



Metropolitan Transportation Authority

February 2015

MTA Board Action Items



MTA Board Meeting

2 Broadway, 20th Floor

New York, N.Y. 10004

Wednesday, 2/25/2015

10:00 AM - 12:00 PM ET

1. PUBLIC COMMENTS PERIOD

2. APPROVAL OF MINUTES

MTA Regular Board Meeting of January 22, 2015

MTAHQ Minutes - January 22, 2015 - Page 5

NYCT/MaBSTOA/SIR/Bus Company Regular Board Meeting of January 22, 2015

NYCTA Minutes - January 22, 2015 - Page 10

MTA Metro-North Railroad Regular Board Meeting of January 22, 2015

Metro-North Minutes - January 22, 2015 - Page 14

MTA Long Island Rail Road Regular Board Meeting of January 22, 2015

LIRR Minutes - January 22, 2015 - Page 18

Triborough Bridge & Tunnel Authority Regular Board Meeting of January 22, 2015

TBTA Minutes - January 22, 2015 - Page 23

MTA Capital Construction Regular Board Meeting of January 22, 2015

MTACC Minutes - January 22, 2015 - Page 30

3. COMMITTEE ON FINANCE

Action Item

i. Board Approval of Service Disabled Veteran-Owned Firms to Serve as Co-Managers

Board Approval of Service Disabled Veteran-Owned Firms to Serve as Co-Managers - Page 33

ii. Addition of Outside Counsel to Approved Panel

Addition of Outside Counsel to Approved Panel - Page 34

iii. Mortgage Recording Tax-Escalation Payments to Dutchess, Orange and Rockland Counties

Mortgage Recording Tax-Escalation Payments to Dutchess, Orange and Rockland Counties - Page 36

iv. 2014 TBTA Operating Surplus

2014 TBTA Operating Surplus - Page 38

Procurements Report

MTAHQ Procurement Report - Page 49

i. Non-Competitive (no items)

ii. Competitive

MTAHQ Competitive Procurements - Page 51

iii. Ratifications (no items)

Real Estate Items

i. Real Estate Agenda and Staff Summaries

4. COMMITTEE ON NYCT & BUS

Action Item

i. Assumption of Contract - Cortland Street #1 Line Station Rehabilitation and Modification

Assumption of Contract - Cortland Street #1 Line - Page 60

Procurements Report

February Procurement Staff Summary and Resolution - Page 63

i. Non-Competitive

Non-Competitive Actions - Page 67

ii. Competitive

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iii. Ratifications

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5. COMMITTEE ON METRO-NORTH RAILROAD & LONG ISLAND RAIL ROAD

Procurements Report: LIRR, MNR & MTACC

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LIRR Procurements

i. Non-Competitive

LIRR Non-Competitive - Page 83

ii. Competitive (no items)

iii. Ratifications (no items)

MNR Procurements

i. Non-Competitive (no items)

ii. Competitive

MNR Competitive - Page 86

iii. Ratification (no items)

MTACC Procurements

i. Non-Competitive (no items)

ii. Competitive (no items)

iii. Ratifications

MTACC Ratifications - Page 90

6. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS

Procurements Report

BT Procurement Report - February 2015 - Page 92

i. Non-Competitive (no items)

ii. Competitive

iii. Ratifications (no items)

7. FIRST MUTUAL TRANSPORTATION ASSURANCE CO (FMTAC) (no items)

8. EXECUTIVE SESSION

Date of Next Meeting: Wednesday, March 25, 2015

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

**Thursday, January 22, 2015
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. Allen P. Cappelli
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Iris Weinshall
Hon. Carl V. Wortendyke**

The following member was absent:

**Hon. Jeffrey A. Kay
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Vincent Tessitore**

Donna Evans, Chief of Staff, Jerome F. Page, General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Norman Brown, Board Member Ira Greenberg, Board Member Neal Zuckerman, Robert Bergen, Executive Vice President, NYCTA, Patrick A. Nowakowski, President, Long Island Rail Road, Joseph J. Giulietti, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP, NYCTA/DOB, President MTA Bus and Michael Horodniceanu, MTA Capital Construction, also attended the meeting.

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

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

1. **PUBLIC SPEAKERS.** There were seven (7) public speakers. The following speakers spoke on items relevant to the MTA agenda. 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 names of other speakers and for the content of speakers' statements.

Nancy Montgomery, private citizen representing the Town of Philipstown
Kevin Zeng, student P77K, Brooklyn, N.Y.
Jaime Garcia, ACS Qualified Employee Benefits
Gene Russianoff, Straphangers Campaign
John Raskin, Riders Alliance
Murray Bodin, private citizen
Art Nubell, private citizen

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

Chairman Prendergast asked for a moment of silence in honor of MTA Bridge and Tunnel Officer Thomas Choi who recently died after being struck by a car on the Verrazano-Narrows Bridge in October 2013. Officer Choi, a 10-year veteran, was the first Bridge and Tunnel Officer to die in the line of duty in TBTA's 81-year history. The Chairman, on behalf of the MTA family, expressed condolences to Officer Choi's family.

Chairman Prendergast announced that the Board will vote on the proposed fare and toll changes that are expected to go into effect later this year. The Chairman stated that based on the feedback received and the many conversations with Board members, he has recommended the fare and toll change options that are most favorable to the MTA's core constituency. Chairman Prendergast stated that he recognizes that the MTA is asking its customers to pay more, and he is dedicated to fulfilling MTA's commitment to operate the system as efficiently and effectively as possible. Last year, MTA cut more than a billion dollars from its annual operating budget, and the Chairman said that the goal is to achieve a savings of \$1.6 billion by 2018, which is the most aggressive cost-cutting goal in the MTA's history. Chairman Prendergast stated that the savings realized have improved MTA's operations in three critically important ways. First, it has reduced the projected fare and toll increases from approximately 7.5% every two years to roughly 4% every other year. Second, \$68 million has been dedicated to service and service quality enhancements since 2012. Third, \$290 million a year has been placed in a pay-as-you-go account that could generate up to \$5.4 billion for the 2015-2019 Capital Program. Chairman Prendergast stated that funding the Capital Program is one of the single most important goals to achieve for the MTA customers and for the region's continued economic growth and vitality.

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on December 17, 2014.
4. **COMMITTEE ON FINANCE.**
 - A. **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. Computer Associates International, Inc. – Multi-Agency Proprietary Software Maintenance Renewal – No. 24302-0200, S/A # 13. Approved increased funding for renewal of maintenance and support services for proprietary Computer Associates software for a four-year period from August 26, 2014 through August 25, 2018.
 2. Various Contractors – AFT NYCT Projects. Approved the award of competitively negotiated contracts to provide technical design, fabrication, crating, storage, delivery installation and oversight of installation of materials, as follows: James Little, Jamaica Station, Cara Lynch, Ditmas Avenue Station, Andrea Belag, Avenue U Station, and Derek Lerner, Avenue X Station.
 - B. **Real Estate Items.** Upon motion duly made and seconded, the Board approved the following real estate items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Member Charles Moerdler abstained from the vote on item #4 below.

New York City Transit Authority

1. Lease with Mohammed Abdul Jabbar Howladar for the operation of a newsstand located at Parsons Boulevard Station (Unit 01), Queens Boulevard Line, Queens, N.Y.
2. Lease with Gateway Foods Holding LLC d/b/a Tim Hortons for the retail sale of fresh baked goods, snacks, coffee, tea, juice, and other “to-go” foods at the 14th Street-Union Square Station (Unit 01), Lexington Avenue Line, Manhattan, N.Y.

Metro-North Railroad

3. Amendment of an easement agreement with The County of Westchester, Hudson Line at the southern end of Metro-North’s Harmon Yard, Village of Croton-on-Hudson, Westchester County N.Y.

4. Sublease and easement agreement with Fareri Associates (Developer) relating to property located at 15-27 Kensington Road, Village of Bronxville, Town of Eastchester, N.Y.

5. FARE AND CROSSING CHARGE INCREASES.

Action Items. Following a discussion by Board members and upon motion duly made and seconded, the Board approved the following actions as set forth in the Fare and Crossing Charge Increases resolutions and staff summaries. Board member Allen Cappelli voted in opposition to items #2 and #3 below. Board Member Wortendyke, who shares a collective vote with the Hudson Valley Members, voted in opposition to item #1 below, with the other two Hudson Valley Members present at the meeting voting in favor of the fare increases.

The details of Board members' comments and questions with respect to these action items are included in the video recording of the meeting produced by the MTA and maintained in MTA records.

1. 2015 Fare Increases. Approved a resolution authorizing proposed fare changes set forth in Attachment A to the resolution, and authorized the Presidents of each of MTA, NYCTA, MaBSTOA, SIRTOA, MTA Bus, Metro-North and LIRR and their designees to take all necessary and desirable steps to implement such fares and fare structures on the vehicles and facilities of their respective agencies.
 2. 2015 Crossing Charge Increases: Environmental and "Just and Reasonable" Determination. Approved a resolution that (i) finds and determines that proposed increases to the Crossing Charge Schedule will not have a significant adverse effect on the environment within the meaning of the State Environmental Quality Review Act ("SEQRA"), (ii) adopts and approves the Negative Declaration in accordance with SEQRA and authorizes and directs the President of the Triborough Bridge and Tunnel Authority or his designee to execute it, and (iii) finds that the Crossing Charges as increased in the new Crossing Charge Schedule are "Just and Reasonable" within the meaning of the General Bridge Act of 1946.
 3. 2015 Crossing Charge Increases. Approved a resolution that (i) repeals the prior Crossing Charge Schedule and adopts a new Crossing Charge Schedule that increases Crossing Charges for use of the Triborough Bridge and Tunnel Authority facilities as set forth in Attachment 1 to the resolution, and (ii) authorizes the President of said Authority or his designee to take all such steps that may be necessary and desirable to establish, implement and permanently adopt, pursuant to law, the new Crossing Charge Schedule.
- 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.

Upon motion duly made and seconded, the Board approved a Memorandum of Understanding between New York City Transit Authority and the TWU, Local 106 – Transit Supervisor Organization (Queens Supervisory Unit); and a Memorandum of Understanding between the Manhattan and Bronx Surface Transit Operating Authority and the TWU, Local 106-Transit Supervisor Organization (Operating Supervisory Unit & Coin Retriever Technician Unit).

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 11:25 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, January 22, 2015
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. Allen P. Cappelli
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Iris Weinshall
Hon. Carl V. Wortendyke**

The following members were absent:

**Hon. Jeffrey A. Kay
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Vincent Tessitore**

Donna Evans, Chief of Staff, MTA; Jerome F. Page, General Counsel, MTA; Stephen J. Morello, Counselor to the Chairman; Board Member Norman Brown; Board Member Ira Greenberg; Board Member Neal Zuckerman; Robert Bergen, Executive Vice President, NYCTA; Patrick A. Nowakowski, President, Long Island Rail Road; Joseph J. Giulietti, President, Metro-North Railroad; James Ferrara, President, TBTA; Darryl Irick, SVP, NYCTA/DOB, President, MTA Bus; and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.

1. CHAIRMAN PRENDERGAST CALLED THE MEETING TO ORDER

2. PUBLIC COMMENT PERIOD

Six public speakers addressed MTA NYC Transit/MTA Bus issues:

Councilwoman Nancy Montgomery, of Phillipstown, NY, proposed that the Board prioritize safety issues by increasing the number of meetings of the Safety Committee.

Kevin Zeng, private citizen, expressed concerns about crowding on the D, M and N trains.

Jamie Garcia, a minority-owned business owner, discussed his support for “Qualified Transit Plans.”

Gene Russianoff, of the Straphangers Campaign, thanked the Chairman for reducing the March 2015 fare increase, and voiced concerns regarding funding for the 2015-2019 Capital Program.

John Raskin, of the Riders Alliance, raised concerns regarding future fare increases, as well as funding for the Capital Program.

Murray Bodin, private citizen, urged the Board to take action on various transit-related issues.

The remaining public speaker did not address issues related to MTA NYC Transit/MTA Bus issues. The content of those speakers’ comments are included in 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 on this date.

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/Staten Island Rapid Transit Operating Authority/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 Rapid Transit Operating Authority, and MTA Bus Company held on December 17, 2014.

5. COMMITTEE ON FINANCE

Real Estate Items

Upon motion duly made and seconded, the Board approved the following real estate items related to MTA New York City Transit. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

New York City Transit Authority

1. Lease with Mohammed Abdul Jabar Howladar for operation of a newsstand at Parsons Boulevard Station, Queens Boulevard Line, Borough of Queens.
2. Lease with Gateway Foods Holding LLC for operation of a retail coffee shop at 14th Street-Union Square Station, Lexington Avenue Line, Borough of Manhattan.

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

Action Item:

i. Amendment to NYCT's 2010-2014 Capital Program, Adding 72 Standard Buses and Deferring 25 Articulated Buses:

Upon motion duly made and seconded, the Board approved an amendment to NYCT's 2010-2014 Capital Plan which:

- advanced the purchase of 72 standard diesel buses from the 2015 plan year of the 2015-2019 Capital Program, and
- deferred the purchase of 25 articulated buses, currently part of the 2010-2014 Capital Program, to be included in the 2015-2019 Capital Program.

Procurements:

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

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

7. 2015 FARE INCREASES

Action Item. Following a discussion by Board members and upon motion duly made and seconded, the Board approved the following action affecting NYCTA, MaBSTOA, SIRTOA and MTA Bus as set forth in the Fare Increases resolutions and staff summaries. Board Member Wortendyke, who shares a collective vote with the Hudson Valley Members, voted in opposition to the fare increases, with the other two Hudson Valley Members present at the meeting voting in favor of the fare increases.

The details of Board members' comments and questions with respect to the Fare Increases are included in the video recording of the meeting produced by the MTA and maintained in MTA records.

i. 2015 Fare Increases. Approved a resolution authorizing proposed fare changes set forth in Attachment A to the resolution, and authorized the Presidents of each of MTA, NYCTA, MaBSTOA, SIRTOA, MTA Bus, Metro-North and LIRR and their designees to take all necessary and desirable steps to implement such fares and fare structures on the vehicles and facilities of their respective agencies.

8. EXECUTIVE SESSION

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

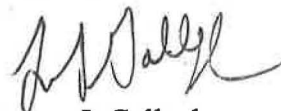
Upon motion duly made and seconded, the Board approved a Memorandum of Understanding between New York City Transit Authority and the TWU, Local 106 – Transit Supervisor Organization (Queens Supervisory Unit); and a Memorandum of Understanding between the Manhattan and Bronx Surface Transit Operating Authority and the TWU, Local 106-Transit Supervisor Organization (Operating Supervisory Unit & Coin Retriever Technician Unit).

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 11:25 a.m.

Respectfully submitted,



James. J. Gallagher
Acting Assistant Secretary

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company
347 Madison Avenue
New York, NY 10017

Thursday, January 22, 2015
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. Allen P. Cappelli
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Iris Weinshall
Hon. Carl V. Wortendyke

The following member was absent:

Hon. Jeffrey A. Kay
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Vincent Tessitore

Donna Evans, Chief of Staff, Jerome F. Page, General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Norman Brown, Board Member Ira Greenberg, Board Member Neal Zuckerman, Robert Bergen, Executive Vice President, NYCTA, Patrick A. Nowakowski, President, Long Island Rail Road, Joseph J. Giulietti, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP, NYCTA/DOB, President MTA Bus, and Michael Horodniceanu, MTA Capital Construction, also attended the meeting.

Chairman Prendergast called the meeting to order.

1. Public Speakers:

There were seven (7) public speakers. The following speakers spoke on items relevant to Metro-North matters. 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 names of other public speakers.

Nancy Montgomery, Councilwoman, Town of Philipstown
Murray Bodin, private citizen

2. Chairman's Opening Remarks:

Chairman Prendergast asked for a moment of silence in honor of MTA Bridge and Tunnel Officer Thomas Choi who recently died after being struck by a car on the Verrazano-Narrows Bridge in October 2013. Officer Choi, a 10-year veteran, was the first Bridge and Tunnel Officer to die in the line of duty in TBTA's 81-year history. The Chairman, on behalf of the MTA family, expressed condolences to Officer Choi's family.

Chairman Prendergast announced that the Board will vote on the proposed fare and toll changes that are expected to go into effect later this year. The Chairman stated that based on the feedback received and the many conversations with Board members; he has recommended the fare and toll change options that are most favorable to the MTA's core constituency. Chairman Prendergast stated that he recognizes that the MTA is asking its customers to pay more, and he is dedicated to fulfilling MTA's commitment to operate the system as efficiently and effectively as possible. Last year, MTA cut more than a billion dollars from its annual operating budget, and the Chairman said that the goal is to achieve a savings of \$1.6 billion by 2018, which is the most aggressive cost-cutting goal in the MTA's history. Chairman Prendergast stated that the savings realized have improved MTA's operations in three critically important ways. First, it has reduced the projected fare and toll increases from approximately 7.5% every two years to roughly 4% every other year. Second, \$68 million has been dedicated to service and service quality enhancements since 2012. Third, \$290 million a year has been placed in a pay-as-you-go account that could generate up to \$5.4 billion for the 2015-2019 Capital Program. Chairman Prendergast stated that funding the Capital Program is one of the single most important goals to achieve for the MTA customers and for the region's continued economic growth and vitality.

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

3. Approval of Minutes:

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of December 17, 2014 were approved.

4. Committee on Finance:

Procurements:

The MTA Board voted on MTA Headquarters procurements.

The following competitive procurement that relates to Metro-North was approved:

- Increased funding for renewal of maintenance and support services for proprietary Computer Associates software used to audit, monitor and maintain critical multi-

agency applications including Metro-North's Crew Management Scheduling system, for the four-year period from August 26, 2014 through August 25, 2018.

The details of the above item are contained in the minutes of the MTA Board meeting held this day, a report filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

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. Board Member Moerdler abstained from the vote on the second item below. The approved items that relate to Metro-North are as follows:

- Amendment of easement agreement with Westchester County at Metro-North's Harmon Yard in the Village of Croton-on-Hudson, New York.
- Sublease and easement with Fareri Associates relating to property on and adjoining the Harlem Line in Bronxville, New York.

The details of the above item are contained in the minutes of the MTA Board meeting held this day, a report filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

5. Committee on Metro-North Railroad:

Procurements:

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

- Approval of a three-year miscellaneous service contract with East Coast Railroad Services to provide tie plate re-punching services;
- Approval of a contract change for additional funding in the total not-to-exceed amount of \$15,320,000 to an existing competitively-awarded miscellaneous purchase agreement with Choice Distribution, Inc., the current all-agency supplier of hardware and fasteners.

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

- Expedited inventory purchases made of medical waste trash bags, cloth disinfectant, gloves and instant hand sanitizers from National Industries for the Blind, A&M Industrial Supply Co., Inc. and Edmer Sanitary Supply Co., Inc. for potential use throughout Metro-North's territory;
- Emergency award of a contract with Schneider Electric USA, Inc. to supply maintenance and support for GCT power network and Supervisory Control and Data Acquisition (SCADA) system.

The details of the above items are contained in staff summaries and reports filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

6. Fare and Crossing Charge Increases:

Action Items:

Following a discussion by Board members and upon motion duly made and seconded, the Board approved the following action related to Metro-North as set forth in the Fare Increase resolution and staff summary presented to the Board, which resolution and staff summary are filed with the minutes of the MTA Board meeting held this day. Board member Wortendyke, who shares a collective vote with the Hudson Valley Members, voted in opposition, with the other two Hudson Valley Members present at the meeting voting in favor of the fare increases. The details of Board members' comments and questions with respect to the action items are included in the video recording of the meeting produced by the MTA and maintained in MTA records.

- Approval of a resolution authorizing proposed fare changes set forth in Attachment A to the resolution, and authorized the Presidents of each of MTA, NYCTA, MaBSTOA, SIRTOA, MTA Bus, Metro-North and LIRR and their designees to take all necessary and desirable steps to implement such fares and fare structures on the vehicles and facilities of their respective agencies.

7. Executive Session:

The Board, upon motion duly made and seconded, 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 negotiations. The details of the approved items are contained in the minutes of the MTA and the appropriate agencies and the records filed with those minutes.

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 11:25 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**

**Thursday, January 22, 2015
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. Allen P. Cappelli
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Iris Weinshall
Hon. Carl V. Wortendyke**

The following member was absent:

**Hon. Jeffrey A. Kay
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Vincent Tessitore**

Donna Evans, Chief of Staff, Jerome F. Page, General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Norman Brown, Board Member Ira Greenberg, Board Member Neal Zuckerman, Robert Bergen, Executive Vice President, NYCTA, Patrick A. Nowakowski, President, Long Island Rail Road, Joseph J. Giulietti, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP, NYCTA/DOB, President MTA Bus, and Michael Horodniceanu, MTA Capital Construction, also attended the meeting.

Chairman Prendergast called the meeting to order.

1. **Public Speakers:**

There were seven (7) public speakers. The following speakers spoke on items relevant to LIRR matters:

Nancy Montgomery, Councilwoman, Town of Philipstown
Murray Bodin, Private Citizen
Art Nubell, Private Citizen

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

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

Chairman Prendergast asked for a moment of silence in honor of MTA Bridge and Tunnel Officer Thomas Choi who recently died after being struck by a car on the Verrazano-Narrows Bridge in October 2013. Officer Choi, a 10-year veteran, was the first Bridge and Tunnel Officer to die in the line of duty in TBTA's 81-year history. The Chairman, on behalf of the MTA family, expressed condolences to Officer Choi's family.

Chairman Prendergast announced that the Board will vote on the proposed fare and toll changes that are expected to go into effect later this year. The Chairman stated that based on the feedback received and the many conversations with Board members; he has recommended the fare and toll change options that are most favorable to the MTA's core constituency. Chairman Prendergast stated that he recognizes that the MTA is asking its customers to pay more, and he is dedicated to fulfilling MTA's commitment to operate the system as efficiently and effectively as possible. Last year, MTA cut more than a billion dollars from its annual operating budget, and the Chairman said that the goal is to achieve a savings of \$1.6 billion by 2018, which is the most aggressive cost-cutting goal in the MTA's history. Chairman Prendergast stated that the savings realized have improved MTA's operations in three critically important ways. First, it has reduced the projected fare and toll increases from approximately 7.5% every two years to roughly 4% every other year. Second, \$68 million has been dedicated to service and service quality enhancements since 2012. Third, \$290 million a year has been placed in a pay-as-you-go account that could generate up to \$5.4 billion for the 2015-2019 Capital Program. Chairman Prendergast stated that funding the Capital Program is one of the single most important goals to achieve for MTA customers and for the region's continued economic growth and vitality.

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

3. **Approval of Minutes:**

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of December 17, 2014 were approved.

4. **Committee on Finance:**

Procurements:

The following competitive procurements that relate to LIRR were approved:

- Approval to increase funding to a miscellaneous procurement contract, in the fixed amount of \$532,839.72, for renewal of maintenance and support services for proprietary Computer Associates software for the four-year period from August 26, 2014 through August 25, 2018, for products used to audit, monitor and maintain critical multi-agency applications including LIRR's Safety System.
- Approval of a competitively procured personal services contract to various individuals to provide technical design, fabrication, crating, storage, delivery, installation and oversight of materials for Arts for Transit projects at facilities including an award to James Little, in the amount of \$450,000, for a project at Jamaica Station.

The details of the above items are contained in the minutes of the MTA Board meeting held this day and reports filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

5. **Committee on Metro-North Railroad:**

Procurements:

The following competitive procurement that relates to LIRR was approved:

- Approval for a contract change for additional funding in the total not-to-exceed amount of \$15,320,000 to an existing competitively-awarded miscellaneous purchase agreement with Choice Distribution, Inc. for the provision and on-going replacement of common hardware fasteners, including \$2,200,000 for LIRR.

The details of the above item are contained in the minutes of the MTA Board meeting held this day and reports filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

6. **Committee on Long Island Rail Road:**

There were no action items or procurement items with respect to LIRR.

MTA Capital Construction Procurements:

With respect to MTA Capital Construction, upon motion duly made and seconded, the Board approved the following procurement items:

- Approval to award East Side Access Contract CM014B – GCT Facilities Fit-Out to GCT Constructors JV in the total amount of \$428,900,000.00; including the base contract in the amount of \$404,622,096.00 and four options in the total amount \$24,277,904.00.
- Ratification to a modification to Contract CS179 to operate and maintain temporary power supply equipment at Madison Yard and the 2nd Avenue Vent Facility in the amount of \$1,511,740.00.

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

7. **Fare and Crossing Charge Increases:**

Action Item:

Following a discussion by Board members and upon motion duly made and seconded, the Board approved the following action related to Long Island Rail Road as set forth in the Fare Increase resolution and staff summary presented to the Board, which resolution and staff summary are filed with the minutes of the MTA Board meeting held this day. Board member Wortendyke, who shares a collective vote with the Hudson Valley Members, voted in opposition, with the other two Hudson Valley Members present at the meeting voting in favor of the fare increases. The details of Board members' comments and questions with respect to the action item are included in the video recording of the meeting produced by the MTA and maintained in MTA records.

- Approval of a resolution authorizing proposed fare changes set forth in Attachment A to the resolution, and authorizing the Presidents of each of MTA, NYCTA, MaBSTOA, SIRTOA, MTA Bus, Metro-North and LIRR and their designees to take all necessary and desirable steps to implement such fares and fare structures on the vehicles and facilities of their respective agencies.

8. **Executive Session:**

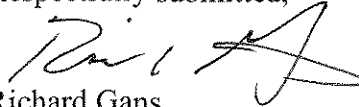
The Board, upon motion duly made and seconded, voted to convene into Executive Session pursuant to Section 105(1)(e) of the New York State Public Officers Law to discuss matters relating to collective negotiations. The details of the approved items are contained in the minutes of the MTA and the appropriate agencies and the records filed with those minutes.

Upon motion duly made and seconded, the Board voted to reconvene in public session.

9. Adjournment:

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:25 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard Gans", with a stylized flourish at the end.

Richard Gans
Secretary

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

BOARD MINUTES

January 22, 2015

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
January 22, 2015

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
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Iris Weinshall
Hon. Carl V. Wortendyke

The following member was absent:

Hon. Jeffrey A. Kay
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Vincent Tessitore

Donna Evans, Chief of Staff, Jerome F. Page, General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Norman Brown, Board Member Ira Greenberg, Board Member Neal Zuckerman, Robert Bergen, Executive Vice President, New York City Transit, Patrick A. Nowakowski, President, Long Island Rail Road, Joseph J. Giulietti, President, Metro-North Railroad, James Ferrara, President, Triborough Bridge and Tunnel Authority, Darryl Irick, President/Senior Vice President, MTA Bus Company/New York City Transit Department of Buses, and Michael Horodniceanu, 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 seven (7) public speakers. None of the speakers specifically commented 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 to the other agencies' minutes of this date, for the content of the speakers' statements.

2. Chairman and Chief Executive Officer Prendergast's Opening Comments

Chairman and CEO Prendergast opened his remarks with a moment of silence for Bridge and Tunnel Officer Thomas Choi, who recently died after succumbing to injuries he suffered in October 2013 after he was hit by a car as he was opening a roadway on the Verrazano-Narrows Bridge. Officer Choi was a 10-year veteran who dedicated himself to serving and protecting everyone who travelled the bridges and tunnels that unite New York and was the first Bridge and Tunnel Officer to die in the line of duty in TBTA's 81-year history.

Chairman and CEO Prendergast stated that the fare and toll changes would be voted on during the meeting and he recommended the fare and toll change options that are most favorable to the customers who use the services and allow the MTA to fulfill the commitment to operate as efficiently and effectively as possible. He stated that last year, more than a billion dollars was cut out of the annual operating budget and the goal is to cut \$1.6 billion by 2018. The savings realized have improved operations in three critically important ways. First, the projected fare and toll increases were reduced from about 7.5 percent to about 4 percent every other year, or roughly 2 percent a year. Second, \$68 million has been added into service and service quality enhancements since 2012. Third, \$290 million a year has been put into a "pay-as-you-go" account that could generate up to \$5.4 billion for the 2015 to 2019 Capital Program.

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 December 17, 2014

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on December 17, 2014 were approved.

4. Committee on MTA Bridges and Tunnels Operations

Procurements

Commissioner Cappelli stated that there are five (5) procurements totaling \$4.9 million.

Non-Competitive Procurements

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

Competitive Procurements

Commissioner Cappelli stated that there are five (5) competitive procurements totaling \$4.9 million.

Commissioner Cappelli also stated that the Committee members who were present at the Committee meeting considered and voted in favor of the five (5) procurements although a Committee quorum was not present. Upon a motion duly made and seconded, the Board approved the following competitive procurement items recommended to it by the Committee for MTA Bridges and Tunnels Operations:

Personal Service Contracts

EnviroMed Services, Inc.	Contract No. PSC-14-2962X Provide Independent Safety Monitoring Services for Ongoing B&T Construction Projects.	\$2,306,818.38
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Miscellaneous Service Contracts

Nationwide Auto Painting, Inc.	Contract No. 14-MNT-2933 In October 2014 B&T issued a joint solicitation for a contractor to provide all labor, materials and equipment necessary to perform body repairs for B&T's fleet of light, medium and heavy duty vehicles and NYCT's fleet of medium and heavy duty vehicles on an as-needed basis for a four (4) year period. This work was outsourced since the agencies neither have the equipment nor the resources required to perform these services on an in-house basis. The service requirements were publicly advertised. The solicitation notice was sent to 109 firms and eleven firms requested copies of the solicitation. On December 4 the following bids were submitted:	\$481,550.00 - B&T \$653,070.00 - NYCT \$1,134,620.00 Total
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<u>Bidders</u>	<u>B&T</u>	<u>NYCT</u>	<u>Total</u>
XXL Auto Body Shop, LLC*	\$307,000	\$438,320	\$745,320
Nationwide Auto Painting, Inc.	\$481,550	\$653,070	\$1,134,620
Truck and Trailer Service, LTD	\$529,000	\$880,320	\$1,409,320
Climaco Auto Body Inc.	\$740,500	\$1,048,320	\$1,788,820

*XXL Auto Body Shop, LLC has been determined to be non-responsive.

This solicitation included a modest reduction in hours for scheduled and unscheduled body and paint repairs for NYCT's medium and heavy duty vehicles. The scope of services under B&T's portion of the prospective contract has not changed compared with that under its current contract. The prices are fixed for the four year duration of the contract. A price analysis comparing the prospective rates

under this procurement with the rates under its current contract reflects an overall average increase of approximately 20%. This difference may be attributed to increased material and labor costs. In connection with the agencies' estimates, however, the bid amounts are: (i) 9% lower than the estimate of \$529,000 for B&T and (ii) 0.04% lower than the estimate of \$653,320 for NYCT. After evaluation of the bids, it was determined that Nationwide Auto Painting, Inc. is a responsive, responsible bidder. Based on competition, the prices are considered fair and reasonable. The MTA Department of Diversity and Civil Rights has established goals of 0% MBE and 0% WBE for this contract.

Triport International
A.G.E.R., Inc.

Contract No. 13-MNT-2921

\$153,400.00

In October 2014 B&T issued a solicitation for a contractor to perform scheduled and unscheduled maintenance and repairs, safety inspections and testing of our aerial lift equipment. Due to the specialized training and equipment necessary to perform the work, B&T neither possesses the resources nor the equipment to perform the services on an in-house basis. The service requirements were publicly advertised and a solicitation notice was sent to 318 firms; three firms requested copies of the solicitation. On October 24 three bids were submitted as follows:

<u>Bidders</u>	<u>Bid Amount</u>
Triport International A.G.E.R., Inc.	\$153,400
Aerial Rise LLC	\$158,700*
Dependable Repair Inc.	\$167,000

*B&T corrected math error

The scope of services for the first two years of this five year prospective contract differ compared with the initial two year period of the current contract. Semi-annual preventive maintenance inspections were removed under the new contract since this service is no longer required. The hours for scheduled and unscheduled maintenance and repairs were reduced due to a 20% reduction of

aerial lift equipment units. All other line items remained the same. The rates under the prospective contract are fixed over the five year period and have not increased compared with those under the current contract. Triport's overall bid is 9% lower than the user's estimate of \$168,500. It has been determined that Triport is fully responsive to the requirements of the solicitation. Based on competition, the price is considered fair and reasonable. This firm is deemed to be a responsible contractor. No M/WBE goals were established by the MTA Department of Diversity and Civil Rights.

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

Peter C. Merani, P.C. Leopold, Gross & Sommers, P.C.	Contract Nos. PSC-13-2948 A and B Modify two legal retainer agreements to exercise the one-year option under each contract to enable the firms to provide professional services in connection with toll and non-toll collection and related activities on an as-needed basis.	\$0.00
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Modifications to Purchase & Public Works Contracts

Restani Construction Corp.	Contract No. VN-03B Add funding to provide an incentive payment to the contractor for early completion of work under Contract VN-03B, Toll Plaza Improvements at the Verrazano-Narrows Bridge.	\$1,335,000.00
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Ratifications

Commissioner Cappelli stated that there are no ratifications.

5. Crossing Charge Increases

Chairman and CEO Prendergast presented two (2) Resolutions regarding the proposed increase in the Crossing Charges at TBTA's Bridges and Tunnels. The first Resolution concerned analyses and determinations under the State Environmental Quality Review Act (SEQRA) and the "just and reasonable" requirements of the General Bridge Act of 1946. The other Resolution was to repeal the prior Crossing Charge Schedule and adopt the proposed increase in the Crossing Charges.

Commissioner Cappelli stated that he has argued for and continues to support alternative and equitable means to fund the overall operation of the MTA. Staten Islanders are frustrated with toll increases since it is unfair for them to have to pay for subsidies to mass transit in a region that is not entirely accessible to them, which is why he supports the more equitable toll collection process under the Move New York plan proposed by Sam Schwartz. Commissioner Cappelli also stated that he will cast a no vote on the crossing charges. Commissioner Moerdler stated that there needs to be more equity regionally for those in different parts of the State. The Chairman indicated that he would be open to discuss the Move New

York Plan further. Commissioner Albert asked a question regarding the potential environmental effects of the differential between the existing tolls and the proposed tolls. TBTA Senior Vice President and General Counsel M. Margaret Terry responded by stating that the TBTA had looked at a range of tolls and what effect they would have on driver behavior and diversions to non-tolled facilities. Commissioner Albert also asked where the TBTA got its data on diversions and Ms. Terry replied that they came from the New York City Department of Transportation and traffic counts by TBTA's consultants.

Upon a motion duly made and seconded, the Board approved and adopted a Resolution which: (i) found that, for the reasons stated in the Environmental Assessment and Negative Declaration prepared under the State Environmental Quality Review Act ("SEQRA"), the proposed increases to the Crossing Charge Schedule will have no significant adverse impact on the environment; (ii) adopted and approved the Negative Declaration prepared under SEQRA and authorized and directed the President of the Authority or his designee to execute it; and (iii) found the proposed Crossing Charge increases are "just and reasonable" within the meaning of the General Bridge Act of 1946. The Resolution passed by a vote of ten (10) to one (1). Commissioner Cappelli voted in opposition.

Thereafter, upon a motion duly made and seconded, the Board adopted and approved a Resolution which repealed the prior Crossing Charge Schedule and adopted a new Crossing Charge Schedule that increases Crossing Charges for use of the Authority's facilities; and authorized the President of the Authority or his designee to take all such steps that may be necessary and desirable to establish, implement and permanently adopt, pursuant to the law, the new Crossing Charge Schedule. The new charges contained in the Schedule are planned for implementation on or about March 22, 2015. The Resolution passed by a vote of ten (10) to one (1). Commissioner Cappelli voted in opposition. Commissioner Cappelli commented on discussions in Albany regarding the effect of the Verrazano rebate program on the tolls for Staten Island residents.

Copies of the staff summaries and resolutions setting forth the details of the above items are filed with the minutes of the Triborough Bridge and Tunnel Authority held this day.

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 11:25 a.m.

Respectfully submitted,



Julia R. Christ
Acting Assistant Secretary

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

**Thursday, January 22, 2015
10:00 PM**

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. Allen P. Cappelli
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Iris Weinshall
Hon. Carl V. Wortendyke

The following Members were absent:

Hon. Jeffrey A. Kay
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Vincent Tessitore

Donna Evans, Chief of Staff, Jerome F. Page, General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Norman Brown, Board Member Ira Greenberg, Board Member Neal Zuckerman, Robert Bergen, Executive Vice President, NYCTA, Patrick A. Nowakowski, President, Long Island Rail Road, Joseph J. Giulietti, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, Sr. Vice President NYCTA DOB/President MTA Bus and Michael Horodniceanu, MTA Capital Construction, also attended the meeting.

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

Public Comment Period

There were seven public speakers.

Gene Russianoff of the Straphangers Campaign spoke about a \$15 Billion shortfall in the MTA's 2015 – 2019 proposed Capital Program Plan and the need for New York City, New York State and the Federal Government to increase their financial contributions to the program. Mr. Russianoff's remarks are more fully noted in the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on January 22, 2015.

John Raskin, Executive Director of the Riders Alliance called for the Governor and the State Legislature to find new revenue resources to fund the Capital Program Plan. Mr. Raskin's remarks are more fully noted in the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on January 22, 2015.

The names of the remaining speakers and the subject matter of their comments are fully noted in the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on January 22, 2015.

Chairman and Chief Executive Officer's Opening Remarks

Chairman Prendergast requested a moment of silence in memory of MTA Bridges and Tunnels Officer Thomas Choi who in died in December 2014.

The Chairman's remarks are fully noted in the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on January 22, 2015.

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 and the MTA Capital Construction Company held on December 17, 2014.

Committee on NYCT & Bus

Procurement

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

1. A modification to the Second Avenue Subway, 96th Street Station finishes contract (C-26010) in the amount of \$4,000,000 to address Con Edison changes to facility power.
2. A modification to the Second Avenue Subway, 72nd Street Station finishes contract (C-26011) in the amount of \$12,838,400 for changes to Entrance I associated with the installation of the lower escalator concrete lining.

A copy of the Resolution, Staff Summaries and details of the above items are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on January 22, 2015.

Committee on Long Island Rail Road

Action Item

Upon motion duly made and seconded, the Board approved the following Action item:

Authorization to move work and funds within the East Side Access portion of the MTA 2010-2014 and 2015-2019 Capital Plans in order to make sufficient funding available in the 201-2014 Capital Plan to award East Side Access GCT Concourse and Facilities Fit-Out contract (CM014B) and to replenish project contingency.

A copy of the Staff Summary and details of the above item is filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on January 22, 2015.

Procurement

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

Award of competitively negotiated East Side Access GCT Concourse and Facilities Fit-Out contract (CM014B) to GCT Constructors Joint Venture in the amount of \$428,900,000 (\$404,622,096 for the base contract and \$24,277,904 for four options) and for a period of 56 Months.

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

A modification to East Side Access Systems Facilities Package No. 1 contract (CS179) in the amount of \$1,511,740 to operate and maintain the temporary power supply equipment at Madison Yard and the 2nd Avenue Vent Facility.

A copy of the Resolution, Staff Summaries and details of the above items are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on January 22, 2015.

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 11:25 a.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "David K. Cannon".

David K. Cannon
Assistant Secretary

Staff Summary

Page 1 of 1

Subject						Date			
Board Approval of Service Disabled Veteran-Owned Firms to Serve as Co-managers						February 23, 2015			
Department						Vendor Name			
Finance Department									
Department Head Name						Contract Number			
Patrick J. McCoy <i>PJM</i>									
Department Head Signature						Contract Manager Name			
Division Head Name						Table of Contents Ref #			
Bob Foran <i>BF</i>									
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Finance	2/23				2	<i>PJM</i> Chief of Staff	1	Legal <i>JTB</i>
2	Board	2/25							

Purpose:

To obtain Board approval to qualify two municipal underwriting firms; Academy Securities (Academy) and Drexel Hamilton, LLC (Drexel), for assignments in the role of co-manager on MTA (including affiliate and subsidiary) bond and note issues in connection with the MTA financed portion of approved capital programs as well as for financing of special projects outside of approved capital programs. Such action is recommended to further MTA's efforts to meet the required participation goal for Service Disabled Veteran-Owned firms.

Background and Discussion:

On September 18, 2013, the Board voted to approve a group of 10 underwriters to serve as senior manager, 24 firms as co-manager, and a selling group of 18 firms. The newly comprised underwriting group increased the percentage of minority- and women-owned firms eligible to underwrite MTA and TBTA bonds.

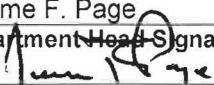
On May 12, 2014, Governor Cuomo signed the Service Disabled Veteran-Owned Business Act into law, establishing a six percent goal for Service Disabled Veteran-Owned firms' participation on state contracts. Board action is sought to approve Academy and Drexel, both of which are Service Disabled Veteran-Owned firms. Once approved as co-managers, Academy and Drexel will be eligible for rotation into the role of special co-senior manager, a practice that has been utilized for M/WBE firms. This approval will serve to advance the Service Disabled Veteran-Owned Business participation goal of six percent in accordance with the Service Disabled Veteran-Owned Business Act. Academy Securities (also certified as a minority-owned firm) and Drexel Hamilton, LLC do not currently serve in the Authority's qualified group of underwriters, however, both are approved as selling group members.

Recommendation:

The Board is requested to approve Academy and Drexel for underwriting assignments as co-managers on MTA (including affiliate and subsidiary) bond and note issues in connection with the bond financed portion of approved capital programs as well as for financing of special projects outside of approved capital programs. This approval will enable MTA to continue to implement its financing program while also increasing M/WBE and SDVOB participation in its bond issuances. It is recommended that these assignments remain in place until the Board takes action to appoint a new underwriting team.



Staff Summary

Page 1 of 2

Subject Addition of Outside Counsel to Approved Panel
Department MTA Office of General Counsel
Department Head Name Jerome F. Page
Department Head Signature 
Project Manager/Division Head Jerome F. Page

Date February 23, 2015
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	2/23/15			
2	Board	2/25/15			

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

Purpose:

To obtain Board approval to add the law firm of Read and Laniado, LLP to MTA's panel of outside counsel.

Discussion:

On an all-agency basis, in 2013 MTA paid approximately \$446 million to third parties for electric energy and associated costs. These costs consist of various charges, including charges for delivery, demand, and consumption of electric power. The delivery cost typically represents approximately 38-40% of the total bill. The MTA has been actively investigating and implementing ways to reduce these costs, including those that are established through a regulated rate making process.

The largest supplier of electricity to MTA is the New York Power Authority (NYPA). The delivery rates for electricity delivered in the Consolidated Edison (Con Ed) service territory are regulated by the New York Public Service Commission (PSC). The Con Ed delivery charges for New York City Governmental Customers (NYCGCs) are invoiced to NYPA which then allocates those charges to the NYCGCs. The MTA's delivery charges allocated and collected by NYPA in 2013 were \$155 million.

Every few years, Con Ed submits a rate case to the PSC to address changes in its cost structure. The most recent case was filed by Con Ed in late January, 2015 and is not expected to be resolved until late in 2015. Given the size of the expense at issue, it is important for the MTA to participate in this rate making process to protect our interests. The PSC rate setting process is complex and the MTA does not have the in-house expertise to perform the legal or technical analysis required to determine whether the delivery rates for the relevant service classes should be reduced, and, if so, to advocate for the MTA's interests in the rate case.

Although there is at least one law firm on the current MTA panel of outside counsel that has the expertise to represent MTA on these matters, it has a conflict of interest because of representation of other stakeholders. After a broad review of the firms that are available for this type of work and are not conflicted, the MTA has determined that the firm of Read and Laniado, LLP, based in Albany, is uniquely qualified and the best candidate given its expertise and cost. The firm's lead on this engagement will be Sam Laniado. He was employed by the predecessor to the PSC for seven years before going into private practice where he has been representing clients before the PSC for the last 27 years. The firm's discounted hourly billing rates for this engagement are favorable: \$325 for partners; \$185 for senior associates; \$125 for junior associates; and \$85 for paralegals.




During the analysis of the delivery rates being applied to the MTA, it is possible that additional rate or other electricity cost issues may be discovered that should be addressed in a rate case or through another process and the MTA may find it desirable to use Read and Laniado, LLP to assist in addressing such issues.

As in the past, it is requested that the Board's approval of Read and Laniado, LLP also include (a) the approved use of a successor firm, in the event the firm should subsequently merge into another firm, or a partner or principal lawyer in charge of an MTA matter at the firm moves to a different firm and (b) the approved use of the firm for other matters for which they are qualified.

Recommendation:

It is recommended that the Board approve the appointment of Read and Laniado, LLP to the approved outside counsel panel and authorize the MTA's execution of a retainer with the firm as set forth above.

Staff Summary

Subject Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties						Date February 23, 2015			
Department Chief Financial Officer / Treasury Department						Vendor Name			
Department Head Name Robert E. Foran , Chief Financial Officer						Contract Number			
Department Head Signature 						Contract Manager Name			
Division Head Name Vinay T. Dayal						Table of Contents Ref #			
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Finance Comm.	2/23/2015	X			1	Legal 	2	Chief of Staff 
2	Board	2/25/2015	X						

I. Purpose

To seek Finance Committee and MTA Board approval to authorize MRT-2 escalator payments to Dutchess, Orange and Rockland counties.

II. Discussion

The MTA statute requires that certain “mass transportation operating assistance” payments be made by the MTA to Dutchess, Orange and Rockland counties from MTA’s MRT-2 receipts. (These payments are made from funds established by PAL §1270-a, the Metropolitan Transportation Authority Special Assistance Fund, from which monies are transferred to the Metropolitan Transportation Authority Dutchess, Orange and Rockland Fund created by PAL §1270-b.) Under the statute, Dutchess and Orange Counties are each to receive no less than \$1.5 million annually, and Rockland County is to receive no less than \$2.0 million annually. The counties were paid these amounts in quarterly installments during 2014.

In addition to providing these minimum mass transportation operating assistance payments, the statute provides for an “escalator payment” based on the percentage by which total MRT-1 and MRT-2 receipts attributable to such county exceeds the receipts received in 1989 from such county. Pursuant to PAL §1270-a (4)(c), the MRT-1 increase is to be calculated as if the MRT-1 tax was 25 cents per \$100 of mortgage recorded and not the current 30 cents per \$100 of mortgage recorded. The escalator payment due each county based on the FY 2014 MRT receipts is determined as follows:

$$(\text{FY2014 MRT Receipts} - \text{FY1989 Base Year MRT Receipts}) / \text{FY1989 Base Year MRT Receipts} = \text{Escalator Rate}$$

$$\text{Escalator Rate} \times \text{Minimum Mass Transit Operating Assistance Payment} = \text{Escalator Payment}$$

The results of the above formulas for each county are:

<u>County</u>	<u>1989 Base Year MRT Receipt</u>	<u>2014 MRT Receipts Adj.¹</u>	<u>Escalator Rate</u>	<u>Escalator Payments</u>
Dutchess Cty	\$3,569,702.51	\$4,384,264.63	22.82%	\$ 342,281.51
Orange Cty	\$4,433,935.06	\$5,034,453.71	13.54%	\$ 203,155.43
Rockland Cty	\$4,524,064.27	\$5,965,884.30	31.87%	<u>\$ 637,400.33</u>
			Total	<u>\$1,182,837.27</u>

III. Recommendations

It is recommended that the Board authorize escalator payments totaling \$1,182,837.27 to Dutchess, Orange and Rockland counties from available funds on deposit in the MRT-2 Corporate Transportation Account.

¹ The actual 2014 gross receipts for each of the counties was:

Dutchess Cty	\$4,903,077.20
Orange Cty	\$5,629,717.50
Rockland Cty	\$6,632,609.56

Staff Summary

Subject:	2014 TBTA Operating Surplus
Department:	Finance
Department Head Name	Donald Spero <i>DS</i>
Department Head Signature	
Project Manager Name	James Elkin <i>JE</i>

Date	February 11, 2015
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	MTA B&T Committee	02/23/15			
2	MTA Finance Committee	02/23/15			
3	MTA Board	02/25/15			

Internal Approvals			
Order	Approval	Order	Approval
2	President	<i>SE</i>	VP Staff Services
	Executive Vice President		VP Procurement & Materials
	General Counsel		VP Labor Relations
	VP Operations		VP & Chief Engineer

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	Chief Financial Officer <i>DS</i>		Chief Technology Officer		Chief Health & Safety Officer		Chief EEO Officer
	Chief Security Officer		Chief Maintenance Officer		MTA Office of Civil Rights		Other

PURPOSE:

To obtain MTA Board approval of resolutions which will:

- Certify and transfer \$637,553,944 operating surplus to the MTA and NYCTA pursuant to Section 1219-a(2)(b) of the Public Authorities Law of the State of New York.
- Transfer \$136,988 representing 2014 investment income to the MTA pursuant to Section 569-c of the Public Authorities Law of the State of New York.
- Deduct from the operating revenues of the Triborough Bridge and Tunnel Authority for its fiscal year ending December 31, 2015 the amount of \$26,382,176, which amount shall be paid into the Necessary Reconstruction Reserve established by the Authority by resolution adopted March 29, 1968.
- Advance the 2015 TBTA Surplus as per attached Resolution.

DISCUSSION:

The attached calculation and letter from Deloitte & Touche LLP represents the Triborough Bridge and Tunnel Authority's operating surplus for fiscal year ending December 31, 2014. The amount of surplus available for transfer to the MTA and NYCTA is \$637,553,944. The amount of investment income that is surplus funds and available to transfer to MTA for fiscal year 2014 is \$136,988. It is also requested to set aside \$26,382,176 from operating revenues of the Triborough Bridge and Tunnel Authority for fiscal year ending December 31, 2015. This money will be used to pay for the cost and expense of current and anticipated necessary construction for the TBTA facilities.

BUDGET IMPACT: None.

ALTERNATIVES: None.

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

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RESOLVED, that the Chairman and Chief Executive Officer be, and he hereby is, authorized to certify to the Mayor of the City of New York and to the Chairman of the Metropolitan Transportation Authority, that for the purposes of Section 1219-a (2) (e) of the Public Authorities Law of the State of New York, the amount of the Authority's operating surplus for its fiscal year ending December 31, 2014 is \$637,553,944.

RESOLVED, that this Authority hereby makes the following determination in respect of its operating surplus for its fiscal year ending December 31, 2014, for the purposes of Section 1219-a (2) (e) of the Public Authorities Law of the State of New York:

Operating Revenue	\$1,711,372,126
Operating Expense	<u>443,752,227</u>
	\$1,267,619,899
Establishment of Necessary Reconstruction Reserve Account	(25,895,344)
GASB Reserve	(1,593,545)
Debt Service on Bonds	(585,236,563)
Interest Income on Unexpended Bond Proceeds and Debt Service Fund	143,960
Purchase of Capital Assets Funded from Operations	(17,217,765)
Increase in Prepaid Expenses and other Adjustments)	<u>(266,698)</u>
Operating Surplus	<u>\$ 637,553,944</u>

February 25, 2015

RESOLVED, that the amount of \$136,988 representing the Authority's investment income for the year 2014 is determined to be surplus funds of the Authority; and be it further

RESOLVED, that the amount of \$136,988 be transferred and paid over to Metropolitan Transportation Authority in a lump sum as soon as practicable pursuant to Section 569-c of the Public Authorities Law.

RESOLVED, that there be set aside and deducted from the operating revenues of the Triborough Bridge and Tunnel Authority for its fiscal year ending December 31, 2015 the amount of \$26,382,176 which amount shall be paid into the Necessary Reconstruction Reserve established by the Authority by resolution adopted March 29, 1968. Money credited to the Reserve, together with interest income earned thereon, are to be applied to the payment of the cost and expense of current and anticipated necessary construction of each of the TBTA Facilities within the meaning of the General Resolution Authorizing General Revenue Bonds (the "General Revenue Bond Resolution") of the Authority adopted on March 26, 2002.

RESOLVED, that the monies thus authorized will be advanced monthly during the fiscal year ending December 31, 2015 and used for the purposes of payment of the cost and expense of necessary construction of each of the TBTA Facilities.

RESOLVED, pursuant to the provisions of paragraphs (b), (c), and (d) of subdivision 2 of Section 1219-a of the Public Authorities Law, that the Chairman and Chief Executive Officer is authorized in his discretion, to advance to Metropolitan Transportation Authority and New York City Transit Authority monthly, out of funds in the General Fund created by the General Revenue Bond Resolution which are attributable to the operations of the 2015 fiscal year (other than funds arising out of the investment of monies of the Authority) and which have been released and paid over to the Authority free and clear of the lien and the pledge of the General Revenue Bond Resolution as provided in Section 506 thereof, an aggregate amount not to exceed 90% of the Chairman's estimate of the sum which that month's operations, if available, will contribute to the "operating surplus" of the Authority which he anticipates will or may be certified and transferred for the fiscal year in which such month falls; and

February 25, 2015

RESOLVED, that the monies thus authorized to be advanced monthly shall be apportioned between Metropolitan Transportation Authority and New York City Transit Authority and paid as follows:

1. The first \$1.8 million to New York City Transit Authority;
2. Fifty percentum of the remainder to New York City Transit Authority (less applicable bond service); and
3. The remainder to Metropolitan Transportation Authority (less applicable bond service).

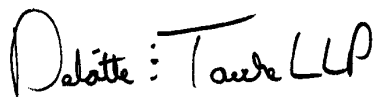
INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Members of the Board
Metropolitan Transportation Authority
New York, New York

We have performed the procedures enumerated in Exhibit B, which were agreed to by the Triborough Bridge and Tunnel Authority (the "Authority"), a public benefit corporation which is part of the related financial reporting group of the Metropolitan Transportation Authority ("MTA"), solely to assist you in agreeing financial information presented in the Schedule of Operating Surplus for the year ended December 31, 2014 (Exhibit A) to the accounting records of the Authority. Authority's management is responsible for the Authority's accounting records and the preparation of the Schedule of Operating Surplus (Exhibit A) and Supporting Schedule to the Schedule of Operating Surplus (Exhibit C) for the year ended December 31, 2014. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of those procedures is solely the responsibility of the Authority. Consequently, we make no representation regarding the sufficiency of the procedures described in Exhibit B either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Authority, Metropolitan Transportation Authority and MTA New York City Transit Authority and is not intended to be and should not be used by anyone other than these specified parties.



February 6, 2015

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

SCHEDULE OF OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2014

OPERATING REVENUES (Note 2)	\$ 1,711,372,126
OPERATING EXPENSES (Note 3)	<u>(443,752,227)</u>
NET OPERATING REVENUE	1,267,619,899
INCREASE IN PREPAID EXPENSES AND OTHER ADJUSTMENTS (Note 3)	(266,698)
DEBT SERVICE ON BONDS (Note 4)	(585,236,563)
INTEREST INCOME ON UNEXPENDED BOND PROCEEDS AND DEBT SERVICE FUNDS (Note 5)	143,960
ESTABLISHMENT OF GASB 43 RESERVE ACCOUNT (Note 8)	(1,593,545)
PURCHASE OF CAPITAL ASSETS FUNDED FROM OPERATIONS (Note 6)	(17,217,765)
ESTABLISHMENT OF NECESSARY RECONSTRUCTION RESERVE ACCOUNT (Note 7)	<u>(25,895,344)</u>
OPERATING SURPLUS	<u>\$ 637,553,944</u>

See Independent Accountants' Report on Applying
Agreed-Upon Procedures and accompanying notes.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

NOTES AND AGREED-UPON PROCEDURES PERFORMED IN CONNECTION WITH THE SCHEDULE OF OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2014 (Exhibit A)

1. OPERATING SURPLUS CALCULATION REQUIREMENTS

- The operating surplus is calculated based upon Section 1219-a (2)(e) of the New York Public Authorities Law (“PAL”) and various bond resolutions. This surplus is transferred to the Metropolitan Transportation Authority (“MTA”) and the MTA New York City Transit Authority (“Transit”). The initial \$24 million in operating surplus is provided to Transit and the balance is divided equally between Transit and the MTA. Transit and the MTA are operationally and legally independent of the Triborough Bridge and Tunnel Authority (the “TBTA”), however, Transit and the TBTA are included in the MTA’s financial statements because they operate under the direction of the MTA Board and the MTA is financially accountable for these entities.

2. OPERATING REVENUES

- Agreed “Operating Revenues” (net of other revenues) of the TBTA appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger of the TBTA noting no differences. We discussed with management their policy for recording operating revenue and they indicated that operating revenues were recorded using the accrual basis of accounting. We have been informed that operating revenues excluded interest income.

3. OPERATING EXPENSES

- Agreed the aggregated “Operating Expenses” of the TBTA appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger of the TBTA noting no differences. We discussed with management their policy for recording operating expenses and they indicated that operating expenses were recorded using the accrual basis of accounting.
- Agreed the following expense items to the general ledger: “Interest Expense and Debt Service Related Expenses” and “Reimbursement of Personnel Costs,” as noted on Exhibit C, which have been netted against salaries and fringe benefits and noted no differences.
- Recalculated the “Increase in Prepaid Expenses and Other Adjustments” appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger. We were informed that the operating expenses were adjusted to include amounts charged to prepaid expenses and deferred charges on a cash basis of accounting. We also have been informed that no cash adjustments were made for changes in accounts payable, accrued expenses or accounts receivable.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

NOTES AND AGREED-UPON PROCEDURES PERFORMED IN CONNECTION WITH THE SCHEDULE OF OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2014 (Exhibit A)

4. DEBT SERVICE

- Agreed “Debt Service on Bonds” appearing on the Schedule of Operating Surplus (Exhibit A) for the following bonds to the TBTA debt service schedules:
 - General Revenue Bonds, and
 - Subordinate Revenue Bonds.
- Agreed “Debt Service on Bonds” on the TBTA’s portion of debt service on the 2 Broadway Certificates of Participation to the TBTA debt service schedules.

5. INTEREST INCOME

- Agreed the aggregated amounts of “Interest Income on Unexpended Bond Proceeds and Debt Service Funds” appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger and noted no differences. We have been informed that interest income is excluded from “Operating Revenues” on the Schedule of Operating Surplus.
- Agreed the aggregated “Interest Income on Unexpended Bond Proceeds and Debt Service Funds” appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger and noted no differences. We have been informed that interest income on the debt service fund investments consists of income from (1) the debt service funds established in connection with the 2 Broadway Certificates of Participation to the extent attributable to the TBTA’s portion of debt service thereon, and (2) the debt service funds established in connection with the TBTA bonds from their respective dates of issuance. We have been informed that this amount was included in the computation of operating surplus as a reduction of debt service cost therefore, increasing operating surplus.

6. CAPITAL ASSETS FUNDED FROM OPERATIONS

- Agreed the amount “Purchase of Capital Assets Funded From Operations,” which represents amounts paid and capitalized for vehicles and other fixed assets, appearing on the Schedule of

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

NOTES AND AGREED-UPON PROCEDURES PERFORMED IN CONNECTION WITH THE SCHEDULE OF OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2014 (Exhibit A)

Operating Surplus (Exhibit A) to the general ledger and noted a difference of \$148,746. This difference was properly adjusted by management for purposes of this report. We have been informed that these amounts were funded from operations and that such amounts represent a reduction of operating surplus appearing on the Schedule of Operating Surplus (Exhibit A).

7. NECESSARY RECONSTRUCTION RESERVE

- Agreed the amount appearing on the Schedule of Operating Surplus (Exhibit A) as “Establishment of Necessary Reconstruction Reserve Account” to the MTA Bridges and Tunnels Financial Plan 2015-2018 to set aside and reduce operating surplus by \$25,895,344 (The Necessary Reconstruction Reserve Account was established by the TBTA by resolution adopted March 29, 1968) and noted no differences. We have been informed that this amount, together with interest income thereon, is to be used to fund reconstruction of present facilities within the meaning of the TBTA’s General Revenue Bond Resolution.

8. GASB 43 RESERVE

- Agreed the amount appearing on the Schedule of Operating Surplus (Exhibit A) as “Establishment of GASB 43 Reserve Account” of \$1,593,545 the MTA Bridges and Tunnels Financial Plan 2015-2018 which was approved by the Finance Committee. We have been informed that the MTA Bridges and Tunnels Financial Plan 2015-2018, which was approved by the Finance Committee, authorizes the establishment of the GASB 43 Reserve. GASB 43 refers to Governmental Accounting Standards Board Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The GASB 43 Reserve Account was established by the TBTA by resolution adopted December 13, 2006. We have been informed that this amount, together with interest income, thereon, is to be used to fund post-retirement liabilities other than pension benefits.

* * * * *

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

SUPPORTING SCHEDULE TO THE SCHEDULE OF OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2014




TOTAL REVENUES		\$ 1,711,509,114
LESS INTEREST INCOME		<u>136,988</u>
OPERATING REVENUES (Exhibit A)		<u>\$ 1,711,372,126</u>
TOTAL EXPENSES		\$ 820,525,826
LESS: Interest Expense and Debt Service Related Expenses	\$ 355,794,044	
Reimbursement of Personnel Costs	<u>20,979,555</u>	<u>376,773,599</u>
OPERATING EXPENSES (Exhibit A)		<u>\$ 443,752,227</u>
PREPAID EXPENSES AND OTHER ADJUSTMENTS:		
Balance December 31, 2013	\$ 22,417,367	
Balance December 31, 2014	<u>22,684,065</u>	
INCREASE IN PREPAID EXPENSES AND OTHER ADJUSTMENTS (Exhibit A)		<u>\$ 266,698</u>
DEBT SERVICE:		
TBTA	\$ 230,022,865	
MTA	112,327,738	
NYCTA	<u>242,742,000</u>	
Subtotal	585,092,603	
INTEREST INCOME ON UNEXPENDED BOND PROCEEDS AND DEBT SERVICE FUNDS	<u>143,960</u>	
TOTAL DEBT SERVICE ON BONDS (Exhibit A)		<u>\$ 585,236,563</u>

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 February 11, 2015
Vendor Name Various
Contract Number Various
Contract Manager Name Various
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	2/23/2015	X		
2	Board	2/25/2015	X		

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
None	None

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule F: Personal Services Contracts	3	\$ 1,085,000.00
Schedule G: Miscellaneous Service Contracts	1	\$ 585,108.50
Schedule H: Modification to Personal Services Contracts & Misc. Service Contracts	1	\$ 108,000.00
SUBTOTAL	5	\$ 1,778,108.50

MTAHQ presents the following procurement actions for Ratification:

None None

TOTAL 5 \$ 1,778,108.50

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, FEBRUARY 2015
COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Majority Vote:

F. Personal Service Contracts

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

- 1. Park Property Management Services** **\$195,000**
Transwestern Commercial Services NY, LLC (not-to-exceed)
Contract No. 14346-0100

Competitively negotiated – 2 proposals – 60 months

To recommend that the Board approve the award of a competitively negotiated, Personal Services Contract to Transwestern Commercial Services NY, LLC. to perform park property management services. The MTA acquired property (approx.. 40 ft. wide and 60 feet deep) located at 48 East 50th Street on the Southside of East 50th between Park and Madison Avenues (a vest pocket known as the “Common”) which sits above a ventilation plant. Transwestern will oversee the property and manage the acquisition of all required services, as needed, i.e., custodial and security services, maintenance of electrical and plumbing associated with the waterfall and electrical associated with the Common lighting and maintaining the landscaping and preventative, remedial, and replacement maintenance (the above mentioned services are not included under this agreement and will be paid for at cost under an existing contract). As a result of negotiations, Transwestern’s proposed annual cost of \$50,000 was negotiated to \$39,000 per year, a savings of \$11,000 or 22%. There is no prior contract for these services with which this cost can be compared; however, the not-to-exceed cost of \$195,000 over the five-year period is considered fair and reasonable.

- 2. Tax Arbitrage Rebate Compliance Services** **\$750,000**
Nixon Peabody LLP and its Affiliate (not-to-exceed)
Omnicap Group LLC
Contract No.14050-0100

Competitively negotiated – 5 proposals – 60 months

Contractor to provide Tax Arbitrage Rebate Compliance Services which are required by the Internal Revenue Service in connection with the issuance of tax-exempt bonds by the MTA, TBTA and NYCTA. Such services are performed to: a) ensure MTA’s compliance with the requirements of the IRS Code to pay to the federal government excess earnings on investment of bond proceeds, and b) to verify the methodology used to identify and allocate investment earnings. Total cost of this five-year contract is not-to-exceed \$750,000. The negotiated fee of \$1,925 for Fixed Rate Report, \$2,475 for None Fixed Rate Report, and \$500 for Engagement fee per series and other related items and services are the same or lower than the rates paid under the last five-year agreement. Based on above, the negotiated rates are deemed fair and reasonable. MTAHQ Procurement received a waiver from the Chairman deeming Nixon Peabody a responsible vendor, notwithstanding the existence of significant adverse information.

METROPOLITAN TRANSPORTATION AUTHORITY
COMPETITIVE PROCUREMENTS

3. **AFT Project** – AFT to provide technical design, fabrication, crating, storage, delivery installation and oversight of installation of materials at the facility specified below.
Competitively negotiated – 115 proposals – 24 months
Tomo Mori-Walker, Manhattanville Bus Depot (**\$140,000**)

G. Miscellaneous Service Contracts

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

4. **Eastern Communications, Ltd.** **\$585,108.50**
Installation and Integration of MTAPD (not-to-exceed)
Metro 21 Radio System
Contract No. 14383-0100

Ride OGS Contract Nos. PT62493 and PS62494 – 72 months

MTA seeks to ride a New York State Contract to provide Installation and Integration Services for the Metro 21 Public Safety Radio System for MTAPD. MTAPD has undertaken an initiative to enhance its existing communications system to improve the effectiveness and coverage of the existing Metro 21 radio system within the five New York City Boroughs. Although the current system provides robust above ground (street level) radio coverage, equipment is required to deliver the necessary coverage below grade (underground) and within all of the major facilities (inside-building) in which the MTAPD discharges law enforcement officers. In addition to allowing MTAPD to effectively communicate amongst each other internally, MTAPD will be able to communicate with all NYS and NYC public safety agencies. The hourly rate for these Services is \$130/hr. which is 13% lower than the New York State rate of \$150. Based on the above, this rate is considered fair and reasonable.

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.)

5. **Lease Audit & Analysis Services (LAAS)** **\$108,000**
Lease Audit Services (not-to-exceed)
Contract No. 13135-0100, S/A #1

Base Amount = \$0

In 2014 MTA issued a zero-dollar, three-year, competitively awarded contract to Lease Audit & Analysis Services (LAAS) for lease audit services for MTA Real Estate. The consultant was to review and verify that the Landlord's charges (e.g., for the Authority's share of building operating cost and/or tax increases) were consistent with the lease contract and with real estate accounting and property management practices. Compensation to the consultant is based on a percentage of any overcharges recouped by the MTA as a result of the consultant's services. To date, LAAS has identified overcharges of \$112,767.47 of which \$28,489.35 will be paid to them based on the tiered commission schedule. MTA is requesting an additional \$80k for the remaining duration of the contract (thru December 31, 2017) for potential overages. Compensation will continue to be based on decreasing percentages ranging from 15%-28% as negotiated under the base agreement. Based on the above, the negotiated percentages are considered fair and reasonable.

FEBRUARY 2015
MTA REAL ESTATE
LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ACTION ITEMS

MTA NEW YORK CITY TRANSIT

Modification of lease between Raina II, LLC and MTA NYCT relating to a paved lot at 33-54 54th Street, Woodside, NY

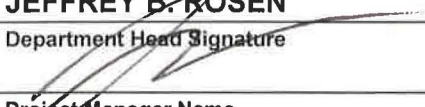
MTA LONG ISLAND RAIL ROAD

Sale of Surplus Remnant of the Former LIRR Evergreen Branch Located at Brooklyn Block 2987, Lot 3, Brooklyn, New York to Belsky & Bodner 505 LLC

License agreement with Oyster Rides LLC for 6 taxi parking spaces at Wantagh Station, Wantagh, New York.




Lease agreement with Konstantinos Papavasilou for a snack concession at 87-69 Lefferts Boulevard, Richmond Hill, New York

Staff Summary

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

Date FEBRUARY 23, 2015
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	2/23 /15	X		
2	Board	2/25/15	X		

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

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

LANDLORD: Raina II, LLC

LOCATION: 33-54 54th Street, Woodside, NY 11377

ACTIVITY: Lease modification and extension

ACTION REQUESTED: Approval of terms

USE: Storage of bulk materials, equipment and parking of agency non-revenue service vehicles

TERM: Five years

SPACE: Approximately 12,000 square feet of paved lot

BASE RENT: 1st Year - February 2015 through January 2016 at \$42,000.00 annum /\$3.50 sf
 2nd Year - February 2016 through January 2017 at \$43,050.00 annum/\$3.5875 sf
 3rd Year - February 2017 through January 2018 at \$44,124.00 annum/\$3.677sf
 4th Year- February 2018 through January 2019 at \$45,229.41 annum/\$3.77sf
 5th Year- February 2019 through January 2020 at \$46,360.15 annum/\$3.86 sf
 (Note: Current Rent is \$40,518.36 /\$3.376 sf)

TAX ESCALATION: None. Tenant responsible for 100% of real estate taxes; however, NYCT has obtained a tax exemption

RENEWAL OPTION: Five years with 2.5% per annum rent increases as escalated from 5th year.

ELECTRICITY: Tenant expense via direct meter

CLEANING AND MAINTENANCE: Tenant responsible for removal of debris, snow and ice.

COMMENTS:

Since 2000, NYCT's Central Electronics Shop (the "Shop") has used this lot, located directly across the street from the Shop, on a daily basis for short and long-term storage of subway car parts, bus parts and other equipment inside three

Staff Summary

FINANCE COMMITTEE MEETING Raina II, LLC (Cont'd.)



Metropolitan Transportation Authority

Page 2 of 2

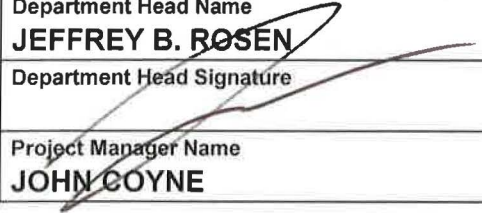
industrial-sized shipping containers that cannot be stored inside the Shop. The site also houses two 30-yard refuse containers for the Shop and is used for parking of NYCT service vehicles.

There is no nearby MTA-owned space or available private properties that would accommodate this function, and the facility must be located adjacent to the Shop. The proposed rent is within market range for M-zoned minimally-improved land in Queens based on conversations with brokers with experience in the submarket.

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



Staff Summary



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

Date FEBRUARY 23, 2015
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	2/23/15	X		
2	Board	2/25/15	X		

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

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

PURCHASER: Belsky & Bodner 505, LLC ("Belsky & Bodner")

LOCATION: Block 2987, Lot 3, Brooklyn, New York (the "Property")

ACTIVITY: Sale of fee interest

ACTION REQUESTED: Approval of terms

SPACE: Approximately 5,000 square feet

COMPENSATION: \$95,000.00

COMMENTS:

The Property is a remnant of the former LIRR Evergreen Branch, on which service was discontinued in the 1970's, and is of no use to LIRR. Most of the Evergreen Branch right-of-way was long ago sold off to private parties. However, MTA Real Estate became aware that the Property was not and accordingly offered the Property for sale pursuant to a request for proposals ("RFP").

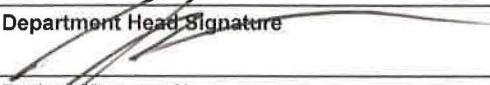
The owner of the adjacent property, currently Belsky & Bodner, has over the years made use of, and various improvements to, the Property, including paving and fencing, on the strength of which Belsky & Bodner has asserted that it is entitled to claim ownership of the Property pursuant to the legal doctrine of adverse possession. The RFP therefore offered the Property subject to such claim.

Two proposals were received in response to the RFP: one from Belsky & Bodner, which offered \$95,000 for the Property; and a second from Nick Comaianni, an individual who rents office space nearby, who offered \$75,000 for the Property.

An appraisal firm from MTA's on-call panel of property appraisers has determined that Belsky & Bodner's proposed purchase price of \$95,000 reflects the fair market value for LIRR's interest, taking into account the cloud on title presented by Belsky & Bodner's use and occupancy.




Based on the foregoing, MTA Real Estate requests authorization to enter into a contract to sell the Property to Belsky & Bodner on the above-described terms and conditions.

Staff Summary

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name ROBERT GOLDBERG

Date FEBRUARY 23, 2015
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	2/23/15	X		
2	Board	2/25/15	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: Oyster Rides LLC ("Oyster Rides")
 LOCATION: 99 Pine Hollow Drive, Oyster Bay, New York
 ACTIVITY: Taxi parking
 ACTION REQUESTED: Approval of terms
 TERM: 5 years, terminable at will by MTA on 60 days' notice
 SPACE: 6 taxi parking spaces
 COMPENSATION:

	<u>Year</u>	<u>Annual</u>	<u>Monthly</u>	<u>Increase</u>
	1	\$7,800.00	\$650.00	
	2	\$8,030.00	\$669.17	3%
	3	\$8,271.00	\$689.25	3%
	4	\$8,519.00	\$709.92	3%
	5	\$8,775.00	\$731.25	3%

COMMENTS:

In 2014, MTA Real Estate issued a request for proposals ("RFP") to license 6 taxi parking spaces located at LIRR's Wantagh Station, in Wantagh, New York, and received two proposals. Oyster Rides (George Melillo, principal), submitted a proposal with a present value, calculated at a 9% discount rate, of \$32,039.61 for the five-year term. The other proposal was submitted by L & W Yellow, LLC which offered a proposal with a present value, calculated at a 9% discount, of \$24,665.14 for the five-year term. The compensation offered by the high bidder, Oyster Rides, LLC, approximates the fair market value for taxi parking spaces as evidenced by the many proposals for the licensing of taxi parking spaces MTA Real Estate has received recently in response to RFP's for taxi spaces at various locations in the LIRR service area.

Based on the forgoing, MTA Real Estate requests authorization to enter into a license agreement for six taxi parking spaces with Oyster Rides LLC at Wantagh Station on the above-described terms and conditions.

Staff Summary



Metropolitan Transportation Authority

Page 1 of 2

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name ROBERT GOLDBERG

Date FEBRUARY 23, 2015
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	2/23/15	X		
2	Board	2/25/15	X		

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

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

LESSEE: Konstantinos Papavasiliou

LOCATION: 87-69 Lefferts Boulevard, Richmond Hill, New York

ACTIVITY: Snack and grill concession

ACTION REQUESTED: Approval of terms

TERM: Ten years

SPACE: Approximately 300 square feet

RENT:

<u>Year</u>	<u>Annual</u>	<u>Monthly</u>	<u>% Increase</u>	<u>Per sq.ft.</u>
1	\$8,400.00	\$700.00		\$28.00
2	\$8,652.00	\$721.00	3%	\$28.84
3	\$8,911.56	\$742.63	3%	\$29.71
4	\$9,178.91	\$764.91	3%	\$30.60
5	\$9,454.28	\$787.86	3%	\$31.51
6	\$9,737.91	\$811.49	3%	\$32.46
7	\$10,030.05	\$835.84	3%	\$33.43
8	\$10,330.95	\$860.91	3%	\$34.44
9	\$10,640.88	\$886.74	3%	\$35.47
10	\$10,960.11	\$913.34	3%	\$36.53

COMMENTS:

MTA Real Estate recently issued a request for proposals ("RFP") to lease a small free-standing store at 87-69 Lefferts Boulevard, located next to the entrance of the LIRR yard in Richmond Hill, Queens, and received one proposal, from Konstantinos Papavasiliou, the incumbent. Papavasiliou, who operates a snack bar and grill in the subject concession space, submitted a proposal with a present value, based on a 9% discount rate, of \$60,524.13 for the ten year term. The rent offered by Papavasiliou approximates the fair market value of the

Staff Summary

FINANCE COMMITTEE MEETING Lease Agreement (Cont'd.)

property as estimated by MTA Real Estate's independent consultant, and is an increase of 6.8% over his current rent. Papavasilou plans to upgrade the trade fixtures and paint the interior of the concession. Papavasilou has timely paid his rent and incurred no defaults over the term of his current tenancy.

Based on the forgoing, MTA Real Estate requests authorization to enter into a new lease agreement with Konstantinos Papavasilou, on the above-described terms and conditions.

Item Number					
Dept & Dept Head Name: Lower Manhattan Projects, U. Durg <i>For U. Durg</i>					
Division and Division Head Name:					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	NYCT and Bus Committee	2/23/15	X		
2	Finance Committee	2/23/15	X		
3	Board	2/25/15	X		
Internal Approvals					
Order	Approval	Order	Approval		
3	Sr. Vice President & General Counsel	5	President		
3d	Sr. Vice President, Program Controls	4	Interim Executive Vice President		
1	Chief Procurement Officer				

SUMMARY INFORMATION	
Vendor Name	Contract Number
Judlau Contracting, Inc.	A-35301
Description	
Assumption of Contract for the Cortlandt Street #1 Line Station Rehabilitation and Modification No. 1	
Total Amount	
Assumption of Contract:	\$ 69,658,000
Modification No. 1:	\$ 31,492,000
Total Contract Amount:	\$101,150,100
Contract Term	
36 Months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Assignment & Modification	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION:

- To obtain Board approval to accept the assignment and assume a contract between the Port Authority of New York and New Jersey (the "PANYNJ") and Judlau Contracting, Inc. ("Judlau") for the rehabilitation of the Cortlandt Street #1 Line Station in the amount of \$69,658,000.
- In accordance with Article IX of the All-Agency Procurement Guidelines, to obtain Board approval to modify the contract to account for escalation, revised schedule, changed site conditions, restricted access, revised terms and conditions, and specifications and additional scope in the amount of \$31,492,000.

II. BACKGROUND

On September 11, 2001, both the Cortlandt Street #1 Line train tunnel and passenger station were severely damaged when the World Trade Center ("WTC") towers collapsed. New York City Transit expedited a construction contract to demolish the damaged station, and to complete new installation of signals, track, power, communications lighting and pumps. Per agreement with the Port Authority, the construction of the new station was postponed until after the WTC Memorial and surface construction were designed and completed. On September 15, 2002, downtown #1 train service was reopened, by-passing the Cortlandt Street #1 Station, once again allowing subway service from Chambers Street to the Rector Street and South Ferry stations.

Since 2002, there have been numerous understandings and agreements between PANYNJ and the MTA regarding the scope and cost sharing arrangements for the future station. Complicating these arrangements were the several concurrent infrastructure improvements and competing developments occurring within the PANYNJ's WTC site. Initially, it was expected that the MTA would pay for improvements to the underpinning of the line and future station while PANYNJ would contribute to the cost of the station in lieu of sublease and licensing easements at the NYCT's "E" line WTC subway station. However, the cost sharing arrangements were never finalized. Nevertheless, in order to advance station reconstruction, in 2012 the PANYNJ awarded a contract for various infrastructure improvements including the reconstruction of the station (see details below).

At this time, the respective agencies have agreed that the MTA would be in the best position to coordinate the remainder of station construction and the required NYCT General Orders so as to coincide with PANYNJ's opening of the new WTC transportation hub.

To accomplish this strategy, the PANYNJ has agreed to assign the Cortlandt Street Station Contract to the MTA. The cost for completing this contract includes the remaining \$69.7 million of station work left in the contract, as well as additional scope in the negotiated amount of \$31,492,000 reflecting escalation, revised schedule, changed site conditions, restricted access, and revised terms and conditions, and specifications. The current MTA 2010-2014 Capital Plan contains \$110 million for the assignment of this contract with an additional \$44.4 million included in the proposed MTA 2015-2019 Capital Plan that was approved by the Board in September 2014. This total budget of \$154.4 million was intended to cover the \$101.2 million contract cost (\$69.7 million plus \$31.5 million), which has been negotiated with the contractor, plus planned design modifications, MTA agency support costs, and construction contingency. However, estimates for design modifications and support costs are not yet finalized and may increase, resulting in a shortfall as compared to the \$154.4 million total budget. MTACC will report back to the Board when cost estimates and sources have been finalized.

III. DISCUSSION:

PANYNJ issued a Request for Proposal for the Construction contract on February 2012 and eight technical proposals were received. After evaluation of the technical proposals, all eight proposers were invited to submit cost proposals of which seven did. Negotiations were held and the firms were then requested to submit their Best and Final Offer ("BAFO"). The BAFO submitted by Judlau on September 11, 2012, in the amount of \$88,758,000 was deemed to be the best and they were awarded the Contract on March 6, 2013.

The Contract was broken into two phases by PANYNJ. Phase I work involved structural steel and concrete work to expand the northern end of the station, demolition of some platforms, platform columns and roof steel, and the removal of shielding above tracks installed under an earlier Port Authority contract for protection during underpinning and arch roof construction. Phase I, at a cost of \$19,100,000 is mostly complete. Phase II work consists of additional demolition and repairs, complete station fit-out, including mechanical, electrical and plumbing, architectural, structural, platform and track reconstruction, signal work, fire protection, communication systems and vertical transportation. Phase II is for the amount of \$69,658,000 and has yet to begin.

The Phase II price of \$69,658,000 was based on the issuance of notice to proceed prior to September 2013. Because Phase 2 was not awarded in the stipulated time frame, the Contractor is seeking escalation costs. In addition, the construction at the WTC Site has progressed significantly which has severely affected the access to the station from the street which means that the majority of the station rehabilitation work has to be performed from underground using additional General Orders ("GOs") and work trains. The limited access, the limited availability of GOs and the difficulty in performing the work has increased the amount of time required to perform the work from twenty four months to thirty six months. Furthermore, the MTA is seeking to modify the contract to add MTA insurance and bonding requirements along with other standard terms and conditions. Finally, some additional scope is being added that was not included in the original contract including, Division 1 specifications (e.g., Quality, Safety, Scheduling, Systems Integration, Environmental), a revised signal cable tray and re-engineered and re-designed steel column covers.

The contractor submitted a proposal of \$42,075,000 for the modification while the in-house estimate was \$25,719,146. Several negotiation sessions were held and both parties agreed to \$31,492,000. An analysis has been performed by MTACC Project Management, Procurement and Project Controls who have determined that this amount is fair and reasonable

Judlau has pre-existing Significant Adverse Information ("SAI") as defined in the All-Agency Responsibility Guidelines. By memorandum dated October 2, 2013 the Chairman and CEO addressed the previous SAI and granted approval to make future awards to Judlau and all of its subsidiaries and affiliates unless new SAI is uncovered. No new SAI has been uncovered with regard to Judlau since that time.

The PANYNJ and the MTA have also reached an agreement in principle whereby PANYNJ will assign to the MTA all of its rights under P.A. Agreement #407-03-013 with Downtown Design Partnership ("DDP"), a Joint Venture of AECOM, Incorporated and STV Incorporated, as they relate to the redesign and reconstruction of Cortlandt Street Station. It is MTA's intent to come to the Board in the very near future for approval to assume the portion of the DDP Contract related to the Cortlandt Street Station to provide the construction phase services necessary to complete the Station.

IV. D/M/WBE:

The Contract has a combined M/WBE goal of 17% which can be reached by utilizing any combination of MBE and WBE firms.

IV. IMPACT ON FUNDING:

As discussed above, funding for this immediate contract is available in the MTA's 2010 – 2014 Capital Program.

V. ALTERNATIVES:

1. Allow PANYNJ to continue to manage the work. This would reduce the likelihood that the work will be completed in time for the opening of the Transportation Hub as the MTA is in a better position to manage and coordinate the work around an operating NYCT subway environment.
2. Solicit new bids. It is doubtful that a new contract can be solicited and awarded in time to coordinate the work around the opening of the transportation hub. In addition, Judlau has already completed Phase I and is in the best position to complete the Phase II work in the shortest possible time.

VI. Recommendation





It is recommended that the Board approve the assignment of the contract between the Port Authority of New York and New Jersey (the "Port") and Judlau Contracting, Inc. ("Judlau") for the Cortlandt Street #1 Line Station Rehabilitation in the amount of \$69,658,000, and approve the issuance of a modification to the contract in the amount of \$31,492,000.

Report

PROCUREMENTS

The Procurement Agenda this month includes 8 actions for a proposed expenditure of \$27.2M.

Subject Request for Authorization to Award Various Procurements					
Department Materiel Division – NYCT					
Department Head Name Stephen M. Plochochi					
Department Head Signature 					
Project Manager Name Rose Davis					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	2/23/15			
2	Board	2/25/15			

February 12, 2015			
Department Law and Procurement – MTACC			
Department Head Name Evan Eisland			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	President NYCT		President MTACC
	Executive VP		President MTA Bus
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:

Schedules Requiring Majority Vote:

Schedule H:	Modifications to Personal/Miscellaneous Service Contracts	1	\$	5.2 M
	Sperry Rail Services, Inc.		\$	5.2 M
Schedule J:	Modifications Miscellaneous Procurement Contracts	1	\$	4.2 M
	ACI Worldwide, Inc.		\$	4.2 M
		SUBTOTAL	2	\$ 9.4 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:

<u>Procurements Requiring Two-Thirds Vote:</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule B:	Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)	1	\$ TBD M
<u>Schedules Requiring Majority Vote:</u>			
Schedule F:	Personal Service Contracts	1	\$ 6.3 M
Schedule G:	Miscellaneous Service Contracts	1	\$ 0.7 M
Schedule H:	Modifications to Personal/Miscellaneous Service Contracts	2	\$ 1.3 M
SUBTOTAL		5	\$ 8.3 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

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

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

NYC Transit proposes to award Ratifications in the following categories:

Schedules Requiring Two-Thirds Vote:

Schedule D:	Ratification of Completed Procurement Actions	1	\$ 9.5 M
SUBTOTAL		1	\$ 9.5 M
TOTAL		8	\$ 27.2 M

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

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

FEBRUARY 2015

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts

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

1. **Sperry Rail Services, Inc.** **\$5,211,841 (Est.)** **Staff Summary Attached**
RFQ# 2862.1

Modification to the contract for the upgrade of NYC Transit's Track Geometry Car #2, in order to provide ultrasonic rail flaw detection and testing services, maintain the proprietary ultrasonic rail flaw detection system, and extend the contract term by an additional five years.

J. Modification to Miscellaneous Procurement Contracts

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

2. **ACI Worldwide, Inc.** **\$4,224,266 (Est.)** **Staff Summary Attached**
Contract# 03E8693.17

Modification to the contract for BASE24 Software License and Maintenance, in order to perform a software upgrade and to extend the contract term for an additional five years.

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: 1

Vendor Name (& Location) Sperry Rail Services, Inc. (Danbury, CT)
Description Furnish and install ultrasonic rail flaw detection and testing system on Track Geometry Car #2
Contract Term (including Options, if any) May 14, 2013 – March 31, 2015
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source
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 Subways, Joseph Leader

Contract Number	AWO/Mod. #
RFQ 2862	1
Original Amount:	\$ 615,000
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 615,000
This Request:	\$ 5,211,841 (Est.)
% of This Request to Current Amount:	847.5%
% of Modifications (including This Request) to Original Amount:	847.5%

Discussion:

This modification provides services to both conduct ultrasonic rail flaw detection and testing utilizing the upgraded NYC Transit Track Geometry Car #2 (TGC2), and to maintain Sperry Rail Services, Inc.'s (Sperry) latest proprietary Series 1950 ultrasonic rail flaw detection system (Series 1950 System) on the TGC2. It also extends the base contract by five years to March 31, 2020 in the estimated amount of \$5,211,841.

Under RFQ 2862, the base contract approved by the March 2013 Board, Sperry is upgrading the NYC Transit owned TGC2 (a vehicle manufactured by Plasser American Corporation for NYC Transit) by furnishing and installing Sperry's Series 1950 System. This system uses ultrasonic sound wave technology to identify defects in rail, thereby allowing NYC Transit to facilitate pre-emptive repairs. When the base contract was approved by the Board, NYC Transit noted that it planned to subsequently request approval of a five-year term modification to both conduct ultrasonic rail flaw detection using the upgraded TGC2 and to maintain the Series 1950 System.

Sperry has provided ultrasonic rail flaw detection services to NYC Transit for nearly 50 years utilizing the Sperry owned diesel-powered SRS 403 vehicle, which has reached the end of its useful life. Once the upgrade to TGC2 is completed and this modification is awarded, the TGC2 will be put into service and the SRS 403 vehicle will be retired.

Under this modification, each year Sperry shall perform: (a) three subway mainline test runs on subway tracks; (b) one full-system test run on both subway and elevated/open-cut tracks; and (c) a minimum of two special inspection test runs of mainline critical subway corridors on an as-needed basis, to be determined by Track Engineering. This schedule will yield an estimated minimum of 41 test weeks per year.

Under a separate contract approved by the January 2012 Board, Nordco Rail Services (Nordco) also provides ultrasonic rail testing utilizing NYC Transit's Track Geometry vehicles, TGC3 and TGC4. Due to the critical nature of this service, having two contractors simultaneously provide ultrasonic rail flaw detection services with the latest technology will allow for redundancy and improved validation of findings. With this modification, NYC Transit will continue to have the two recognized premier ultrasonic rail testing companies in the nation under contract for this service.

Through several rounds of negotiations resulting from changes in the scope of work, Sperry's price was finalized at \$5,211,841. Based on the aforementioned and a review by MTA Audit, Procurement and the Cost/Price Analysis Unit have determined Sperry's pricing to be fair and reasonable. Sperry has provided written assurance that NYC Transit is receiving its most favored customer pricing.

Schedule J: Modifications to Miscellaneous Procurements Contracts

Item Number: 2

Vendor Name (& Location) ACI Worldwide, Inc. (Omaha, NE)	
Description BASE24 Software License and Maintenance	
Contract Term (including Options, if any) October 5, 2006 – October 4, 2016	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA-IT, Sidney Gellineau	

Contract Number	AWO/Mod.#
03E8693	17
Original Amount:	
	\$ 1,659,528
Option Amount:	
	\$ 382,739
Total Amount:	
	\$ 2,042,267
Prior Modifications:	
	\$ 3,992,433
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 6,034,700
This Request:	
	\$ 4,224,266 (Est.)
% of This Request to Current Amount:	
	70%
% of Modifications (including This Request) to Total Amount:	
	402.3%

Discussion:

This modification is for a software upgrade from BASE24 version 4.4 to BASE24-eps and a five year extension for the software license and maintenance contract with ACI Worldwide, Inc. (ACI) from October 5, 2016 through October 4, 2021 with an option to extend for up to two additional years (October 5, 2021 – October 4, 2023). Exercise of the option will be approved by the Vice President, Materiel. This contract is for the BASE24 software used to transmit credit and debit transactions from NYC Transit's MetroCard Vending Machines (MVMs) and MetroCard Express Machines (MEMs) to NYC Transit's credit/debit transaction clearinghouse. The contract includes the software license, software maintenance and an enhanced support program that includes labor hours for additional software configuration, programming, testing, and training. Only ACI can perform this work since the BASE24 software was developed by and is proprietary to ACI.

The original contract with Cubic for the Automated Fare Collection system included a license from ACI for ACI's TRANS24 software, which was used by the Automated Fare Collection (AFC) System from 1997 until 2006. This contract, 03E8693, which became effective in October 2006, was originally negotiated when NYC Transit upgraded from ACI's TRANS24 software to ACI's BASE24 software.

In September 2004, the Board approved the award of the base contract for a term of thirty months in the amount of \$1,659,528. Although the contract was awarded in September 2004, the thirty month contract term began October 5, 2006 when beneficial use of the product was achieved. In March 2009, the Board approved the exercise of a thirty month option established under the base contract from April 5, 2009 through October 4, 2011 in the amount of \$382,739. In September 2011, the Board approved the award of a contract extension for a period of five years from October 5, 2011 through October 4, 2016 in the amount of \$2,724,844. In addition, approximately \$1.3 million of contract modifications have been issued for the following: additional license fees included in the base contract that primarily reflect increases in the volume of debit and credit card transactions at MetroCard Vending Machines since 2004; additional enhanced support program labor hours; and various customized software modifications.

The BASE24 system must be upgraded to keep the AFC system in a state-of-good-repair to prevent outages due to capacity limitations in the BASE24 version 4.4 software. Under this modification, ACI will upgrade the software from version 4.4 to BASE24-eps. The cost of the upgrade to BASE24-eps is \$619,470. Under the requested extension, the total ongoing cost for software license, maintenance, and other fees will decrease by 5.5% from \$544,969 per year to \$514,971 per year. The cost of the five year extension is \$2,619,860 and the cost of the option to extend for up to two years is \$984,936. The total cost for this modification is approximately \$4.2 million. MTA-IT has determined that it would be cost prohibitive to reconfigure the AFC system to use any other credit and debit transaction software and would involve significant risk. The price for this modification has been found to be fair and reasonable. The contract is being extended at this time to ensure continued support for credit and debit card transactions at MetroCard Vending Machines through the implementation of the New Fare Payment System.

FEBRUARY 2015

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

B. Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

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

- | | | | |
|----|--|--------------------------------------|-------------------------------|
| 1. | Contractor To Be Determined
Contract Term To Be Determined
Contract Number To Be Determined | Cost To Be Determined

 | <u>Staff Summary Attached</u> |
| | RFP Authorizing Resolution for the design, furnishing, installing and implementation of a New Fare Payment System. | | |

Procurements Requiring Majority Vote:

F. Personal Service Contracts

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

- | | | | |
|----|---|----------------------------------|-------------------------------|
| 2. | Tishman Construction Corporation of New York
Thirty-two month contract
Contract# CM-1558 | \$6,290,000 (NTE)

 | <u>Staff Summary Attached</u> |
| | Federally-funded Consultant Construction Management services contract for the construction of the Bus Command Center in Brooklyn. | | |

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. | Integrated Power Services
Four-year contract
RFQ# 81946 | \$676,400 (Est.)

 | <u>Staff Summary Attached</u> |
| | Repair and refurbish electric motors used in various Department of Subways elevators, escalators, and exhaust fans. | | |

H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts


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

- | | | | |
|----|--|--|-------------------------------|
| | HAKS Engineering and Land Surveyors, P.C.
Tectonics Engineering and Surveying Consultants, P.C. | \$1,315,924 (Aggregate)

 | <u>Staff Summary Attached</u> |
| 4. | Contract# 2220.2 | \$517,730 | ↓ |
| 5. | Contract# 2224.2 | \$798,194 | ↓ |
| | Modifications to the contracts for concrete batch plant inspection services and concrete cylinder testing services, in order to add funding for an unanticipated increase in concrete inspections. | | |

Staff Summary

Page 1 of 2

Item Number 1			
Division & Division Head Name: VP Material, Stephen M. Plochochi			
			
Internal Approvals			
Order	Approval	Date	Approval
1	Material	6 X	Subways
2 X	Law	7 X	Buses
3 X	Budget	8	EVP
4	MTA Fare Payment Programs	9	President
5	NYCT New Fare Payment		

SUMMARY INFORMATION	
Vendor Name	Contract No.
RFP Authorizing Resolution	TBD
Description New Fare Payment 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 type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

PURPOSE:

To request that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate in order to procure a contract for the design, furnishing, installation, testing, integration and implementation of a New Fare Payment System (NFPS), and that it is in the public interest to issue a Competitive Request for Proposals (RFP) pursuant to Subdivision 9(f) of Section 1209 of the Public Authorities Law for award of the contract. This project will be managed by MTA Fare Payment Programs.

DISCUSSION:

The purpose of this project is to replace the existing MetroCard system which has been in place since 1997 and to provide NYC Transit with an integrated, reliable and convenient fare payment and collection system. It is desired that the system be adoptable, to the extent feasible, by other MTA agencies and transit systems in the New York region. NFPS technology will allow bus and train customers to pay fares by tapping a contactless bank card, smartphone, or, for unbanked customers, an MTA issued smart card against an electronic reader. The MTA has established several other common objectives of NFPS that apply to NYC Transit and other MTA agencies: reduce cash payments; use of open payment devices, such as contactless bank cards, that are not distributed by MTA; equitably serve all customers, including Reduced Fare and unbanked customers; protect customer privacy; create an integrated customer experience; encourage seamless travel; and, be cost-effective while leveraging current investments and assets.

The new system will include a front-end utilizing contactless readers that customers will utilize to enter the system and a back-end that supports financial functions including payment processing and other back-office functions. The back-end will be designed to enhance the customer experience and will include creation and management of an account-based system. The scope of work includes installation of a high speed communications network at all station fare control areas that will provide connectivity for the fare control arrays and other devices.

In order to meet the objectives listed above, the MTA has established the following system design principles to make the future system interoperable across MTA agencies: use open standards and interfaces; use commercial off-the-shelf (COTS) technology; and minimize cash payments in the system.

Staff Summary

Page 2 of 2

In order to create an integrated customer experience, the MTA desires that its customers be able to transact fare purchases with all of the MTA agencies through a single all-agency app/web portal using a single user account. Customers will be able to access this account through mobile or wired electronic devices. In order to reduce costs and leverage investments throughout the agencies, the MTA desires that the business systems supporting the agencies' fare and toll payment functions be interoperable to the extent feasible.

MTA Fare Payment Programs contemplates a phased, progressive implementation in order to complete the work and decommission the MetroCard System by the end of 2022. Parts of the new system may be in operation starting in 2020. The MetroCard system is becoming increasingly difficult to maintain as the system continues to age. Therefore, NYC Transit is making strategic investments to retain the performance reliability of that system until full deployment of the NFPS.

Given the complex nature of this project, it is in the best interest of NYC Transit to utilize the RFP process which will allow consideration of factors other than price such as experience on similar projects, technical expertise, creative approaches to the work and financial offerings in order to determine which proposal offers the best overall value. In addition, the RFP process will allow NYC Transit greater flexibility to negotiate contract terms and conditions that could potentially result in a lower overall cost for the project while achieving NYC Transit requirements.

M/WBE:

To date, the MTA Department of Diversity and Civil Rights has not determined the goals for this project.

IMPACT ON FUNDING:

This project is managed by MTA Fare Payment Programs and is to be funded under the 2015-2019 MTA Capital Program. Award of the contract will be made pending approval of that program.





ALTERNATIVES:

The use of a sealed bid process in which factors other than cost cannot be considered is not recommended as it does not provide the best flexibility in assessing the alternative means towards accomplishing this complex project. An RFP is the best means to evaluate different technical approaches and to enable comparative analysis to achieve best value. It is believed that a negotiated procurement in the context of this complex project would better serve the public interest and offer NYC Transit the best overall value.

RECOMMENDATION:

That the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate as requested in the Purpose section.

Staff Summary

Item Number 2			
Division & Division Head Name: VP Materiel, Stephen M. Plochochi			
			
Internal Approvals			
Order	Approval	Date	Approval
1	Materiel 	6 X	Buses
2 X	Law	7	EVP 
3 X	Budget	8	President 
4 X	DDCR		
5 X	CPM		

SUMMARY INFORMATION	
Vendor Name Tishman Construction Corporation of New York	Contract No. CM-1558
Description Consultant Construction Management Services for the Construction of the Bus Command Center in Brooklyn	
Total Amount \$6,290,000 (NTE)	
Contract Term (including Options, if any) 32 months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

PURPOSE

To obtain Board approval to award a competitively negotiated Federally-funded contract for Consultant Construction Management (CCM) and Inspection Services for the construction of the new Bus Command Center in Brooklyn to Tishman Construction Corporation of New York, (Tishman) in the not-to-exceed amount of \$6,290,000 with a duration of 32 months.

DISCUSSION

This contract requires the services of a consultant to provide CCM services for the construction of the new Bus Command Center. The construction contract for this project is being solicited with a planned award in the second quarter of 2015. The new Bus Command Center will replace the existing facility and be located adjacent to the current site. The new Bus Command Center facility will be a state-of-the-art operations center for consolidated Department of Buses and MTA Bus Company staffing with appropriate, modern building systems. The new facility will be a three story structure and include an operating theater and situation room; and will be built to current codes and ADA Requirements. Radio equipment in the new facility will be provided under the Bus Radio Contract that will provide for an upgrade of the current analog system to digital; increase capacity; and improve two-way communication with buses and support vehicles.

The CCM will provide a range of construction inspection and closeout services. Construction related activities include ensuring that the project is on schedule and within budget, obtaining shop drawings and submittals, reviewing and processing change orders, performing inspections for quality and safety requirements, providing construction oversight and inspections, assisting in securing necessary permits, and support in achieving Leadership in Energy and Environmental Design (LEED) certification.

Staff Summary

The CCM consultant was selected via a qualifications based two-step procurement process established by the Federal Brooks Act; whereby, contracts for A/E services are negotiated with the A/E team that is determined to be the most technically qualified. Price is not a consideration in the selection or ranking. Since one award is planned under this RFP, negotiations were conducted with the most technically preferred firm.

Step 1 – In response to NYC Transit’s advertisement, eight submissions consisting of a Letter of Interest, Schedule J Responsibility Questionnaire, Federal SF 330 form and a qualification statement were received. The Selection Committee (SC) reviewed the submissions and recommended the following five firms to move on to Step 2: LiRo Engineers, Inc.; Parsons Brinckerhoff, Inc.; Shaw Environmental & Infrastructure Engineering of New York, P.C.; Tishman; and URS Corporation-New York, P.C. The firms not selected had either insufficient staffing or lacked pertinent CCM experience to perform the work.

Step 2 – Technical Proposals were received from the five firms selected in Step 1 and all firms were invited for oral presentations in support of their written proposals. Following SC review and evaluation, Tishman was selected by a majority of the SC as the most preferred firm based on their superior technical qualifications, as demonstrated by their experience as both a general contractor and CCM in performing relevant construction management services for sophisticated communication center and public safety projects of similar size and scope. Tishman, which has been in this field since 1898, also has extensive experience in performing work for public agencies, including the MTA and NYC Transit, and vast private sector experience. Although the remaining firms were all qualified to perform the work, Tishman’s experience and plan of approach were superior.

After being selected and approved for price negotiations, Tishman’s cost proposal was opened and evaluated. The initial cost proposal for the 32-month contract was \$6,252,945 and the engineer’s estimate was \$6,002,057. Negotiations focused on labor hours, direct rates, fixed fee, overhead rates, other direct costs, and clarifications of the scope of work, both for the CCM and additions in the related construction specifications. NYC Transit and Tishman were in agreement that the increased scope could be mitigated by adding hours for additional days and shifts during the 24 month construction period. At the conclusion of negotiations, a Best and Final Offer (BAFO) was received in the amount of \$6,290,000. The BAFO is \$28,295 below the revised estimate of \$6,318,295 and provided for 15% more labor hours than the original proposal. Based on the competitive nature of the RFP and the cost analysis performed the BAFO was determined to be fair and reasonable.

Background investigations and review of documents submitted by Tishman revealed information that was considered “Significant Adverse Information” (SAI) within the meaning of the All-Agency Responsibility Guidelines related to a 2011 construction industry-wide investigation. MTA Management approval was obtained in connection with prior awards and is similarly being sought for this award. An award will not be made until the required approvals are obtained.

M/W/DBE

The Department of Diversity and Civil Rights has established a Disadvantaged Business Enterprise (DBE) goal of 17%. Tishman’s BAFO reflects a plan to achieve approximately 30% DBE participation. Award will not be made until DDCR approval is obtained. Tishman was a joint venture partner in a contract awarded in 2003 that contained a goal of 15% MBE / 5% WBE. As a result of contract modifications that did not contain opportunities for the MBE, overall compliance was 12.16% MBE / 5.6% WBE, and a Good Faith Effort Determination was made.

IMPACT ON FUNDING

This contract will be funded with 80% Federal funds and 20% MTA funds. An award will not be made until a WAR Certificate has been issued.

ALTERNATIVES

None. NYC Transit lacks available in-house technical personnel to perform the specific work required for this contract.

CAPITAL PROGRAM REPORTING

This contract has been reviewed for compliance with the requirements of the 1986 legislation applicable to Capital Contract Awards and the necessary inputs have been secured from the responsible functional departments.

RECOMMENDATION

It is requested that the Board approve the award of the competitively negotiated Federally-funded contract to Tishman for CCM services in support of the construction of the new Bus Command Center in Brooklyn.

Schedule G: Miscellaneous Service Contracts

Item Number: 3

Vendor Name (& Location) Integrated Power Services (Philadelphia, PA)		Contract Number RFQ 81946	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description Repair and refurbish electric motors used in various elevators, escalators, and exhaust fans		Total Amount: \$676,400 (Est.)	
Contract Term (including Options, if any) Four years		Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a		Requesting Dept/Div & Dept/Div Head Name: Department of Subways, Joseph Leader	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive			
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:			

Discussion:

This estimated quantity miscellaneous services contract is to repair and refurbish electric motors used in various Department of Subways (DOS) elevators, escalators, and exhaust fans for a four year term in the estimated amount of \$676,400.

This contract will provide for the repair and refurbishment of Alternating Current and Direct Current electric motors ranging in size from ½ horsepower to 300 horsepower. The contract includes pre-priced line items for rebuilding Alternating Current motors up to 300 horsepower and Direct Current motors up to 120 horsepower. Almost all of the work will be performed at the contractor's shop; however, in certain circumstances, it may be necessary for the contractor to repair a motor on-site at the NYC Transit location.

Three bids were received for this contract. Integrated Power Services (Integrated) submitted the lowest bid of \$676,400, which was 33.7% lower than the second lowest bidder. Common line items from the previous contract represent 59% of the current contract's estimated value. A weighted price comparison of common items in the previous contract to pricing in the current contract indicates an average annual increase of 1.08%. The PPI for Commercial Machinery Repair and Maintenance indicates an average annual increase of 2.29% since the award of the prior contract in October 2010.

A qualification hearing was held and Integrated was found to be technically qualified by DOS to perform the contract work. Integrated is the incumbent under the prior contract, Contract 09D0073.

Based on effective price competition, NYC Transit Procurement found Integrated's pricing to be fair and reasonable.

Item Number: 4-5

Vendor Name (& Location) HAKS Engineering and Land Surveyors, P.C. (New York, NY) Tectonics Engineering & Surveying Consultants, P.C. (Brooklyn, NY)	
Description Concrete Batch Plant Inspection Services and Concrete Cylinder Testing Services	
Contract Term (including Options, if any) April 9, 2012 – 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 checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept./Div. & Dept./Div. Head Name: Division of Materiel, Stephen M. Plochochi	

Contract Number: 2220 (HAKS) 2224 (Tectonics)	AWO/Mod. #: 2
Original Amount: 2220: \$2,388,950 \$ 3,386,770 2224: \$997,820	
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount: 2220: \$2,388,950 \$ 3,386,770 2224: \$997,820	
This Request: 2220: \$517,730 \$ 1,315,924 2224: \$798,194	
% of This Request to Current Amount:	39%
% of Modifications (including This Request) to Original Amount:	39%

Discussion:

These modifications will add funding to the contracts to account for an increase in the number of concrete inspections and to modify the contracts to compensate the contractors for cancelled inspections and inspection shifts beyond eight hours.

These multi-agency contracts, for which Long Island Railroad was the lead agency, are for inspections of concrete that will be used in NYC Transit and MTACC capital construction projects. Contract 2220 with HAKS Engineering and Land Surveyors, P.C. (HAKS) is for inspection and testing of mixed concrete at concrete batch plants to ensure that the batch plants comply with CPM and MTACC specified design mixes before the mixed concrete leaves the plant. Contract 2224 with Tectonics Engineering and Surveying Consultants, P.C. (Tectonics) is for field inspections and testing performed on concrete at the construction site to ensure compliance with CPM and MTACC specifications. Samples of wet concrete are taken in cylindrical containers to facilitate subsequent tests on the concrete after hardening. NYC Transit requires that these two contracts be held by two separate contractors in order to have two independent tests to ensure the quality of the concrete.

The number of inspections for these estimated quantity contracts was underestimated primarily because the estimate did not fully reflect the increased demand for concrete from MTACC for construction projects such as the Second Avenue Subway. Additional funding of approximately \$328K is needed for Contract 2220 with HAKS and additional funding of approximately \$560K is necessary for Contract 2224 with Tectonics to accommodate the additional inspections.

In addition, both contracts are being modified to incorporate provisions to cover the cost for late cancellations of inspections and Contract 2224 with Tectonics is being modified to incorporate a provision for required extended inspection shifts. The cost of these modifications is approximately \$190K for Contract 2220 with HAKS and \$238K for Contract 2224 with Tectonics.

FEBRUARY 2015

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions

(Staff Summaries required for items requiring Board approval.) Note – in the following solicitations, NYC Transit attempted to secure a price reduction. No other substantive negotiations were held except as indicated for individual solicitations.

- | | | |
|---|--------------------------|--------------------------------------|
| 6. Kratos Public Safety &
Security Solutions, Inc.
Contract# C-52122-R2 | \$9,487,480 (NTE) | <u>Staff Summary Attached</u> |
| Furnish, install, and integrate an Electronic Security System at the Atlantic Avenue – Barclays Center Station Complex. | | |

Schedule D: Ratification of Completed Procurement Actions

Item Number: 6

Vendor Name (& Location) Kratos Public Safety & Security Solutions, Inc. (Fair Lawn, NJ)		Contract Number C-52122-R2	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description Furnish and Install an Electronic Security System at the Atlantic Avenue - Barclays Center Station Complex		Total Amount: \$9,487,480 (NTE)	
Contract Term (including Options, if any) Twenty Months		Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a		Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Frederick E. Smith	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive			
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:			

Discussion:

It is requested that the Board formally ratify the award of the contract for furnishing and installing an Electronic Security System (ESS) at the Atlantic Avenue – Barclays Center Station Complex to Kratos Public Safety and Security Solutions, Inc. (Kratos). The MTA Security Program is developing an integrated Inter-Agency ESS infrastructure to allow for commonality across all MTA agencies as well as direct communication with the New York City Police Department. The ESS is a security infrastructure consisting of hardware and software that will integrate all NYC Transit legacy security subsystems as well as new applications onto a single platform.

Under Contract C-52122-R2, the contractor will furnish, install, configure, test, and warrant ESS equipment at the Atlantic Avenue – Barclays Center Station Complex. This contract was awarded pursuant to an Emergency Declaration signed by the presidents of all MTA agencies in December 2002. This contract was solicited using a publicly-advertised two-step selection process whereby interested bidders were evaluated and selected by NYC Transit based on their technical expertise and integrity. This pre-selection process affords NYC Transit the ability to control the distribution of sensitive security information while also promoting competition for the procurement. Twenty-eight firms were identified as being capable of performing this work. All of the firms were required to sign non-disclosure agreements prior to receipt of the bid documents.

The solicitation for C-52122-R2 was the second revised solicitation for this work. The initial solicitation and first revised solicitation were cancelled due to changes in the scope of work. Five bids were received for C-52122-R2. Kratos submitted the lowest bid of \$9,487,480, which was found to be fair and reasonable based on adequate price competition. Kratos has several ongoing contracts with NYC Transit, and its performance on previous NYC Transit contracts has been deemed satisfactory.

Background investigations and materials revealed “Significant Adverse Information” within the meaning of the All-Agency Responsibility Guidelines for Kratos, and MTA Management approval was received. Accordingly, Kratos was found fully responsible for award.

Subsequent to the receipt of bids for C-52122-R2, a Bid Protest was received. An independent Protest Officer was assigned and the Protest was denied.

The Department of Diversity and Civil Rights assigned no subcontracting goals for this project due to the high level of security required that restricts access to bid documents. Kratos, however, will use a subcontractor that will result in actual D/MBE participation of 52% of the contract value.

Kratos has achieved its previous M/W/DBE goals on its previous MTA contracts.

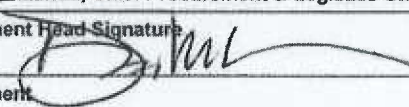
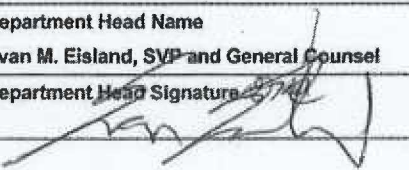
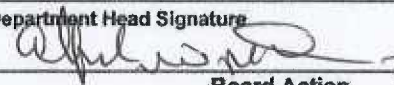


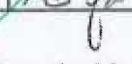
**METRO-NORTH/LONG ISLAND
COMMITTEE**

PROCUREMENTS

FOR BOARD

ACTION

February 25, 2015

Subject Request for Authorization to Award Various Procurements						Date February 25, 2015			
Department Procurement & Logistics - LIRR						Department Law and Procurement - MTACC			
Department Head Name Dennis J. Mahon, Chief Procurement & Logistics Officer						Department Head Name Evan M. Eisland, SVP and General Counsel			
Department Head Signature 						Department Head Signature 			
Department Procurement & Material Management - MNR									
Department Head Name Alfred Muir, Acting Sr. Director, Procurement & Material Management									
Department Head Signature 									
Board Action						Internal Approvals			
Or	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LIRR/MNR/CC Committee	2.23.15	X			X	President, LIRR		
2	MTA Board	2.25.15	X			X	President, MNR		
						X	President, MTACC		

PURPOSE:

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

DISCUSSION:

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

Schedules Requiring Two-Thirds Vote

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Non-Competitive Purchases and Public Work Contracts	2	\$286,550,000
SUBTOTAL:	2	\$286,550,000

MNR proposes to award Non-Competitive procurements in the following categories: None

MTACC proposes to award Non-Competitive procurements in the following None

LIRR proposes to award Competitive procurements in the following categories: None

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)	1	TBD
• Request to use RFP		

Schedules Requiring Majority Vote

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule G: Miscellaneous Service Contracts	1	\$92,840
SUBTOTAL:	2	\$92,840
MTACC proposes to award Competitive procurements in the following categories:	None	
LIRR proposes to award Ratifications in the following categories:	None	
MNR proposes to award Ratifications in the following categories:	None	
MTACC proposes to award Ratifications in the following categories:		
	<u># of Actions</u>	<u>\$ Amount</u>
Schedule K: Ratification of Completed Procurement Actions	1	\$2,200,000
SUBTOTAL	1	\$2,200,000
<u>TOTAL:</u>	5	\$288,842,840

The contractors noted above and on the following Staff Summary Sheets have been found in all respects responsive and responsible, and are in compliance with State laws and regulations concerning procurements.

BUDGET IMPACT:

The purchases/contracts will result in obligating Long Island Rail Road, Metro-North Railroad and MTA Capital Construction operating and capital funds in the amount listed. Funds are available in the current operating/capital budgets for this purpose.

RECOMMENDATION:

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

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

FEBRUARY 2015

MTA LONG ISLAND RAIL ROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

Schedule A: Non-Competitive Purchases and Public Work Contracts

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

1. **ASC Telecom, LP** **\$49,817.72**
Sole Source **Not-to-Exceed**
Requisition No: 0000061410

LIRR requests MTA Board approval to award a sole source/Non-Competitive contract to ASC Telecom, LP (ASC) for the addition of a new analog 80 Channel vital voice recorder for radio communications to the existing ASC recording system. Federal Railroad Administration (FRA) regulations mandate the use of recording systems which record and store voice communications from: Train to Train radio, Train to Tower radio, Train to Dispatcher radio, and all tower communications with dispatchers. The new analog recorder will be fully integrated into the existing recording system and will allow end users to seamlessly access voice recordings from a single web-based graphical user interface (GUI) for both analog and IP systems. The existing ASC recording system was installed in September 2012 and has proven to be reliable and maintainable. ASC is the sole company that can integrate the new system into its proprietary recording system being used by LIRR. The Railroad explored whether there were opportunities to “piggy-back” existing contracts with other MTA or NY State agencies but found they were not offered on NYS or MTA contracts. This service is currently listed on the DDCR LIRR Exempt/Excluded List. Accordingly, MWBE Goals do not apply. An advertisement of LIRR’s intent to award a sole source contract was advertised on January 5, 2015; however LIRR received no response from any entity capable of providing this service. The not-to-exceed contract value includes all hardware, software, licenses, project management installation, training and one year warranty. ASC has certified that the pricing offered to MTA is deeply discounted, most favored and normally only available to an authorized ASC reseller. This will result in receipt of a discount equal to the reseller markup (generally 30 – 40%) and therefore is deemed to be fair and reasonable. Funding for this contract is included in LIRR’s operating budget.

2. **Bombardier, Knorr, Merak and NYAB** **\$286,500,000** *Staff Summary Attached*
Sole Source (OEMs) **Not-to-Exceed**
Contract No. TBD

LIRR, on behalf of itself and MNR (the “Railroads”), requests Board approval to award individual five (5) year Original Equipment Manufacturer (OEM) agreements for spare parts and technical support to Knorr Brake Company, Merak, New York Air Brake (NYAB), and Bombardier in a total not-to-exceed amount of \$286.5M. The Bombardier agreement shall be based on exercising the first of two five-year options set forth in their Material & Technical Support Agreement (MSA), which was approved by the Board in 2009. Combined, these four agreements will provide for the timely acquisition of various OEM spare parts for LIRR’s M-3, C-3 and M-7 railcars and its DE/DM locomotive fleets as well as MNR’s M-2, M-3, M-4, M-6, M-7, M-8 railcars and Genesis diesel locomotive fleets. In addition, the Bombardier option shall provide for continued repair, maintenance and technical support services in support of M-7 railcars.

Schedule A: Non-Competitive Purchases and Public Works

Staff Summary



Item Number: 2

Vendor Name (& Location) Bombardier, Knorr, Merak and NYAB (OEMs)
Description OEM Purchase Agreements for Spare Parts – LIRR & MNR
Contract Term (including Options, if any) 5 Years (March 1, 2015 – March 1, 2020)
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: OEM Sole Source

Contact Number TBD	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: <u>\$286,500,000</u> NTE	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Maintenance of Equipment – Daniel Cleary / Michael Yaeger	
Contract Manager: Carl Cipriano	

Discussion:

LIRR, on behalf of itself and MNR (the “Railroads”), requests Board approval to award individual five (5) year Original Equipment Manufacturer (OEM) agreements for spare parts and technical support to Knorr Brake Company, Merak, New York Air Brake (NYAB), and Bombardier in a total not-to-exceed amount of \$286.5M. The Bombardier agreement shall be based on exercising the first of two five-year options set forth in their Material & Technical Support Agreement (MSA), which was approved by the Board in 2009. Combined, these four agreements will provide for the timely acquisition of various OEM spare parts for LIRR’s M-3, C-3 and M-7 railcars and its DE/DM locomotive fleets as well as MNR’s M-2, M-3, M-4, M-6, M-7, M-8 railcars and Genesis diesel locomotive fleets. In addition, the Bombardier option shall provide for continued repair, maintenance and technical support services in support of M-7 railcars.

Knorr, Merak, NYAB and Bombardier are the sole responsible sources for the parts, repairs and services in connection with major railcar systems and components, such as air brake and HVAC systems that will be provided under these purchase agreements. Other vendors do not have access to the proprietary designs, specifications and drawings for these systems or materials and therefore cannot readily provide these parts and repair services. Under these purchase agreements, the OEMs will supply, on an as needed basis, complete systems, parts, other equipment, technical/field support and repair services as required.

These agreements are required to (i) support the Railroads’ Reliability Centered Maintenance (RCM) programs and (ii) perform unscheduled maintenance and repairs to the Railroads’ fleet of locomotives, coaches and electric cars over a five year period. To maintain a high car reliability and improved customer service through on-time performance, the Railroads must implement their respective RCM programs, which require parts being replaced at prescribed intervals. Additionally, parts required to perform unscheduled maintenance and repairs on the cars are needed to insure safe, reliable and maintainable operation. The next five year period will include major overhauls to trucks, toilets, HVAC and FRA mandated air brake overhauls.

This joint procurement approach utilizes the combined buying power of the two Railroads to achieve most favorable uniform pricing and better supply chain management. Additional benefits are derived through process efficiencies that reduce the number and frequency of small purchase activities. The five year term also assures the Railroads that the OEMs will continue to maintain their tooling and manufacturing capabilities necessary to produce the parts, which are not available from any other sources.

In accordance with MTA All-Agency Procurement Guideline requirements, the Railroads advertised their intent to procure the items under these agreements on a sole source basis in the NYS Contract Reporter, the NY Post and the MTA website. No other firms came forward to express any interest in participating in these procurements.

Schedule A: Non-Competitive Purchases and Public Works

Staff Summary



The chart below provides the estimated not-to-exceed dollar amount anticipated to be expended with each OEM by both LIRR and MNR over the five year term of the purchase agreements. To ensure price reasonableness, the proposed pricing was compared to the previous agreement pricing and was found to be at or below the increases found in the respective Bureau of Labor Statistics database for these commodities. Therefore the proposed pricing is considered fair and reasonable.

<u>Supplier</u>	<u>System</u>	<u>LIRR</u>	<u>MNR</u>	<u>Totals</u>
Bombardier	Trucks, Toilets	\$118M	\$22M	\$140M
Knorr Brake Co.	Air Brakes	\$60M	\$35M	\$95M
Merak	HVAC	\$8M	\$35M	\$43M
New York Air Brake	Air Brakes	\$7M	\$1.5M	\$8.5M
Grand Total:		<u>\$193M</u>	<u>\$93.5M</u>	<u>\$286.5M</u>

The total dollars outlined above are based upon historical data and projected usage. In order to be prepared for possible unscheduled events and occurrences, the Railroads further seek approval to reallocate funds between OEMs under the following limitation; any reallocated amount may not exceed the grand total approved for each railroad herein.

These purchase agreements are funded by each Railroad's Operating Budget.

FEBRUARY 2015

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

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	<u>Staff Summary Attached</u>
Design, Assembly, and Delivery of an Advanced Metering Infrastructure (AMI) for Heating Fuel		

Approval is requested to use the Request for Proposal (RFP) process to solicit and evaluate proposals from prospective contractors for the design, assembly, and delivery of an Advanced Metering Infrastructure (AMI) for heating fuel.

Currently, Metro-North Railroad does not have the ability to track consumption of heating fuel at its facilities and the only means of tracking is through fuel deliveries. However, fuel deliveries only provide information on the quantity of fuel delivered and not the fuel consumed for heat and domestic hot water (DHW).

This solicitation provides for installation of sub-meters for heating fuel oil at 13 MNR facilities located in New York. Overall project work includes engineering surveys, engineering design, procurement, assembly, installation of meters at the tank, piping, testing and commissioning. The adaptation of this system to the locomotive fueling tanks throughout MNR's operating territory, including those located in the State of Connecticut, shall also be considered under this project as an option. This solicitation will serve as a test/pilot for future MNR AMI projects.

The installation of an AMI would benefit MNR in the following ways:

- Improve MNR's operational efficiency and reduce cost through remote transmission and central retrieval of interval data from underground and aboveground storage fuel storage tanks meter reads. In addition, the system would provide ancillary notifications of high consumption, low consumption, leaks, monitor and piping systems, tampering, and theft of services as well as trending and analysis features for user patterns with time stamp logs.

- Provide MNR with the ability to receive email and text notifications, thereby empowering MNR to control utility usage and cost.

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 Contractor will be selected based on an evaluation of technical capability, past performance, organizational resources, experience of team members, and cost.

This procurement will be funded by the MNR Operating Budget.

Schedules Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

2. Arkansas Industrial Computing, Inc. \$92,840 (not-to-exceed)

Upgrade of and Preventative Maintenance and Inspection Services of Press Recorders

Approval is requested for a competitively solicited (one bid received) two year miscellaneous negotiated contract to the firm Arkansas Industrial Computing Inc. (AIC Rail) for the supply, installation and testing of a fully integrated Wheel Shop Management Suite software and hardware turnkey package. These services and system upgrades are for the Croton Harmon Wheel Shop. This package will serve as an upgrade to the current system which has become obsolete. The software shall interface with two existing 600 Ton Granite Fluid Power Wheel Presses and communicate data over an internet based network to meet Wheel Shop Integrated Data Management System requirements. In addition, the software shall also be integrated with existing contractor supplied software modules to communicate with multiple existing wheel shop inspection work stations such as the Wheel Presses, Wheel Boring Mills, Axle Lathes, Gear Box and Bearing Inspection Stations.

The contract also includes preventative maintenance and service to remotely support diagnostic and troubleshooting technical issues for the newly upgraded equipment package.

In accordance with MNR and MTA procurement guidelines, an advertisement for the required services was placed in the New York State Contract Reporter, The New York Post and the minority publications, El Diario and the Daily Challenge and posted on the MNR website. The pricing for this upgrade was deemed fair and reasonable for the level of effort required and compared favorably to MNR's internal estimate. Further, the all-inclusive pricing for the service agreement represents a 32% decrease in the prior prices paid and will be fixed for the two year duration. The total award for this contract is not-to-exceed \$92,840. This procurement is to be funded by the MNR Operating Budget.

Staff Summary

Item Number B					
Dept & Dept Head Name: Procurement & Material Management, Al Muir, Acting Sr. Director					
Division & Division Head Name: Executive - Executive Vice President, Catherine Rinaldi					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	2-23-15	X		
2	MTA Board Mtg.	2-25-15	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	V.P. & General Counsel		
X	Sr. V.P. Operations		V.P. Planning		
X	V.P. Finance & IT				
	V.P. Capital Programs				

SUMMARY INFORMATION	
Vendor Name TBD	Contract Number TBD
Description Design, Assembly, and Delivery of an Advanced Metering Infrastructure (AMI) for Heating Fuel	
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 type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION:

Approval is requested to use the Request for Proposals (RFP) process to solicit and evaluate proposals from prospective vendors for the design, assembly, and delivery of an Advanced Metering Infrastructure (AMI) for Heating Fuel.

II. DISCUSSION:

To enhance energy efficiency under NYS Executive Order 88 (EO88), MNR is already working with the New York Power Authority to implement an Energy Management Platform (Platform) and an Automated Metering Infrastructure at three MNR facilities (Beacon, Brewster, Grand Central Terminal). The Platform and AMI will meter electric, natural gas, and steam; however, heating fuel sub-meters are not covered, and each agency is responsible for installing its own meters for heating fuel at facilities which meet the criteria for EO88.

Consequently, this solicitation provides for installation of sub-meters for heating fuel at 13 MNR facilities located in New York. The adaptation of this system to the locomotive fueling tanks throughout MNR's operating territory, including those located in the State of Connecticut, shall also be considered under this project as an option. This solicitation will serve as a test/pilot for future MNR AMI projects.

Currently, MNR does not have the ability to track consumption of heating fuel at its facilities and the only means of tracking is through fuel deliveries. However, fuel deliveries only provide information on the quantity of fuel delivered and not the fuel consumed for heat and domestic hot water (DHW). The installation of an AMI would benefit MNR in the following ways:

- Improve MNR's operational efficiency and reduce cost through remote transmission and central retrieval of interval data from underground and aboveground storage fuel storage tanks meter reads. In addition, the system would provide ancillary notifications of high consumption, low consumption, leaks, monitor and piping systems, tampering, and theft of services as well as trending and analysis features for user patterns with time stamp logs.
- Provide MNR with the ability to receive email and text notifications, thereby empowering MNR to control utility usage and cost.

Staff Summary

Overall project work includes engineering surveys, engineering design, procurement, assembly, installation of meters at the tank, piping, testing and commissioning. The adaptation of this system to the locomotive fueling tanks will also be considered under this project as an option.

In order to ensure the selection of the contractor with the necessary experience and expertise, it is in the public interest 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, organizational resources, experience of team members, and cost. This procurement will be funded by the MNR Operating Budget.

III. D/M/WBE INFORMATION:

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

IV. IMPACT ON FUNDING:

TBD - However, this project is projected to realize savings thorough the efficiencies of electronically monitoring and managing of heating fuel.

V. ALTERNATIVES:

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

FEBRUARY 2015

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

Schedule K. Ratification of Completed Procurement Actions (Involving Schedule E-J)
(Staff Summaries required for items requiring Board Approval)

- | | | | |
|----|---|-------------|-------------------------------|
| 1. | Tutor Perini Corporation
Contract No. CQ032
Modification No. 59 | \$2,200,000 | <u>Staff Summary Attached</u> |
|----|---|-------------|-------------------------------|

Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC requests Board ratification of a contract modification to add the construction of a duct bench in the Bellmouth Tunnel.

Schedule K: Ratification of Computed Procurement Actions

Item Number 1

Vendor Name (& Location) Tutor Perini Corporation (Peekskill, New York)	
Description Plaza Substation and Queens Structures for the ESA Project	
Contract Term (including Options, if any) 1,653 days	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
Procurement Type	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type	<input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, W. Goodrich, P.E.	

Contract Number	AWO/Modification #	
CQ032	59	
Original Amount:	\$	147,377,000
Prior Modifications:	\$	76,108,574
Prior Budgetary Increases:	\$	0
Current Amount:	\$	223,485,574
This Request	\$	2,200,000
% of This Request to Current Amount:	%	0.98%
% of Modifications (including This Request) to Original Amount:	%	53.13%

Discussion:

The work under this Contract is for the structural and architectural rehabilitation to existing facilities along the existing 63rd Street Tunnel as well as construction of Plaza Interlocking and Facility Power Substation B10 for the East Side Access ("ESA") Project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC is requesting Board ratification of a contract modification to add the construction of a duct bench in the Bellmouth Tunnel. This is a scope and budget transfer.

The construction of the duct bench (from (STA 1172+21 to STA 1173+51) in the Bellmouth was originally planned as part of future Contract CM012A. However, the CS179 Contractor is scheduled to begin the installation of cables in the conduits and troughs of the duct bench in the Bellmouth in June 2015 so the duct benches must be constructed now.

The work cannot be added to the CS179 Contract because that contract does not have duct bench civil work in its scope and the contractor will not be mobilized in the Bellmouth in time to perform this work. Conversely, the CQ032 contractor is currently mobilized on-site in the Bellmouth, is performing duct bench work under its Contract and can complete the work in time for the CS179 contractor to perform its installation work in the Bellmouth.

The Contractor submitted a cost proposal in the amount of \$2,391,852 while MTACC's estimate for the Work is \$2,137,945. Negotiations were held and the parties agreed to the amount of \$2,200,000 which is considered to be fair and reasonable. There is no time impact to the Contract. The budget for this work will be transferred from CM012A.

To maintain the scheduled installation of cables in the conduits and troughs of the duct bench in the Bellmouth, a retroactive memorandum was approved by the MTACC President and on January 28, 2015, and the CQ032 Contractor was directed to proceed with installation of the duct bench at a not-to-exceed amount of \$750,000. Authorization to proceed with the remainder of the work under this modification will be given upon Board ratification of this modification.



Bridges and Tunnels

Procurements February 2015

Staff Summary

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

Date	February 6, 2015
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	President	2/6/15	<i>[Signature]</i>		
2	MTA B&T Committee	2/23/15	<i>[Signature]</i>		
3	MTA Board	2/25/15			

Internal Approvals			
Order	Approval	Order	Approval
	President		VP Operations <i>[Signature]</i>
	Executive Vice President <i>[Signature]</i>		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 <i>[Signature]</i>		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:

<u>Schedules Requiring Majority Vote</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule F	Personal Service Contracts	3	\$ 0.526M
SUBTOTAL		3	\$ 0.526M

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

TOTAL	3	\$ 0.526M
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BUDGET IMPACT:

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

RECOMMENDATION:

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

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

MTA BRIDGES & TUNNELS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
FEBRUARY 2015

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. **Beth Israel Medical Center** **\$283,255.00**
Contract No. PSC-14-2960

5 yr. contract - Competitive RFP - 2 Proposals

B&T requires the services of a consultant to provide licensed health care professionals to administer Influenza and Hepatitis B vaccinations and post-exposure evaluations and follow-up services to Authority personnel in accordance with OSHA regulations. This work was outsourced since the Authority does not possess the resources required to perform these services.

The service requirements were publicly advertised and two proposals were received on August 26, 2014 from Gotham Per Diem (Gotham) and from Beth Israel Medical Center (BIMC). The proposals were evaluated against established criteria set forth in the RFP including qualifications of firm for specific personnel proposed, depth of understanding of project and related problems, depth of resources, experience of the firm and cost. Based on the committee's review of all the proposals, the committee unanimously selected BIMC based on its: (i) superior past performance; (ii) highly qualified personnel; and (iii) proposed costs for higher usage line items.

The committee determined that BIMC's technical proposal contained details that are more in line with our medical program compared with Gotham's proposal. BIMC also demonstrated that its personnel have more experience in the discipline of occupational health and safety (OSHA), which is a significant requirement in the scope of work. Although Gotham proposed a lower overall cost (\$236,365), BIMC's rates on items that will be most frequently used under this contract are lower than Gotham's. Further, Gotham's prices on certain specialized line items are unrealistically low and represent a misunderstanding of the required scope of services.

BIMC's proposed price for the required services was \$284,035. Negotiations resulted in a final amount of \$283,255 which is \$9,780.00 or 3% less than the user's estimate of \$293,125.00. The negotiated rates are fixed for a period of five years. The services remain essentially the same as those under the prospective contract. The unit prices for flu shots represent a 15% decrease from the current contract. Furthermore, office visit fees and on-site service fees represent a 37% and 15% decrease from current contract pricing. Based on the foregoing, the pricing is considered fair and reasonable. BIMC is deemed a responsible consultant. No MBE/WBE goals were established by the MTA Department of Diversity and Civil Rights for this Contract. Funding is available in the Operating Budget under GL #712701.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
FEBRUARY 2015

2. **Beth Israel Medical Center** **\$133,650.00**
Contract No. PSC-14-2958

5 yr. contract – Competitive RFP – 2 Proposals

In July 2014 the Authority issued a solicitation for a Consultant to perform occupational medical examinations for prospective and/or current Bridge and Tunnel Officers and Bridge maintainers. The services include, but are not limited to: independent medical examinations and fitness for duty examinations under the Worker's Compensation Law. The Consultant shall evaluate the results of the medical examinations for applicants as well as Authority employees to determine whether: (i) applicants are medically qualified for appointment to the agency and (ii) employees remain qualified to maintain their Commercial Drivers Licenses. In addition, the Consultant shall provide the Authority with litigation support in the form of affidavits and expert testimony attesting to his/her interpretation of examinations or test results and other associated services. This work was outsourced since the Authority does not possess the resources required to perform these services.

The service requirements were publicly advertised. The solicitation notice was sent to 73 firms. Nine firms requested copies of the solicitation. Two proposals were submitted as follows: Beth Israel Medical Center (BIMC) and Occupational Health Decisions (OHD). The proposals were evaluated against established criteria set forth in the RFP including experience, qualifications, understanding of the services, record of performance and cost. The two firms conducted oral presentations. The committee unanimously selected BIMC based on its complete and thorough understanding of the scope of work as well as a lower proposed cost for the services. The lead physician at BIMC has over 20 years of experience performing occupational medical examinations, as well as providing expert testimony when required. BIMC's ability to accommodate an unanticipated large number of appointments was also an important element in the selection of this firm based on past performance.

The services under this prospective contract are the same as those under the current contract. The proposed fixed rates applied over the five year contract period are approximately 5%-12% lower than those under the current contract. BIMC submitted a cost proposal in the amount of \$133,650 which is 7.7% lower than OHD's. BIMC's proposed cost is also \$26,050 or 16.3% below the Authority's estimate of \$159,700. B&T accepted BIMC's cost proposal and considers it fair and reasonable. BIMC is deemed a responsible consultant. No M/WBE goals were established by the MTA Department of Diversity and Civil Rights for this contract. Funding is available in the Operating Budget under GL #712701.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
FEBRUARY 2015

3. Executive Safety & Health Consultants, Inc. \$109,500.00
Contract No. PSC-13-2936

5yr. contract – Competitive RFP (Discretionary Procurement) – 4 Proposals

B&T requires the services of a consultant to provide a series of maintenance safety training courses for its Maintenance employees. Safety training courses typically include basic electrical safety, working on elevated surfaces, confined space entry, lockout/tagout, roadway safety and rigging. The Consultant will also be responsible for training employees to be certified in the OSHA 10 hour Construction Industry Safety Course. These courses give instructions in the correct safety procedures employees are to follow to protect themselves, their co-workers and the public during the performance of their duties. This work was outsourced since B&T does not possess the resources required to perform these services.

The service requirements were publicly advertised as a Discretionary Procurement on August 8, 2014. The scope of work compared with B&T's current contract has been revised with the inclusion of an OSHA 10 hour Construction Industry Safety Course. The term of the prospective contract has also increased from three to five years. Four firms, Executive Safety & Health Consultants, Inc. (Executive Safety), Pyramid Safety & Health Services (Pyramid), Deerpark 1 Environmental Services (Deerpark) and TSC Training Academy LLC (TSC) submitted proposals. The proposals were evaluated against established criteria set forth in the RFP including qualifications of firm for specific type of work and proposed personnel, depth of understanding of project, record of performance of firm and cost. Based on the committee's review of the four proposals, it unanimously selected Executive Safety based on its: (i) clear and solid understanding of B&T's requirements; (ii) detailed and comprehensive technical approach to performing the work; (iii) highly skilled and qualified personnel and (iv) cost. Pyramid, Deerpark and TSC did not demonstrate as comprehensive an understanding of the scope of work and presented proposals not tailored to B&T's specific requirements. The committee unanimously waived oral presentations and recommended that negotiations be conducted with Executive Safety, the highest rated firm who proposed the second lowest cost in the amount of \$149,250. (Deerpark's proposal of \$58,710 significantly underestimated the cost of the services and therefore was not considered for negotiations.) Negotiations with Executive Safety resulted in a fixed cost of \$109,500 for a five year term, which compares favorably with B&T's estimate of \$115,650. The new contract's higher negotiated training rate reflects the new safety training requirements incorporated in the scope of services and an extension of the fixed rate over a longer time period, which was accounted for in the estimate. In comparison with the estimate the final negotiated amount of \$109,500 is considered fair and reasonable. Executive Safety is deemed to be a responsible consultant. Executive Safety is a certified MBE. Funding is available in the Operating Budget under GL #712601.