipe or dip of valid time-based MetroCard*
Senior Citizen/Disabled—Subway	<ul style="list-style-type: none"> --\$2.50 Round Trip or the dDeduction of \$1.25 per trip from a valid Reduced Fare MetroCard --<u>Swipe of valid Reduced Fare Round Trip MetroCard.</u> --Swipe of valid time-based Reduced Fare MetroCard.*
Senior Citizen/Disabled--Local Bus	<ul style="list-style-type: none"> --\$1.25 in exact change or one NYCTA Return Trip Coupon or the deduction of \$1.25 from a valid Reduced Fare MetroCard or the payment of \$1.25 with a combination of Reduced Fare MetroCard then coin. --<u>Dip of valid Reduced Fare Round Trip MetroCard</u> --Dip of valid time-based Reduced Fare MetroCard.*
Senior Citizen/Disabled—SIRTOA	<ul style="list-style-type: none"> --\$2.50 Round Trip or the dDeduction of \$1.25 from a valid Reduced Fare MetroCard --<u>Swipe of valid Reduced Fare Round Trip MetroCard.</u> --Swipe of valid time-based Reduced Fare MetroCard.*
ADA Paratransit-eligible person approved for Paratransit services	--Swipe of valid Zero Fare MetroCard
Students with Bus Half-Fare School Pass	\$1.25

Children 44" & Under Accompanied by Adult Free

* See Section I.7, page 3, for complete list of time-based MetroCards (unlimited ride passes).

II. REGULAR FARE SERVICES
(continued)

C. Senior Citizen/Disabled Reduced Fare

1. A senior citizen aged 65 and older or a disabled individual is entitled, 24 hours a day, seven days a week, to ride regular scheduled NYCTA, MTABC and NYCTA Affiliates subway, local bus, and SIRTOA train services at a reduced fare, as follows:
 - a. NYCTA Subway Service.
 - (1) A senior citizen or disabled individual purchasing ~~or showing a value-based full fare MetroCard with a minimum of \$2.50 and entering the subway system by swiping the MetroCard a~~ \$2.50 Reduced Fare Round Trip MetroCard is entitled to a ~~free NYCTA Return Trip Coupon valid for atwo~~ one-way trips on all regular scheduled subway routes, SIRTOA service (entering or exiting at St. George or Tompkinsville only), and all NYCTA/MaBSTOA/MTABC local bus routes, subject to all applicable conditions listed in this tariff.
 - (2) A senior citizen or disabled individual holding a Senior Citizen & Disabled Individual Reduced Fare MetroCard (RFM) issued to that person by NYCTA is entitled to a one-way trip in either direction on any subway route or combination of subway routes through designated transfer points upon deduction of \$1.25 from their RFM or when a valid time-based RFM is swiped at any entry turnstile at any station, subject to all applicable conditions in this tariff.
 - b. NYCTA/MaBSTOA/MTABC Local Bus Service. A senior citizen or disabled individual paying \$1.25 in exact change ~~or presenting a valid NYCTA Return Trip Coupon or having \$1.25 deducted from a valid Reduced Fare MetroCard or the payment of \$1.25 with a combination of MetroCard then coin or~~ dipping a valid Reduced Fare Round Trip MetroCard or dipping a valid time-based RFM (pass) in the farebox upon entry to any local bus is entitled to a one-way trip on all NYCTA/MaBSTOA/MTABC local bus routes, subject to all applicable conditions listed in this tariff.
 - c. SIRTOA Train Service.
 - (1) A senior citizen or disabled individual having \$1.25 deducted from a RFM or swiping a valid time-based RFM at St. George Terminal or Tompkinsville as described in Section 1.a.(2) above is entitled to a one-way trip on any SIRTOA train in either direction, subject to all applicable conditions listed in this tariff.

II. REGULAR FARE SERVICES
(continued)

C. Senior Citizen/Disabled Reduced Fare (continued)

- (2) A senior citizen or disabled individual purchasing ~~or showing a value-based full fare MetroCard with a minimum of \$2.50 and entering or exiting at St. George by swiping the MetroCard~~ \$2.50 Reduced Fare Round Trip MetroCard is entitled to a ~~free NYCTA Return Trip Coupon valid for two one-way trips~~ on all regular scheduled subway routes, SIRTOA (entering or exiting at St. George or Tompkinsville only), and all NYCTA/MaBSTOA/MTABC local bus routes, subject to all applicable conditions listed in this tariff.
- d. A senior citizen or disabled individual who is part of the account-based RFM EasyPay subscription program will be billed according to recorded use of NYCTA and other transportation agencies in the program up to a maximum of \$56.00 per month for subway and local bus trips. The \$56.00 maximum charge shall not include express bus fares and step-up charges, for which customers will be billed separately.
2. ~~The NYCTA Return Trip Coupon issued in an NYCTA subway station or at the St. George SIRTOA station to a senior citizen or disabled individual is valid for a one-way NYCTA subway trip, a one-way trip on SIRTOA beginning or ending at the St. George station, or a one-way NYCTA/MaBSTOA/MTABC local bus trip, for three months after the date of issue. Valid identification must be displayed on the return trip (subject to applicable conditions listed in this tariff). The return ticket is not valid at the subway station or St. George booth where it was issued on the date of issue.~~
34. Senior Citizen & Disabled Individual Reduced Fare MetroCard
- a. RFMs will have no value when issued by NYCTA. Cardholders can add value to valid RFMs at any station booth and at other locations determined by NYCTA at a minimum value of \$5.00 and with increments of \$0.25 and a maximum value of \$80 per transaction provided that the maximum card value does not exceed \$100. A cardholder with a RFM with some value but less than \$1.25, may add the amount required to bring the card up to \$1.25. Cardholders can also add value to valid RFMs at MetroCard vending machines using cash or credit/debit cards specified by NYCTA.
- b. A five percent value above the added value will be provided on any single RFM add-value transaction of \$5.00 or more.
- c. Cardholders can add time to valid RFMs at any station booth or MetroCard vending machine and at other locations determined by NYCTA. A complete list of unlimited ride MetroCards (passes) available to qualifying reduced fare customers appears in Appendix VIII.

II. REGULAR FARE SERVICES

(continued)

C. Senior Citizen/Disabled Reduced Fare (continued)

- d. RFMs are for the exclusive use of the person issued the card. Use by any other person will result in confiscation of the card and the elimination of reduced-fare privileges.
- e. Passengers using a value-based Reduced Fare MetroCard to enter the subway system must have a value on the MetroCard of at least \$1.25.
- f. Passengers may transfer value or time on an expired card to a valid card for up to one year at station booths and vending machines, and up to two years after the expiration date through the MetroCard Customer Claims Unit.
- g. RFM Redemption -- see Section II.M.

45. A senior citizen or disabled individual not paying the fare with a Reduced Fare MetroCard (RFM) must display a valid identification card each time he or she rides at reduced fare. The following identification is acceptable:

a. Senior Citizens

- (1) Medicare card issued by the Social Security Administration.
- (2) Permanent senior citizen identification pass issued by the New York City Department for the Aging.
- (3) Temporary senior citizen identification pass issued by the New York City Department for the Aging.
- (4) Valid Senior Citizen Individual Reduced Fare MetroCard (RFM) issued to that person by the NYCTA.
- (5) Valid Driver's License (or legal equivalent issued to non-drivers) from any state.
- ~~(4)~~(6) Valid passport from any country.

b. Disabled Individuals

- (1) Medicare card issued by the Social Security Administration.
- (2) Permanent disabled person photo identification pass issued by the Metropolitan Transportation Authority or the New York City Department of Transportation.
- (3) Temporary disabled person photo identification pass issued by the Metropolitan Transportation Authority or the New York City Department of Transportation.
- (4) Paratransit Identification Card issued by the NYCTA.
- (5) Valid Disabled Individual Reduced Fare MetroCard (RFM) issued to that person by the NYCTA.

V. PROCEDURES GOVERNING SELECT BUS SERVICE WITH OFF-BOARD FARE COLLECTION (Continued)

C. Senior Citizen/Disabled Reduced Fare (continued)

~~4. Return Trip Coupon~~

~~A senior citizen or disabled individual using a valid return trip coupon is entitled to ride for free on Select Bus Service. Senior Citizens or disabled individuals must display the return trip coupon along with valid identification, as shown in Section H.C.4 of this Tariff, on request to a New York City Police Officer or authorized personnel.~~

4. Reduced Fare Round Trip MetroCard

A senior citizen aged 65 and older or a disabled individual inserting a valid Reduced Fare Round Trip MetroCard into a Select Bus Service MetroCard Fare Collector, and then obtaining a valid proof-of-payment receipt from the MetroCard Fare Collector, is entitled to a one-way trip on the Select Bus Service route traveling in the direction indicated on the receipt. Reduced fare passengers with must retain the proof-of-payment receipt for the duration of the Select Bus Service trip and present the receipt along with valid identification on request to a New York City Police Officer or authorized personnel

D. Student Fare

1. Free Student MetroCards

A student inserting a free student MetroCard into a Select Bus Service MetroCard Fare Collector, and then obtaining a valid proof-of-payment receipt from the MetroCard Fare Collector, is entitled to a one-way trip on the Select Bus Service route traveling in the direction indicated on the receipt. Students must retain the proof-of-payment receipt for the duration of the Select Bus Service trip and present the receipt and their student MetroCard on request to a New York City Police Officer or authorized personnel.

2. Half-Fare Student MetroCards

A student with a half-fare student MetroCard pressing the half-fare button on a Select Bus Service Coin Fare Collector, and then depositing \$1.25 in exact change into a Coin Fare Collector and obtaining a valid proof-of-payment receipt from the Coin Fare Collector, is entitled to a one-way trip on the Select Bus Service route traveling in the direction indicated on the receipt. (A student using a half-fare student MetroCard encoded with a valid transfer must use a MetroCard Fare Collector as detailed in section E.3.) Students using half-fare student MetroCards must retain the proof-of-payment receipt for the duration of the Select Bus Service trip and present the receipt along with their half-fare student MetroCard on request to a New York City Police Officer or authorized personnel.

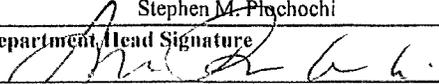
E. Transfers to Select Bus Service

1. Value-Based MetroCards

Regular and reduced fare passengers using a value-based MetroCard are entitled to transfer for free from subway, local bus or express bus service (including service operated by other agencies that have reciprocal transfers with NYCTA/MaBSTOA) to any Select Bus Service route operated by the NYCTA or MaBSTOA within two hours, measured from the time the transfer was encoded at a subway turnstile or bus farebox until the MetroCard is inserted ~~in~~ **172** the Select Bus Service MetroCard Fare Collector.

PROCUREMENTS

The Procurement Agenda this month includes 7 actions for a proposed expenditure of \$78.4M.

Subject Request for Authorization to Award Various Procurements					
Department Materiel Division – NYCT					
Department Head Name Stephen M. Pinchochi					
Department Head Signature 					
Project Manager Name Rose Davis					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	3/24/14			
2	Board	3/26/14			

March 14, 2014			
Department			
Department Head Name			
Department Head Signature			
Table of Contents Ref #			
Internal Approvals			
	Approval		Approval
	President NYCT		
	Executive VP		
X	Capital Prog. Management	X	Subways
	Law	X	Diversity/Civil Rights

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

PURPOSE:

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

DISCUSSION:

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

Procurements Requiring Two Thirds Vote:	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Non-Competitive Purchases and Public Work Contracts	1	\$ 25.0 M
• Kawasaki Rail Car, Inc. \$ 25.0 M		
SUBTOTAL	1	\$ 25.0 M

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

MTA Bus Company proposes to award Non-Competitive procurements in the following categories: NONE

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

Schedules Requiring Majority Vote:

Schedule G: Miscellaneous Service Contracts	3	\$	2.3 M
Schedule L: Budget Adjustments to Estimated Quantity Contracts	3	\$	51.1 M
	SUBTOTAL		<u>6</u>
		\$	<u>53.4 M</u>
	TOTAL		7
			78.4 M

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

MTA Bus Company proposes to award Competitive procurements in the following categories: NONE

NYC Transit proposes to award Ratifications in the following categories: NONE

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

MTA Bus Company proposes to award Ratifications in the following categories: NONE

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.)

BOARD RESOLUTION

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

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

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

NOW, the Board resolves as follows:

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

MARCH 2014

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

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

- | | | |
|---|----------------------------|--------------------------------------|
| 1. Kawasaki Rail Car, Inc. | \$25,000,000 (Est.) | <u>Staff Summary Attached</u> |
| Sole Source - Three-year omnibus | | |
| Purchase of inventory and non-inventory replacement truck components, undercarriage equipment and car body parts. | | |

MARCH 2014

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote cont'd:

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. Walco Electric Co. \$229,080 (Est.)
Three Bids/Low Bidder - Two-year contract
RFQ# 66702**

This competitively-solicited miscellaneous service contract to Walco Electric Company (Walco) is for the repair of field shunt coils used on NYC Transit locomotives for an estimated amount of \$229,080.

The purpose of field shunt coils is to help maximize diesel engine horsepower at higher speeds in order to increase the speed of the locomotive. In accordance with the contract specifications, the contractor is required to perform an inspection of each coil's exterior for damage, perform voltage and insulation tests, disassemble the unit, and repair and replace parts when necessary. A Vacuum Pressure Impregnation treatment and baking are performed on each unit to apply a polyester resin that insulates the coils. The work includes all labor, materials, equipment, incidentals and overhead costs; as well as pick-up, transportation, and delivery expenses. The removal of the field shunt coils and subsequent re-installation on the locomotives will be performed by NYC Transit as part of the Scheduled Maintenance System program.

In an effort to increase competition, Procurement conducted an extensive outreach to industry service providers yielding three bids for this procurement. In the past, only two bids were received. Walco, the incumbent, submitted the lowest bid at 6% lower than the second lowest bidder. Walco's price is also 4.4% less than the current contract price. Based upon effective price competition, Walco's price is considered fair and reasonable.

MARCH 2014

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote cont'd:

L. Budget Adjustments to Estimated Quantity Contracts

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

4.	AARCO Environmental Services Corp.	Original Amount:	\$ 4,059,576
	Contract # 08G9919A	Prior Modifications:	\$ 0
	March 1, 2010 – February 28, 2015	Prior Budgetary Increases:	\$ 0
		Current Amount:	\$ 4,059,576
		This Request:	\$ 1,702,733
		% of This Request to Current Amount:	41.9%
		% of Mods/Budget Adjustments (including This Request) to Original Amount:	41.9%

Discussion:

This budget adjustment will add additional funding to estimated quantity Contract 08G9919A with AARCO Environmental Services Corp. (AARCO) for the cleaning and removal of non-hazardous wastes consisting of oily water, solids and sludge from oil water separators, bus wash tanks, troughs and bus engine wash lift areas located at various NYC Transit Department of Buses and MTA Bus Company locations. This five-year estimated quantity contract was awarded in February 2010 for \$4,059,576. However, additional funding of \$1,702,733 is required to cover expenditures anticipated through the end of the contract term.

The increase in expenditures is primarily driven by a greater volume of non-hazardous wastes being removed than originally anticipated. For the period from contract award to present the total contract funding has been expended. It was originally estimated that the monthly spend for this contract would be approximately \$68,000; however, the actual monthly spend has been approximately \$96,000. This budget adjustment will cover the retroactive portion of unpaid invoices totaling \$358,000 and the remaining term of the contract.

The original solicitation for this contract resulted in six bids, of which AARCO was approximately \$450,000 (or 11%) lower than the next lowest bidder. Procurement requested a price concession and was successful, as AARCO reduced its pricing by approximately 4.6% for the last year of the contract. Based on the annual rate of spend this price concession should result in a savings of approximately \$55,600. The pricing for this contract is considered fair and reasonable based on competition at the time of the original solicitation.

MARCH 2014

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

L. Budget Adjustments to Estimated Quantity Contracts Cont'd

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

5. Mid-Island Electric	Original Amount:	\$ 19,866,295
Contract # 08E9880	Prior Modifications:	\$ 0
September 1, 2011 – August 31, 2016	Prior Budgetary Increases:	\$ 0
	Current Amount:	\$ 19,866,295
	This Request:	\$ 20,521,430
	% of This Request to Current Amount:	103.3%
	% of Mods/Budget Adjustments (including This Request) to Original Amount:	103.3%

Discussion:

This budget adjustment will provide additional funds to enable the continued use of estimated quantity purchase Contract 08E9880 (P.O. 6030099132) with Mid-Island Electrical Sales Corp. (Mid-Island), a NYS certified Women-Owned Business. This contract efficiently provides electrical supplies to user departments at reduced order-to-delivery lead times directly to work locations via just-in-time tailgate delivery. Savings are realized by eliminating costs associated with storing and handling of the materials as inventory items. Other benefits of the contract are 24 hours a day/7 days a week delivery, ability to pick up materials from Mid-Island locations when needed, and return of unused materials. The contract includes 97 pre-priced electrical items, fixed discounts for materials sourced from catalogs published to the industry and a fixed markup for items that are not pre-priced and not available through catalogs. This contract has been instrumental in supporting user department initiatives such as FASTRACK to enable quick responses to emergencies and storms such as Irene and Sandy in addition to various other unforeseen events. In prior contracts, electrical supplies were combined in a single contract with building and plumbing supplies. However for this procurement, awarding a separate contract for electrical supplies yielded pricing that is approximately 11% lower than the prior contract pricing for electrical supplies.

From contract award in September 2011 to December 2013, approximately \$16.2 million of the contract value was expended. During the twelve months from January 2013 to December 2013, approximately \$9 million of the contract value was expended. At the time of award, the estimated monthly spend was \$331,000. The average monthly spend is now \$755,000, which constitutes an increase of \$424,000. Consequently, \$24.1 million is needed for the period from January 2014 through the remaining term of the contract. The contract has a current balance of \$3.6 million, resulting in this request for an additional \$20.5 million. The increase is primarily driven by a series of new and ongoing Infrastructure/Capital Construction projects, upgrades at bus facilities, subway stations and maintenance shops throughout NYC Transit; as well as time-sensitive general maintenance and rehabilitation work.

This contract was awarded after conducting a competitive Request For Proposal process whereby five companies submitted proposals. Mid-Island was rated by the evaluation committee to be technically superior and Mid-Island's pricing was approximately \$792,000 (or 3.1%) lower than the next lowest proposer. Procurement requested a price reduction and Mid-Island indicated it would reduce the markup on non pre-priced items by 0.5%, which will result in a savings of \$51,000 if the full estimated value is expended. Procurement does not believe that re-soliciting the contract would yield better pricing than currently exists.

MARCH 2014

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

L. Budget Adjustments to Estimated Quantity Contracts Cont'd

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

6. Ozone Park Lumber	Original Amount:	\$ 20,451,536
Contract # 08E9880	Prior Modifications:	\$ 0
September 1, 2011 – August 31, 2016	Prior Budgetary Increases:	\$ 0
	Current Amount:	\$ 20,451,536
	This Request:	\$ 28,879,795
	% of This Request to Current Amount:	141.2%
	% of Mods/Budget Adjustments (including This Request) to Original Amount:	141.2%

Discussion:

This budget adjustment will provide additional funds to enable the continued use of estimated quantity purchase Contract 08E9880 (P.O. 6030019628) with Ozone Park Lumber (Ozone). The contract efficiently provides building materials and plumbing supplies to user departments at reduced order to delivery lead times directly to work locations via just-in-time tailgate delivery. Savings are realized by eliminating costs associated with storing and handling of the materials as inventory items. Other benefits of the contract are 24 hours a day/7 days a week delivery, ability to pick up materials from Ozone locations when needed, and return of unused materials. The contract includes over 278 pre-priced items, fixed discounts for materials sourced from catalogs published to the industry and a fixed markup for items that are not pre-priced and not available through catalogs. This contract has been instrumental in supporting user department initiatives such as FASTRACK and enabling quick responses to emergencies and storms such as Irene and Sandy in addition to various other unforeseen events.

From contract award in September 2011 to December 2013, approximately \$18.3 million of the contract value was expended. During the twelve months from January 2013 to December 2013, approximately \$8.5 million of the contract value was expended. At the time of award, the estimated monthly spend was \$341,000. The average monthly spend is now \$706,000, which constitutes an increase of \$365,000. Consequently, \$22.6 million is needed for the period from January 2014 through the remaining term of the contract, in addition to \$8.4 million for various special projects. The contract has a current balance of \$2.1 million, resulting in this request for an additional \$28.9 million. The increase is primarily driven by a series of new and ongoing Infrastructure/Capital Construction projects, upgrades at bus facilities, subway stations and maintenance shops throughout NYC Transit; as well as time-sensitive general maintenance and rehabilitation work.

This contract was awarded after conducting a competitive Request For Proposal (RFP) process with multiple proposers. Ozone was rated by the evaluation committee to be technically superior and Ozone's pricing was approximately \$8.8 million (or 26%) lower than the next lowest proposer. Procurement attempted to obtain a price reduction for this budget adjustment; however, Ozone indicated that it had offered the best possible pricing in its final response to the RFP and it could not offer lower pricing at this time. Procurement does not believe that re-soliciting the contract would yield better pricing than currently exists.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: 1

Vendor Name (& Location) Kawasaki Rail Car, Inc. (Yonkers, NY)
Description Purchase of non-inventory and inventory replacement truck components, undercarriage equipment and other car body parts
Contract Term (including Options, if any) April 1, 2014 – March 31, 2017
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: Omnibus Sole Source Approval

Contract Number NONE	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$25,000,000 (Est.)
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Division of Materiel, Stephen M. Plochochi	

Discussion:

This is an omnibus approval request for items identified as obtainable only from Kawasaki Rail Car, Inc. (Kawasaki) and will eliminate the need to advertise and prepare individual procurement staff summaries for Board approval for each procurement over the \$15,000 small purchase threshold. NYC Transit is not obligated to generate any purchase orders pursuant to an omnibus approval. Any purchases made under this approval will be made pursuant to paragraph 9 (b) of PAL §1209, which allows purchases of items that are available from only a single responsible source to be conducted without competitive bidding.

There are approximately 17,292 items covered by this approval for the purchase of all replacement truck components, undercarriage equipment and other car parts supplied by Kawasaki and, to a lesser extent, after-market spare parts used on NYC Transit subway cars from Toshiba International Corporation (low voltage power supplies), Fuji Electric Corporation of America (door equipment), and Koito Industries (monitoring and diagnostic systems), for which Kawasaki is the sole distributor and reseller. These items are identified as obtainable only from Kawasaki for the following reasons: sole pre-qualified source on the Qualified Products List, and not available from any distributors or other sources; publicly advertised within a twelve month period without an acceptable alternate supplier; or proprietary to Kawasaki. These items are advertised a minimum of once every twelve months to seek competition. A list of Kawasaki sole source items, as well as NYC Transit's intention to buy items on the list without competitive bidding, is available for download from the NYC Transit website at any time by any prospective vendor. These sole source parts will be purchased on an as-required basis. NYC Transit's Division of Car Equipment (DCE) will utilize these sole source parts on approximately 2,989 subway cars: 315 R62 cars, 200 R68A cars, 600 R142A cars, 212 R143 cars and 1,662 R160 cars for Scheduled Maintenance System (SMS) and running repair requirements.

The current omnibus approval for \$20,000,000 was approved by the Board in June 2012 and expires on July 1, 2015. There is a remaining balance of \$1,588,472 on the current omnibus approval. A new omnibus approval is required now because this remaining balance will be insufficient to support SMS and regular running repair projects for NYC Transit's subway cars through 2014. The greater-than-anticipated spend is attributed to work scope updates and forecast changes for the R142A, R143 and R160 subway cars undergoing SMS during the term of the current omnibus approval. During the timeframe of the new omnibus approval, R62 subway cars will undergo a seven-year SMS of the truck components starting in 2014 continuing through 2015. The R142A cars will undergo a heavy overhaul of truck components and car body parts, which started in 2013 and will continue through 2014, while the truck system for the R143 cars will undergo a heavy overhaul for the first time from 2015 through 2016. Overhaul of the R160 subway car truck systems started in 2013 and will continue through 2020.

Procurement performed a price analysis on 72 sole source items for which contracts were issued during the term of the current omnibus approval which exceeded the \$15,000 threshold, each of which was deemed fair and reasonable based on a thorough analysis. Of the 72 items, 34 items purchased during the term of the current omnibus approval have a comparative price history. A comparative price analysis of these 34 items revealed an annual weighted average price increase of approximately 1.97%, which compares favorably to the annual average increase of 2.24% in a weighted average of the Producer Price Indices for these items. These 34 items amount to a total of \$13,125,193 or 71% of the value of the contracts issued under the current omnibus approval.

Based on the current forecasts and projections for 2014 through 2017 as provided by DCE, it is anticipated that DCE will require approximately \$25,000,000 for sole source items from Kawasaki during the term of this omnibus approval request. Procurement believes that the amount requested on this omnibus approval is sufficient to procure all sole source materials from Kawasaki for the next three-year period. Procurement and DCE will continue to research alternate sources of supply wherever possible. Under this omnibus approval, pricing for any procurement is established by requesting a quotation for each item from Kawasaki on an as-required basis. Each item purchased under this omnibus approval will be subject to a cost and/or price analysis and determination that the negotiated price is found to be fair and reasonable.

Schedule G: Miscellaneous Service Contracts



Item Number: 1

Vendor Name (& Location) Language Line Services, Inc. (Monterey, CA)
Description Translation and Interpretation Services for Paratransit and Corporate Communications
Contract Term (including Options, if any) April 1, 2014 – June 2, 2018
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: Piggyback NYC DCAS Contract

Contract Number RFQ# 71193	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$663,491 (Est.)
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept./Div. & Dept./Div. Head Name: Department of Buses, Darryl Irick	

Discussion:

The Board is requested to approve the utilization of a New York City Department of Citywide Administrative Services (NYC DCAS) contract to award an estimated quantity contract for the provision of telephone-based language translation and interpretation for Paratransit and Corporate Communications for the period of April 1, 2014 to June 2, 2018 to Language Line Services, Inc. (Language Line). The contract will be awarded pursuant to the All-Agency Guidelines for the Procurement of Services, Article XIV, Paragraph D, which states that 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. The contract will utilize existing NYC DCAS Contract MMA1 857-20136200992, that was competitively solicited and whose pricing and other commercial terms specified in the contract have been deemed satisfactory.

To comply with federal regulations, NYC Transit is required to provide language translation services for persons with limited English proficiency (LEP). Paratransit and Corporate Communications have developed Language Assistance Plans (LAP) with the goal of providing the ability to access and utilize telephone-based translation and interpretation services on an as-needed basis. Paratransit’s LAP is to provide translation assistance with the five most widely-spoken languages in New York City: Spanish, Russian, Chinese, Korean and French Creole. Personnel at the Reservation/Command Call Centers, Customer Service Unit, Eligibility Determination Unit, six citywide Assessment Centers and appeal hearings will call Language Line for translation services. The Travel Information Center operated by NYC Transit Corporate Communications also assists callers with LEP for which the translation services of fifty or more separate languages will be required. Paratransit will require approximately \$286,351 and Corporate Communications will require \$377,140 of services through the term of the contract.

NYS OGS and NYC DCAS separately conducted competitive requests for proposals for telephone translation services. The NYC DCAS contract afforded better pricing. The existing NYC DCAS contract was awarded to two companies: Language Line and Voiance Language Services, Inc. In accordance with the terms of the NYC DCAS agreement, a mini bid with both awardees was conducted by NYC Transit. Language Line submitted the lowest price at \$0.0089/second, which is approximately 29% lower than the pricing from the NYS OGS contract. Language Line’s pricing was found to be fair and reasonable.



Metro-North Railroad

**Procurements
March 2014**

Subject	Request for Authorization to Award Various Procurements				
Department	Procurement and Material Management				
Department Head Name	Anthony A. Bombace, Jr.				
Department Head Signature					
Project Manager Name	Various				
Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm Mtg	3-24-14	X		
2	MTA Board Mtg	3-26-14	X		

Date	March 7, 2014		
Vendor Name	Various		
Contract Number	Various		
Contract Manager Name	Various		
Table of Contents Ref #			
Internal Approvals			
	Approval		Approval
X	President		VP Planning
X	Sr. VP Operations	X	Capital Programs
X	General Counsel	X	Chief of Staff
X	VP Finance & IT	X	Chief Safety/Security

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
X	VP- GCT&Corp. Dev						

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:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Non-Competitive Purchases and Public Work Contracts		1	\$66,400,000
• Various Original Equip. Manufacturers (OEM) \$66,400,000			
 <u>Schedules Requiring Majority Vote</u>			
Schedule G: Miscellaneous Service Contracts		1	\$835,000
• Norcon Communications, Inc. \$835,000			
	SUB TOTAL:	2	\$67,235,000

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 B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)	3	TBD
• Request to use RFP Process	TBD	
• Request to use RFP Process	TBD	
• Request to use RFP Process	TBD	
 <u>Schedules Requiring Majority Vote</u>	 NONE	
SUB TOTAL:	3	TBD

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		NONE
 <u>Schedules Requiring Majority Vote</u>		
Schedule K: Ratification of Completed Procurement Actions	2	\$691,193
• Stanley Vidmar, Inc.	\$41,043	
• Georgetown Rail Equipment	\$650,150	
SUB TOTAL:	2	\$691,193
TOTAL:	7	\$67,926,193

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.

MARCH 2014

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

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

**1. Various Original Equip. Manufacturers (OEMs) \$66,400,000 (not-to-exceed) Staff Summary Attached
Three Year Purchase Agreement of OEM Parts for Various MNR and LIRR Railcar and
Locomotive Fleets**

Metro-North Railroad, on behalf of itself and the Long Island Rail Road, requests approval to award three-year miscellaneous purchase contracts to the following four firms: Wabtec Passenger Transit, Sepsa North America, Graham White Manufacturing and Vapor Stone Rail Systems. These agreements are for various Original Equipment Manufacturer (OEM) replacement parts for LIRR's M-3, C-3 and M-7 railcars, and the DE/DM locomotive fleets as well as MNR's M-2, M-3, M-4, M-6, M-8 railcars and diesel locomotive fleets. These OEM vendors are the suppliers for various safety-critical parts, components, assemblies and repairs for major railcar systems such as Mechanical/Electrical Couplers, Doors, HVAC, Auxiliary/Electrical, Diesel Electrical and Air Brakes for the Railroads.

The parts listings that are included in these agreements have been fully vetted to reflect only those parts that cannot be acquired from other sources; conversely, the original Railcar Builders are required to provide three vendors for consumable parts and those parts are competitively sourced. In requesting this Board authorization, MNR has complied with PAL§ 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers and with MTA All-Agency Procurement Guidelines for the purchase of sole source material. Advertisements were placed in the New York State Contract Reporter, The New York Post, El Diario and the MNR website, which did not yield interest from other sources. These agreements will apply to inventory items identified as obtained only from the OEM vendors for the following reasons a) sole pre-qualified items on the MNR/LIRR Qualified Products list, and not available from any distributor or other source; b) is proprietary to the OEM vendors.

The agreement with Graham White will have fixed pricing for the three year term; the Wabtec, Vapor and SEPSA agreements will have fixed pricing for the first year with a negotiated annual increase of 3% for the remaining two years of the contract period. The total award for all the agreements for the three-year period is not-to-exceed \$66,400,000 (MNR=\$20,800,000 and LIRR=\$45,600,000), and is to be funded by each Agency's 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. **Norcon Communications, Inc.** **\$835,000 (not-to-exceed)** *Staff Summary Attached*
Grand Central Terminal (GCT) and the North End Access Public Address System Maintenance

Approval is requested for a non-competitive five-year miscellaneous service contract with the firm Norcon Communications to provide repair and maintenance support services for Grand Central Terminal (GCT) & North End Access Public Address Systems. The GCT PA system has been engineered for the specific acoustic requirements of GCT and is not similar to any existing MNR PA system at other locations.

Norcon Communications, the Original Equipment Manufacturer (OEM) and the original software provider, supported the original installation and has been providing the majority of the system components, system training and testing, as well as installation and maintenance services since its implementation in 2000. The all-inclusive, not-to-exceed cost of \$835,000 includes a negotiated average escalation rate of 6.5% per year, over the five-year term and it is substantially less than the industry standard of 15-20% for maintenance cost escalation and is therefore deemed fair and reasonable.

In requesting this Board authorization, MNR has complied with PAL§ 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers and with MTA All-Agency Procurement Guidelines for the purchase of sole source material. Advertisements were placed in the New York State Contract Reporter, The New York Post, El Diario and the MNR website, which did not yield interest from other sources. This procurement is to be funded by the MNR Operating Budget.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: A

Vendor Name (& Location) Wabtec Passenger Transit, Sepsa N.A., Graham White Manufacturing, and Vapor Stone Rail Systems (OEM)
Description Purchase Agreement for OEM Replacement Parts
Contract Term (including Options, if any) Three Years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source/OEM

Contract Number TBD	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$66,400,000 (MNR = \$20,800,000 LIRR = \$45,600,000)
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	
Contract Manager: O. Messado, Assistant Director – Operations Procurement, P&MM	

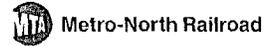
Discussion:

Metro-North Railroad, on behalf of itself and the Long Island Rail Road, requests approval to award three-year miscellaneous purchase contracts to the following four firms: Wabtec Passenger Transit, Sepsa North America, Graham White Manufacturing and Vapor Stone Rail Systems. These agreements are for various Original Equipment Manufacturer (OEM) replacement parts for LIRR’s M-3, C-3 and M-7 railcars, and the DE/DM locomotive fleets as well as MNR’s M-2, M-3, M-4, M-6, M-8 railcars and diesel locomotive fleets. These OEM vendors are the suppliers for various safety-critical parts, components, assemblies and repairs for major railcar systems such as Mechanical/Electrical Couplers, Doors, HVAC, Auxiliary/Electrical, Diesel Electrical and Air Brakes for the Railroads. The parts listings that are included in these agreements have been fully vetted to reflect only those parts that cannot be acquired from other sources; conversely, the original Railcar Builders are required to provide three vendors for consumable parts and those parts are competitively sourced.

Under these agreements, the Railroads will be able to support the Life Cycle Maintenance (LCM) and Reliability Centered Maintenance (RCM) programs, which maintain high car reliability, improve customer service through on-time performance, and ensure parts replacement at prescribed intervals. Additionally, parts required to perform unscheduled maintenance and repairs on the railcars are needed to insure safe, reliable and maintainable operation of the various fleets. Further, the OEM’s will maintain their tooling and manufacturing capabilities necessary to produce the parts, which are not available from other sources.

The chart below provides the respective OEM’s and the estimated not-to-exceed dollar amounts anticipated to be expended over the term of these purchase agreements. The total dollars outlined are based upon historical and projected usage as well as a material forecasting system. The retirement of the MNR M-2, M-4, and M-6 fleets, which is currently scheduled to be completed by the end of the 4th quarter of 2014, was also taken into account in determining the estimates of material usage. Additionally, the arrival of the MNR M-8s has resulted in a fleet expansion of 16.7% which also has impacted the forecasted material usage over the contract period.

Schedule A: Non-Competitive Purchases and Public Work Contracts



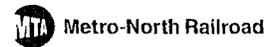
	System	MNR	LIRR	Purchase Agmt. Totals
WABTEC	Mechanical/Electrical Couplers, Event Recorders	\$11,500,000	\$31,000,000	\$42,500,000
VAPOR	Door Components and Assemblies	\$6,000,000	\$7,000,000	\$13,000,000
SEPSA	Aux. Electrical/LVPS	\$3,000,000	\$5,100,000	\$8,100,000
Graham White	Air Brake Dryer, Railcar and Diesel Electrical Parts	\$300,000	\$2,500,000	\$2,800,000
Totals:		\$20,800,000	\$45,600,000	\$66,400,000

The purchase agreements are all requirements-based agreements for MNR and LIRR in that the Railroads are not obligated to generate any minimum amount of purchase orders. The purchase agreements with these OEM vendors will eliminate the need and expense of individually advertising prospective procurements, will reduce administrative costs and possible procurement lead times for individual and separate purchase orders and will expedite material delivery. In order to be prepared for possible unscheduled events and occurrences, the Railroads further seek approval to reallocate funds between the above OEMs under the following limitation: any reallocated amount may not exceed 15% and in no event may exceed the grand total approved herein.

In requesting this Board authorization, MNR has complied with PAL§ 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers and with MTA All-Agency Procurement Guidelines for the purchase of sole source material. No other firms expressed any interest in participating in this procurement. This agreement will apply to inventory items identified as obtained only from these OEM vendors for the following reasons a) sole pre-qualified items on the MNR/LIRR Qualified Products list, and not available from any distributor or other source; b) is proprietary to the OEM vendors.

The agreement with Graham White will have fixed pricing for the three year term; the Wabtcc, Vapor and SEPSA agreements will have fixed pricing for the first year with a negotiated annual increase of 3% for the remaining two years of the contract period. The total award for all the agreements for the three-year period is not-to-exceed \$66,400,000 (MNR=\$20,800,000 and LIRR=\$45,600,000), and is to be funded by each Agency's Operating Budget.

Schedule G: Miscellaneous Service Contracts



Item Number: G

Vendor Name (& Location) Norcon Communications, Inc.
Description GCT & North End Public Address System Maintenance & Support Services
Contract Term (including Options, if any) 4/1/2014 through 3/31/2019
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

Contract Number 1-34366	AWO/Modification #
Renewal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$ 835,000
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	

Discussion:

Approval is requested for a non-competitive five-year miscellaneous service contract with the firm Norcon Communications to provide repair and maintenance support services for Grand Central Terminal (GCT) & North End Access Public Address System. The GCT PA system has been engineered for the specific acoustic requirements of GCT and is not similar to any existing MNR PA system at other locations.

Norcon Communications, the Original Equipment Manufacturer (OEM) and the original software provider, supported the original installation and has been providing the majority of the system components, system training and testing, as well as installation and maintenance services since its implementation in 2000. The all-inclusive, not-to-exceed cost of \$835,000 includes a negotiated average escalation rate of 6.5% per year, over the five-year term and it is substantially less than the industry standard of 15-20% for maintenance cost escalation and is therefore deemed fair and reasonable.

In requesting this Board authorization, MNR has complied with PAL§ 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers and with MTA All-Agency Procurement Guidelines for the purchase of sole source material. Advertisements were placed in the New York State Contract Reporter, The New York Post, El Diario and the MNR website, which did not yield interest from other sources. This procurement is to be funded by the MNR Operating Budget.

MARCH 2014

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

As part of the continuing right-of-way improvement program on Metro-North Railroad and the associated recommendations made by TCI and in response to the Bridgeport and Spuyten Duyvil derailments as well as the NTSB issued recommendations, specific projects have been identified that will be progressed as MNR's commitment to restore the Railroad to the highest levels of safety, reliability and quality. Two of the three following actions are requests to use the RFP process to fulfill the aforementioned commitment. The third action is the second phase of the GCT Escalator Replacement project that will result in the solicitation for the design, manufacture and install of "Transit Duty" high-volume specification escalators.

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. Request to use RFP Process **TBD** **Staff Summary Attached**
Design, Manufacture, Assembly, and Delivery of On-Board Video Camera Recording System

On February 18th, the NTSB issued recommendation R-14-08 to MNR to install inward and outward facing video and audio recorders as a result of their investigation of the Passenger Train derailment just north of Spuyten Duyvil Station.

MTA Metro-North Railroad (MNR), on behalf of itself and LIRR (the "Railroads") requests Board approval to utilize the Request for Proposal (RFP) process to solicit and evaluate proposals from prospective vendors for the design, manufacture, assembly, and delivery of an On-Board Video Camera Recording System ("System"). MNR's M-8s Railcars, the Railroads' M7 Railcars and LIRR's C-3 Cab Cars and DE/DM and Work Locomotives are to be considered the base scope of work in this solicitation; optional equipment will be considered for all revenue rolling stock (the Railroads' M-3's, LIRR's C-3 Trailer Cars, and MNR's Coaches and Locomotives).

In order to assure the selection of the contractor with the necessary experience and expertise, it is in the public interest to use the RFP process to properly evaluate the technical and manufacturing capabilities of prospective proposers. The vendor will be selected based on an evaluation of technical capability, past performance, organization resources, experience of team members, and cost. This procurement will be funded by the Railroads' Operating/Capital Budgets.

2. **Request to use RFP Process** **TBD** *Staff Summary Attached*
**Design, Manufacture, and Delivery of a Pre-Wired Instrument House for a Train
Fault Detector System**

Following the July 2013 CSX Freight Train derailment just north of Marble Hill Station, MNR identified the need to install wayside monitoring of Freight Trains that operate regularly on its Hudson and New Haven Lines.

MTA Metro-North Railroad (MNR), on behalf of itself and LIRR (the ‘Railroads’) requests MTA Board approval to use the Request for Proposal (RFP) process to solicit and evaluate proposals from prospective vendors for the Design, Manufacture, and Delivery of a Pre-Wired Instrument House for a Train Fault Detector System (TFD) which includes a 4-track Hotbox Detector (for detection of overheated Train equipment bearings), a 4-track Wheel Impact Load Detector (WILD), a 4-track Automatic Tag Reader System, and the design and integration for real time reporting to the Railroads’ Operation Control Centers.

This system will be applied specifically at areas east of Green’s Farm Station (New Haven Line) and south of Scarborough Station (Hudson line). LIRR’s system will be installed on the Main line at Queens Interlocking, located west of Bellerose Station. This Train Default System will continuously monitor and measure the wheel/rail loads produced as a result of irregularities from the rolling stock wheels, and will continuously monitor passing trains for detection of overheated Train equipment bearings. The system will be supplied as a pre-wired instrument house and installed by each Railroad’s forces. Under an option to be included in the solicitation, a Train Fault Detection system may be considered for use on Long Island Railroad (LIRR) territory.

In order to assure the selection of the contractor with the necessary experience and expertise, it is in the public interest to use the RFP process to properly evaluate the technical and manufacturing capabilities of prospective proposers. The vendor will be selected based on an evaluation of technical capability, past performance, organization resources, experience of team members, and cost. This procurement will be funded by the MNR Capital Budget and LIRR’s Operating/Capital Budget.

3. **Request to use RFP Process** **TBD** *Staff Summary Attached*
Design/Build the Replacement of Grand Central Terminal (GCT) Escalators

MTA Metro-North Railroad (MNR) requests Board approval to use the Request for Proposal (RFP) process to solicit and evaluate proposals from joint partnerships of Architect/Engineers/Contractors as a design/build team, to complete a design and perform all work required for the replacement of eleven escalators in Grand Central Terminal (GCT). Six escalators are located at the concourse level and five are located at the North End Access.

The existing escalators, which were installed during the GCT renovation of the 1990s, were not designed to handle the volume of passenger flow we experience today. Consequently, these escalators suffered an excessive number of breakdowns. Following a condition assessment, the decision was made to first overhaul the escalators to optimize the performance and subsequently to have them replaced with “Transit Duty” high-volume specification escalators.

At this time, MNR will utilize the RFP process to seek an Architect/Engineer/Contractor design/build team to complete a design and perform the work required for the replacement of the eleven escalators in GCT. The general scope of work includes: (1) preparation of 100% drawings; (2) demolition and removal of existing escalators; and (3) fabrication and installation of new escalators. Additionally, the

central monitoring of escalator conditions to improve management and provide more timely communication to customers in the event of any problems will be made part of the solicitation.

In order to assure the selection of the contractor with the necessary experience and expertise, it is in the public interest to use the RFP process to properly evaluate the design/build team's architectural/engineering and construction technical ability, past performance, organizational resources, project and safety plans, and cost. This procurement will be funded by the MNR Operating Budget.

Staff Summary

Item Number B					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name: <i>[Signature]</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm. Mtg.	3-24-14	X		
2	MTA Board Mtg.	3-26-14	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	President <i>[Signature]</i>	X	Chief Safety/Security <i>[Signature]</i>		
X	Sr. V.P. Operations <i>[Signature]</i>	X	Capital Programs <i>[Signature]</i>		
X	General Counsel <i>[Signature]</i>				
X	V.P. Finance & IT <i>[Signature]</i>				

SUMMARY INFORMATION	
Vendor Name TBD	Contract Number TBD
Description Design, Manufacture, Assembly, and Delivery of an On-Board Video Camera Recording System	
Total Amount TBD	
Contract Term (including Options, if any) TBD	
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 checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION:

MTA Metro-North Rail, on behalf of itself and LIRR (the "Railroads") requests MTA Board approval to use the Request for Proposals (RFP) process to solicit and evaluate proposals from prospective vendors for the design, manufacture, assembly, and delivery of on-board Video Camera Recording System ("System"). MNR's M-8s Railcars, the Railroads' M7 Railcars and LIRR's C-3 Cab Cars and DE/DM and Work Locomotives are to be considered the base scope of work in this solicitation; optional equipment will be considered for all revenue rolling stock (the Railroads' M-3's, LIRR's C-3 Trailer Cars, and MNR's Coaches and Locomotives).

II. DISCUSSION:

On February 18th, the NTSB issued recommendation R-14-08 to MNR to install inward and outward facing video and audio recorders as a result of their investigation of the Passenger Train derailment just north of Spuyten Duyvil Station.

The Railroads developed a scope of work for the design, manufacture, assembly, and delivery of an On-Board Video Camera Recording System ("System") for the base Railcars identified above. Based on the NTSB recommendations, the system includes the following:

- Installation in all controlling locomotive cabs and cab car operating compartments of crash and fire-protected inward and outward facing audio and image recorders
- Microphones
- Data switches
- Recorder, cables
- Mounting hardware, other necessary hardware appurtenances, spare parts, associated software and software support.

In order to ensure the selection of the contractor with the necessary experience and expertise, it is in the public interest to use the RFP process to properly evaluate the technical and manufacturing capabilities of prospective proposers. The vendor will be selected based on an evaluation of technical capability, past performance, organization resources, experience of team members, and cost. This procurement will be funded by the Railroads' Operating/Capital Budgets.

III. D/M/WBE INFORMATION:

TBD-once the scope of work and technical specifications are completed, MNR Procurement will submit to MTA Department of Diversity & Civil Rights (DDCR) for assignment of any possible goals.

IV. IMPACT ON FUNDING:

TBD

V. ALTERNATIVES:

The Railroads do not have the available in-house design or capacity to complete the scope of the specified work.

Staff Summary

Item Number B						SUMMARY INFORMATION																					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.						Vendor Name TBD																					
Division & Division Head Name: 						Contract Number TBD																					
Board Reviews						Description Design, Manufacture, and Delivery of a Pre-Wired House for a Train Fault Detector System																					
<table border="1"> <thead> <tr> <th>Order</th> <th>To</th> <th>Date</th> <th>Approval</th> <th>Info</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>M-N Comm.Mtg.</td> <td>3-24-14</td> <td>X</td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>MTA Board Mtg.</td> <td>3-26-14</td> <td>X</td> <td></td> <td></td> </tr> </tbody> </table>						Order	To	Date	Approval	Info	Other	1	M-N Comm.Mtg.	3-24-14	X			2	MTA Board Mtg.	3-26-14	X			Total Amount TBD			
Order	To	Date	Approval	Info	Other																						
1	M-N Comm.Mtg.	3-24-14	X																								
2	MTA Board Mtg.	3-26-14	X																								
Internal Approvals						Contract Term (including Options, if any) TBD																					
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Order	Approval	Order	Approval																								
X	President		V.P. Planning																								
X	Sr. V.P. Operations	X	Capital Programs																								
X	General Counsel																										
X	V.P. Finance & IT																										
						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/RECOMMENDATION:

MTA Metro-North Railroad, on behalf of itself and LIRR (the "Railroads"), seeks MTA Board approval to use the Request for Proposals (RFP) process to solicit and evaluate proposals from prospective vendors for the Design, Manufacture, and Delivery of a Pre-Wired Instrument House for a Train Fault Detector System.

II. DISCUSSION:

Following the July 2013 CSX Freight Train derailment just north of Marble Hill Station, MNR identified the need to install wayside monitoring of Freight Trains that operate regularly on our Hudson and New Haven Lines.

The Train Fault Detector System (TFD) which includes a 4-track Hotbox Detector (for detection of overheated Train equipment bearings), a 4-track Wheel Impact Load Detector (WILD), a 4-track Automatic Tag Reader System, and the design and integration for real time reporting to the Railroads' Operation Control Centers. This system will be applied specifically at areas east of Green's Farm Station (New Haven) and south of Scarborough Station (Hudson). LIRR's system will be installed on the Main Line at Queens Interlocking, located west of Bellerose Station. This Train Default System will continuously monitor and measure the wheel/rail loads produced as a result of irregularities from the rolling stock wheels, and will continuously monitor passing trains for detection of overheated Train equipment bearings. The system will be supplied as a pre-wired instrument house and installed by each Railroad's forces.

In order to assure the selection of the contractor with the necessary experience and expertise, it is in the public interest to use the RFP process to properly evaluate the technical and remanufacturing capabilities of prospective proposers. The vendor will be selected based on an evaluation of technical capability, past performance, organization resources, experience of team members, and cost. This procurement will be funded by the MNR Capital Budget and by LIRR's Operating/Capital Budget.

III. D/M/WBE INFORMATION:

TBD-once the scope of work and technical specifications are completed, MNR Procurement will submit to MTA Department of Diversity & Civil Rights (DDCR) for assignment of any possible goals.

Staff Summary

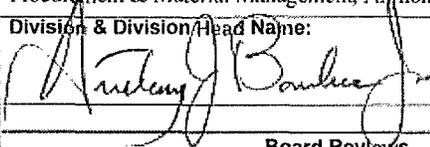
IV. IMPACT ON FUNDING:

TBD

V. ALTERNATIVES:

MNR does not have the available in-house design or capacity to complete the scope of the specified work.

Staff Summary

Item Number B						SUMMARY INFORMATION																					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.						Vendor Name TBD																					
Division & Division/Head Name: 						Contract Number 34213																					
Board Reviews						Description Request to use the RFP Process – Design/Build for the Replacement of Grand Central Terminal Escalators																					
<table border="1"> <thead> <tr> <th>Order</th> <th>To</th> <th>Date</th> <th>Approval</th> <th>Info</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>M-N Comm.Mtg.</td> <td>3-24-14</td> <td>X</td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>MTA Board Mtg.</td> <td>3-26-14</td> <td>X</td> <td></td> <td></td> </tr> </tbody> </table>						Order	To	Date	Approval	Info	Other	1	M-N Comm.Mtg.	3-24-14	X			2	MTA Board Mtg.	3-26-14	X			Total Amount TBD			
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2	MTA Board Mtg.	3-26-14	X																								
Internal Approvals						Contract Term (including Options, if any) Two years																					
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Order	Approval	Order	Approval																								
X	President	X	V.P. GCT & Bus. Dev.																								
X	Sr. V.P. Operations	X	Capital Programs																								
X	General Counsel																										
X	V.P. Finance & IT																										
						Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																					
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						Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:																					
						Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:																					

I. PURPOSE/RECOMMENDATION:

To obtain MTA Board approval to use the Request For Proposal (RFP) process to solicit and evaluate proposals from prospective teams of Architect/Engineers/Contractors to perform all work required for the replacement of eleven escalators in Grand Central Terminal (“GCT”).

II. DISCUSSION:

In 2012, MNR retained the services of a consultant to assess the condition of the escalators in GCT. A written assessment of the condition of GCT facility escalators and Category 1 Safety Testing of the escalators was performed, which concluded with requirements being prepared for the replacement of the GCT escalators. Based upon this study, MNR’s Capital Engineering Department utilized the services of an Architect/Engineer firm to complete a preliminary design. At this time, MNR will utilize the RFP Process to seek design/build teams to complete a design and perform the work required for the replacement of the eleven escalators in GCT. Six escalators are located at the concourse level and five are located at the North End Access. The general scope of work includes: (1) preparation of 100% drawings; (2) demolition and removal of existing escalators; and (3) fabrication and installation of new escalators.

The use of the RFP process will facilitate an assessment of the design/build teams’ Architectural/Engineering and Construction technical ability, past performance, organizational resources, project and safety plans, and cost. MNR requests the Board to adopt a resolution declaring that competitive bidding is impractical and/or inappropriate and that it is in the public interest to use the RFP process for the replacement of the escalators.

III. D/M/WBE INFORMATION:

TBD-once the scope of work and technical specifications are completed, MNR Procurement will submit to MTA Department of Diversity & Civil Rights (DDCR) for assignment of any possible goals.

IV. IMPACT ON FUNDING:

This procurement will be funded by the MNR Operating Budget.

V. ALTERNATIVES:

MNR does not have the available in-house design, fabrication, or construction ability to complete the scope of the specified work.

MARCH 2014

METRO-NORTH RAILROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

K. Ratification of Completed Procurement Actions

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

1. Stanley Vidmar, Inc. \$41,043 (not-to-exceed)

Emergency Repair of Croton Harmon Material Distribution Center STAK System

Emergency repair of the Croton Harmon-Material Distribution Center's (MDC) STAK System. The Harmon MDC currently stores and distributes a significant amount of railcar material to maintain MNR service and maintenance requirements on a daily basis. The STAK System is an integrated storage and retrieval system designed to accommodate storage of material in excess of 4,000 lbs.

During the maintenance inspection of the STAK System it was determined that the system was in need of immediate repair and upgrade to some uprights and crossbeams. This repair would eliminate any potential safety hazards while also installing protection that was not part of the original design and purchase. The timely repair of the STAK system was necessary to avoid delays to the dispersal of material needed for Railroad operations. Stanley Vidmar, Inc., as the Original Equipment Manufacturer (OEM), was uniquely qualified to perform this emergency repair in a timely manner. The total not-to-exceed cost of \$41,043 is deemed to be fair and reasonable and is to be funded by the MNR Operating Budget.

2. Georgetown Rail Equipment Company \$650,150 (not-to-exceed)

Provide Immediate Automated Rail Joint Bar & Fastening System Measurement Services

Emergency one-year service contract to provide Automated Track Inspections and Joint Bar Measurement services by Georgetown Rail Equipment Company (GREX) for Metro-North Railroad (MNR). The service includes complete joint bar measurements including two track inspection runs of MNR's entire operational corridor on all lines, six months apart per FRA 49CFR213 requirements. The need for this advanced inspection of rail joint and fastening system integrity was identified as a result of the May 2013 passenger train derailment in Bridgeport, CT. The service must begin in 2014 and will be part of an on-going requirement for MNR.

GREX presently has patented technology, the "Aurora System", that is available to provide MNR with the accuracy of the track/rail defects especially as they pertain to "end-rail mismatch". End rail mismatch is a particular problem that was identified through the current National Transportation Safety Board (NTSB) investigation of the Bridgeport derailment.

GREX is the only known vendor determined to have the equipment and the technology for this service as track inspection services are becoming increasingly automated. Their equipment can work in MNR's 3rd rail territory and the measurements that are taken have an accuracy of 0.02", a level of accuracy beyond that collected by other available known systems. Other well-known suppliers for these services were contacted and do not offer the required technology to perform these unique measurements with the level of accuracy required. The total not-to-exceed cost of \$650,150 is deemed to be fair and reasonable and is to be funded by the MNR Operating Budget.

ACTION ITEM



Staff Summary

Subject 2014 Hamptons Reserve Ticket						Date March 24, 2014			
Department Customer Service, Marketing and Public Affairs						Vendor Name			
Department Head Name Joe Calderone, Vice President						Contract Number			
Department Head Signature 						Contract Manager Signature			
Project Manager Name Yannis Takos, General Manager									
Board Action						Internal Approval			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LI COMM	3/24/14				3	President		Sr. VP Adm
2	MTA BD	3/26/14					Executive VP	2	VP Mktg & PA
							Sr. VP Op.		VP CFO

I. PURPOSE:

To introduce a new ticketing approach that will enhance service and increase revenue for the Hamptons Reserve Service in the 2014 season, by combining the standard rail charges with the reserve seat charges into a single ticket instrument. The price of the new combined ticket will be entirely consistent with the previously Board-approved prices for its component elements. Additionally, certain changes, as set forth herein, that are consistent with overall Board policy in this regard are proposed to the validity date and refund policy applicable to the combined ticket. These changes will discourage misuse of reserved seating, some of which end up not being used, resulting in the seats travelling empty and customers later seeking refunds.

II. DISCUSSION:

The MTA Long Island Rail Road offers the Hamptons Reserve service on its premier express train, The Cannonball, on summer Fridays (Eastbound) and Sundays (Westbound). This very popular train leaves Penn Station at 4:07 PM, and runs express to Westhampton in 94 minutes. Two of the twelve cars on the train are Hamptons Reserve cars, while the remaining ten coach cars are available to all customers. Seasonal reservations (minimum of six trips) for the Reserve cars are accepted in advance and weekly reservations are available through the Hamptons Reserve Reservation Office.

The Hamptons Reserve generates extra revenue by offering special accommodations – guaranteed assigned seating and at-seat bar service – for an additional \$20 above the price of regular rail. The current approved price of the ticket and separate reserve seat charge for the Eastbound trip is \$47 before boarding (\$27 rail and \$20 reserved seat charge) and for the Westbound trip is \$39.75 before boarding (\$19.75 rail and \$20 reserved seat charge). Hamptons Reserve ridership grew by 107% last year with the very successful launch of the “new” Hamptons Reserve (HR) service from Penn Station in 2013 (previously departing from Hunterspoint Avenue) and the introduction of Westbound reserved seating.

While the service overall was a success, a few initiatives are proposed to improve the services provided and meet the growing demand for the 2014 season. First, a more streamlined single-ticket boarding process is needed. Second, the railroad needs to promote customer fairness and protect revenue by preventing ticket hoarding. Some seasonal customers make bulk reservations upfront and never cancel unused reservations, and then return unused tickets at the end of the season for a refund. Because of this practice, as many as

twenty to thirty percent of reserved seats go unoccupied, when there is a waiting list of persons seeking to ride the reserved cars. Revenue from at-seat bar service is decreased by empty seats. Further, refunds to customers totaled approximately \$10,000, even after the \$10 refund charge was applied. Changes are needed so that unused seats can be re-sold to customers from the waiting list in a timely manner.

III. PROPOSED CHANGES:

Accordingly, the MTA Long Island Rail Road requests approval for a new Ticketing approach, creating a new ticket - the 2014 Hamptons Reserve "Special Ticket" – which will combine both rail and reserved seat charges. The new ticket pricing will be equal to the existing prices for tickets plus reserve seat charges, that is, \$47 Eastbound and \$39.75 Westbound. Thus, there is no change to Board-approved pricing which was established after public hearings. It is proposed that the new ticket will include assigned seat/car numbers and will be valid only on the specific date of travel noted on the ticket. The ticket will be refundable consistent with Board-approved policy, provided that customers cancel their reservations no later than noon on the Thursday prior to the travel date (for both Eastbound and Westbound weekend travel). If a timely cancellation is not received, the entire value of the combined ticket will be non-refundable.

These changes, which require Board approval, will make it easier for customers by combining two ticket instruments into a single combined ticket. Most importantly, by requiring advance cancellations of reservations, seats will be freed up for purchase by other customers, preventing seat hoarding while protecting revenue from bar service sales and by preventing mass refunds of unused Hamptons Reserve tickets at the end of the season.

IV. RECOMMENDATION:

It is therefore recommended that the Board approve the following Hamptons Reserve Ticket enhancements:

1. Change from two separate tickets to one Hamptons Reserve ticket that combines both rail and seat charges, consistent with current pricing. This will create efficiencies and help streamline boarding.
2. The new ticket will be valid only on the specific reserved day of travel on that specific train.
3. Adjust refund policy as follows:
 - The ticket will be refundable as long as customers cancel their reservations (for both Eastbound and Westbound weekend travel) no later than noon on the Thursday prior to the specific date of travel for such ticket. This will free up seats to other customers seeking to travel on Hamptons Reserve.
 - Consistent with current refund policy, customers who have their tickets already must return them within 60 days from the date of sale, while customers who have paid but do not have their tickets yet (i.e. last minute reservations) will receive refunds upon timely receipt of the cancellation notice. All such refunds remain subject to the applicable \$10 refund fee.

LONG ISLAND COMMITTEE

PROCUREMENTS

FOR

BOARD ACTION

March 24, 2014

LONG ISLAND RAIL ROAD

No Procurements for March 24, 2014 meeting

**LONG ISLAND COMMITTEE
BOARD PROCUREMENT PACKAGE**

March 2014

Staff Summary



Subject Request for Authorization to Award Various Procurements					
Department Law and Procurement					
Department Head Name Evan M. Eisland					
Department Head Signature <i>[Signature]</i>					
Project Manager Name David K. Cannon					
Board Action					
Order	To	Date	Approval	Info	Other
1	Long Island Committee	3/24/14	X		
2	Board	3/26/14	X		

Date: March 7, 2014			
Vendor Name Various			
Contract Number Various			
Contract Manager Name Various			
Table of Contents Ref #			
Internal Approvals			
	Approval		Approval
5	President <i>[Signature]</i>	3	Chief Financial Officer <i>[Signature]</i>
<i>[Signature]</i>	Executive Vice President	2	Vice President, Project Controls <i>[Signature]</i>
		1	Chief Procurement Officer <i>[Signature]</i>

PURPOSE

To obtain approval of the Board to adopt a resolution/declaration, award a modification and to inform the Long Island Committee of these procurement actions.

DISCUSSION

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

Schedules Requiring Two-Thirds Vote:

Schedule B Competitive Request For Proposals (Solicitation of Purc & Pub Wrk Contracts)	<u># of Actions</u>	<u>\$ Amount</u>
	1	\$ TBD
SUBTOTAL	1	\$ TBD

Schedules Requiring Majority Vote:

Schedule H Modifications to Purchase and Public Work Contracts	<u># of Actions</u>	<u>\$ Amount</u>
	2	\$19,988,268
SUBTOTAL	1	\$19,988,268
TOTAL	3	\$19,988,268

Competitive Bidding Requirements

The procurement action in Schedule B is subject to the competitive bidding requirements of PAL 1265-a relating to contracts for the purchase of goods or public work. The procurement actions in the remaining Schedule is not subject to these requirements

Budget Impact:

The approval of the modifications will obligate MTA Capital Construction capital funds in the respective amounts listed. Funds are available in the current capital budget for this purpose.

Recommendation:

That the resolution/modifications 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.**

March 2014

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 required for items estimated to be greater than \$1M.)

- | | | | |
|-----------|---------------------------------------|------------------------------|--------------------------------------|
| 1. | Contractor To Be Determined | Cost To Be Determined | <u>Staff Summary Attached</u> |
| | Contract Term To Be Determined | | |
| | Contract No. C-52128 | | |

Pursuant to Subdivision 4(f) of section 1265-a of the Public Authorities Law, and Article IIIA (6) of the All Agency Procurement Guidelines, MTACC requests that the Board adopt a resolution declaring competitive bidding is impractical or inappropriate and it is in the public interest to issue a competitive Request for Proposal ("RFP") for the Reconstruction of the Integrated Electronic Security System (IESS) in the East River tunnels utilized by the Long Island Rail Road.

Procurements Requiring Majority Vote

Schedule H. Modifications To Personal and Miscellaneous Service Contracts
(Approval/Staff Summaries required for substantial change orders and change orders that cause the original contract to equal or exceed the monetary or duration threshold required for Board approval)

- | | | | |
|---------------|--|---------------------|--------------------------------------|
| 2 - 3. | PB America/STV/Parsons Transportation | \$19,988,268 | <u>Staff Summary Attached</u> |
| | Group, Joint Venture | | |
| | Contract No. 98-0040-01R | | |
| | Modification Nos. 54 and 55 | | |

Pursuant to Article XIII of the MTA All-Agency Guidelines for the Procurement of Services, MTACC seeks Board approval of Contract modifications to increase the Guaranteed Maximum Cost for the repackaging of Contract CH058 and for an increase in the Construction Phase Services Budget.

**Schedule B: Competitive Requests for Proposals
Staff Summary**



Item Number: 1					
Dept & Dept Head Name: Law & Procurement, E. Eisland					
Division & Division Head Name: Procurement, D. Cannon					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LI Committee	3/24/14	X		
2	Board	3/26/14	X		
Internal Approvals					
	Approval		Approval		
2	President	<i>[Signature]</i>			
1	Executive Vice President	<i>[Signature]</i>			

SUMMARY INFORMATION	
Vendor Name RFP Authorizing Resolution	Contract Number C-52128
Description Reconstruction of the IESS in the East River Tunnels	
Total Amount N/A	
Contract Term (including Options, if any) To Be Determined	
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:	

I. PURPOSE/RECOMMENDATION

To request and recommend that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate and that, pursuant to Subdivision 4(f) of Section 1265-a of the Public Authorities Law and Article IIIA (6) of the All Agency Procurement Guidelines, it is in the public interest to issue a competitive Request for Proposal ("RFP") for Contract C-52128 for the Reconstruction of the Integrated Electronic Security System ("IESS") in the East River tunnels.

II. DISCUSSION

The scope of this project is to repair damage to the IESS in the East River Tunnels that occurred as a result of Superstorm Sandy. The East River Tunnels are used by the Long Island Rail Road ("LIRR") and connect Long Island City and Manhattan via four tubes, each containing one track. The assets being replaced include cameras, card readers, electronic security control panels, access control devices, intrusion detection devices, cables and conduits. Where feasible, electronic panels will be elevated and water tight enclosures installed to protect this equipment from future water damage.

Based upon experience with similar work, MTACC is recommending the Request For Proposal ("RFP") method of procurement and a design/build approach for this work. The design/build approach is recommended here to reduce time and costs. The competitive RFP method of procurement is recommended because it will enable MTACC to evaluate and select a contractor based upon considerations in addition to price, such as technical capability, and experience with security systems and integrating various security components into an existing system. This process specifically allows MTACC the ability to evaluate the contractor's approach to key components of the project such as site constraints, schedule, access issues, system design, integration of multiple systems into existing systems, handling of security sensitive information and coordination with LIRR and Amtrak Forces.

The RFP process will require the interested firms to submit a technical proposal, which will include their technical approach, qualifications, experience and schedule. The technical proposals will be evaluated against MTACC's established criteria and negotiations on technical and commercial issues will be held with those firms considered to be in a competitive range. Upon completion of the negotiations, those firms within a competitive range will have their cost proposals opened. After negotiations, award will be made to the responsible firm whose best and final offer provides the best value to the MTA.

III. IMPACT ON FUNDING

Funding for this Contract will be from Sandy Recovery Funds from the Federal Transit Administration.

IV. ALTERNATIVES

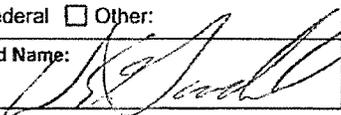
The use of a sealed bid process in which factors other than cost cannot be considered is not recommended as it does not provide a means to evaluate technical capability, past performance work experience with security systems and integrating various security components or to achieve the overall best value to the MTA

Schedule H: Modifications to Personal and Miscellaneous Service Contracts



Capital Construction

Item Numbers: 2 - 3

Vendor Name (& Location) Parsons Brinckerhoff/STV/Parsons Transportation Group, JV (NY)	Contract Number 98-0040-01R	AWO/Modification # 54 and 55
Description East Side Access General Engineering Consultant (GEC) Services	Original Amount:	\$ 140,000,000
Contract Term (including Options, if any) March 2016	Prior Modifications:	\$ 231,281,318
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" 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:	\$ 371,281,318
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request	\$ 19,988,268
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:	5.4%
Requesting Dept/Div & Dept/Div Head Name: East Side Access, W. Goodrich 	% of Modifications (including This Request) to Original Amount:	179%

Discussion:

This contract is for engineering, design and construction phase services for the LIRR East Side Access (“ESA”) project. In accordance with Article XIII of the MTA All-Agency Guidelines for the Procurement of Services, Board approval is requested to modify the Contract.

Modification No. 54

This Modification is for design services for the repackaging of Contract CH058 – Harold Structures Part 3, Eastbound Re-Route Structure, B/C Tunnel Approach and D Tunnel Approach Phase II. The repackaging of CH058 is part of a larger program developed in response to the 2012 Program-wide risk assessment and lessons learned over the last five years of Harold construction activity. The repackaging program involves coordinated transfers of work between various Harold contract packages to (i) take advantage of extended track outages in 2015 and 2016, (ii) prioritize work based on High Speed Rail Grant requirements and (iii) optimize and restructure planned usage of LIRR and Amtrak resources based on projected demands, competing projects and limited resource availability. This Modification is for the design services involved in deleting certain work from CH058 (to be moved to future Contract CH057) and adding work to CH058 (currently included in CH057 and Force Account packages).

In addition to the repackaging, this modification includes revisions to design documents to reflect a change in the method used to construct the Eastbound Reroute Tunnel and a portion of Tunnel A, in both cases to allow sections of track passing over the tunnels to be put into service earlier than would be the case without the change in construction method.

The Consultant submitted a cost proposal of \$1,163,271 for this modification while the MTACC estimate was \$1,062,238. Negotiations were held and the parties agreed to a cost of \$1,097,952, which is considered to be fair and reasonable.

Modification No. 55

This Modification will increase the contract amount allocated to Construction Phase Services (“CPS”) by \$18,890,316 to allow the Consultant to continue to provide CPS through June 2015. In March 2013, the Board approved a modification which included an increase in the CPS budget in the amount of \$13,500,000 to allow CPS to continue to the end of 2013. The Board was advised at that time that MTACC would come back to the Board with a request for additional funding for CPS for 2014 and beyond. The amount currently remaining in the contract’s CPS budget is sufficient to cover CPS services through April 2014.

By way of background, CPS is provided on a cost-plus-fixed-fee, level-of-effort, not-to-exceed basis. CPS are provided in support of third party or force account construction contracts/packages during construction and may include review of contractor’s submissions, shop drawings and requests for information; site inspections; resolution of technical issues; preparation of supplementary drawings; and preparation of record drawings for force account packages.

At Contract inception in August 2004, the contract budget for CPS was \$20,000,000. As the construction program progressed, the amount allocated to CPS was reviewed, new CPS estimates were prepared, and the contract budget for CPS was increased accordingly. Based on the most recent Integrated Program Schedule, which includes a longer construction duration and a revised contract packaging plan involving more contract packages, the current CPS estimate through program completion is \$155,757,212. By this modification, MTACC is requesting an increase to the contract budget for CPS in the amount of \$18,890,316, from \$90,707,435 to \$109,597,751 to fund CPS through June of 2015. These funds will be allocated on an as-needed basis. MTACC intends to return to the Board in 2015 for additional funding for CPS for the second half of 2015 and beyond.



Bridges and Tunnels

Procurements March 2014

Staff Summary



Subject: Request for Authorization to Award Various Procurements
Department: Procurement
Department Head Name: M. Margaret Terry <i>QRC FOR MMT</i>
Department Head Signature
Project Manager Name: Various

Date: March 3, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	President	3/6/14	<i>[Signature]</i>		
2	MTA B&T Committee	3/24/14			
3	MTA Board	3/26/14			

Internal Approvals			
Order	Approval	Order	Approval
	President		VP Operations
	Executive Vice President		VP & Chief Engineer
	SVP & General Counsel		Chief Procurement Officer
	VP Administration		

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

PURPOSE:

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

DISCUSSION:

MTA B&T proposes to award Non-Competitive procurements in the following categories: None.

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

Schedules Requiring Majority Vote		# of Actions	\$ Amount
Schedule F	Personal Service Contracts	3	\$14.002M
Schedule H	Modifications to Personal/Miscellaneous Service Contracts	1	\$ 1.677M
TOTAL		4	\$15.679M

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

BUDGET IMPACT:

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

RECOMMENDATION:

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

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

MTA BRIDGES & TUNNELS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

WHEREAS, in accordance with §559 and §2879 of the Public Authorities Law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with §2879 of the Public Authorities Law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain changes orders to procurement, public work, and miscellaneous procurement contracts; and

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

NOW, the Board resolves as follows:

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

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
MARCH 2014

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

F: Personal Service Contracts

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

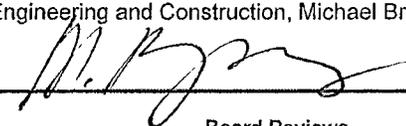
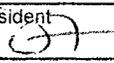
- | | | | |
|----|--|--|--------------------------------------|
| 1. | Hardesty & Hanover, LLC
HNTB NY Engineering and Architecture, PC
URS Corporation – NY
WSP USA Corp.
Contract No. PSC-13-2944A-D | \$2,689,843.00
\$2,001,010.29
\$2,890,830.99
<u>\$1,384,209.51</u>
\$8,965,893.79 | <u>Staff Summary Attached</u> |
| | 2 yr. 9 mo. contract – Competitive RFP – 7 Proposals
Provide biennial bridge inspection and miscellaneous design services at the Robert F. Kennedy and Verrazano-Narrows Bridges. | | |
| 2. | Atkins, P.A.
Contract No. PSC-13-2941B | \$3,000,000.00 | <u>Staff Summary Attached</u> |
| | 5 yr. contract – Competitive RFP – 3 Proposals
Provide miscellaneous toll collection consultant support services on an as-needed basis. | | |
| 3. | Hatch Mott MacDonald NY, Inc.
Contract No. PSC-13-2942X | \$2,035,896.00 | <u>Staff Summary Attached</u> |
| | 2 yr. contract – Competitive RFP – 3 Proposals
Provide design and construction support services for Project QM-81, Control System and Control Room Rehabilitation at the Queens Midtown Tunnel. | | |

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

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

- | | | | |
|----|---|-----------------------|--------------------------------------|
| 4. | Weidlinger Associates Inc/Parsons Brinckeroff, J.V.
Contract No. PSC-11-2897 | \$1,677,276.71 | <u>Staff Summary Attached</u> |
| | Perform investigations and design of a prototype steel deck section on the suspended span of the Throgs Neck Bridge and supplementary wind evaluations during and after orthotropic deck replacement under Project TN-49. | | |

Staff Summary

Item Number 1 (Final)					
Dept & Dept Head Name: Engineering and Construction, Joe Keane, P.E. 					
Division & Division Head Name: Engineering and Construction, Michael Bronfman, P.E. 					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	3/6/14			
2	MTA B&T Committee	3/24/14			
3	MTA Board	3/26/14			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer 	4	Executive Vice President		
2	General Counsel 	5	President 		
3	Chief Procurement Officer 				

SUMMARY INFORMATION	
Vendor Name A) Hardesty & Hanover, LLC B) HNTB C) URS Corporation - NY D) WSP USA Corp.	Contract Number PSC-13-2944A PSC-13-2944B PSC-13-2944C PSC-13-2944D
Description 2014 Biennial Bridge Inspections and Design of Miscellaneous Structural Repairs at the RFK and VN Bridges	
Total Amount PSC-13-2944A, \$2,689,843.00; PSC-13-2944B, \$2,001,010.29; PSC-13-2944C, \$2,890,830.99; PSC-13-2944D, \$1,384,209.51	
Contract Term (including Options, if any) Two years, nine months (through 12/31/16)	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to award four personal service contracts for the 2014 Biennial Bridge Inspections at the: (i) RFK Bridge – Main Span (Contract PSC-13-2944A) to Hardesty & Hanover, LLC (H&H), (ii) RFK Bridge – Harlem River Lift Span (Contract PSC-13-2944B) to HNTB NY Engineering and Architecture, PC (HNTB), (iii) Verrazano Narrows Bridge – Main Span (Contract PSC-13-2944C) to URS Corporation – NY (URS), and (iv) Verrazano Narrows Bridge Approaches (Contract PSC-13-2944D) to WSP USA Corp. (WSP). The negotiated contract amounts are: (A) \$2,689,843.00 (B) \$2,001,010.29 (C) \$2,890,830.99 and (D) \$1,384,209.51. Each contract will be for a duration of approximately two years, nine months through December 31, 2016.

II DISCUSSION

B&T requires the services of four consultant firms to provide biennial bridge inspection and miscellaneous design services at the: RFK Bridge – Main Span, RFK Bridge – Harlem River Lift Span, Verrazano Narrows Bridge – Main Span and Verrazano Narrows Bridge Approaches. The inspections are required by the New York State Department of Transportation.

The requirements were publicly advertised. Ten firms submitted qualification information for review and evaluation by the selection committee. Seven firms: Ammann & Whitney Consulting Engineers, P.C. (A&W); HAKS Engineers, Architects and Land Surveyors, P.C. (HAKS); H&H; HNTB; TranSystems Architect & Engineer, P.C. (TS); URS; and WSP were chosen to receive the RFP based on a review of those qualifications and all seven firms submitted proposals. The proposals were evaluated against established criteria set forth in the RFP including technical work proposed, depth of understanding of the project, qualifications of the firm for specific personnel proposed and cost. Based on the

Staff Summary

committee's review of all submittals and its consideration of proposed costs, the committee selected H&H for Group A (RFK Bridge – Main Span), HNTB for Group B (RFK Bridge - HRLS), the use of Best and Final Offers (BAFOs) for the final selection of Group C, and WSP for Group D (Verrazano Narrows Bridge Approaches).

Based on the detailed review of all submittals and its consideration of proposed costs, the Selection Committee recommended that negotiations be conducted with A&W, HAKS, and URS for Group C (Verrazano Narrows Bridge Main Spans) and that these firms submit BAFOs. After review of the BAFOs from these firms the Committee unanimously recommended award to URS.

The Committee's final selections were based on the following:

- H&H proposed an inspection team which has the necessary experience and qualified personnel for Group A with extensive experience working at various B&T structures. H&H demonstrated an in-depth understanding of the inspection requirements and related field issues as well as excellent past performance at the RFK Bridge. H&H demonstrated that it has sufficient resources to perform a biennial inspection of the magnitude required for Group A. H&H's proposed cost was 5.72% below the estimate.
- HNTB's proposed inspection team has the necessary experience and qualified personnel for Group B (RFK Bridge - HRLS) with extensive experience and knowledge of the inspection requirements for this facility. HNTB demonstrated it has the resources necessary to perform this Biennial Inspection and special tasks as outlined in the RFP including in-depth electrical and mechanical inspection of the Lift Span mechanisms. HNTB's proposed cost was 6% above the estimate.
- WSP demonstrated a wide range of experience with B&T and other agencies throughout the region including major bridge inspections. WSP has the resources necessary to perform the Biennial Inspection at the Verrazano Narrows Bridge Approaches (Group D). WSP's proposed cost was 10% above the estimate.
- URS demonstrated: (i) a thorough understanding of the complicated nature and large scale of the inspection, and the coordination required for this work, (ii) a well planned and cost effective approach for the work sequence, and (iii) quality and availability of technical personnel with proper training committed to the project. Additionally, URS' revised BAFO proposal is 15% less than the Engineer's estimate and overall was deemed to be the best value for Group C.
- Overall, A&W and HAKS are considered technically qualified. However, the BAFO proposals from A&W and HAKS were not considered to have the same final value as the BAFO from URS.
- Though considered technically qualified, the technical and cost proposal from TS was rated lower than those of the selected firms.

The overall cost (excluding allowances) of the four recommended 2014 Biennial Contracts is an increase of 3.7% compared with the preceding 2012 Biennial Contracts (PSC-11-2899). The following represents a summary of costs incurred in the 2012 Biennial Contracts, the costs proposed, estimated and negotiated for the recommended 2014 Biennial Contracts.

Group	2012 Contracts	2014 Contracts			Comparisons	
	Amount	B&T Estimate	Proposed	Negotiated	2014 Negotiated vs. 2012	2014 Negotiated vs. Estimate
A	\$1,920,587.54	\$2,166,000.00	\$2,042,124.00	\$1,939,843.00	1%	-10%
B	\$1,352,039.00	\$1,481,000.00	\$1,577,094.24	\$1,501,010.29	11%	1.4%
C	\$2,032,173.72	\$2,290,000.00	\$2,082,531.47	\$1,940,830.99	-4.5%	-15%
D	\$835,797.00	\$937,000.00	\$1,042,845.66	\$984,209.51	18%	5%

* All costs above exclude allowances.

The negotiated cost for Group B is 11% higher than the 2012 contract primarily because this cycle includes an in-depth electrical and mechanical evaluation of the Harlem River Lift Span and the inclusion of the prototype computerized inspection data collection and asset management system. The negotiated cost (BAFO) for Group C is 15% lower than the estimate in part because the estimate was based on this consultant sharing the traveler at the VNB with a painting contractor, however, the painting work is complete and consultants were able to assume full access to the traveler. The

Staff Summary

negotiated cost for Group D is 18% higher than the 2012 Contract in part due to the inclusion of the new Lily Pond Ramp which opened to traffic late 2013.

Based on the above, the negotiated amounts are considered fair and reasonable. H&H, HNTB, URS and WSP are each considered to be responsible consultants.

Summary of 2014 Proposed Contracts			
Group	Negotiated Amount	Allowance	Contract Amount with Allowance
A	\$1,939,843.00	\$750,000.00	\$2,689,843.00
B	\$1,501,010.29	\$500,000.00	\$2,001,010.29
C	\$1,940,830.99	\$950,000.00	\$2,890,830.99
D	\$984,209.51	\$400,000.00	\$1,384,209.51

The total amount for each contract will include the assigned allowances as shown in the table above. Services under these allowances are to provide support based on the results of the inspection and include: (i) interim or special inspections; (ii) spalling concrete removal supervision; (iii) sign gantries and light pole inspections; (iv) auxiliary design services for the repair of defective structural conditions; (v) preliminary design investigations toward alternative solutions; and (vi) auxiliary testing services for elements such as concrete cores, steel coupons, and cable wires. These services will be provided via work orders on an as-needed basis. The allowances are based on historical costs and will permit B&T to quickly respond to the needs of each facility. The services being performed under the allowances will typically be performed at the rates negotiated for overhead and profit.

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights has established goals of 10% MBE and 10% WBE for each of these contracts. The contracts will not be awarded until the MWBE requirements are satisfied. H&H, HNTB, URS, and WSP, have each achieved their MWDBE goals on previous MTA contracts.

IV. IMPACT ON FUNDING

Funding in the amount of \$8,965,893.79 is available in the Operating Budget under GFM-502, General Ledger #711101.

V. ALTERNATIVES

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

Staff Summary

Item Number 2 (Final)					
Dept & Dept Head Name: New Toll Initiatives, Robert Redding, Senior Director					
Division & Division Head Name: New Toll Initiatives, Robert Redding, Senior Director					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	3/6/14			
2	MTA B&T Committee	3/24/14			
3	MTA Board	3/26/14			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer 	4	Executive Vice President		
2	General Counsel 	5	President 		
3	Chief Procurement Officer 				

SUMMARY INFORMATION	
Vendor Name Atkins, P.A.	Contract Number PSC-13-2941B
Description Miscellaneous Toll Collection Consultant Support Services on an As-Needed Basis	
Total Amount \$3,000,000.00	
Contract Term (including Options, if any) Five (5) years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input 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 contract, Contract PSC-13-2941B, for Miscellaneous Toll Collection Consultant Support Services on an As-Needed Basis to Atkins, P.A. in the not-to-exceed amount of \$3,000,000 over a period of five (5) years.

II. DISCUSSION

B&T requires the services of multi-disciplined toll consulting firms to provide the following services on an as-needed basis: (i) evaluation of existing toll collection systems implemented by other tolling authorities in order to determine which features of such systems might be incorporated in to B&T's operations; (ii) conceptual design, planning and scoping for toll system capital projects; (iii) assist in the development of marketing strategies based on the most current available technology in conjunction with automatic toll or managed lane projects; (iv) assess potential upgrades to our current toll collection system; and (v) provide support in developing and testing B&T's business continuity plans as they relate to toll collection and violation enforcement. The required services will be assigned on an as-needed basis through the issuance of work orders which will be based on the consultant's current workload, available personnel and expertise. Each work order will be negotiated separately using the labor, overhead and profit rates negotiated in each contract. The total amount of all work orders under the contracts will not exceed \$3,000,000.

Staff Summary

The service requirements were publicly advertised. Sixty-seven (67) firms were sent a copy of the solicitation notice, five (5) firms requested a copy of the Request for Proposal (RFP) and three (3) proposals were submitted as follows: Traffic Technology, Inc. (TTI); Atkins, P.A. (Atkins); and Jacobs Civil Consultants, Inc. (Jacobs). The proposals were evaluated against established criteria set forth in the RFP including the qualifications of the firm's personnel, qualifications of the management team, understanding of the project and cost. The evaluation committee determined that of the three firms, Atkins' and Jacobs' proposals most closely met B&T's requirements and were determined to be in the competitive range. Each selected firm presented detailed, organized technical proposals. Both firms demonstrated that they possess a significant level of experience and knowledge in the discipline of toll collection. The committee additionally considered each firm's personnel to be exceptionally well qualified.

The committee elected to waive oral presentations and conducted a more in-depth review of each firm's cost proposal. The consultant, in its base proposal, was requested to quote labor, overhead, profit and escalation rates against a sample scope of work using predetermined job titles and applicable hourly rates. Following the committee's evaluation of the information presented, the committee recommended that negotiations with each firm be conducted. In comparison with the rates for the same or similar job titles under prior B&T contracts the negotiated rates are considered fair and reasonable. Atkins has performed satisfactorily under a previous B&T contract and is deemed to be a responsible consultant. The not-to-exceed amount for this contract is \$3,000,000. At this time Jacobs' proposal is undergoing further evaluation and an award recommendation for this firm will be presented to the Board at a later date.

III. D/M/WBE INFORMATION

The MTA DDCR has established M/WBE goals of 10% and 10%, respectively, for this contract. This contract will not be awarded without approval of MTA DDCR. Atkins has achieved its previous M/WBE goals on its prior contract with B&T.

IV. IMPACT ON FUNDING

Funding is available in both the Operating Budget and the 2010-2014 Capital Program under Project AW-48 (WAR Certificates will be requested on a Work Order basis).

V. ALTERNATIVES

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

Staff Summary

Item Number 3 (Final)					
Dept & Dept Head Name: <i>Joe Keane</i> Engineering and Construction, Joe Keane, P.E.					
Division & Division Head Name: <i>Romolo DeSantis</i> Engineering and Construction, Romolo DeSantis, P.E.					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	3/6/14	<i>[Signature]</i>		
2	MTA B&T Committee	3/24/14			
3	MTA Board	3/26/14			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>[Signature]</i>	4	Chief of Staff		
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 Hatch Mott MacDonald NY, Inc.	Contract Number PSC-13-2942X
Description: Design and Construction Support Services for Project QM-81, Control System and Control Room Rehabilitation at the Queens Midtown Tunnel	
Total Amount \$2,035,896	
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 services contract for Design and Construction Support Services for Project QM-81, Control Systems and Control Room Rehabilitation at the Queens Midtown Tunnel (QMT) to Hatch Mott MacDonald NY, Inc. (HMM) for a period of two (2) years. The total cost of the Contract is \$2,035,896.

II. DISCUSSION

B&T requires the services of a consultant to provide design and construction support services for the control system and control room rehabilitation for the Queens Midtown Tunnel. The Project requires the selected consultant to upgrade existing electronic control systems to improve operational awareness, improve customer and employee safety, and increase operational efficiencies, reliability and maintenance planning. Design services to include: control room and service building renovations, phased demolition and replacement of existing control boards and systems integration. At a future date, the cost for construction support services will be negotiated and presented to the Board for approval.

Staff Summary

The service requirements were publicly advertised; four firms submitted qualification information and all firms were invited to submit proposals based on a review of their qualifications. Three firms, AECOM USA, Inc., HMM, and Parsons Brinckerhoff (PB) submitted proposals. The fourth firm Ove Arup and Partners, P.C. determined that they could not submit a competitive proposal based on the technical requirements. 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 recommended that B&T enter into negotiations with HMM, the highest rated firm. HMM's proposal reflected a thorough understanding of the Project scope and design requirements, and its Project Team demonstrated extensive control room rehabilitation design experience. PB's proposal demonstrated control room design and tunnel experience but did not reflect the depth of project understanding in comparison with HMM's proposal. AECOM has relevant design experience but did not demonstrate an extensive understanding of the existing tunnel systems in QMT as exhibited by HMM.

HMM submitted a proposal in the amount of \$2,274,244. The Engineer's estimate is \$2,047,466. During negotiations it was determined that HMM overstated its proposal in connection with the Task 2-Investigation and Data Collection and Task 3-Preliminary Design. The consultant's proposed hours were consequently reduced in order to properly reflect the level of effort in terms of hours to satisfy these requirements. B&T and HMM agreed to the negotiated amount of \$2,035,896, which is 0.6% below the estimate and is fair and reasonable. HMM 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. HMM has achieved its M/WBE goals on previous MTA contracts. This contract will not be awarded without approval of MTA DDCR.

IV. IMPACT ON FUNDING

Funding is available under Project QM-81 in the amount of \$2,035,896 in the 2010-2014 Capital Budget.

IV. 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: 4 (Final)

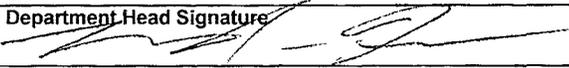
Vendor Name (& Location) Weidlinger Associates Inc./Parsons Brinckerhoff, J.V.: NY, NY	Contract Number PSC-11-2897	AWO/Modification #
Description Design and Construction Support Services for Project TN-49, Rehabilitation/Replacement of the Suspended Span at the Throgs Neck Bridge		
Contract Term (including Options, if any) March 20, 2012 – September 19, 2017	Original Amount:	\$4,837,206.14
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Modifications:	N/A
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:	\$4,837,206.14
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	This Request:	\$1,677,276.71
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Joe Keane, P.E., VP/Chief Engineer	% of This Request to Current Amount:	34.7%
	% of Modifications (including This Request) to Original Amount:	34.7%

Discussion:

B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to amend this contract with Weidlinger Associates Inc./Parsons Brinckerhoff, A Joint Venture (WA/PB) for additional funding to perform the following: (i) investigations and design of a prototype steel deck section for a future fatigue testing program and (ii) supplementary wind evaluations for opened side barriers, movable center median barrier, traveling vehicles, construction staging and protective fencing to ensure aerodynamic stability during and after deck replacement construction on the suspended spans of the Throgs Neck Bridge. Additionally, the fabrication of a prototype deck panel and the testing and evaluation of its aerodynamic performance is required to ensure fatigue resistance of the fabrication details for the deck structure over its designed life span. The total negotiated amount is \$1,677,276.71. Consistent with the Procurement Guidelines this amendment constitutes a substantial change.

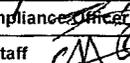
WA/PB submitted a proposal in the amount of \$1,677,276.71. The Engineer's estimate is \$1,694,367. The Authority accepted the WA/PB proposal in the amount of \$1,677,276.71, which is 1.0% below the estimate as fair and reasonable. Funding for this amendment is available in the 2010 – 2014 Capital Program under Project TN-49.

Staff Summary

Subject Establishment of Safety Committee and Revisions to Governance Guidelines
Department Corporate Compliance
Department Head Name Lamond W. Kearse
Department Head Signature 
Project Manager Name Lamond W. Kearse

Date March 26, 2014
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Corporate Governance	3/24/14			
2	Board	3/26/14			

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

Purpose:
To seek Board approval of the Safety Committee Charter and revisions to the Governance Guidelines.

Discussion:
Each Committee of the Board has a charter which sets forth the purpose, authority, and key responsibilities of the Committee and also contains language regarding scheduling and conduct of Committee meetings.

Last month, the Chairman announced that he intended to recreate a Safety Committee which would meet at least quarterly to monitor safety programs of the MTA and each of its subsidiaries and constituent agencies. In addition, the Committee will monitor the implementation of the annual safety goals and act as forum for the open discussion of safety issues among representatives from the MTA and each of its subsidiaries and constituent agencies.

As a committee of the Board, the Safety Committee should have a Board approved charter that reflects the mission and authority of the Safety Committee.

In addition, the listing of Board committees contained in the MTA Governance Guidelines is updated to reflect the establishment of a Safety Committee.

Recommendation:
That the Board take the following Action:

1. Adopt the proposed Safety Committee Charter and
2. Adopt the revisions to the Governance Guidelines.

The Metropolitan Transportation Authority

SAFETY COMMITTEE

This Charter for the Safety 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 March 26, 2014.

I. PURPOSE

The Safety Committee (the "Committee") shall assist the Board Chair and the Board by reviewing, providing guidance, and making recommendations with respect to safety on an MTA-wide basis.

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 and shall include the Board Chair, the chairs of each operating committee of the Board, and each member of the Board recommended for appointment to the Board by a labor organization. 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 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 4 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 Chief Safety Officer, 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 Chief Safety Officer shall (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda relating to safety on an MTA-wide basis, (2) provide the chairperson of the Committee with all information regarding safety on an MTA-wide basis that is material to the Committee's monitoring and oversight of safety on an MTA-wide basis, 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 safety on an MTA-wide basis.

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 the implementation of the annual safety goals and programs of the MTA and each of its subsidiaries and constituent agencies;
2. Monitor the safety record of the MTA and each of its subsidiaries and constituent authorities, including by selecting and reviewing key safety indicators;
3. Provide a forum for the open discussion of safety issues among representatives from the MTA and each of its subsidiaries and constituent agencies;
4. Facilitate the identification of approaches and solutions that address MTA-wide safety issues;
5. Review and assess the adequacy of this Charter annually;
6. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter; and
7. 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.

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 ~~July 24~~ March 26, 2014

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 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; and (10) the Safety 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.

Staff Summary

Subject Mission Statement & Performance Indicator Report
Department Chief of Staff
Department Head Name Catherine A. Rinaldi
Department Head Signature
Project Manager Name

Date March 26, 2014
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
	Corporate Governance	3/24/14			
	Board	3/26/14			

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

Purpose:

To obtain Board approval of the MTA's mission statement and performance measurement Report and to authorize submission of the annexed 2013 Mission Statement and Performance Measurement Report to the State Authorities Budget Office.

Discussion:

Section 1269-f and Section 2824-a of the Public Authorities Law require MTA annually to reexamine its mission statement and selected performance measurement indicators and to submit a report based on the performance indicator results from the previous year to the State Authorities Budget Office.

The MTA and its Board engage in oversight of agency operating performance throughout the year. The Board, through its transit, rail and bridge/tunnel operation committees, closely monitors agency operating performance. Each operating agency reports its most recent performance data in posted monthly reports and in committee books distributed in advance of public MTA operating committee meetings, which are conducted at least eight times a year. At these public meetings, operating agency results are reviewed and discussed by Board members and agency senior staff. In addition, presentations focused on particular areas of performance are made by the agency staff to the Board operating committees periodically through the year, in accordance with the work plan schedule of each operating committee. The MTA website also contains a "Performance Dashboard" for each of the MTA operating agencies, updated monthly, summarizing the agencies' leading performance measurements.

The attached report (the "2013 Mission Statement and Performance Measurement Report") compiles the MTA mission statement and the measurements from 2013 for the performance indicators listed in the MTA mission statement. The operating agencies have each submitted, within the Report, a summary that evaluates agency performance on the applicable indicators in the past year. The Report also contains a copy of the MTA mission statement, to facilitate the Board's annual review.

Recommendation:

It is recommended that the MTA Board approve the annexed 2013 Mission Statement and Performance Measurement Report for submission to the Authorities Budget Office.



**Metropolitan Transportation Authority
Mission Statement, Measurements, and Performance
Indicators Report Covering Fiscal Year 2013**

In Compliance with New York State Public Authorities Law §1269-f and §2824-a

Submitted as Part of the MTA 2013 Annual Report to the Governor

Note

Because of the timing of this report, the performance indicators against which the MTA agencies measure their performance are preliminary and subject to subsequent reconciliation and adjustment as data is finalized over the course of the year. For that reason, some of the 2012 data that was reported in last year's report has been adjusted, and our 2013 performance is being measured against this more recent and accurate data, even if it differs only slightly from the data in last year's report. Similarly, our 2013 preliminary data is also subject to subsequent adjustment, and our 2014 report will similarly measure performance against the most recent and accurate data available.

MTA Mission Statement

The Metropolitan Transportation Authority (MTA) preserves and enhances the quality of life and economic health of the region it serves through the cost-efficient provision of safe, on-time, reliable, and clean transportation services.

Stakeholder Assessment

The main stakeholders of the MTA are its customers; the businesses, residents, and taxpayers of our service area and the State; the MTA's employees and unions; and its government partners. A set of goals for each group has been defined, along with performance indicators to measure the attainment of these goals.

Customers	
Our customers are those who ride our trains and buses or cross our bridges and tunnels. They include the residents in our region, as well as tourists and visiting business persons. Our customers expect service that is safe, on-time, reliable, and that provides good value for their money.	
MTA Goals	Performance Indicators
Ensure our customers' safety	<ul style="list-style-type: none"> ✓ Customer injury rates ✓ Bus collision rate
Provide on-time and reliable services	<ul style="list-style-type: none"> ✓ On-time performance (subway and commuter railroads) ✓ Subway wait assessment ✓ Bus trips completed ✓ Mean distance between failures
Provide services to people with disabilities	<ul style="list-style-type: none"> ✓ Elevator availability ✓ Escalator availability ✓ Bus passenger wheelchair lift usage (does not include paratransit) ✓ Paratransit ridership
Repair, replace, and expand transportation infrastructure	<ul style="list-style-type: none"> ✓ Capital Program commitments ✓ Capital Program completions

Businesses, Residents, and Taxpayers

The businesses, residents, and taxpayers in our service area want the MTA to spend its resources efficiently and appropriately, while enhancing the mobility of the region.

MTA Goals	Performance Indicators
Perform services in an efficient manner	<ul style="list-style-type: none"> ✓ Farebox operating ratio ✓ Operating cost per customer ✓ Total support to mass transit
Maximize system usage	<ul style="list-style-type: none"> ✓ Ridership ✓ Traffic volume
Repair, replace, and expand transportation infrastructure	<ul style="list-style-type: none"> ✓ Capital Program commitments ✓ Capital Program completions

Employees and Unions

Our employees and unions expect a safe workplace, skills training relevant to their roles, and opportunities for growth.

MTA Goals	Performance Indicators
Ensure our employees' safety	<ul style="list-style-type: none"> ✓ Employee lost time and restricted duty rate
Maintain a workforce that reflects the regional availability of all races, nationalities, and genders for our industry	<ul style="list-style-type: none"> ✓ Female representation in MTA workforce ✓ Minority representation in MTA workforce

Government Partners (Federal, State, and Local Governments)

Our government partners expect us to enhance regional mobility by providing excellent service, while spending our resources in a cost-effective and appropriate manner.

MTA Goals	Performance Indicators
Provide on-time and reliable services	<ul style="list-style-type: none"> ✓ On-time performance (subway and commuter railroads) ✓ Subway wait assessment ✓ Bus trips completed ✓ Mean distance between failures
Maximize system usage	<ul style="list-style-type: none"> ✓ Ridership ✓ Traffic volume
Perform services in an efficient manner	<ul style="list-style-type: none"> ✓ Farebox operating ratio ✓ Operating cost per customer
Repair, replace, and expand transportation infrastructure	<ul style="list-style-type: none"> ✓ Capital Program commitments ✓ Capital Program completions

MTA New York City Transit ("NYCT")

Performance Indicator	2012 Actual	2013 Actual
Service Indicators		
On-Time Performance – Terminal	83.7%	80.5%
Subway Wait Assessment	79.0%	80.3%
Elevator Availability – Subways	97.7%	97.3%
Escalator Availability – Subways	96.2%	95.8%
Total Ridership – Subways	1,654,582,265	1,707,555,714
Mean Distance Between Failures – Subways (miles)	162,138	153,382
Mean Distance Between Failures – Staten Island Railway (miles)	74,773	71,313
On-Time Performance – Staten Island Railway	93.1%	94.7%
% of Completed Trips – NYCT Bus	98.9%	99.26%
Total Paratransit Ridership – NYCT Bus	9,343,283	9,266,385
Bus Passenger Wheelchair Lift Usage – NYCT Bus	1,416,967	1,446,813
Total Ridership – NYCT Bus	667,910,621	667,569,432
Mean Distance Between Failures – NYCT Bus (miles)	4,546	4,941
Safety Indicators		
Customer Injury Rate – Subways (per million customers)	2.79	2.96
Customer Accident Injury Rate – NYCT Bus (per million customers)	1.14	1.15
Collisions with Injury Rate – NYCT Bus (per million vehicle miles)	6.60	7.56
Employee Lost Time and Restricted-Duty Rate (per 100 employees)	3.09	3.31
Workforce Indicators		
Female Representatives in NYCT Workforce	17.3%	17.4%
Minority Representatives in NYCT Workforce	73.9%	74.5%
Financial Indicators		
Farebox Operating Ratio	56.4%	59.1%
Operating Cost per Passenger	\$2.87	\$2.87
Capital Program Indicators		
Commitments in \$ Millions (% of planned value)	\$2,287 (58%)	\$2,563 (100%)
Completions in \$ Millions (% of planned value)	\$2,560 (86%)	\$1,542 (75%)

NYCT, cont.

MTA GOAL: Ensure Customer Safety

PERFORMANCE INDICATORS: Customer Injury Rate

The 2013 customer injury rate for the NYCT Department of Subways was 2.96 per million customers, up from 2.79 in 2012. This increase, however, follows a steady decline in customer injuries, from 3.33 in 2009. NYCT Subways remains committed to continuing the long-term decline in customer injuries. In 2013, Subways advanced the recently introduced “Safety Culture Task Force” in order to evaluate the ways in which organizational culture impacts customer safety.

NYCT Bus saw a 0.6-percent increase in its customer accident injury rate in 2013, as compared to 2012. By continuing the current Bus Accident Safety Improvement Coordination System (BASICS), NYCT Bus has been able to maintain performance with an extremely minimal increase. The BASICS program and other safety initiatives should continue to improve the safety habits of bus operators.

NYCT Bus saw a 14.4-percent increase in its collision injury rate in 2013, as compared to 2012. Based upon an analysis of driver performance, NYCT Bus’s combined safety initiatives focus on driver performance in the bus stop area, including such basic procedures as scanning mirrors, observing the area around the bus, pulling into and out of bus stops properly, and positioning the bus correctly in the bus stop.

NYCT Bus continues to incorporate relevant accident findings into its safety and training initiatives. Additionally, NYCT, in joint agreement with all represented labor unions, continues to emphasize a “zero-tolerance” policy banning cell phones and other electronic devices for bus operators on duty.

NYCT, cont.

MTA GOAL: Provide On-Time and Reliable Services

PERFORMANCE INDICATORS: On-Time Performance, Mean Distance Between Failures, Subway Wait Assessment, Bus Trips Completed

NYCT Subways wait assessment improved from 79 percent in 2012 to 80.3 percent in 2013. Wait assessment, which measures regularity of service, is the primary customer service indicator. NYCT Subways employs strategies to maintain regular intervals between trains, even if those strategies lead to a decline in on-time performance (OTP). In general, subway passengers are impacted more by the regularity of service along a route than by the time a particular train arrives at the final destination, as relatively few riders travel all the way to the end of most subway lines.

NYCT Subways' OTP declined from 83.7 percent in 2012 to 80.5 percent in 2013. There are two main causes. First, ridership is increasing, which means even a small delay can multiply rapidly due to crowding on board trains and at stations. Second, NYCT is aggressively increasing system maintenance on the right-of-way. Critical inspections and maintenance of tracks and signals require having workers on the tracks while trains are running. For safety reasons, trains must slow down as they pass workers on the tracks.

The subway "mean distance between failures" (MDBF) fell from 162,138 miles in 2012 to 153,382 in 2013.

At the Staten Island Rapid Transit Operating Authority (SIRTOA), OTP increased from 93.1 percent in 2012 to 94.7 percent in 2013. SIRTOA's MDBF fell from 74,773 miles in 2012 to 71,313 miles in 2013. This decline has been attributed to a rail fleet nearly 40 years old.

As a result of its continuing focus on maintenance, NYCT Bus saw an 8.7-percent increase in MDBF in 2013, achieving a record-setting MDBF of 4,941 miles for the year. The percentage of "bus trips completed," which depends on both vehicle and operator availability, also increased

NYCT, cont.

from 98.9 percent to 99.26 percent in 2013. The increase is primarily attributable to improved bus performance.

MTA GOAL: Provide Services to People with Disabilities

PERFORMANCE INDICATORS: Elevator Availability, Escalator Availability, Bus Passenger Wheelchair Lift Usage, Paratransit Ridership

NYCT elevator and escalator availability exceeded the agency's goals of 96.5 percent and 95.2 percent, respectively, for nine straight quarters. Elevator availability declined slightly from 97.7 percent in 2012 to 97.3 percent in 2013, and escalator availability declined slightly from 96.2 percent in 2012 to 95.8 percent in 2013. Despite the modest decline, 2013 elevator and escalator availability still outperformed both 2010 and 2011, and it continues to meet aggressive availability targets.

Wheelchair ridership at NYCT Buses increased by 2.1 percent in 2013 to a total of 1.45 million passengers. The agency's new low-floor buses provide easier boarding and more reliable service for wheelchair passengers, contributing to the increase in wheelchair ridership.

NYCT Paratransit's Access-A-Ride requests for service and "no show" customers remained relatively unchanged in 2013, resulting in a slight decrease in annual ridership.

MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure

PERFORMANCE INDICATORS: Capital Program Commitments and Completions

NYCT committed nearly \$2.6 billion of its Capital Programs funds in 2013, representing 100 percent of the 2013 total commitment goal. This is significantly higher than the 58 percent of goal awarded in 2012. In terms of the number of projects committed, 173 projects were awarded versus 119 planned, representing 145 percent of the planned goal, as compared to the 116 projects out of 142 planned projects, or 82 percent, during the previous year.

NYCT, cont.

This performance is based on a number of projects that were added during the year, including the acceleration of track work and the ‘split out’ of component work from larger projects. It also includes commitments to Superstorm Sandy recovery projects.

NYCT achieved capital project completions in 2013 worth over \$1.5 billion, or 75 percent of the year’s \$2.0 billion completion goal. This compares with an 86-percent completion value in 2012. In terms of the number of projects, NYCT completed 75 percent of 152 planned projects for 2013, versus 72 percent of 174 planned projects in 2012. Overall, NYCT’s Capital Program completions fell short of the agency’s 2013 goal by about \$500 million. Notable delays in 2013 capital project completions included the replacement of segments of the Track and Switch Program (\$122 million), the rehabilitation of Culver Viaduct Underside (\$50 million), repair of Smith-9th Street and 4th Avenue stations (\$41 million), and acceptance of 2,273 paratransit vehicles (\$36 million).

MTA GOAL: Perform Services in an Efficient Manner

PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger

NYCT’s farebox operating ratio improved in 2013, going from 56.4 percent of operating costs in 2012 to 59.1 percent in 2013. The 2013 “operating cost per passenger” was \$2.87, unchanged from 2012.

MTA GOAL: Maximize System Usage

PERFORMANCE INDICATORS: Ridership

NYCT Subways continued to experience strong subway ridership in 2013, surpassing total rides for the previous year and the system’s peak ridership in the 1950s, with some lines now running near peak levels for much of the day. Total subway ridership increased by over 50 million rides from the previous year to over 1.71 billion rides in 2013.

NYCT Bus ridership increased 1.4 percent in 2013 to 677 million riders, continuing to show improvement over previous years.

NYCT, cont.

MTA GOAL: Ensure Our Employees' Safety

PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate

Employee “lost time” injury rates at NYCT Subways increased from 2.46 to 2.82 per 100 employees in 2013. This is due to a disproportionate increase in “falls, slips, and trips” as well as “overexertion,” which represents approximately 40 percent of total NYCT Subways lost time accidents annually.

NYCT Subways is aggressively expanding safety programs for employees, including new safety communications, safety audits, training, and accident investigations. The agency is advancing its recently introduced “Safety Culture Task Force,” which is charged with evaluating the ways in which organizational culture impacts employee safety.

In addition, NYCT Subways significantly expanded the FASTRACK program, which provides a safer working environment for maintenance and repair crews by curbing train operations in work areas. The employee “lost time” injury rate under FASTRACK was less than half of the overall rate.

NYCT Bus saw a 5.8-percent improvement in the employee lost-time accident rate over the previous year. This extends a positive trend following the successful implementation of several NYCT Bus safety programs. An oversight group maintains a focus on preventing injuries through increased safety awareness campaigns, as well as a focus on the root causes of incidents leading to injuries.

In addition, NYCT Bus and MTA Bus have continued major initiatives aimed at protecting all bus operators from assault, including oversight by an executive task force, enhanced training, and the ongoing installation of bus operator shields.

NYCT, cont.

MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders

PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

Female representation agency-wide continues to be below the estimated percentage of women available for work within NYCT's recruiting area. A contributing factor is the low percentage of women who apply for what are generally considered nontraditional jobs. NYCT will continue to increase its outreach and recruitment efforts to improve female representation within its workforce. The percentage of minority representation, which grew slightly in 2013, from 73.9 percent to 74.5 percent, exceeds the estimated percentage of minorities available for work within NYCT's recruiting area.

MTA Long Island Rail Road ("LIRR")

Performance Indicator	2012 Actual	2013 Actual
Service Indicators		
On-Time Performance	94.3%	93.5%
Elevator Availability	97.4%	98.3%
Escalator Availability	72.6%	95.5%
Total Ridership	81,753,411	83,384,250
Mean Distance Between Failures (miles)	194,382	205,890
Safety Indicators		
Customer Injury Rate (per million customers)	6.41	5.94
Employee Lost Time and Restricted-Duty Rate (per 200,000 worker hours)	2.61	3.16
Workforce Indicators		
Female Representatives in LIRR Workforce	15.7%	16.0%
Minority Representatives in LIRR Workforce	32.7%	33.6%
Financial Indicators		
Farebox Operating Ratio	47.5%	49.5%
Operating Cost per Passenger	\$15.02	\$15.37
Capital Program Indicators		
Commitments in \$ Millions (% of planned value)	\$291.64 (120%)	\$785.80(137%)
Completions in \$ Millions (% of planned value)	\$292.80 (110%)	\$76.30. (89%)

MTA GOAL: Ensure Customer Safety

PERFORMANCE INDICATORS: Customer Injury Rate

The LIRR experienced a significant decrease in customer injuries in 2013. Compared to 2012, the total number of customer injuries decreased by 5.5 percent, while the customer injury rate (based on injuries per 1 million rides) decreased by 7.3 percent. This decrease in customer injuries is particularly positive in view of the significant growth in ridership. Much of this success can be attributed to the LIRR's "Be Train Smart/Don't Become a Statistic" safety information campaign, which will remain an integral part of LIRR's safety program in 2014.

LIRR, cont.

MTA GOAL: Provide On-Time and Reliable Services

PERFORMANCE INDICATORS: On-Time Performance, Mean Distance Between Failures

The LIRR's on-time performance (OTP) for 2013 was 93.5 percent, a decline of 0.8 percent from the previous year. The decline in OTP was primarily attributable to post-Sandy recovery, ongoing difficulties in the East River Tunnels, and various weather-related or customer-related incidents. To address the tunnel issues, the LIRR is coordinating closely with Amtrak on the East River Tunnel signal system and infrastructure restoration project, which includes track and drainage improvements. Major post-Sandy work is also underway on the hard-hit Long Beach Branch.

The agency's 2013 "mean distance between failures" (MDBF) exceeded the goals set for each of the LIRR fleets, and set a new record at 205,890 miles, a nearly 6-percent improvement over the 2012 MDBF of 194,382 miles. This increase was largely attributable to the continued efforts of the LIRR's reliability-centered maintenance program; performance-improvement teams; and initiatives targeting the performance of the entire fleet.

MTA GOAL: Provide Services to People with Disabilities

PERFORMANCE INDICATORS: Elevator Availability, Escalator Availability

Elevator availability rose to 98.3 percent in 2013, up 0.9 percent from the previous year. More dramatic results were achieved in the category of escalator availability, which jumped to 95.5 percent, up 22.9 percent from last year. Much of that success was due to the refurbishment of older escalator, an effort begun in 2012 and completed in 2013. Eleven LIRR escalators underwent major rehabilitations, resulting in a significant but temporary decline in escalator availability during 2012. The rehabilitations included updated safety sensors, new or refurbished steps, new step chains, new brake assemblies, and new comb plates and controllers. The LIRR's Elevator and Escalator Operations group, staffed with certified "Qualified Elevator-Escalator Inspectors," further reduced the frequency of breakdowns through preventive maintenance and improved response times.

LIRR, cont.

MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure

PERFORMANCE INDICATORS: Capital Program Commitments and Completions

The LIRR's 2013 capital commitments totaled over \$785 million. Commitments that exceeded the annual goal included the Shea Yard improvements; replacement of the Port Washington substation; work related to the implementation of positive train control (PTC); the second Main Line track; the Wyandanch parking facility; Sutphin Blvd. Bridge protection; and right-of-way fencing.

The railroad's 2013 capital completions totaled more than \$76 million. Among the major completions during the year were three bridge rehabilitations on the Montauk Branch; the Queens Blvd. Bridge rehabilitation; two new elevators at Queens Village Station; the direct fixation track fastening system on the Massapequa Park viaduct; and the exterior rehabilitation of the century-old Jamaica Station building.

MTA GOAL: Perform Services in an Efficient Manner

PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger

The LIRR's farebox operating ratio increased from 47.5 percent in 2012 to 49.5 percent in 2013. This increase was driven by an increase in farebox revenue due to ridership growth. However, the increase was almost equal to cost increases—in particular, those annual costs relating to pensions, fringe benefits, and electric power.

The LIRR's operating cost per passenger increased from \$15.02 in 2012 to \$15.37 in 2013. The increase stemmed largely from higher costs relating to pensions, fringe benefits, and electric power, mitigated by the increase in ridership.

LIRR, cont.

MTA GOAL: Maximize System Usage

PERFORMANCE INDICATORS: Ridership

LIRR ridership rose from 81.7 million customers in 2012 to 83.4 million in 2013, a 2-percent increase. A steadily improving economy and popular new service to the Barclays Center in Brooklyn contributed to ridership growth for the second consecutive year, as did the restoration of half-hourly weekend service on the Port Washington Branch, improved summer service to the Hamptons, and new weekend trains on the Ronkonkoma Branch.

Overall, the LIRR operated 10,000 more trains in 2013 than in 2012. The total number of passengers carried by the LIRR in 2013 represents the seventh highest annual ridership tally for the LIRR over the last 60 years, similar to the 83.6 million riders in 1950 and approaching the peak of 91.8 million in 1949. In 2014, the LIRR will pursue continued ridership growth, further expanding off-peak service to accommodate increasing demand.

MTA GOAL: Ensure Our Employees' Safety

PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate

After a record-breaking decrease in employee injuries during the previous year, 2013 proved challenging for LIRR in terms of employee accidents and injuries. The rate of employee “lost-time and restricted duty” injuries (based on injuries per 200,000 worker hours) increased by 21 percent, while the total number of employee injuries rose by approximately 9 percent. The greatest number of employee accidents fell under the category of “slip, trip, and falls,” and the category that experienced the greatest increase in incidents over 2013 was “material handling.” LIRR is currently reviewing the data and related circumstances to determine potential mitigation strategies.

LIRR, cont.

MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders

PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

During 2013, the percentage of female representation in LIRR's workforce increased from 15.7 percent to 16 percent. The percentage of minority representation also increased from 32.7 percent to 33.6 percent. These gains can be attributed to the LIRR's aggressive efforts to reach and recruit qualified women and minorities.

The percentage of minority representation exceeds the estimated percentage of minorities available in LIRR's recruitment area. The percentage of female representation continues to fall below the estimated percentage of women available for work in the recruitment area. Despite LIRR's recruitment efforts, many of the positions that became available in 2013 are considered nontraditional jobs for women and, as a result, a low percentage of the applicants for these positions were women.

MTA Metro-North Railroad (“Metro-North”)

Performance Indicator	2012 Actual	2013 Actual
Service Indicators		
On-Time Performance (East of Hudson)	97.6%	94.8%
On-Time Performance (West of Hudson)	97.1%	96.5%
Elevator Availability	98.9%	98.2%
Escalator Availability	94.2%	93.2%
Total Ridership	82,953,628	83,378,506
Total Ridership on Connecting Services Provided by MNR Contractors	550,223	543,500
Mean Distance Between Failures (miles)	165,694	156,615
Safety Indicators		
Customer Injury Rate (per million customers)	2.74	4.85
Employee Lost Time and Restricted-Duty Rate (per 200,000 worker hours)	1.90	2.43
Workforce Indicators		
Female Representatives in MNR Workforce	12.6%	13%
Minority Representatives in MNR Workforce	32.8%	35%
Financial Indicators		
Farebox Operating Ratio	61.3%	58.9%
Operating Cost per Passenger	\$11.92	\$13.01
Capital Program Indicators		
Commitments in \$ Millions (% of planned value)	\$293 (71%)	\$265.0 (122%)
Completions in \$ Millions (% of planned value)	\$214 (83%)	\$199.5 (124%)

MTA GOAL: Ensure Customer Safety

PERFORMANCE INDICATORS: Customer Injury Rate

After a number of operating incidents during 2013, two of which resulted in injury and loss of life, the Federal Railroad Administration (FRA) began an intensive 60-day review of Metro-North’s operations and its adherence to safety rules and practices. The results of this review were released in a report on March 14, 2014. In addition to specific recommendations targeted to segments of the operating departments of the railroad, the FRA identified three overarching

Metro-North, cont.

safety concerns that affect all facets of Metro-North: 1) an overemphasis on on-time performance; 2) an ineffective Safety Department and poor safety culture; and 3) an ineffective training program. Metro-North has already taken steps to improve its prioritization of safety, starting with the reorganization its Safety Department to focus solely on safety. Further improvements to programs and protocols designed to address any shortcomings in employee and customer safety, as well as reliability and communications, will be implemented throughout the course of 2014.

Customer injuries at Metro-North increased in 2013 from 2.74 to 4.85 per million customers. This increase was due largely to two derailments involving revenue trains. The derailments at Bridgeport, CT, and Spuyten Duyvil, NY, accounted for 196 of the 397 customer injuries in 2013. Immediately after the Bridgeport derailment, Metro-North retained the Transportation Technology Center, Inc. (TTCI)—the noted research affiliate of the American Association of Railroads (AAR)—to assess and improve track maintenance and inspection programs. Metro-North also increased track inspections using specialized, high-tech equipment and ramped up safety efforts through infrastructure and right-of-way improvements.

After the Spuyten Duyvil derailment, Metro-North implemented signal-system modifications at the Spuyten Duyvil curve that now enable the onboard system to enforce speed limits automatically. Similar modifications were completed at four other critical curves (Yonkers on the Hudson Line, White Plains on the Harlem Line, Jenkins curve in Bridgeport, and the Port Chester curve on the New Haven Line), and at one of five moveable bridges on the New Haven Line (Peck Bridge). Modifications on the four remaining bridges will be made in 2014. As an added measure, Metro-North posted speed-limit signs at the critical curves. These improvements followed directives issued by Governor Cuomo and by Emergency Order 29 of the FRA.

In its regular customer safety programs, Metro-North continued to disseminate safety information and reminders directly to the public through customer publications, social media, and the MTA website.

Metro-North, cont.

MTA GOAL: Provide On-Time and Reliable Services

PERFORMANCE INDICATORS: On-Time Performance, Mean Distance Between Failures

Metro-North's systemwide on-time performance (OTP) for 2013 totaled 94.8 percent, a significant drop from 97.6 percent for the previous year. Several factors contributed to the OTP decrease. These included the May 17, 2013, derailment and collision of two New Haven Line trains near Bridgeport, CT; the July 18, 2013, derailment of a CSX freight train in the Bronx; a six-month right-of-way improvement project along a six-mile stretch in the Bronx; and the September 25 failure of a 138,000 volt Con Edison feeder cable in an eight-mile section of the New Haven Line. Regular train service was not restored until October 7. In addition, OTP was impacted by the December 1, 2013, derailment near Spuyten Duyvil Station, which resulted in speed reductions at 33 locations both east and west of the Hudson, as directed by Governor Cuomo and the FRA.

In 2013, Metro-North's fleet attained a "mean distance between failure" (MDBF) of 156,615 miles versus a goal of 155,000 miles. The condition of equipment and the number of cars available for service continue to improve to meet Metro-North's record ridership growth. The railroad commits a significant amount of funding to the revitalization of its fleet by purchasing new equipment and by remanufacturing selected cars, coaches, and locomotives.

MTA GOAL: Provide Services to People with Disabilities

PERFORMANCE INDICATORS: Elevator Availability, Escalator Availability

At 98.2 percent, Metro-North's elevator availability remained at a high service level. The railroad's focus on escalator repairs, particularly in Grand Central Terminal, resulted in a 93.2-percent escalator availability for 2013, well above the goal of 90 percent. Metro-North undertook plans to replace all eleven escalators in Grand Central with a new, heavy-duty model designed to handle the terminal's high pedestrian traffic. Replacements will begin in 2015 to be completed by 2018.

Metro-North, cont.

In addition to ensuring that elevators and escalators are functioning as intended, Metro-North posts the current status of station elevators and escalators online to provide customers with up-to-date information.

MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure

PERFORMANCE INDICATORS: Capital Program Commitments and Completions

Metro-North's Capital Program commitments and completions for 2013 came in at 122 percent and 124 percent of the year's goal, respectively, an increase of 51 percent and 41 percent of goal in 2012. Commitments that exceeded the annual goal included Grand Central Terminal leaks remediation work, rehabilitation of the Harlem River Lift Bridge, the West-of-Hudson track program, and work related to Positive Train Control (PTC).

Capital program completions that exceeded the annual goal in 2013 included the acceptance of the new M8 cars, along with power improvements and the rebuilding of retaining walls on the Harlem and Hudson lines.

MTA GOAL: Perform Services in an Efficient Manner

PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger

Metro-North's 2013 farebox operating ratio of 58.9 percent was 2.4 percent lower than that of the previous year. Both revenues and expenses increased year-over-year, but at different rates. The revenue increase reflects the highest East-of-Hudson ridership in Metro-North's history, as well as fare increases in New York and Connecticut. The growth in 2013 expenses reflects inflationary factors, the initiative of a three-year infrastructure improvement program, and the recovery and repair costs from the year's service disruptions.

The 2013 cost per passenger of \$13.01 is \$1.09 higher than in 2012. Though Metro-North saw a 6-percent increase in the number of passengers carried in 2013, that favorable passenger growth was offset by the 2013 cost increases described above.

Metro-North, cont.

MTA GOAL: Maximize System Usage

PERFORMANCE INDICATORS: Ridership

Metro-North's annual East-of-Hudson ridership for 2013 was the highest in the railroad's history, at 81.8 million, surpassing the previous East-of-Hudson record of 81.5 million rides in 2008. This is an increase of 0.7 percent above calendar-adjusted levels for 2012. Combined 2013 ridership on the East-of-Hudson and West-of-Hudson markets was 83.4 million.

The Harlem Line was the fastest growing line in 2013, with 26,949,667 riders, marking a 1.2-percent increase over the previous year. The New Haven Line was up 0.5 percent in 2013, recording its highest ridership ever with 38,975,052 customers. This represents an increase of more than 175,000 rides over the previous year and an increase of more than 1 million annual rides since 2008. The Hudson Line grew 0.3 percent in 2013 and carried 15,877,559 customers.

Commutation ridership on East-of-Hudson Lines grew 1.8 percent in 2013, reflecting the strengthening regional economy, while non-commutation ridership decreased 1 percent, due to a variety of factors, including weather and major service disruptions.

Ridership in the West-of-Hudson territory, including the Port Jervis and Pascack Valley lines, declined 2.3 percent to 1,576,227 rides in 2013. While not as pronounced as in previous years, the continued decline in West-of-Hudson ridership reflects a customer base that has been slow to recover since Hurricanes Sandy and Irene and remains well below a peak ridership of 2.1 million in 2008.

The three Metro-North-operated connecting services (Haverstraw-Ossining Ferry, Newburgh-Beacon Ferry, and Hudson Rail Link) decreased slightly during 2013. Combined ridership on the three services was approximately 543,500, a decrease of 1.2 percent from 2012. Ridership increased by 2 percent on the Haverstraw-Ossining Ferry and by 0.5 percent on the Hudson Rail Link, but decreased by 13.5 percent on the Newburgh-Beacon Ferry.

Metro-North, cont.

MTA GOAL: Ensure Our Employees' Safety

PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate

Metro-North's employee "lost time and restricted-duty" rate for 2013 was 2.43 reported incidents per 200,000 worker hours, a 38.9-percent increase from 2012. A number of operating incidents during 2013 caused a dramatic increase in the railroad's employee and customer injuries.

All four of the 2013 incidents, two of which resulted in injury and loss of life, are under investigation by the National Transportation Safety Board (NTSB), as well as the FRA and Metro-North. In addition to these accident investigations, Metro-North has been fully engaged in external reviews by the FRA and the MTA Blue Ribbon Panel on Safety. Once they are completed, the railroad will implement the findings and recommendations from these external reviews.

Work has begun with the FRA and Metro-North's labor organizations to set up a Confidential Close Call Reporting System. This measure will allow employees to anonymously report safety concerns without fear of reprisal. Metro-North is the first commuter railroad in the country to agree to fully implement this program throughout its operations and anticipates successfully negotiating the required Implementing Memorandum of Understanding (IMOU) with the FRA and at least one labor organization by June 1, 2014.

Metro-North also developed an integrated system that provides significantly more protection for employees working on the tracks. The Enhanced Employee Protection System puts the control or the "key" in the hands of the roadway worker in the field and reduces the potential for human error.

Metro-North's System Safety Program Plan (SSPP) will be revised by June 1, 2014. A communication and training program for all employees based on the revised SSPP will be developed and implemented by the end of 2014.

Metro-North, cont.

In addition to these measures, the railroad initiated a quarterly “Safety Stand-Down” program, re-emphasizing to all employees that safety is the most important factor in railroad operations, and that all employees must operate and communicate effectively with safety as the ultimate goal.

MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders

PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

Metro-North’s minority workforce representation of 35 percent exceeds the estimated availability of minorities in a majority of its Equal Employment Opportunity (EEO) job categories. Female workforce representation of 13 percent falls below the estimated availability for women in a majority of its EEO job categories. The railroad will continue its outreach and recruitment efforts to attract qualified women and minorities.

MTA Bridges and Tunnels (“Bridges and Tunnels”)

Performance Indicator	2012 Actual	2013 Actual
Service Indicators		
Total Traffic	282,753,138	284,508,928
Safety Indicators		
Collisions with Injury Rate (per million vehicles)	0.89	0.99
Employee Lost Time Rate (per 200,000 work hours)	4.3	6.0
Workforce Indicators		
Female Representation in B&T Workforce	21.3%	21.56%
Minority Representation in B&T Workforce	50.7%	50.84%
Financial Indicators		
E-ZPass Market Share	81.0%	83.3%
Total Support to Transit (\$ millions)	\$892.7	\$1,004.6
Capital Program Indicators		
Commitments in \$ Millions (% of planned value)	\$477.3 (83%)	\$274.0 (85%)
Completions in \$ Millions (% of planned value)	\$359.3 (126%)	\$84.0 (163%)

MTA GOAL: Ensure Customer Safety

PERFORMANCE INDICATOR: Customer Injury Rate

Bridges and Tunnels reported 288 customer accidents with injuries in 2013, an increase from 252 in 2012. As a result, the number of accidents with injuries per million vehicles increased from 0.89 in 2012 to 0.99 in 2013.

The agency continues to make safety its top priority through safety training and protocols, monitoring and enforcement of speed limits, and laws against driving while intoxicated, as well as through interdepartmental reviews of all accidents.

Bridges and Tunnels, cont.

MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure

PERFORMANCE INDICATORS: Capital Program Commitments and Completions

In 2013, Bridges and Tunnels made 134 task commitments to Capital Program projects, well above its goal of 102 task commitments. While the agency exceeded the number of planned commitments, the total value of the awards was \$274.0 million. This represents 85 percent of the 2013 goal, as compared to \$477.3 million and 83 percent of the goal committed in 2012. The actual awards in 2013 were \$49.6 million less than their planned values, primarily due to favorable market conditions.

Major project commitments in 2013 included: substructure and underwater scour protection at the Marine Parkway Bridge; bus and high occupancy vehicle (HOV) ramp improvements, and steel repairs and concrete rehabilitation, as well as painting of the lower level ramps at the Verrazano-Narrows Bridge; and repairs to the Bronx toll plaza deck on the Robert F. Kennedy Bridge.

The value of Capital Program projects completed in 2013 totaled \$84.0 million, versus planned completions of \$51.4 million, representing 163 percent of the 2013 goal. In 2012, by comparison, a total of \$359.3 million was completed, representing 126 percent of goal. Major projects completed in 2013 included: the replacement of the upper level sidewalk, curb stringers and roadway lighting, and painting, as well as structural rehabilitation on the Henry Hudson Bridge; and suspended-span steel repairs and painting on the Throgs Neck Bridge.

MTA GOAL: Perform Services in an Efficient Manner

PERFORMANCE INDICATORS: Total Support to Transit

A total of \$1,004.6 million in surplus revenue from Bridges and Tunnels was provided for MTA transit services in 2013.

Bridges and Tunnels, cont.

MTA GOAL: Maximize System Usage

PERFORMANCE INDICATORS: Traffic Volume

Bridges and Tunnels saw a total of 284.5 million crossings in 2013, an increase of about 0.6 percent or 1.8 million more crossings than in 2012. The increase may be attributable to a normalization of traffic following 2012 decreases in the wake of Superstorm Sandy. Overall E-ZPass usage in 2013 increased to 83.3 percent from 81.0 percent in 2012.

MTA GOAL: Ensure Our Employees' Safety

PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate

Bridges and Tunnels experienced 90 lost-time injuries in 2013, an increase from 70 in 2012. This represented an increased injury rate in 2013, from 4.3 to 6.0 per 200,000 work hours.

Analysis of the injury accidents, which were overwhelmingly “slips, trips, and falls,” did not reveal any pattern or hazardous condition. The agency’s Health and Safety (H&S) staff is working closely with facility managers and has increased safety inspections. The H&S staff is now stationed at all facilities to promote a closer relationship with each facility’s workforce. Employee safety programs include roll-call discussions on injury prevention, safety meetings, safety audits, safety interactions, and incident investigations by supervisory personnel.

Bridges and Tunnels has invited unions to participate in a partnership to reduce injuries and address specific safety concerns. In addition, bi-monthly “safety stand-down” lunchtime meetings with employees refocus attention on safety concerns. In addition, Bridges and Tunnels contracted with several nationally recognized safety experts in 2013 to provide a comprehensive review of the agency’s safety culture.

Bridges and Tunnels, cont.

MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders

PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

The percentage of overall minority representation in the Bridges and Tunnels workforce exceeds estimated availability reflecting 80 percent of minorities available within the relevant labor market, serviced by the MTA operating agencies, based on the U.S. Census. Female representation is below estimated availability.

Bridges and Tunnels is continuing aggressive outreach and recruitment efforts to attract females to take applicable civil service examinations for job categories that represent the bulk of the workforce, and for managerial positions where there is underutilization of protected classes.

MTA Bus Company ("MTA Bus")

Performance Indicator	2012 Actual	2013 Actual
Service Indicators		
% of Completed Trips	98.83%	99.05
Bus Passenger Wheelchair Lift Usage	58,582	67,424
Total Ridership	120,877,799	124,951,185
Mean Distance Between Failures (miles)	5,300	5,548
Safety Indicators		
Customer Accident Injury Rate (per million customers)	1.24	0.98
Collisions with Injury Rate (per million vehicle miles)	5.39	4.94
Employee Lost Time Rate (per 100 employees)	8.67	6.49
Workforce Indicators		
Female Representation in MTA Bus Workforce	12.4%	12.4%
Minority Representation in MTA Bus Workforce	69.4%	70.2%
Financial Indicators		
Farebox Operating Ratio	35.9%	39.3%
Operating Cost per Passenger	\$4.47	\$4.58
Capital Program Indicators		
Commitments in \$ Millions (% of planned value)	\$23.5 (51%)	\$16.1 (21%)
Completions in \$ Millions (% of planned value)	\$84.5 (65%)	\$88.3 (88%)

MTA GOAL: Ensure Customer Safety

PERFORMANCE INDICATORS: Customer Injury Rate

MTA Bus saw a 21-percent decrease in its customer accident injury rate in 2013, as compared to 2012. By continuing the Bus Accident Safety Improvement Coordination System (BASICS) begun in 2012 and improving the basic safety habits of bus operators, the agency has been able to sustain a favorable safety trend.

MTA Bus, cont.

The collision injury rate decreased by 8.3 percent in 2013 from the previous year. Based on accident analysis, the agency's 2013 safety initiatives focused on basic operating procedures in bus stop areas, including scanning mirrors, observing all sides of the bus, pulling into and out of bus stops properly, and positioning the bus correctly in the bus stop. These efforts succeeded in reversing last year's negative trend.

MTA Bus continues to incorporate relevant accident findings into its safety and training initiatives. Additionally, MTA Bus, in a joint agreement with all represented labor unions, continued to emphasize a "zero-tolerance" policy banning cell phones and other electronic devices for bus operators on duty.

Recently, the agency successfully negotiated an accident review system (ARS) with the MTA Bus Transit Workers Union and intends to negotiate ARS procedures with the remaining MTA labor unions.

MTA GOAL: Provide On-Time and Reliable Services

PERFORMANCE INDICATORS: Mean Distance Between Failures, Bus Trips Completed

MTA Bus had a "mean distance between failures" (MDBF) of 5,548 miles in 2013, which represents an increase of 4.75 percent from the 2012 MDBF of 5,300 miles. As the result of a strong focus on maintenance, MTA Bus continued the improvement in MDBF performance begun in 2012.

The number of trips completed depends on the availability of both buses and bus operators. The percentage of trips completed increased to 99.05 percent in 2013 from 98.83 percent in 2012, primarily attributable to improved bus performance.

MTA Bus, cont.

MTA GOAL: Provide Services to People with Disabilities

PERFORMANCE INDICATORS: Bus Passenger Wheelchair Lift Usage

Wheelchair ridership on MTA buses was 67,424 passengers in 2013, an increase of 15.4 percent from the 2012 result of 58,582 passengers. New low-floor buses that provide easier boarding and more reliable service for wheelchair passengers contributed to the increase in ridership.

MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure

PERFORMANCE INDICATORS: Capital Program Commitments and Completions

MTA Bus committed \$16.1 million in capital project funds in 2013. This represents 21 percent of planned commitments, compared to 51 percent committed in 2012. The planned commitments not achieved in 2013 consist of various small facility projects that fell behind schedule, and a bus purchase that was delayed due to its contingency upon a larger scaled NYCT Bus purchase.

In terms of the number of projects committed, 4 out of 11 planned projects, or 40 percent, were awarded in 2013, compared to 5 out of 10 planned projects, or 50 percent, in 2012. Notable 2013 commitments included the award of the security upgrades at the Eastchester and LaGuardia depots and the acquisition of non-revenue service vehicles.

In 2013, MTA Bus completed \$88.3 million in capital projects. This represents 88 percent of the value of planned completions for the year, as compared to 65 percent of planned completions in 2012.

Notable completions for the year included the purchase of 89 CNG buses (\$41.8 million), a roof and ventilation system at the JFK Depot (\$9.5 million), and a roof and ventilation system at the Far Rockaway Depot (\$7.1 million) that was scheduled for completion in 2014. The shortfall in 2013 is primarily a result of delays to the parking lot upgrade at the JFK and Baisley Park depots and the security upgrades at the Eastchester and LaGuardia depots.

MTA Bus, cont.

MTA GOAL: Perform Services in an Efficient Manner

PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger

The farebox operating ratio was 39.3 percent in 2013, up from 35.9 percent in 2012. Fare collections from increased ridership and fares in 2013 were largely offset by increased operating expenses, primarily attributable to higher pension, health and welfare costs and claims, as well as materials and supplies.

The operating cost per customer was \$4.58 in 2013, as compared to \$4.47 in 2012. The \$0.11 increase was the result of increased operating costs.

MTA GOAL: Maximize System Usage

PERFORMANCE INDICATORS: Ridership

Total MTA Bus ridership increased by 3.4 percent in 2013 to 125.0 million riders, as compared to 120.9 million riders in 2012, continuing the growth trend seen in previous years.

MTA GOAL: Ensure Our Employees' Safety

PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate

MTA Bus saw a 25.1-percent improvement in the employee lost-time accident rate in 2013 over 2012. The successful implementation of several safety programs at MTA Bus amplified the previous year's positive trend. An oversight group maintains a focus on preventing injuries through increased safety awareness campaigns, as well as a focus on the root causes of incidents leading to injuries.

In addition, NYCT Bus and MTA Bus have continued major initiatives aimed at protecting MTA bus operators from assault, including oversight by an executive task force, enhanced training, and the ongoing installation of bus operator shields.

MTA Bus, cont.

MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders

PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

Female representation agency-wide continues to be below the estimated percentage of women available to work within MTA Bus's recruiting area. MTA Bus will continue to increase its outreach and recruitment efforts to improve female representation within its workforce. The percentage of minority representation, which increased slightly in 2013, from 69.4 percent to 70.2 percent, exceeds the estimated percentage of minorities available to work within MTA Bus's recruiting area.

MTA Capital Construction (“MTACC”)

Performance Indicator	2012 Actual	2013 Actual
Workforce Indicators		
Female Representatives in MTACC Workforce	28.2%	36%
Minority Representatives in MTACC Workforce	51.6%	51%
Capital Program Indicators		
Commitments in \$ Billions (% of planned value)	\$1.176 (56%)	\$1,346 (79%)
Completions in \$ Millions (% of planned value)	\$1,744 (91%)	\$1,832 (61%)

MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure

PERFORMANCE INDICATORS: Capital Program Commitments and Completions

MTACC had a total commitment goal of \$1.70 billion in capital funds for 2013, of which approximately \$1.35 billion, or 79 percent, was awarded. The shortfall resulted primarily from the delay in award of the first systems package on East Side Access.

Notable MTACC commitments in 2013 included Second Avenue Subway’s 72nd Street and 86th Street finishes contracts; and the East Side Access Manhattan South Structures and Westbound Bypass contracts, the latter of which is the first major construction contract funded by the Federal Railroad Administration’s High Speed Intercity Passenger Rail Program.

MTACC’s goal for capital project completions in 2013 was \$3.00 billion, of which \$1.83 billion, or 61 percent, was achieved. The shortfall was primarily due to scope transfers and change orders added to existing contracts which shifted out the schedule, the largest occurring on the East Side Access Queens Bored Tunnels contract. Notable completions during the year included the East Side Access Manhattan tunneling contracts; and the heavy civil work at Second Avenue Subway’s 96th Street Station.

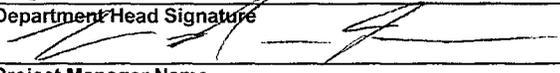
MTACC, cont.

MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders

PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

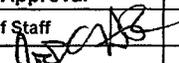
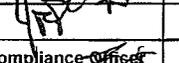
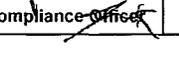
The percentage of female representation exceeds the estimated availability of women available for work within the MTACC recruitment area. The percentage of minorities falls below the estimated availability of minorities within a few job categories. MTACC will continue its outreach and recruitment efforts to attract qualified minority candidates.

Staff Summary

Subject All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services
Department MTA Business Service Center
Department Head Name Angel Barbosa, Chief Procurement Officer
Department Head Signature 
Project Manager Name

Date March 26, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
	Corporate Governance	3/24/14			
	Board	3/26/14			

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

Purpose:
To obtain Board approval of the MTA's All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services.

Discussion:
Public Authorities Law Section 2879 requires the MTA to annually review and approve its All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services. These guidelines were last revised by the Board at its July 2013 meeting.

There are no proposed revisions to either guidelines.

Recommendation:
It is recommended that the MTA Board re-approve the annexed All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services.

July 2013

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 though 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 \$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.

July 2013

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.

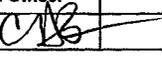
- I. Nothing in these guidelines shall preclude the Authority from accepting bids or proposals in an electronic format, to the extent permitted by law.

Staff Summary

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 March 26, 2014
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	3/24/14	X		
2	Board	3/26/14	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 proposed revisions to the All-Agency Travel and Business Expense Policy.

Discussion:

Pursuant to Public Authority Law Section 2824, Board members of state authorities are required to establish written policies and procedures on policies regarding travel. The MTA All-Agency Travel and Business Expense Policy was last revised in July 2013.

Based upon a recent review, several revisions to the Policy are proposed. These revisions would allow reimbursement for business meals during the period of an emergency declared by the Governor of the State of New York or the MTA Chairman or during a weather event requiring an employee to be on duty. In addition, in order for business meals to be reimbursable in emergency situations, the policy would require the approval of either the Agency Head or the MTA Chief of Staff. Finally, these revisions would limit the reimbursement amount for business meals to the per diem meal allotment for that location.

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
11-022	Chief of Staff	TBD	Page 1 of 17

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 and a meal of the type considered a business meal under Section IV(A)(6)(b).
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.”

All Agency Policy Directive

TRAVEL AND BUSINESS EXPENSE

Policy Number	Responsible Agency/Department	Effective Date	Page
11-022	Chief of Staff	TBD	Page 2 of 17

6. Local Travel: Travel inside the New York Metropolitan area is considered “Local Travel.”
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

Policy Number	Responsible Agency/Department	Effective Date	Page
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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:
 - a. 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.
 - b. In addition to the general discretion provided in paragraph a above, during the

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period of an emergency declared by the Governor of the State of New York or the MTA Chairman or a weather event requiring the employee to be on duty as determined by the employee’s supervisor, meals for Authority employees who are required to be on duty during such emergency period or weather event are considered “business meals” that are reimbursable pursuant to Section IV (F) with the approval of the Agency Head or the MTA Chief of Staff. A description of the emergency and the reason why the employee was required to be on duty must be included with the expense report. Such meal expenses are reimbursed at actual cost; however, the reimbursable cost per person shall not exceed the per diem meal allotment for that location.

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

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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 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

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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.
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

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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 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 (TRAVEL AND NON-TRAVEL STATUS)

1. Business Purpose: Business meal expenses are reimbursable only when the principal purpose of the meeting or meal is to transact Authority business. Business meetings should, whenever possible, be scheduled in such a way as to

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avoid the need to provide meals for those in attendance. 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~~ and the MTA Chief of Staff to be eligible for reimbursement. If a business meal involves consultants and/or contractors hired by the Authority, prior approval of the Agency Head 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.
5. Maximum Allowance: Business meal expenses are reimbursed at actual ~~but reasonable cost~~ cost; however, such cost per person can not exceed the per diem meal allotment for that location.

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:

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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.
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. 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.

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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 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, 11-037, 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.

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- 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 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

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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.
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

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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.
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

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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.
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.

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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.
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.

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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 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

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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.

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.