

# January 2018

## MTA Board Action Items



# MTA Board Meeting

[2 Broadway - 20th Floor Board Room](#)

Wednesday, 1/24/2018  
10:00 AM - 12:00 PM ET

## 1. PUBLIC COMMENT PERIOD

## 2. APPROVAL OF MINUTES

### **MTA Regular Board Minutes - December 13, 2017**

*MTA Regular Minutes - December 13, 2017 - Page 5*

### **NYCT/MaBSTOA/SIR/Bus Company Regular Board Minutes - December 13, 2017**

*NYCTA Regular Minutes - December 13, 2017 - Page 12*

### **MTA Metro-North Railroad Regular Board Minutes - December 13, 2017**

*Metro-North Regular Minutes - December 13, 2017 - Page 18*

### **MTA Long Island Rail Road Regular Board Minutes - December 13, 2017**

*LIRR Regular Minutes - December 13, 2017 - Page 24*

### **MTA Bridges & Tunnels Regular Board Minutes - December 13, 2017**

*TBTA Regular Minutes - December 13, 2017 - Page 40*

### **MTA Capital Construction Regular Board Minutes - December 13, 2017**

*MTACC Regular Minutes - December 13, 2017 - Page 45*

## 3. COMMITTEE ON FINANCE

### **Action Item**

#### **i. Addition of LIRR Expansion Project to 2015-2019 Capital Plan OCIP**

*Addition of LIRR Expansion Project to 2015-2019 Capital Plan OCIP - Page 51*

### **MTAHQ Procurements Report**

*MTAHQ Procurement Report - Page 53*

#### **i. Non-Competitive**

*MTAHQ Non-Competitive Procurements - Page 55*

#### **ii. Competitive**

*MTAHQ Competitive Procurements - Page 57*

#### **iii. Ratifications**

*MTAHQ Ratifications - Page 69*

### **Real Estate Items**

#### **i. Real Estate Agenda and Staff Summaries**

*Real Estate Agenda and Staff Summaries - Page 73*

## 4. COMMITTEE ON NYCT & BUS

### **Action Item**

#### **i. Tariff Change: Transfers Due to Service Disruptions**

**NYCT Procurements**

*NYCT January Procurement Staff Summary and Resolution - Page 84*

**i. Non-Competitive (no items)**

**ii. Competitive**

*NYCT Competitive Actions - Page 88*

**iii. Ratifications (no items)**

**5. COMMITTEE ON METRO-NORTH RAILROAD**

**Metro-North Procurements**

*MNR Procurements - Page 105*

**i. Non-Competitive (no items)**

**ii. Competitive (no items)**

**iii. Ratifications**

*MNR Ratifications - Page 109*

**6. COMMITTEE ON LONG ISLAND RAIL ROAD**

**LIRR Procurements**

*LIRR Procurements - Page 113*

**i. Non-Competitive**

*LIRR Non-Competitive - Page 117*

**ii. Competitive**

*LIRR Competitive - Page 120*

**iii. Ratifications**

*LIRR Ratifications - Page 124*

**LIRR MTACC Procurements**

*MTA CC Procurements - Page 129*

**i. Non-Competitive (no items)**

**ii. Competitive**

*MTA CC Competitive - Page 132*

**iii. Ratifications**

*MTA CC Ratifications - Page 139*

**7. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS**

**BT Procurements**

*B&T Procurements - Page 141*

**i. Non-Competitive (no items)**

**ii. Competitive**

*B&T Competitive - Page 144*

**iii. Ratifications**

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

**9. EXECUTIVE SESSION**

Date of next meeting: Thursday, February 22, 2018

**Metropolitan Transportation Authority  
Minutes of  
Regular Board Meeting  
2 Broadway  
New York, NY 10004  
December 13, 2017  
10:00 a.m.**

**The following members were present:**

**Hon. Joseph J. Lhota, Chairman  
Hon. Fernando Ferrer, Vice Chairman  
Hon. Norman E. Brown  
Hon. Ira Greenberg  
Hon. David Jones  
Hon. Charles G. Moerdler  
Hon. John J. Molloy  
Hon. Mitchell H. Pally  
Hon. Scott Rechler  
Hon. Andrew Saul  
Hon. Lawrence Schwartz  
Hon. Polly Trottenberg  
Hon. Veronica Vanterpool  
Hon. James Vitiello  
Hon. Peter Ward  
Hon. Carl Weisbrod  
Hon. Carl V. Wortendyke**

**The following alternate non-voting members were also present:**

Hon. Andrew Albert  
Hon. Randolph Glucksman

**The following members were absent:**

**Hon. Susan Metzger  
Hon. Neal Zuckerman**

Patrick Foye, President, Veronique Hakim, Managing Director, Janno Lieber, MTA Chief Development Officer, Donna Evans, Chief of Staff, Robert Foran, Chief Financial Officer, Phillip Eng, Chief Operating Officer & Acting President, NYCT, Helene Fromm, Acting General Counsel, Patrick Nowakowski, President, Long Island Rail Road, Catherine Rinaldi, Acting President, Metro-North Railroad, Cedrick Fulton, President TBTA, Craig Cipriano, Executive Vice President, NYCT, MTA Bus and Stephen Morello, Counselor to the Chairman, also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Boards 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.

Chairman Lhota welcomed Assemblywoman Amy Paulin, Chairperson, Committee on Corporations, Authorities and Commissions, noting that she and her committee have oversight over the MTA.

**1. PUBLIC SPEAKERS SESSION.**

Stephen Morello reminded the public speakers that comments are welcomed but limited to two minutes each and limited to items on the Board's agenda. Mr. Morello called speakers' attention to the countdown clock and stated that the machine on the podium would flash at the ninety second mark and that he would notify each speaker thirty seconds before their two-minutes expired.

The following twenty-four (24) speakers commented during the public speakers session. 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 speakers' statements.

H.P. Schroer, private citizen/WWI Veteran  
Omar Vera, private citizen  
Julia Yopez, Disability Pride  
Liz Patrick, E. 72<sup>nd</sup> Street NA  
Peter DelDebbio, American Legion  
Colin Wright, Transit Center  
Tabitha Decker, Transit Center  
Kate Slevin, RPA  
Mary Parisen, CURES  
Norbet Giesse, CURES  
Pasquale Cuomo, CURES  
Dave Kopell, Right Track Coalition  
Jonathan Boyle, Better Transit LLC.  
Danny Pearlstein, Riders Alliance  
Chris Jones, RPA  
William Henderson, PCAC  
Lisa Tyson, Long Island Progressive Coalition  
Matt Cohen, Long Island Association  
Julie Varughese, People's MTA  
Miriam Fischer, private citizen  
Jason Pinero, private citizen

Regular Board Meeting  
December 13, 2017

Mary Kaessinger, Peoples MTA  
Vincent Albanese, NYS Laborers  
Stephanie Burgos, Riders Alliance

**2. CHAIRMAN'S REMARKS.**

Chairman Lhota welcomed everyone to the December MTA Board meeting.

Chairman Lhota commented on the Times Square Complex bombing and he thanked the First Responders and MTA employees who reacted heroically to the subway system terrorist attack on the preceding Monday. The Chairman stated that in November MTA conducted an agency-wide joint tabletop exercise with the New York City Police Department ("NYPD") and, thanks to the vast network of security cameras in the system MTA was able to quickly provide video to the NYPD. Chairman Lhota noted that New Yorkers can take comfort in the fact that MTA has an elaborate, multi-layered security system in place and that the agency is continuing to work closely with the NYPD and all of its other partners in law enforcement to keep the system secure and customers and employees safe. Chairman Lhota described MTA Station Cleaner Sean Monroe's account of the scene after the bombing, noting that Mr. Monroe stated that based on his training from MTA his first instinct was to quickly direct customers safely away from the scene of the incident. Chairman Lhota noted that there have been no additional specific threats to the system related to the attack. However, the Chairman stated that security efforts have been significantly increased as a result of this incident. Chairman Lhota stated that this incident serves as a reminder to MTA's customers and employee that "If You See Something, Say Something."

Chairman Lhota announced that based on recommendations from the Board, he has created Working Groups to take a new, intense look at areas of persistent challenge. The Chairman stated that he has asked Board Member Scott Rechler to lead a Construction Costs Working Group; Board Member Charles Moerdler will lead a Procurement Reform Working Group; Board Member Veronica Vanterpool will lead a Paratransit/Access-a-Ride Working Group; and Board Member Ira Greenberg will lead a Subway/Railroad Accessibility Working Group. Additionally, Chairman Lhota stated that a subcommittee of the Joint Railroad Committee has been created, which will be led by Board Member Neal Zuckerman, and focus on the implementation of Positive Train Control. Chairman Lhota stated that MTA staff will fully support these groups, and he invited any Board Member who is interested in participating in a Working Group or subcommittee to inform Donna Evans, Chief of Staff.

Chairman Lhota announced the retirement of Donna Evans, MTA Chief of Staff and Jeffrey Rosen, Director of Real Estate.

Chairman Lhota stated that following a 37 year career with the MTA Donna Evans has decided to retire. Donna Evans began her career at the MTA as a college intern in 1980 and quickly moved through the ranks to her current position as Chief of Staff. The Chairman stated that Ms. Evans has direct responsibility for overseeing Board-related communications, planning, emergency management, homeless services, the New York Transit Museum, and MTA Arts and Design. Ms. Evans spent much of her career in

Regular Board Meeting  
December 13, 2017

Public Affairs, Media Relations and Corporate Communications at Metro-North and New York City Transit. In 2007, Ms. Evans was appointed as Metro-North's first Chief of Staff in over two decades, and she served under three Metro-North Presidents.

Chairman Lhota stated that Jeffrey Rosen joined MTA as Director of Real Estate in 2009, following his nearly 30-year career as a lawyer in private practice. The Chairman stated that under Mr. Rosen's leadership, MTA Real Estate steadily increased the recurring annual revenues it generates for the operating budgets. The MTA Real Estate Department expanded and upgraded the retail experience at many of the MTA facilities, managed the contracts for the disposition of MTA air rights at Hudson Yards generating more than a billion dollars for the Capital Program, and executed MTA's "Office Right-Sizing Plan," significantly expanding MTA's use of the 2 Broadway building and freeing up for commercial redevelopment former headquarters at 370 Jay Street and 341, 345 and 347 Madison Avenue.

Chairman Lhota stated that Ms. Evans and Mr. Rosen worked in very different areas, but both are incredibly hard workers, put MTA customers first in every decision they have made, and have earned their reputations as creative thinkers and people who get things done. On behalf of everyone at the MTA, Chairman Lhota congratulated Ms. Evans and Mr. Rosen on their retirement and thanked them for their service.

Chairman Lhota noted that once again subway performance continues to show increasing signs of stabilization as a result of the Subway Action Plan. Focusing on major incidents, which are the incidents that delay 50 or more trains and can significantly affect rush hour service, Chairman Lhota stated that the agency is beginning to see improved performance in areas such as signals and major track incidents, improvement in terms of additional platform time, additional train time and Mean Distance Between Failure, which measures the reliability of the subway fleet. Chairman Lhota stated that these improvements are a direct result of the extraordinary work done by transit workers and managers, who all work tirelessly under the Subway Action Plan to install miles of new and more reliable track and who repair thousands of signals and track defects.

Chairman Lhota noted the death of Marc Shapiro, an Assistant Train Dispatcher in Brooklyn, who collapsed on the preceding Friday while on duty. The Chairman stated that Mr. Shapiro began his career at the MTA 24 years ago as a Train Conductor and served the City as an Assistant Train Dispatcher for 18 years, since 1999. On behalf of the entire MTA family, Chairman Lhota expressed condolences to Mr. Shapiro's family and friends.

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the Regular Board Meeting held on November 15, 2017.
4. **COMMITTEE ON FINANCE.**
  - A. **Action Items.** Upon motion duly made and seconded, the Board approved the following action items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Member Veronica Vanterpool recused herself from the vote on item # 4 below.

Regular Board Meeting  
December 13, 2017

1. New Money Transportation Revenue Bonds and Bond Anticipation Notes, and Triborough Bridge and Tunnel Authority General Revenue and Subordinate Revenue Bonds and Bond Anticipation Notes. Approved resolutions and documentation to issue new money bond anticipation notes (BANs) and bonds to finance capital projects set forth in the approved transit and commuter capital programs, and to issue new money bonds and BANs to finance capital projects set forth in approved bridges and tunnels capital programs. The MTA Finance Department will report to the Board on the status of the proposed debt issuance schedule, the results of each note and bond issue and planned note and bond issues.
2. Transportation Revenue Refunding Bonds, Dedicated Tax Fund Refunding Bonds, Triborough Bridge and Tunnel Authority General Revenue Refunding Bonds and Subordinate Revenue Refunding Bonds. Approved resolutions and the documentation to issue refunding bonds, from time-to-time, subject, if applicable, to the refunding policy adopted by the Board in May, 2010, as amended from time-to-time, and provided that the MTA Chief Financial Officer or the MTA Finance Director make a determination that the refunding of such bonds or other obligations will be beneficial to the obligors thereof and/or their affiliates and subsidiaries.
3. MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes. Approved the adoption of reimbursement resolutions required by Federal tax law to preserve the ability to finance certain capital projects on a tax-exempt basis.
4. Extension of New York Power Authority Contracts (“NYPA”). Approved the extension of the long-term contract with NYPA to supply electricity to all of the MTA agencies for facilities and operations within the City of New York and Westchester County and; the Energy Services Program Agreement between NYPA and the MTA.
5. Executive Order 88 – Advanced Metering Infrastructure. Approved the installation of advanced energy metering in MTA facilities utilizing the services of NYPA, consistent with the MTA/NYPA Energy Services Program Agreement approved by the Board in December 2005, and in furtherance of the objectives of Executive Order 88, governing the improvement of energy efficiency in State buildings.

**B. Procurement Items.** Upon motion duly made and seconded, the Board approved the following procurement items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Details of the Board Members’ discussion relating to item #3 below are included in the video recording of the meeting produced by the MTA and maintained in the MTA records

1. Siwel Consulting, Inc. – Software License Optimization Consulting – No. 900000000002458. Approved the award of a competitively negotiated contract with Siwel Consulting to review MTA’s Software Asset Management (“SAM”)

Regular Board Meeting  
December 13, 2017

environment, identify gaps and improvement opportunities, and recommend software asset optimization strategies.

2. Ayuda Media Systems – Data Management Platform – No. 15212-0100. Approved a competitively negotiated contract for the purchase of off-the-shelf software from Ayuda Media Systems to facilitate MTA’s realization of the benefits of the recently awarded advertising concessions.
3. Ratification of Various Contracts – Executive Order 168 (“E.O. 168”). In accordance with the emergency provisions in Article III(B)(1) of the All Agency General Contract Procurement Guidelines and Article III(C)(3) of the All Agency Service Contract Procurement Guidelines, the Board ratified various procurement contracts awarded pursuant to E.O. 168 and its extensions.

5. **COMMITTEE ON CORPORATE GOVERNANCE.**

A. **Action Item.** Upon motion duly made and seconded, the Board approved the following action item. The specifics are set forth in the staff summary and documentation filed with the meeting materials.

1. All-Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services. Approved the MTA’s All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services.

6. **MTA 2018 FINAL BUDGET AND 2018-2021 FINANCIAL PLAN.**

Chairman Lhota noted that following a discussion at this month’s Finance Committee meeting, the Board voted to amend the language in the staff summary on page 5 with respect to the Subway Action Plan by changing the word “authorize” to “recommend”. The revised staff summary has been distributed to the Board. The Chairman introduced MTA Chief Financial Officer Robert Foran, who presented the action items for the MTA 2018 Proposed Final Budget and the Proposed MTA Final 2018-2021 Financial Plan for Board consideration and approval. Copies of the proposed Budget and Plan, together with the accompanying staff summaries, were distributed to Board Members and are maintained in MTA records.

The Chairman proposed a motion to adopt the Proposed MTA 2018 Final Budget and the Proposed Final Financial Plan for 2018-2021 and opened the floor for discussion.

Details of the Board Members’ discussion relating to the MTA 2018 Budget and Financial Plan 2018-2021 are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Upon motion duly made and seconded, the Board approved the Adoption of the MTA 2018 Final Proposed Budget and 2018-2021 Financial Plan, including the 2017 Final Estimate and all Plan Adjustments; the individual agency budgets and financial plans; authorization of the Budget and Plan adjustments; budget and cash management actions and other staff actions. The specifics are set forth in the staff summaries and

documentation filed with the meeting materials. Board Members David Jones, Polly Trottenberg, Veronica Vanterpool and Carl Weisbrod voted in opposition.

7. **MTA 2015-2019 CAPITAL PROGRAM AMENDMENT.**

Chairman Lhota invited Donald Spero, Deputy Chief Financial Officer, to present the 2015-2019 Capital Program Amendment.

Mr. Spero presented an overview of the 2015-2019 Capital Program amendments in support of the MTA's NYC Subway Action Plan. Following the presentation, Chairman Lhota invited Board discussion concerning the proposed amendments to the Capital Program. The details of the presentation and the Board's discussion relating thereto are included in the videotape of the meeting produced by the MTA and maintained in the MTA records.

Upon motion duly made and seconded, the Board approved the amendments to the MTA 2015-2019 Capital Program to increase the current Capital Program to incorporate the NYC Subway Action Plan, reflected in the New York City Transit portion of the program. The specifics are set forth in the staff summary and documentation filed with the meeting materials. Board Members David Jones, Polly Trottenberg, Veronica Vanterpool and Carl Weisbrod voted in opposition.

8. **ADJOURNMENT.** Upon motion duly made and seconded, the Board voted to adjourn the meeting at 12:50 p.m.

Respectfully 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**

**2 Broadway  
New York, NY 10004  
Wednesday December 13, 2017  
10:00 a.m.**

**The following members were present:**

**Hon. Joseph J. Lhota, Chairman  
Hon. Fernando Ferrer, Vice Chairman  
Hon. Norman E. Brown  
Hon. Ira Greenberg  
Hon. David Jones  
Hon. Charles G. Moerdler  
Hon. John J. Molloy  
Hon. Mitchell H. Pally  
Hon. Scott Rechler  
Hon. Andrew Saul  
Hon. Lawrence Schwartz  
Hon. Polly Trottenberg  
Hon. Veronica Vanterpool  
Hon. James Vitiello  
Hon. Peter Ward  
Hon. Carl Weisbrod  
Hon. Carl V. Wortendyke**

**The following alternate non-voting members were also present:**

**Hon. Andrew Albert  
Hon. Randolph Glucksman**

**The following members were absent:**

**Hon. Susan Metzger  
Hon. Neal Zuckerman**

Patrick Foye, President, Veronique Hakim, Managing Director, Janno Lieber, MTA Chief Development Officer, Donna Evans, Chief of Staff, Robert Foran, Chief Financial Officer, Phillip Eng, Chief Operating Officer & Acting President, NYCT, Helene Fromm, Acting General Counsel, Patrick Nowakowski, President, Long Island Rail Road, Catherine Rinaldi, Acting President, Metro-North Railroad, Cedrick Fulton, President TBTA, Craig Cipriano, Executive Vice President, NYCT, MTA Bus and Stephen Morello, Counselor to the Chairman, also attended the meeting.

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

**2. PUBLIC COMMENT PERIOD**

There were twenty-four (24) public speakers. The following speakers spoke on MTA NYC Transit/Staten Island Rapid Transit Operating Authority /MTA Bus Company matters during the public speakers session.

H.P. Schroer, private citizen/WWI Veteran  
Omar Vera, private citizen  
Julia Yepez, Disability Pride  
Liz Patrick, E. 72<sup>nd</sup> Street NA  
Peter DelDebbio, American Legion  
Colin Wright, Transit Center  
Tabitha Decker, Transit Center  
Kate Slevin, RPA  
Jonathan Boyle, Better Transit LLC.  
Danny Pearlstein, Riders Alliance  
William Henderson, PCAC  
Julie Varughese, People's MTA  
Miriam Fischer, private citizen  
Jason Pinero, private citizen  
Mary Kaessinger, People's MTA  
Stephanie Burgos, Riders Alliance

Please refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the content of the speakers' statements.

**3. CHAIRMAN LHOTA'S COMMENTS**

Chairman Lhota welcomed everyone to the December Board meeting.

Chairman Lhota commented on the Times Square Complex bombing and expressed how proud he is of the First Responders and MTA employees who reacted heroically to the subway system terrorist attack in the Times Square complex on Monday. The Chairman stated that in November, MTA conducted an agency-wide joint tabletop exercise with the New York Police Department ("NYPD"), and noted that thanks to the vast network of security cameras in the system, the MTA was able to act quickly to provide video to the NYPD. Chairman Lhota stated that New Yorkers can take comfort in the fact that the MTA works closely with the NYPD and all of its other partners in law enforcement to keep the entire system secure and its customers and employees safe. Chairman Lhota described MTA Station Cleaner Sean Monroe's account of the scene after the bombing, noting that Mr. Monroe stated that based on his training from the MTA, his first instinct was to quickly direct customers to the nearest exit. Chairman Lhota noted that there have been no additional specific threats to the system related to the attack. However, the Chairman stated that security efforts have been significantly increased as a result of this incident. Chairman Lhota stated that this incident serves as a reminder to MTA's customers and employee that "If You See Something, Say Something".

Chairman Lhota announced that based on recommendations from the Board, he has created Working Groups to take a new intense look at areas of persistent challenge. The Chairman stated that he has asked Board Member Scott Rechler to lead a Construction Costs Working Group; Board Member Charles Moerdler will lead a Procurement Reform Working Group; Board Member Veronica Vanterpool will lead a Paratransit/Access-a-Ride Working Group; and Board Member Ira Greenberg will lead a Subway/Railroad Accessibility Working Group. Additionally, Chairman Lhota stated that a subcommittee of the Joint Railroad Committee has been created and will be led by Board Member Neal Zuckerman, who will focus on the implementation of Positive Train Control. Chairman Lhota stated that MTA staff will fully support these groups, and he invited any Board Member who is interested in participating in a Working Group or subcommittee to inform Donna Evans, Chief of Staff.

Chairman Lhota announced the retirement of Donna Evans, MTA Chief of Staff and Jeffrey Rosen, Director of Real Estate.

Chairman Lhota noted that once again subway performance continues to show increasing signs of stabilization as a result of the Subway Action Plan. Focusing on major incidents, which are the incidents that delay 50 or more trains and can significantly affect rush hour service, Chairman Lhota stated that weekday major incidents went from 81 in June of this year to 64 in October – a 21% improvement, a 10% improvement from last October, and an 11% improvement over the 12-month rolling average. He stated that November results appear to be even better. The Chairman reported that overall average monthly weekday major signal incidents from July to October went down by 25% when compared to the first half of the year, major track incidents improved by more than 4%, and weekday major power incidents improved by 50%. He stated that overall average weekday additional platform time in the peak hours have improved by 4% when comparing the period from March to June with the period from July to October; and additional train time in the peak hours have improved by 5%. Chairman Lhota reported that the Mean Distance Between Failure, currently the best statistics available that measures the reliability of the subway fleet, was more than 123,000 miles in October – an increase of almost 5% from October 2016. Chairman Lhota stated that these improvements are a direct result of the extraordinary work done by transit workers and managers, who all work tirelessly under the Subway Action Plan to install miles of new and more reliable track and who repair thousands of signals and track defects.

Chairman Lhota announced the death of Marc Shapiro, an Assistant Train Dispatcher in Brooklyn, who collapsed on Friday while on duty. The Chairman stated that Mr. Shapiro began his career at MTA New York City Transit 24 years ago as a Train Conductor and served the city as an Assistant Train Dispatcher for 18 years, since 1999. On behalf of the entire MTA family, Chairman Lhota expressed condolences to Mr. Shapiro's family and friends.

Further details of Chairman Lhota's comments are set forth in minutes recorded by the MTA, copies of which are on file with the records of the meeting of the Board of the MTA NYC Transit/ Manhattan and Bronx Surface Transit Operating Authority/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 meeting held on November 15, 2017 of the Board of MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company.

#### **5. COMMITTEE ON FINANCE.**

##### **Procurements:**

Ratifications: Upon motion duly made and seconded, the Board approved ratifications requiring a majority vote (Schedule K in the Agenda). These ratifications were made in accordance with the emergency provisions in Article III(B)(1) of the All Agency General Contract Procurement Guidelines and Article III(C)(3) of the All Agency Service Contract Procurement Guidelines and involved procurement actions awarded pursuant to Executive Order 168 (“E.O. 168”) and its extensions.

Details of the above item 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. Details of the Board members’ discussion relating to this item are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

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

##### **Procurements:**

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

Competitive Procurements: Upon motion duly made and seconded, the Board approved the competitive procurements requiring a two-thirds vote (Schedule B in the Agenda) and a majority vote (Schedule F in the Agenda). Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of 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.

Chairman Ferrer stated that the Transit and Bus Committee considered and voted to recommend the adoption of the 2018 Final Proposed Budget and Financial Plan for 2018-2021 for MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company, and that

Board action on the agency budget would be presented at the adoption of the Final Proposed 2018 Budget and four-year Financial Plan for 2018-2021 following other Committee reports.

**7. CORPORATE GOVERNANCE COMMITTEE**

**Action item:**

Upon motion duly made and seconded, the Board approved the MTA's All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services.

Details of the above item 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.

**8. MTA 2018 FINAL BUDGET AND 2018-2021 FINANCIAL PLAN**

Chairman Lhota noted that following a discussion at this month's Finance Committee meeting, the Board voted to amend the language in the staff summary on page 5 with respect to the Subway Action Plan by changing the word "authorize" to "recommend". The revised staff summary was distributed to the Board. The Chairman introduced MTA Chief Financial Officer Robert Foran, who presented the action items for the MTA 2018 Final Proposed Budget and the MTA Final Proposed 2018-2021 Financial Plan, including the individual agency budgets and financial plans, for Board consideration and approval. Copies of the proposed Budget and Plan, together with the accompanying staff summaries, were distributed to Board Members and are maintained in MTA records.

The Chairman proposed a motion to adopt the MTA 2018 Final Proposed Budget and the MTA Final Proposed 2018-2021 Financial Plan and opened the floor for discussion.

Details of the Board Members' discussion relating to the MTA 2018 Final Proposed Budget and the MTA Final Proposed 2018-2021 Financial Plan are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Upon motion duly made and seconded, the Board approved the Adoption of the MTA 2018 Final Proposed Budget and the MTA Final Proposed 2018-2021 Financial Plan, including the 2017 Final Estimate and all Plan Adjustments; the individual agency budgets and financial plans; authorization of the Budget and Plan adjustments; and budget and cash management actions and other staff actions. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

Board Members David Jones, Polly Trottenberg, Veronica Vanterpool and Carl Weisbrod voted in opposition.

**9. MTA 2015-2019 CAPITAL PROGRAM AMENDMENT**

Chairman Lhota invited Donald Spero, Deputy Chief Financial Officer, to present the 2015-2019 Capital Program Amendment. Mr. Spero presented an overview of the 2015-2019 Capital Program Amendment, which proposed a \$348.5 million increase to the current capital program

to incorporate the NYC Subway Action Plan, which will be reflected in New York City Transit's portion of the program. Specifically, the amendment increases the current capital program from \$32,457.3 Million to \$32,805.8 million. The specifics are set forth in the staff summary and documentation filed with the meeting materials.

Following the presentation, Chairman Lhota invited Board discussion concerning the proposed Capital Program Amendment. The details of the presentation and the Board's discussion relating thereto are included in the videotape of the meeting produced by the MTA and maintained in the MTA records.

Upon motion duly made and seconded, the Board approved the amendment to the MTA 2015-2019 Capital Program. Board Members David Jones, Polly Trottenberg, Veronica Vanterpool and Carl Weisbrod voted in opposition.

#### **10. ADJOURNMENT**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 12:50 p.m.

Respectfully submitted,  
/s/Mariel A. Thompson  
Mariel A. Thompson  
Assistant Secretary

Minutes of the Regular Meeting  
Metro-North Commuter Railroad Company  
2 Broadway – 20<sup>th</sup> Floor  
New York, NY 10004  
Wednesday, December 13, 2017  
10:00 a.m.

The following members were present:

Hon. Joseph J. Lhota, Chairman  
Hon. Fernando Ferrer, Vice Chairman  
Hon. Norman E. Brown  
Hon. Ira Greenberg  
Hon. David Jones  
Hon. Charles G. Moerdler  
Hon. John J. Molloy  
Hon. Mitchell H. Pally  
Hon. Scott Rechler  
Hon. Andrew Saul  
Hon. Lawrence Schwartz  
Hon. Polly Trottenberg  
Hon. Veronica Vanterpool  
Hon. James Vitiello  
Hon. Peter Ward  
Hon. Carl Weisbrod  
Hon. Carl V. Wortendyke

The following alternate non-voting members were also present:

Hon. Andrew Albert  
Hon. Randolph Glucksman

The following members were absent:

Hon. Susan Metzger  
Hon. Neal Zuckerman

Patrick Foye, President, Veronique Hakim, Managing Director, Janno Lieber, MTA Chief Development Officer, Donna Evans, Chief of Staff, Robert Foran, Chief Financial Officer, Phillip Eng, Chief Operating Officer & Acting President, NYCT, Helene Fromm, Acting General Counsel, Patrick Nowakowski, President, Long Island Rail Road, Catherine Rinaldi, Acting President, Metro-North Railroad, Cedrick Fulton, President TBTA, Craig Cipriano, Executive Vice President, NYCT, MTA Bus and Stephen Morello, Counselor to the Chairman, also attended the meeting.

Chairman Lhota called the meeting to order. He welcomed Assemblywoman Amy Paulin, Chairperson, Committee on Corporations, Authorities and Commissions, noting that she and her committee have oversight over the MTA.

1. Public Speakers:

Stephen Morello reminded the public speakers that comments are limited to two minutes each and limited to items on the Board's agenda. Mr. Morello called speakers' attention to the countdown clock and stated that he would notify each speaker thirty seconds before their two-minutes expired.

There were 24 registered public speakers, none of whom spoke on Metro-North agenda items. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records, and to the other agencies' minutes of this date, for the names of the speakers and the content of speakers' statements.

2. Chairman's Remarks:

Chairman Lhota welcomed everyone to the December MTA Board meeting.

Chairman Lhota commented on the Times Square Complex bombing and he thanked the First Responders and MTA employees who reacted heroically to the subway system terrorist attack on the preceding Monday. The Chairman stated that in November MTA conducted an agency-wide joint tabletop exercise with the New York City Police Department ("NYPD") and, thanks to the vast network of security cameras in the system MTA was able to quickly provide video to the NYPD. Chairman Lhota noted that New Yorkers can take comfort in the fact that MTA has an elaborate, multi-layered security system in place and that the agency is continuing to work closely with the NYPD and all of its other partners in law enforcement to keep the system secure and customers and employees safe. Chairman Lhota described MTA Station Cleaner Sean Monroe's account of the scene after the bombing, noting that Mr. Monroe stated that based on his training from MTA his first instinct was to quickly direct customers safely away from the scene of the incident. Chairman Lhota noted that there have been no additional specific threats to the system related to the attack. However, the Chairman stated that security efforts have been significantly increased as a result of this incident. Chairman Lhota stated that this incident serves as a reminder to MTA's customers and employee that "If You See Something, Say Something."

Chairman Lhota announced that based on recommendations from the Board, he has created Working Groups to take a new, intense look at areas of persistent challenge. The Chairman stated that he has asked Board Member Scott Rechler to lead a Construction Costs Working Group; Board Member Charles Moerdler will lead a Procurement Reform Working Group; Board Member Veronica Vanterpool will lead a Paratransit/Access-a-Ride Working Group; and Board Member Ira Greenberg will lead a Subway/Railroad Accessibility Working Group. Additionally, Chairman Lhota stated that a subcommittee of the Joint Railroad Committee has been created, which will be led by Board Member Neal Zuckerman, and focus on the implementation of Positive Train Control. Chairman Lhota stated that MTA staff will fully

support these groups, and he invited any Board Member who is interested in participating in a Working Group or subcommittee to inform Donna Evans, Chief of Staff.

Chairman Lhota announced the retirement of Donna Evans, MTA Chief of Staff and Jeffrey Rosen, Director of Real Estate.

Chairman Lhota stated that following a 37-year career with the MTA Donna Evans has decided to retire. Donna Evans began her career at the MTA as a college intern in 1980 and quickly moved through the ranks to her current position as Chief of Staff. The Chairman stated that Ms. Evans has direct responsibility for overseeing Board-related communications, planning, emergency management, homeless services, the New York Transit Museum, and MTA Arts and Design. Ms. Evans spent much of her career in Public Affairs, Media Relations and Corporate Communications at Metro-North and New York City Transit. In 2007, Ms. Evans was appointed as Metro-North's first Chief of Staff in over two decades, and she served under three Metro-North Presidents.

Chairman Lhota stated that Jeffrey Rosen joined MTA as Director of Real Estate in 2009, following his nearly 30-year career as a lawyer in private practice. The Chairman stated that under Mr. Rosen's leadership, MTA Real Estate steadily increased the recurring annual revenues it generates for the operating budgets. The MTA Real Estate Department expanded and upgraded the retail experience at many of the MTA facilities, managed the contracts for the disposition of MTA air rights at Hudson Yards generating more than a billion dollars for the Capital Program, and executed MTA's "Office Right-Sizing Plan," significantly expanding MTA's use of the 2 Broadway building and freeing up for commercial redevelopment former headquarters at 370 Jay Street and 341, 345 and 347 Madison Avenue.

Chairman Lhota stated that Ms. Evans and Mr. Rosen worked in very different areas, but both are incredibly hard workers, put MTA customers first in every decision they have made, and have earned their reputations as creative thinkers and people who get things done. On behalf of everyone at the MTA, Chairman Lhota congratulated Ms. Evans and Mr. Rosen on their retirement and thanked them for their service.

Chairman Lhota also discussed the Subway Action Plan and the operational results under the Plan. On behalf of the entire MTA family, Chairman Lhota expressed condolences to the family of Assistant Train Dispatcher Shapiro who died while on duty.

The details of Chairman Lhota's remarks are contained in the minutes of the other agencies of this date and in the video recording of this meeting, produced by the MTA and maintained in the MTA records, which recording includes Board member comments regarding the Chairman's remarks.

3. Approval of Minutes:

Upon motion duly made and seconded, the minutes of the Regular Board Meeting held on November 15, 2017 were approved.

4. Committee on Finance:

Action Items:

The Board was presented with the following action item recommended to it by the Committee on Finance that relates to Metro-North.

- Approval for an extension of the (1) long-term contract with the New York Power Authority (NYPA) to supply electricity to all of the MTA agencies for facilities and operations within the City of New York and Westchester County and (2) Energy Services Program Agreement between NYPA and the MTA.
- Approval to install advanced energy metering in MTA facilities utilizing the services of the New York Power Authority (NYPA), consistent with the MTA/NYPA Energy Services Program Agreement approved by the Board in December 2005, and in furtherance of the objectives of Executive Order 88, governing the improvement of energy efficiency in State buildings.

Upon motion duly made and seconded, the Board approved the foregoing action items. Board member Vanterpool recused herself from the vote. The details of the above action items are contained in the minutes of the MTA Board meeting held this day, staff summaries and reports filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

MTAHQ Procurements:

The Board was presented with the following competitive procurement recommended to it by the Committee on Finance that relates to Metro-North.

- Approval for the purchase of off-the-shelf software from Ayuda Media Systems to facilitate MTA's realization of the benefits of the recently awarded advertising concessions. This bi-directional data management platform (DMP) will serve as a repository for data relating to these concessions, including data pertaining to agency messaging as well as advertising sales.

Upon motion duly made and seconded, the Board approved the foregoing procurement item, the details of which are contained in the minutes of the MTA Board meeting held this day, a staff summary and 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:

The Board was presented with the following non-competitive procurement recommended to it by the Committee on MTA Metro-North Railroad.

- Approval to award a non-competitive miscellaneous 41-month service agreement in the not to exceed amount of \$498,160 with Waterfall Security Solutions, Ltd. for the expansion and upgrade of the unidirectional data-flow security.

The Board was presented with the following competitive procurements recommended to it by the Committee on MTA Metro-North Railroad.

- Approval of a 32-month competitively solicited and negotiated contract in the not-to-exceed amount of \$18,730,572 to Tomex Electronics, Inc. to design, furnish, deliver, install, test and integrate new security systems.
- Approval to award a contract for Enhanced Station Initiative for the Design and Construction of Improvements at Five Stations (White Plains, Harlem 125<sup>th</sup> Street, Crestwood, Port Chester and Riverdale) to Halmar International in the not-to-exceed amount of \$91,485,900 and a duration of 36 months.

Upon motion duly made and seconded, the Board approved the foregoing procurements. The details of the above procurements 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. Corporate Governance Committee:

Action Item:

The Board was presented with the following action item recommended to it by the Corporate Governance Committee that relates to Metro-North.

- Approval of the MTA's All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services.

Upon motion duly made and seconded, the Board approved the foregoing action item, the details of which are contained in the minutes of the MTA Board meeting held this day, a staff summary filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

7. MTA 2018 Budget and 2018-2021 Financial Plan:

Chairman Lhota noted that following a discussion at this month's Finance Committee meeting, the Board voted to amend the language in the staff summary on page 5 with respect to the Subway Action Plan by changing the word "authorize" to "recommend". The revised staff summary has been distributed to the Board. The Chairman introduced MTA Chief Financial Officer Robert Foran, who presented the action items for the MTA 2018 Proposed Final Budget and the Proposed MTA Final 2018-2021 Financial Plan for Board consideration and approval. Copies of the proposed Budget and Plan, together with the accompanying staff summaries, were distributed to Board Members and are maintained in MTA records.

The Chairman proposed a motion to adopt the Proposed MTA 2018 Final Budget and the Proposed Final Financial Plan for 2018-2021 and opened the floor for discussion.

Details of the Board Members' discussion relating to the MTA 2018 Budget and Financial Plan 2018-2021 are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Upon motion duly made and seconded, the Board approved the Adoption of the MTA 2018 Final Proposed Budget and 2018-2021 Financial Plan, including the 2017 Final Estimate and all Plan Adjustments; the individual agency budgets and financial plans; authorization of the Budget and Plan adjustments; budget and cash management actions and other staff actions. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Members David Jones, Polly Trottenberg, Veronica Vanterpool and Carl Weisbrod voted in opposition.

8. MTA 2015-2019 Capital Plan Program Amendment:

Chairman Lhota invited Donald Spero, Deputy Chief Financial Officer, to present the 2015-2019 Capital Program Amendment.

Mr. Spero presented an overview of the 2015-2019 Capital Program amendments in support of the MTA's NYC Subway Action Plan. Following the presentation, Chairman Lhota invited Board discussion concerning the proposed amendments to the Capital Program. The details of the presentation and the Board's discussion relating thereto are included in the videotape of the meeting produced by the MTA and maintained in the MTA records.

Upon motion duly made and seconded, the Board approved the amendments to the MTA 2015-2019 Capital Program to increase the current Capital Program to incorporate the NYC Subway Action Plan, reflected in the New York City Transit portion of the program. The specifics are set forth in the staff summary and documentation filed with the meeting materials. Board Members David Jones, Polly Trottenberg, Veronica Vanterpool and Carl Weisbrod voted in opposition.

9. Adjournment:

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 12:50 p.m.

Respectfully submitted,



Linda Montanino  
Assistant Secretary

**Minutes of the Regular Board Meeting  
Long Island Rail Road Company  
2 Broadway  
New York, NY 10004  
Wednesday, December 13, 2017  
10:00 a.m.**

The following members were present:

Hon. Joseph J. Lhota, Chairman  
Hon. Fernando Ferrer, Vice Chairman  
Hon. Norman E. Brown  
Hon. Ira Greenberg  
Hon. David Jones  
Hon. Charles G. Moerdler  
Hon. John J. Molloy  
Hon. Mitchell H. Pally  
Hon. Scott Rechler  
Hon. Andrew Saul  
Hon. Lawrence Schwartz  
Hon. Polly Trottenberg  
Hon. Veronica Vanterpool  
Hon. James Vitiello  
Hon. Carl Weisbrod  
Hon. Carl V. Wortendyke

The following alternate non-voting members were also present:

Hon. Andrew Albert  
Hon. Randolph Glucksman

The following members were absent:

Hon. Susan Metzger  
Hon. Neal Zuckerman

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Janno Lieber, Chief Development Officer, Donn Evans, Chief of Staff, Robert Foran, Chief Financial Officer, Phillip Eng, Chief Operating Officer & Acting President, NYCT, Helene Fromm, Acting General Counsel, Patrick Nowakowski, President, Long Island Rail Road, Catherine Rinaldi, Acting President, Metro-North Railroad, Cedrick Fulton, President, TBTA, Craig Cipriano, Executive Vice President, NYCT, MTA Bus, and Stephen Morello, Counselor to the Chairman, also attended the meeting.

Chairman Lhota called the meeting to order.

1. Public Speakers

Stephen Morello, Counselor to the Chairman, indicated that twenty (20) speakers had signed up to speak (ultimately, a total of 24 public speakers appeared and spoke at the meeting). In light of the number of speakers, he asked that speakers limit their comments to two minutes and advised that a flashing light would come on after 90 seconds, alerting the speaker that he/she had 30 seconds left. He also asked speakers to limit their comments to matters on the agenda of the meeting.

Eight (8) of the speakers commented on matters relating to the Long Island Rail Road ("LIRR"):

Mary Parisen, Chair of Civics United for Railroad Environmental Solutions ("CURES") noted that she had been coming to MTA Board meetings for months and heard the Board express concerns about money. She stated that if the MTA wants to save money, it should not approve an LIRR Request for Proposals ("RFP") for freight/work locomotives specifying a horsepower range between 2000 h.p. and 2800 h.p.

She further stated that LIRR had not demonstrated a need to procure Tier IV line haul locomotives, and that Metrolink in California had experienced problems with its new Tier IV locomotives. She urged that extensive due diligence was needed before a decision was made on what type of locomotive to procure, and that scientific methods be used to determine which locomotives would meet LIRR needs while reducing air emissions.

Norbert Giesse, a Board member of CURES, stated that LIRR should use a Phase 1 pre-qualification process in its RFP, so as to ensure that MTA will not waste money. He further stated that a scientific study was needed to determine the correct horsepower rating for the locomotives to be acquired. Mr. Giesse added that money is wasted at the MTA because of a lack of due diligence, and that a pre-qualification Phase 1 to the RFP would avoid waste and be transparent. He urged that the RFP should be based on a scientific study of the tractive efforts of different types of locomotives.

Pasquale Cuomo, representing CURES, stated that he had been working with CURES for four years and that if MTA wants to save some money, it should be aware that each new Tier IV switcher locomotive, with 1500 h.p., can pull 60% more freight cars. He further stated that LIRR can replace three old switcher units with two of the new Tier IV units. Mr. Cuomo added that Tier IV line haul locomotives, with 2500-2800 h.p., are 4-6 times more expensive than switcher units, and that Tier IV switchers can go more than 65 miles per hour. He further added that according to the New York & Atlantic Railway, 40% of their track miles are used for yard work, further supporting the logic of procuring switcher locomotives.

Dave Kopell of the Right Track Coalition expressed support for the LIRR Main Line Expansion Project or Third Track. He stated that planning for Third Track began in 1949. He further stated that the first main line track was laid down in 1844, and the second in 1890. The current 2-track configuration along the project corridor hobbles the busiest commuter corridor in

the country. Mr. Kopell added that the Right Track Coalition – comprised of 5,000 members drawn from the business community, labor, academia, elected officials and others – took part in an enormous effort to build public consensus in support of the project. He further added that the time for Third Track has come and that if the project was not approved, the region would suffer.

Chris Jones, Senior Vice President of the Regional Plan Association (“RPA”), expressed RPA’s strong support for the Third Track project. He stated that the economic and environmental benefits of the project are clear, and that Long Island will gain greater service and reliability. He further stated that the project will help add 14,000 jobs to the Long Island economy, and would help create access for New York City residents to jobs in Nassau and Suffolk Counties. He added that RPA’s 4<sup>th</sup> Regional Plan made note that expansion of capacity on the LIRR system is essential for the region’s future.

Lisa Tyson, representing the Long Island Progressive Coalition (“LPC”), part of the Right Track Coalition, stated that she was presenting 4,542 petitions in support of the Third Track project. She further stated that LPC supports the Third Track project because it will encourage transit-oriented development, allow Long Island to grow, and provide for safer grade crossings. Ms. Tyson added that the Governor, the Right Track Coalition, and the Long Island Association all support Third Track and there is no reason to vote no.

Matt Cohen, representing the Long Island Association (“LIA”), read a letter to the Board from Kevin Law, President of LIA, Nassau County Executive-elect Laura Curran and Suffolk County Executive Steven Bellone in support of the Third Track project. Mr. Cohen stated that the project will improve mass transit, protect the environment, and also provide benefits to New York City. He further stated that he had heard some Board members wanted the dollars for the Third Track project to stay in New York City. He urged the Board not to pit one part of the region against another, adding that the economies of the City and Long Island are interconnected, and that Long Islanders pay \$400 million in MTA taxes and surcharges each year. He further added that Third Track is the most important MTA project for Long Island, and that Long Island is deserving of this project.

Vincent Albanese, representing New York State Laborers, opposed redirecting any of the funding allocated for the Third Track project. He stated that his members are construction laborers and that Third Track will create good jobs for his members. He further stated that many of his members commute to New York City, but others would like to commute from the City to jobs on Long Island. Mr. Albanese added that the Third Track project was debated for 10 years until Governor Cuomo came up with a plan that all parties could support. He further added that it would be a shame to let an act of good government suffer from politics.

The details of the speakers’ 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.

## 2. Chairman’s Remarks

Chairman Lhota thanked first responders and MTA employees who responded to the recent Port Authority Bus Terminal incident. He stated that in October, MTA participated, along

with the federal Department of Homeland Security and the Joint Terrorism Task Force, in an exercise at Grand Central Terminal dealing with an incident like the one that occurred at the Port Authority Bus Terminal. In November, MTA coordinated an agency-wide table-top exercise with the New York City Police Department, to help in coordinating our response to incidents such as this.

Chairman Lhota noted that thanks to MTA's camera network, we obtained images of the suspect. He added that this, along with our working in close coordination every day with the New York City Police Department to keep the City safe, should help give New Yorkers a greater sense of comfort.

Chairman Lhota complimented Sean Monroe, an MTA station cleaner, who was at the Port Authority Bus Terminal and who, after an initial moment of shock, applied his training and led people safely out and away from the scene of the incident.

Chairman Lhota stated that, in accordance with several recommendations made at the last Board meeting, he had established a series of working groups and committees to examine and improve various aspects of the way MTA does business. These groups include:

- Working group to review Construction Costs, headed by Board Member Scott Rechler;
- Working group to review Procurement Reform, headed by Board Member Charles Moerdler;
- Working group to review Paratransit/Access-A-Ride, headed by Board Member Veronica Vanterpool;
- Working group to review Subway/ Railroad Accessibility, headed by Board Member Ira Greenberg; and
- Subcommittee on Positive Train Control ("PTC"), reporting to the Long Island and Metro-North Committees, headed by Board Member Neal Zuckerman.

Chairman Lhota noted that two senior members of MTA staff would shortly be leaving MTA service: Chief of Staff Donna Evans, and Director of Real Estate Jeff Rosen. Mr. Lhota stated that Donna Evans was retiring after a remarkable 37-year career at MTA, where she started as a college intern in 1980. As Chief of Staff, she was responsible for communications with the Board, homeless services, the Transit Museum, and the Arts & Design Program.

Chairman Lhota added that Jeff Rosen has had a huge impact on the organization since he joined MTA as Director of Real Estate in 2009, after 30 years of practicing law. He noted Mr. Rosen's work in expanding the use of 2 Broadway, thereby freeing up space at 370 Jay Street and 347 Madison Avenue.

Chairman Lhota stated that both Ms. Evans and Mr. Rosen were hard workers, creative thinkers, and put MTA's customers first. He thanked them for their efforts and wished them well.

Board Member Mitchell Pally stated that he had been on the Board for a long time, and apologized to Donna Evans for thousands of e-mail messages, which always generated quick and responsive replies. He also apologized to Jeff for constantly badgering him about the state of Penn Station. Mr. Pally conceded that things had gotten better, and he thanked Jeff for his work.

Board Member Polly Trottenberg stated that we are going to miss Donna Evans both because of her knowledge, and her sense of humor. She also thanked Jeff Rosen, whose work brought in a lot of revenue to the MTA.

Chairman Lhota reported on the Subway Action Plan, and noted that we are starting to see improved performance, as reflected in statistics showing decreases in the occurrence of several types of Major Incidents such as signals and major track incidents, and showing improvement in terms of Additional Platform Time, Additional Train Time, and Mean Distance Between Failures. He added that all of this was due to the extraordinary work of MTA's transit workers.

Chairman Lhota noted with regret the death of Assistant Train Dispatcher Mark Shapiro, who collapsed and died in Brooklyn last Friday. The Chairman conveyed the MTA's condolences to Mr. Shapiro's family, friends and co-workers.

3. Approval of Minutes

Chairman Lhota asked for a motion to approve the minutes of the Regular Board Meeting of November 15, 2017. Upon motion duly made and seconded, the minutes of the Regular Board Meeting of November 15, 2017 were approved.

4. Committee on Finance

Action Items

The Board was presented with five (5) action items recommended to it by the Committee on Finance, all of which related to Long Island Rail Road.

- The MTA Finance Department is seeking MTA and TBTA Board authorization and approval of the necessary documentation to issue new money bond anticipation notes (BANs) and bonds to finance up to \$3,000 million of capital projects set forth in approved transit and commuter capital programs, and to issue up to \$200 million of new money bonds and BANs to finance capital projects set forth in approved bridges and tunnels capital programs. The MTA Finance Department will report to the Board on the status of the proposed debt issuance schedule, the results of each note and bond issue and planned note and bond issues.
- The MTA Finance Department is seeking MTA and TBTA Board authorization and approval of the necessary documentation to issue refunding bonds, from time to time, subject, if applicable, to the refunding policy attached hereto adopted by the Board in May, 2010, as amended from time to time, and provided that the MTA Chief

Financial Officer or the MTA Director, Finance makes a determination that the refunding of such bonds or other obligations will be beneficial to the obligors thereof and/or their affiliates and subsidiaries. The MTA Finance Department is also seeking authority to allow for a portion of the Transportation Revenue Refunding Bonds and Dedicated Tax Fund Refunding Revenue Bonds to be issued as variable rate securities to refund bonds that already meet the refunding policy requirements based on a fixed rate refunding. MTA's portfolio of outstanding indebtedness is \$36.5 billion (exclusive of State Service Contract Bonds, which debt service is paid by the State).

- To obtain MTA and TBTA adoption of the annexed reimbursement resolutions, which are required by Federal Tax law to preserve the ability to finance certain capital projects on a tax-exempt basis.
- To obtain Board approval for an extension of the (1) long term contract with the New York Power Authority (NYPA) to supply electricity to all of the MTA agencies for facilities and operations within the City of New York and Westchester County, and (2) Energy Services Program between NYPA and the MTA.
- To obtain Board approval to install advanced energy metering in MTA facilities utilizing the services of the New York Power Authority (NYPA), consistent with the MTA/NYPA Energy Services Program Agreement approved by the Board in December 2005, and in furtherance of the objectives of Executive Order 88, governing the implementation of energy efficiency in State buildings.

Upon motion duly made and seconded, with Board Member Vanterpool recusing herself with respect to the NYPA item, the Board approved the foregoing action items, the details of which are contained in the minutes of the MTA Board meeting held this day, the staff summaries filed with those minutes, and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

#### Procurement Items

The Board was presented with six (6) procurement items recommended to it by the Committee on Finance, one (1) of which related to Long Island Rail Road:

- **Ayuda Media Systems – Data Management Platform - \$2,898,960 (not-to-exceed)** - To obtain Board approval for the purchase of off-the-shelf software from Ayuda Media Systems to facilitate MTA's realization of the benefits of the recently awarded advertising concessions. This bi-directional data management platform (DMP) will serve as a repository for data relating to these concessions, including data pertaining to agency messaging as well as advertising sales. The DMP will house data relating to pedestrian traffic within MTA stations and railcars, as well as data relating to advertising inventory, sales and revenues, and serve as a platform of agency messaging, including real time arrival/departure information, service status information and information concerning upcoming services changes.

Upon motion duly made and seconded, the Board approved the foregoing procurement item, the details of which are contained in the minutes of the MTA Board meeting held this day, the staff summary filed with those minutes, and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

#### Real Estate Items

There were no real estate items presented by the Committee on Finance.

#### 5. Long Island Rail Road Committee

##### Procurement Items

The Board was presented with six (6) procurement items recommended to it by the Long Island Rail Road Committee, consisting of five (5) competitive procurements (two (2) from LIRR and three (3) from MTA Capital Construction Company), and one (1) ratification (from MTA Capital Construction Company).

##### Competitive Procurements – LIRR

- **Railroad Construction Company - \$107,950,000** – Pursuant to a competitive RFP, Long Island Rail Road (LIRR) requests MTA Board approval to award a firm fixed price contract to Railroad Construction Company, in the amount of \$107,950,000.00 (Base (\$105,699,651.00) + Options (\$2,250,349.00)) to provide Design-Build Services for the New Mid-Suffolk Electric Yard.
- **3<sup>rd</sup> Track Constructors - \$1,813,174,918.25** – The Long Island Rail Road (LIRR) requests Board approval for MTA Capital Construction Company (MTACC) to award a Public Works contract to 3<sup>rd</sup> Track Constructors (3TC) in the total amount of \$1,813,174,918.25 to provide Design-Build Services for the Long Island Rail Road expansion project (the “Project”). As set forth in greater detail below, the total amount includes Base Contract Work in the amount of \$1,457,117,009.99, and options for a completion scope of work (the “Completion Scope”), in the amount of \$270,608,499.00, and a garages scope of work (the “Garage Scope”), in the maximum combined amount of \$85,449,409.26.

The scope of work for the Project includes the construction of approximately ten miles of third track, including third rail, ties, switches, cable, signal equipment, utility poles and other items needed to support railroad operations, and the elimination of seven street-level train crossings (“grade crossings”) between Floral Park and Hicksville in Nassau County, New York. In addition, the Project includes construction of up to 5 parking garages, construction of retaining walls, utility relocation, fencing, station improvements, and construction of new station platforms, along with measures to reduce impacts on adjacent communities such as sound attenuation barriers and landscaping.

Competitive Procurements – MTA Capital Construction Company

- **Arup-Jacobs Joint Venture – NTE \$99,996,196** – In accordance with Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTACC seeks Board approval to award a competitively solicited negotiated personal service contract, to provide Project Management Consulting Services for the Long Island Rail Road Mainline Third Track Expansion Project.
- **Parsons Brinckerhoff/STV/Parsons Transportation Group, Joint Venture - \$2,984,517** – In accordance with Article XI of the All Agency Service Contract Guidelines, MTACC seeks Board approval to modify the Contract for engineering, design and construction phase services for the LIRR East Side Access (ESA) project, to increase the Guaranteed Maximum Cost in order to provide staff and services for Project Management and Project Controls through December 2018.
- **Michels Corporation - \$1,269,507** – In accordance with Article VII of the All-Agency General Contract Procurement Guidelines, MTACC is requesting Board approval of a final contract close-out modification to the ESA CM005 Contract, which includes the fabrication and construction of the permanent structural concrete lining, interior structures, and fit-out for caverns and tunnels previously excavated by others. The final contract close-out modification will incorporate changes to the contract drawings and specifications, compensate the contractor for those changes, and resolve open claims for schedule delays, additional work and non-compliant work.

Board Member Carl Weisbrod echoed Chairman Lhota's comments about the heroism of first responders who responded to the Port Authority Bus Terminal incident. He also stated that, as per his comments on Monday, he supported the LIRR Main Line Expansion Project or Third Track, due to its improving the ability of LIRR to offer reverse commuting and its benefits to New York City. However, he expressed concern about the lack of "value capture" and that planning for the project has not tapped the full potential of sites along the right-of-way. He stated that the project was \$.5 billion over the initial estimate, and he expressed the hope that MTA could achieve significant "value capture" from the project.

Chairman Lhota responded that MTA will endeavor to seek out "value capture" and will work Nassau and Suffolk Counties to that end.

Board Member James Vitiello also echoed Chairman Lhota's comments about the heroism of first responders. He stated that he was not opposed to the Third Track project and that Long Island should get better service. However, he expressed concern about the costs of yet another mega-project, stating that costs of capital construction are too high, and MTA's rate of success in estimating was too low. He added that project costs have grown, just like East Side Access ("ESA"), and that the costs of ESA and Third Track, which are co-dependent, would exceed the sum of all business taxes collected by New York State over 2 years, and the entirety

of property transfer taxes collected by the State over 6 years. He further added that MTA needs to study and reform its procurement process, and needs to participate in the upside the project will create. Mr. Vitiello stated that he wanted MTA to more aggressively seek out “value capture” and wanted a consultant to study the legal and economic terms of the project agreement before it is executed.

Board Member Veronica Vanterpool thanked MTA workers who were involved in the Port Authority Bus Terminal incident, and stated that she was very supportive of the Third Track project. She further stated that she felt MTA needed to do more to seek “value capture” and that one way to do this would be to seek out Public –Private Partnerships to build the parking garages.

Board Member Andrew Saul stated that the Third Track project was very important to Long Island. However, he expressed concern that massive projects like Third Track have put MTA into a giant hole, and that MTA has devoted billions of dollars to large capital projects. He stated that MTA really does not have accountability for East Side Access, with project costs increasing from \$4 billion to now over \$11 billion. He further stated that it made no sense to take on another mega-project without coming to terms with managing East Side Access.

Board Member David Jones stated that he would vote for the Third Track project, but that the amount of MTA debt service was frightening and not appropriate for the organization.

Board Member Scott Rechler stated that the Third Track project is critical for the region. However, the challenge is that this type of project is multi-year and sometimes multi-decade. He stated that it took a herculean effort to get support for the project lined up, and agreed that MTA needs to be cautious on costs. He expressed the hope that the Third Track project will be more transparent than East Side Access. Mr. Rechler added that “value capture” is critical and noted that when public transportation is built in front of buildings he owns, it increases the value of those buildings. Mr. Rechler further added that his committee will examine the issue of reinventing how MTA invests in capital projects, and that MTA has woefully under-invested in our infrastructure in the past. He stated that MTA needs a sustainable source of income so that it can invest in infrastructure going forward.

Board Member Ira Greenberg stated that the Long Island Rail Road Commuters Council strongly supports the Third Track project, and that the project had stalled until Governor Cuomo got involved. He stated that it was worth talking to Nassau County Executive-elect Curran and Suffolk County Executive Bellone about zoning changes to increase “value capture.”

Board Member Carl Wortendyke asked what steps could be taken to provide notice to the Board about changes to mega projects, and added that the cost overruns we are experiencing are terrible.

Chairman Lhota responded, stating that a report would be presented to the Board on East Side Access in the 1<sup>st</sup> Quarter of 2018; that updates on projects are presented at CPOC meetings; and that the working groups chaired by Board Members Rechler and Moerdler will look into the issue of why costs are going up.

Board Member Charles Moerdler stated that questions have been raised about how MTA does large-scale projects and how we can improve procurements. He further stated that the Chairman has created committees to address these matters, a first for the agency which has to be recognized. The work of these committees will take time but it will have a positive result. Mr. Moerdler congratulated Board Member Weisbrod on his comments concerning “value capture”, and pointed to the increased real estate taxes realized by New York City along the route of the Second Avenue Subway. He added that Mayor Bloomberg championed “value capture” at West Side Yards, and that it was time for people who advocate for “value capture” to take the lead on that issue, especially with regard to the Second Avenue Subway. Mr. Moerdler stated that in addition to the other parties mentioned, he wanted to recognize the contributions of volunteers who streamed into help in the aftermath of the Port Authority Bus Terminal incident, such as the Hatzollah volunteer ambulance corps.

Board Member Vitiello thanked the Chairman for the robust level of discussion on this project, both here and at the Committee level.

Board Member Norman Brown stated that when talking about “value capture”, it should be recognized that when a project like Third Track is built, it benefits not just adjacent property owners, but the entire system due to expanded capacity. He criticized balkanized interests who opposed the project; the project affects everyone who uses the system positively.

Upon motion duly made and seconded, with Board Member Vitiello abstaining with respect to the LIRR Main Line Expansion Project, the Board approved the foregoing procurement items, the details of which are contained in the minutes of the MTA Board meeting held this day, the staff summaries filed with those minutes, and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

Board Member Pally thanked his fellow Board Members for their approval of the Third Track project, on behalf of 2.8 million Long Islanders. He thanked them for their confidence in LIRR, in the economy of Long Island, and in the economy of the region. He stated that the project affects everyone in Nassau County, Suffolk County, and New York City. He also thanked the people of Long Island, especially people who live along the route of the project, for recognizing the importance of the project. He thanked the New York State laborers, Nassau County Executive-elect Curran, and Suffolk County Executive Bellone for their support and, finally, he thanked Governor Cuomo stating that without his support, this project would never have happened.

#### Ratification – MTA Capital Construction Company

- **Ansaldo STS - \$2,900,000** – In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC is requesting the Board ratify a modification to the VQ033 contract to (i) add redundant microprocessors in each of the eight Central Instrument Locations (CIL’s) in the Mid-Day Storage Yard (MDSY), (ii) extend the MSDY’s signal limits; and (iii) reconfigure the west end track alignment.

Upon motion duly made and seconded, the Board approved the foregoing ratification, the details of which are contained in the minutes of the MTA Board meeting held this day, the staff summary filed with those minutes, and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

6. Committee on Corporate Governance.

The Board was presented with the following action item recommended to it by the Committee on Corporate Governance:

- All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services – To obtain Board approval of the MTA’s All-Agency Procurement Guidelines and All-Agency Guidelines for Procurement of Services.

Upon motion duly made and seconded, the Board approved the foregoing action item, the details of which are contained in the minutes of the MTA Board meeting held this day, the staff summary filed with those minutes, and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

7. Adoption of MTA 2018 Final Proposed Budget and November Financial Plan 2018-2021.

Chairman Lhota noted that the language on page 5, 4<sup>th</sup> bullet of the Revised Staff Summary had been amended so as to delete the word “Authorized” and replace it with “Recommend.”

Chief Financial Officer Foran stated that each Board Member had received an electronic version of these documents and he recommended their adoption. Chairman Lhota made a motion to approve these documents which was seconded.

Board Member Trottenberg thanked MTA staff and first responders in connection with the Port Authority Bus Terminal incident, and congratulated her Long Island colleagues with respect to the Third Track project. She stated that she was happy to support the project, but shared Board Member Vitiello’s concerns about cost control. She further stated that she would not support the proposed four-year financial plan because there are larger questions about the plan, including New York City’s and New York State’s financial picture, what is coming out of Washington, DC, and a general business slow-down. She added that she did not believe the Subway Action Plan (“SAP”) should be on the chopping block if MTA gets into financial difficulties and would like to see other options. Ms. Trottenberg noted that if expected financial support for MTA does not materialize, the SAP is the first item on the chopping block.

Board Member Scott Rechler noted that the Chairman said that in such an event, many things would need to be re-evaluated. The wording change to “recommend” will allow us to have further discourse on this issue.

Board Member Trottenberg stated that she felt the Board needed to have discussions about options now, due to the uncertainty of support from the federal, State and City governments.

Board Member Weisbrod stated that he agreed with Ms. Trottenberg, but added a personal observation. In his view the SAP is the most important thing MTA is doing just now, yet it is the only thing on the chopping block. Mr. Weisbrod added that this was a bitter moment for him, since as Chairman of the City Planning Commission, he oversaw the rezoning of the Vanderbilt Corridor, the provision of \$220 million to the MTA to revitalize Grand Central Terminal, and the rezoning of East Midtown, including improvements to the transit system. To see all of these investments made by the City result in the SAP being the only thing on the chopping block was disappointing and he expressed surprise that the MTA has decided to do this.

Board Member Greenberg thanked first responders who responded to the Port Authority Bus Terminal incident and agreed with Ms. Trottenberg in that the budget documents seem to target the SAP. He added that he disagreed with Ms. Trottenberg about the need to develop a plan now to determine what to cut in the event MTA does not get all the funding it needs. He further added that he did not think the SAP should be the first thing that is cut.

Board Member Vitiello stated that the reason we amended the wording was to leave the Board with latitude to decide what gets cut. He added that he would look to other things first before cutting the SAP.

Board Member Trottenberg stated that the language still focuses on changes to the SAP in the February Plan, but the State's budget won't come out until April. She asked how the Board could settle this matter in January.

Chairman Lhota stated that there was proposal for the City and State to share the additional dollars needed for the SAP on a 50/50 basis. In October, Ms. Trottenberg asked what would happen if this didn't work out. He stated that it was unrealistic to think that in such a situation, nothing in the budget would be changed. He further stated that he gave a commitment to the Board that he would not fund anything that went outside of the approved MTA budget. He added that MTA gets budget reports every month and if expenses exceed revenue, staff will come to the Board and make appropriate adjustments. Chairman Lhota stated that he would negotiate budget reductions publicly; MTA will come back to the Board with how we will balance the budget if this is necessary.

Board Member Pally stated that he agreed on the importance of the SAP, and that it is important to our riders. He further stated that we made a wording change to make it clear that the Board will determine how to resolve the issue. He expressed support for the 2018 budget, but not to assume that this meant support for the 4-year plan. He stated that the Governor and the Legislature must revisit the 2009 MTA funding agreement, and that we need to find other ways to address the MTA funding issue. He added that MTA needs to reduce continued reliance on fare and toll increases.

Board Member Vanterpool stated that she felt there was a problem if MTA stretched out the SAP. She further stated that the SAP was a proposal that was introduced without consultation with the New York City representatives on the Board; that it addresses an emergency situation, in the words of the Governor's Executive Order; and that in light of that, the fact that it is the only thing being looked at for stretching out is problematical. She added that other scenarios should have been looked at and that the Financial Plan is unacceptable because it is based on tenuous assumptions, and without the benefit of looking at assumptions in the State budget when we get it.

Board Member Moerdler stated that New York City had failed in its responsibility to provide funds to make the SAP effective. He further stated that years ago, the City extracted an unfair concession from MTA by making MTA bear the full burden of providing paratransit services.

Board Member Trottenberg stated that whatever phrase you choose to use --- "cut", "stretch out", "de-scope" --- she did not feel the SAP is the place where MTA should choose to do this to balance the budget.

Board Member Andrew Albert stressed the need for MTA to find a new source of funding.

Board Member Lawrence Schwartz stated that he appreciated the Chairman's clarifications. He further stated that the SAP won't stop; we will still go forward and improve the system. He added that in spite of budget uncertainty, the Governor has been unwavering in his commitment to fund ½ of the SAP. He further added that we are a regional system, which requires regional cooperation by the City, the suburban counties, and the State. Mr. Schwartz stated that he had the impression that the City's representatives were prepared to vote no on the financial plan and that would be unfortunate. It would amount to a vote of no on the SAP because the SAP is in the financial plan. Mr. Schwartz added that there is always time to develop solutions, and that the solution is not to vote no on the financial plan. He expressed hope that the Mayor of New York City will come through and agree to fund ½ of the SAP, and urged the Mayor's appointees on the Board not to vote no, but to work with the Board to solve the problem.

Board Member Saul stated that the Board should not forget that the financial plan contemplates \$1 billion in cuts and cost savings that have not been identified yet. He expressed concern about real estate tax collections and added that the plan is not all about the SAP. He stated that he would vote yes but the Board needs to look at this carefully early next year.

Board Member Vitiello stated that if the SAP is not fully funded and a determination is made to extend, that should come back to the Board to determine if the velocity of the program should be slowed down.

Chairman Lhota stated that the velocity of the program has already slowed down, that he needed to keep his word about living within the approved budget, and that if MTA does not have

the necessary funding, he should not be expected to wait to come back to the Board ---- he will stretch the program out.

Board Member Vitiello asked whether, if the City did not come through with ½ of the funding for the SAP, the Board could determine to take \$400 million away from something else.

Chairman Lhota responded, stating that you need to be very specific about what is cut.

Board Member Jones stated that he had a problem with not considering other parts of the system in terms of coming up with \$400 million if needed. He pointed out that the Board just helped Long Island and that MTA has put this issue in a capsule.

Board Member Moerdler commended the City's representatives on the Board for fighting for the subway system, but he felt that several points were being forgotten: First, MTA management is there to manage the agency; the Board provides oversight. Second, you can move money around. The MTA spends \$450 million per year on paratransit services. He was not suggesting that this be cut, but was indicating that there are ways you can find money if you look, such as "value capture" on the Second Avenue Subway corridor. Perhaps 8-10% of that should go towards support of the SAP. Third, Mr. Moerdler stated that the genesis of the SAP was as follows: Chairman Lhota proposed it in response to the Governor's demand for a whole plan. It is based on a partnership between New York City and New York State. The City has a responsibility to its taxpayers and subway riders to provide support for the plan.

Board Member Weisbrod stated that it is the responsibility of this Board to establish priorities. Instead, we have been presented with a plan which says, if there is no money from New York City, the SAP is extended. Mr. Weisbrod also stated that the Board had just approved the Third Track project. Nassau County and Suffolk County should contribute to "value capture" from the project, but that is unclear. Mr. Weisbrod added that the Subway Action Plan is the most important matter before us and we should not be reaching the conclusion now that the SAP gets cut if the necessary funding does not flow. The Board should decide that.

Board Member Trottenberg stated that she thought the Board should decide what gets slowed down, and the Chairman needs to present the Board with options. Ms. Trottenberg also took exception to the suggestion that the City was not acting in a spirit of partnership. She stated that the SAP was announced without consultation with the Board or the City. She added that the City and State do have a true partnership with respect to the L train shutdown, but the SAP is not a true partnership.

Board Member Albert asked the Chairman how quickly the SAP could be ratcheted back up.

Chairman Lhota responded, stating that MTA alters the SAP virtually every day and we can ratchet it up or down in many ways.

Board Member Schwartz stated that since July 25, we've all heard of the SAP and of the Governor's call for the City to fund ½ of the cost. He urged the City's representatives to

support the Financial Plan and recommend to the Mayor that he come through with the funding for the SAP.

Vice Chairman Fernando Ferrer stated that he was left with a sense of irony: as a “reformed politician” he was not averse to political conversations and there is nothing wrong for the Mayor to say “I won’t pay for this.” Mr. Ferrer stated that he would say to his colleagues on the Board “If you reject the proposal that the City pay ½, tell me what you would propose.” But to simply say “we can’t do this because we can’t do this” is not sufficient.

Board Member Vanterpool stated that some ideas had been put forth. She had suggested an interagency loan.

Chairman Lhota stated that interagency loans do not increase the budget. Such loans are used purely to address liquidity/cash flow issues such as payroll, but they do not increase the budget.

Board Member Trottenberg stated that the Mayor has not shut the door to further discussion. The Mayor said that he would support going to Albany to lobby for the so-called “Millionaire’s Tax”. She added that she did not think it was the Board’s role to come up with options, and that it is staff’s responsibility to do so as they have the expertise.

Upon motion duly and seconded, with Board Members Jones, Trottenberg, Vanterpool and Weisbrod voting in the negative, the Board approved the MTA 2018 Final Proposed Budget and November Financial Plan 2018-2021.

7. 2015-2019 Capital Program Amendment.

Deputy Chief Financial Officer Donald Spero presented a proposed amendment to the MTA’s 2015-2019 Capital Program. He indicated that the amendment did not require approval from the Capital Program Review Board, only from the MTA Board.

Board Member Weisbrod spoke about possible modification/stretching out of the capital portion of the SAP, and proposed turning to the Enhanced Stations Initiative (“ESI”) as a source of funding for the SAP, if needed. As desirable as cosmetic improvements are, most riders would want aggressive implementation of the capital portion of the SAP. He added that if this proposal is acceptable, he would vote for the Capital Program amendment; otherwise, he would vote against it.

Board Member Schwartz stated that he did not agree and that the stations proposed to be improved under the ESI are used by people every day, day in and day out. He would rather turn to Phase II of the Second Avenue Subway as a source of funding, since it doesn’t exist today.

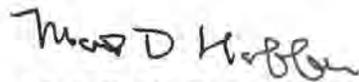
Board Member Vanterpool stated that this amendment is just for an increase in the SAP. She did not feel that the ESI stations were as important as the SAP and stated that she voted against some ESI elements.

Upon motion duly and seconded, with Board Members Jones, Trottenberg, Vanterpool and Weisbrod voting in the negative, the Board approved the proposed 2015-2019 MTA Capital Program amendment.

8. Adjournment

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 12:45 P.M.

Respectfully submitted,



Mark D. Hoffer,  
Secretary

**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**

**BOARD MINUTES**

**December 13, 2017**

Minutes of the Regular Meeting  
Triborough Bridge and Tunnel Authority  
December 13, 2017

Meeting Held at  
2 Broadway, 20<sup>th</sup> Floor  
New York, New York 10004

10:00 a.m.

The following members were present:

Hon. Joseph J. Lhota, Chairman  
Hon. Fernando Ferrer, Vice Chairman  
Hon. Norman E. Brown  
Hon. Ira Greenberg  
Hon. David Jones  
Hon. Charles G. Moerdler  
Hon. John J. Molloy  
Hon. Mitchell H. Pally  
Hon. Scott Rechler  
Hon. Andrew Saul  
Hon. Lawrence Schwartz  
Hon. Polly Trottenberg  
Hon. Veronica Vanterpool  
Hon. James Vitiello  
Hon. Peter Ward  
Hon. Carl Weisbrod  
Hon. Carl V. Wortendyke

The following alternate non-voting members were also present:

Hon. Andrew Albert  
Hon. Randolph Glucksman

The following members were absent:

Hon. Susan Metzger  
Hon. Neal Zuckerman

Patrick Foye, President, Veronique Hakim, Managing Director, Janno Lieber, MTA Chief Development Officer, Donna Evans, Chief of Staff, Robert Foran, Chief Financial Officer, Phillip Eng, Chief Operating Officer & Acting President, New York City Transit Authority, Helene Fromm, Acting General Counsel, Patrick Nowakowski, President, Long Island Rail Road, Catherine Rinaldi, Acting President, Metro-North Railroad, Cedrick Fulton, President, Triborough Bridge and Tunnel Authority, Craig Cipriano, Executive Vice President, New York City Transit Authority, MTA Bus and Stephen Morello, Counselor to the Chairman, 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 Company, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

**1. Public Speakers**

There were 24 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 Metropolitan Transportation Authority and maintained in MTA records, and to the other agencies' minutes of this date, for the content of the speakers' statements.

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

Chairman Lhota opened his remarks by commending the first responders and MTA employees who reacted to the subway system terror attack in Times Square on December 11, 2017. In November, the MTA conducted an agency-wide joint tabletop exercise with the New York Police Department that helped in coordinating the response. He stated that several working groups have been created based on recommendations of the MTA Board. He also stated that Donna Evans, MTA Chief of Staff, is retiring at the end of December. Jeff Rosen, Director, MTA Real Estate, is also retiring. Commissioners Pally and Trottenberg thanked Ms. Evans and Mr. Rosen for their service. Chairman Lhota gave an update regarding the Subway Action Plan. Chairman Lhota expressed condolences to the family and friends of Marc Shapiro, Assistant Train Dispatcher, who collapsed on duty on December 8, 2017 and later died.

The details of Chairman Lhota's remarks 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 Minutes of Regular Meeting November 15, 2017**

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on November 15, 2017 were approved.

Refer to the video recording of the meeting produced by the Metropolitan Transportation Authority and maintained in MTA records, and to the other agencies' minutes of this date, for the content of the statements made regarding this matter.

**4. Committee on Finance**

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

(a) Action Item:

- Approve New Money Transportation Revenue Bonds and Bond Anticipation Notes and TBTA General Revenue and Subordinate Revenue Bonds and Bond Anticipation Notes.
- Approve MTA and TBTA Reimbursement for Federal Tax Purposes.

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

**Procurements**

Commissioner Moerdler stated that there are three (3) procurements totaling \$95.1 million.

**Non-Competitive Procurements**

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

**Competitive Procurements**

Commissioner Moerdler stated that there are three (3) competitive procurements totaling \$95.1 million.

Upon a motion duly made and seconded, the Board approved the procurements recommended to it by the Committee for MTA Bridges and Tunnels Operations.

**Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)**

Hellman Electric Corp.	Contract No. BW-39/RK-60 TBTA is seeking Board approval under the All Agency General Contract Procurement Guidelines to award a competitively solicited public work contract for Design-Build Services for the Installation of Facility Wide Monitoring and Detection Systems at the Bronx-Whitestone Bridge and Robert F. Kennedy Bridge facilities.	\$71,797,700.00
American Bridge Company	Contract No. VN-34 TBTA is seeking Board approval under the All Agency General Contract Procurement Guidelines to award a competitively solicited public work contract for Design-Build Services for Main Cable and Suspender Rope Inspection & Testing at the Verrazano-Narrows Bridge.	\$17,250,000.00

**Modifications to Purchase and Public Works Contracts**

Kiska Construction, Inc.	Contract No. MP-03/MP-16 TBTA is seeking Board Approval under the All Agency General Contract Procurement Guidelines to amend Contract MP-03/MP-16 for the removal and replacement of the riser cables, conduits, rehabilitation of the motor control centers (MCC) and other electrical rehabilitations at the north and south towers of Marine Parkway-Gil Hodges Memorial Bridge (MPB) and increase the unit price for five (5) unit price items.	\$6,031,460.00
--------------------------	---	----------------

**Ratifications**

Commissioner Moerdler stated that there are no ratifications.

**6. TBTA 2018 Final Budget and Financial Plan**

Commissioner Moerdler stated that the Bridges and Tunnels budget and financial plan was discussed during the Committee, however, the Committee did not take a vote. Board action on the Bridges and Tunnels budget will be presented with the adoption of the MTA 2018 Final Budget and Four Year Financial Plan for 2018-2021.

7. **MTA 2018 Final Proposed Budget and November Financial Plan 2018-2021**

MTA Chief Financial Officer Robert Foran distributed action item materials and discussed the MTA's 2018 Budget and Financial Plan 2018-2021 ("Budget and Plan"). A motion was made to adopt the Budget and Plan. Commissioner Pally stated that he believes that the governor and legislature must review the 2009 funding plan and other funding sources need to be found to reduce the reliance on raising fares and tolls. Commissioner Albert also stated that a new sustainable long-term funding source needs to be found as increasing fares and tolls cannot be relied upon for funding. Upon a motion duly made and seconded, the Board voted to adopt the Budget and Plan.

The details of Mr. Foran's presentation and the discussions with regard to same are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

8. **Capital Plan Amendment**

MTA Deputy Chief Financial Officer Donald Spero discussed the MTA 2015-2019 Capital Program Amendment. Upon a motion duly made and seconded, the Board voted to adopt the Capital Plan Amendment.

9. **Adjournment**

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 12:50 p.m.

Respectfully submitted,

  
Adana Savery  
Assistant Secretary

**Regular Board Meeting**  
**MTA Capital Construction Company**  
**2 Broadway**  
**New York, NY 10004**  
**Wednesday, December 13, 2017**  
**10:00 AM**

The following members were present:

Hon. Joseph J. Lhota, Chairman  
Hon. Fernando Ferrer, Vice Chairman  
Hon. Norman E. Brown  
Hon. Ira Greenberg  
Hon. David Jones  
Hon. Charles G. Moerdler  
Hon. John J. Molloy  
Hon. Mitchell H. Pally  
Hon. Scott Rechler  
Hon. Andrew Saul  
Hon. Lawrence Schwartz  
Hon. Polly Trottenberg  
Hon. Veronica Vanterpool  
Hon. James Vitiello  
Hon. Peter Ward  
Hon. Carl Weisbrod  
Hon. Carl V. Wortendyke

The following alternate non-voting members were also present:

Hon. Andrew Albert  
Hon. Randolph Glucksman

The following members were absent:

Hon. Susan Metzger  
Hon. Neal Zuckerman

Patrick Foye, President, MTA, Veronique Hakim, Managing Director, MTA, Janno Lieber, Chief Development Officer, MTA, Donna Evans, Chief of Staff, MTA, Robert Foran, Chief Financial Officer, MTA, Phillip Eng, Chief Operating Officer MTA and, Acting President, NYCT, Helene Fromm, Acting General Counsel, MTA, Patrick Nowakowski, President, Long Island Rail Road, Catherine Rinaldi, Acting President, Metro-North Railroad, Cedrick Fulton, President TBTA, Craig Cipriano, Executive Vice President, MTA Bus, Stephen Morello, Counselor to the Chairman, MTA, Evan Eisland, Sr. Vice President, General Counsel and Secretary, MTACC and David Cannon, Chief Procurement Officer and Assistant Secretary, MTACC also attended the meeting.

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

Unless otherwise indicated, these minutes reflect items concerning the business of the MTA Capital Construction Company. Refer to the other agencies' minutes of this date for items on the agendas of the Boards of the other agencies.

Chairman Lhota called the meeting to order.

## **Public Comment Periods**

There were twenty four (24) public speakers, of which five (5) spoke on MTA Capital Construction matters.

Dave Kopell of the Right Track Coalition expressed support for the LIRR Main Line Third Track Expansion project and added that the Right Track Coalition is comprised of 5,000 members drawn from the business community, labor, academia, elected officials and others that took part in an enormous effort to build public consensus in support of the project. He further added that the time for the Project has come and if it were not approved, the region would suffer.

Chris Jones, Senior Vice President of the Regional Plan Association (“RPA”) expressed RPA’s strong support for the LIRR Main Line Third Track Expansion project and stated that the economic and environmental benefits of the Project are clear and that Long Island will gain greater service and reliability.

Lisa Tyson, of the Long Island Progressive Coalition, part of the Right Track Coalition, stated that she was presenting 4,542 petitions in support of the Third Track Project. She further stated that the Long Island Progressive Coalition supports the Third Track Project because it will encourage transit-oriented development, allow Long Island to grow and provide for safer grade crossings.

Matt Cohen of the Long Island Association (“LIA”) read a letter from Kevin Law, the President of LIA, Nassau County Executive-Elect Laura Curran and Suffolk County Executive Steven Bellone in support of the Third Track Project. Mr. Cohen stated that the Project will improve mass transit, protect the environment and also provide benefits to New York City. He urged the Board not to pit one part of the region against another, stating that the economies of the City and Long Island are interconnected.

Vincent Albanese of the New York State Laborers opposed redirecting any of the funding allocated for the Third Track Project. He stated that his members are construction laborers and that the Project created good jobs for his members. He further stated that many of his members commute from Long Island to New York City and others would like the opportunity to commute from the City to jobs on Long Island. He noted that it would be a shame to let an act of good government suffer from politics.

The names and remarks of the other public speakers are contained in the minutes of the Regular Meeting of the Metropolitan Transportation Authority and in the minutes of the other agencies of this date.

## **Chairman’s Remarks**

Chairman Lhota stated that, in accordance with several recommendations made at the November Board meeting, he had established the following working groups and subcommittees to review and improve the way the MTA conducts business:

- Working group to review Construction Costs, headed by Board Member Scott Rechler;
- Working group to review Procurement Reform, headed by Board Member Charles Moerdler;
- Working group to review Paratransit/Access-A-Ride, headed by Board Member Victoria Vanterpool;
- Working group to review Subway/Railroad Accessibility, headed by Board Member Ira Greenberg; and
- Subcommittee on Positive Train Control (“PTC”), to the Long Island and Metro-North Committees, headed by Board Member Neal Zuckerman.

Chairman Lhota noted that two senior members of MTA staff would shortly be leaving MTA service: Chief of Staff Donna Evans, and Director of Real Estate Jeff Rosen. Mr. Lhota stated that Ms. Evans was retiring after a remarkable 37-year career at MTA. As Chief of Staff, she was responsible for communications with the Board, homeless services, the Transit Museum, and the Arts & Design Program.

Chairman Lhota added that Mr. Rosen has had a huge impact on the organization since he joined MTA as Director of Real Estate in 2009. He noted Mr. Rosen’s work in expanding the use of 2 Broadway, thereby freeing up space at 370 Jay Street and 347 Madison Avenue.

Chairman Lhota stated that both Ms. Evans and Mr. Rosen were hard workers, creative thinkers, and put MTA’s customers first. He thanked them for their efforts and wished them well.

Board Members Pally and Trottenberg also thanked Ms. Evans and Mr. Rosen for their work.

The remainder of the Chairman's remarks are noted in the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on this date.

### **Approval of Minutes**

Upon motion duly made and seconded, the Board approved the minutes of the Regular Board Meeting of the Metropolitan Transportation Authority and the MTA Capital Construction Company held on November 15, 2017.

### **Committee on NYCT and Bus**

#### Procurement Item

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

A modification to the 96th Street Station Finishes contract (C-26010) for Phase I of the Second Avenue Subway Project for the furnishing and installation of stainless steel wire mesh around the elevator at Entrance 3 for the amount of \$815,000.

A copy of the Resolution and Staff Summary for the above item is filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority of this date.

### **Joint Committee on Metro North and Long Island Rail Road**

#### Procurement Items

Board Member Weisbrod stated that, as per his comments on Monday, he supported the LIRR Main Line Expansion Project or Third Track, due to its improving the ability of the LIRR to offer reverse commuting and its benefits to New York City. However, he expressed concern about the lack of "value capture" and that planning for the project has not tapped the full potential of sites along the right-of-way. He stated that the project was \$.5 billion over the initial estimate, and he expressed the hope that MTA could achieve significant "value capture" from the project.

Chairman Lhota responded that MTA will endeavor to seek out "value capture" and will work Nassau and Suffolk Counties to that end.

Board Member Vitiello stated that he was not opposed to the Third Track project and that Long Island should get better service. However, he expressed concern about the costs of yet another mega-project, stating that costs of capital construction are too high, and MTA's rate of success in estimating was too low. He added that project costs have grown, just like East Side Access ("ESA"), and that the costs of ESA and Third Track, which are co-dependent, would exceed the sum of all business taxes collected by New York State over 2 years, and the entirety of property transfer taxes collected by the State over 6 years. He further added that MTA needs to study and reform its procurement process, and needs to participate in the upside the project will create. Mr. Vitiello stated that he wanted MTA to more aggressively seek out "value capture" and wanted a consultant to study the legal and economic terms of the project agreement before it is executed.

Board Member Vanterpool stated that she was very supportive of the Third Track project. She further stated that she felt MTA needed to do more to seek "value capture" and that one way to do this would be to seek out Public – Private Partnerships to build the parking garages.

Board Member Saul stated that the Third Track project was very important to Long Island. However, he expressed concern that massive projects like Third Track have put the MTA into a giant hole, and that the MTA has devoted billions of dollars to large capital projects. He stated that the MTA really does not have accountability for East Side Access, with project costs increasing from \$4 billion to now over \$11 billion. He further stated that it made no sense to take on another mega-project without coming to terms with managing East Side Access.

Board Member Jones stated that he would vote for the Third Track project, but that the amount of MTA debt service was frightening and not appropriate for the organization.

Board Member Rechler stated that the Third Track project is critical for the region. However, the challenge is that this type of project is multi-year and sometimes multi-decade. He stated that it took a herculean effort to get support for the project lined up, and agreed that the MTA needs to be cautious on costs. He expressed the hope that the Third Track project will be more transparent than East Side Access. Mr. Rechler added that “value capture” is critical and noted that when public transportation is built in front of buildings he owns, it increases the value of those buildings. Mr. Rechler further added that his committee will examine the issue of reinventing how MTA invests in capital projects, and that the MTA has woefully under-invested in our infrastructure in the past. He stated that MTA needs a sustainable source of income so that it can invest in infrastructure going forward.

Board Member Greenberg stated that the Long Island Rail Road Commuters Council strongly supports the Third Track project, and that the project had stalled until Governor Cuomo got involved. He stated that it was worth talking to Nassau County Executive-elect Curran and Suffolk County Executive Bellone about zoning changes to increase “value capture.”

Board Member Wortendyke asked what steps could be taken to provide notice to the Board about changes to mega projects, and added that the cost overruns we are experiencing are terrible.

Chairman Lhota responded, stating that a report would be presented to the Board on East Side Access in the 1<sup>st</sup> Quarter of 2018; that updates on projects are presented at CPOC meetings; and that the working groups chaired by Board Members Rechler and Moerdler will look into the issue of why costs are going up.

Board Member Charles Moerdler stated that questions have been raised about how MTA does large-scale projects and how we can improve procurements. He further stated that the Chairman has created committees to address these matters, a first for the agency which has to be recognized. The work of these committees will take time but it will have a positive result. Mr. Moerdler congratulated Board Member Weisbrod on his comments concerning “value capture”, and pointed to the increased real estate taxes realized by New York City along the route of the Second Avenue Subway. He added that Mayor Bloomberg championed “value capture” at West Side Yards, and that it was time for people who advocate for “value capture” to take the lead on that issue, especially with regard to the Second Avenue Subway.

Board Member Vitiello thanked the Chairman for the robust level of discussion on this project, both here and at the Committee level.

Board Member Brown stated that when talking about “value capture”, it should be recognized that when a project like Third Track is built, it benefits not just adjacent property owners, but the entire system due to expanded capacity. He criticized balkanized interests who opposed the project; the project affects everyone who uses the system positively.

Upon motion duly made and seconded, with Board Member Vitiello abstaining from Items 1 and 2, the Board approved the following items:

1. Award of a competitively solicited and negotiated Public Works contract (6240) to 3<sup>rd</sup> Track Constructors (3TC) to provide Design-Build Services for the Long Island Rail Road Expansion Project in the total amount of \$1,813,174,918.25. The total amount includes base contract work in the amount of \$1,457,117,009.99 and options for a completion scope of work in the amount of \$270,608,499.00, and a garages scope of work in the maximum combined amount of \$85,449,409.26.
2. Award of a competitively solicited and negotiated Personal Service contract (PS868) to provide Project Management Consulting Services for the Long Island Rail Road Expansion Project in the not-to-exceed amount of \$99,996,196. The total amount includes the base contract with a duration of three years in the not-to-exceed amount of \$66,818,615, an option for a fourth year in the not-to-exceed amount of \$18,059,922 and an option for a fifth year in the not-to-exceed amount of \$15,117,659.
3. A modification to the General Engineering Consultant contract (98-0040-01R) for the East Side Access Project to provide Project Management and Project Controls services through December 2018 in the amount of \$2,984,571.

4. A modification to the Manhattan South Structures contract (CM005) for the East Side Access Project to incorporate changes to the contract drawings and specifications, compensate the contractor for those changes, and resolve open claims for schedule delays, additional work and non-compliant work in the amount of \$1,269,507.

Board Member Pally thanked his fellow Board Members for their approval of the Third Track project, on behalf of 2.8 million Long Islanders. He thanked them for their confidence in LIRR, in the economy of Long Island, and in the economy of the region. He stated that the project affects everyone in Nassau County, Suffolk County, and New York City. He also thanked the people of Long Island, especially people who live along the route of the project, for recognizing the importance of the project. He thanked the New York State laborers, Nassau County Executive-elect Curran, and Suffolk County Executive Bellone for their support and, finally, he thanked Governor Cuomo stating that without his support, this project would never have happened.

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

A modification to the Mid Day Storage Yard Signal Central Instrument Location and Supervisory Control System contract (CQ033) for the East Side Access Project to (i) add redundant microprocessors in each of the 8 Central Instrument Locations in the Mid-Day Storage Yard (MDSY), (ii) extend the MDSY's signal limits and (iii) reconfigure the west end track alignment in the amount of \$2,900,000.

A copy of the Resolution and the Staff Summaries for the above items are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority of this date.

### **Committee on Corporate Governance**

#### Action Item

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

The All Agency Procurement Guidelines and the All Agency Guidelines for the Procurement of Services.

A copy of the Staff Summary and the Guidelines are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority of this date.

### **Other MTA Business**

#### MTA 2018 Budget and 2018 through 2021 Financial Plan

Chairman Lhota noted that the language on page 5, 4<sup>th</sup> bullet of the Revised Staff Summary had been amended so as to delete the word "Authorized" and replace it with "Recommend."

Robert Foran, MTA's Chief Financial Officer presented the MTA's 2018 Budget and the 2018 through 2021 Financial Plan. A discussion among Board members followed.

Mr. Foran's and the Board member's remarks are more fully noted in the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on this date.

#### Action Items

Upon motion duly made and seconded, with Board Members Jones, Trottenberg, Vanterpool and Weisbrod voting in the negative, the Board approved the following Action items:

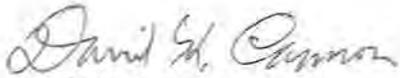
1. To adopt the MTA's (inclusive of each individual MTA Agency and the Office of the Inspector General) 2018 Budget and 2018 -2021 Financial Plan.
2. To amend to the 2015-2019 Capital Program in the amount of \$348,500,000.

A copy of the Staff Summaries, the 2018 Budget and the 2018 – 2021 Financial Plan are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on this date.

**Adjournment**

Upon motion duly made and seconded, the Board voted to adjourn the public meeting at 12:50 p.m.

Respectfully submitted,



David K. Cannon  
Assistant Secretary

# Staff Summary

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

Item Number:

Page 1 of 2

<b>Vendor Name (&amp; Location):</b> Willis of New York	
<b>Description:</b> Owner Controlled Insurance: Addition of LIRR Expansion Project	
<b>Contract Term (including Options, if any):</b> Six Years	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type:</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source:</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> <i>Phyllis Rachmuth</i> Risk and Insurance Management / Phyllis Rachmuth	

<b>Contract Number:</b> RM019-0100	<b>AWO/Modification #</b> 1
<b>Original Amount:</b>	\$225,000,000
<b>Prior Modifications:</b>	\$
<b>Prior Budgetary Increases:</b>	\$
<b>Current Amount:</b>	\$225,000,000
<b>This Request:</b>	\$84,500,000
<b>% of This Request to Current Amount:</b>	37.5%
<b>% of Modifications (including This Request) to Original Amount:</b>	37.5%

**PURPOSE:**

To obtain Board approval to procure additional insurance coverage related to MTA's 2015-2019 Capital Plan Owner Controlled Insurance Program (OCIP) to include the Long Island Railroad Expansion Project (Project). Total amount of this request \$84,500,000.00.

**SUMMARY:**

An MTA Owner Controlled Insurance Program (OCIP) for the 2015-2019 Capital Plan was approved by the Board on March 22, 2017. Willis of NY, the OCIP broker, selected through a competitive RFP process, subsequently marketed and placed OCIP policies based upon a selection of Capital Program projects in the approved plan. The authorization to procure the insurance and establish a not to exceed budget of \$225 million was approved by the Board on June 21, 2017. The LIRR Expansion Project was included in the original proposals as an option. Through this request for approval, that option will be executed to increase the OCIP insurance budget by \$84,500,000.00 for a total not to exceed budget of \$309,500,000.00. A procurement action is currently being processed for insurance broker services needed for the LIRR Expansion Project.

**DISCUSSION:**

On June 21, 2017, MTA Board approved the establishment of a not-to exceed budget of \$225 million to execute the purchase of insurance. This budget contemplated coverage for a listing of over 300 NYCT, LIRR, MNR and SBMP projects expected to be awarded over the next three years with construction values estimated at \$3.7 billion.

Based on discussions surrounding the scope of the projects to be included in the OCIP, the safety controls to be put in place, and a thorough review of the quotations presented by the broker, Willis recommended, and MTA Risk and Insurance Management (RIM) agreed, that Starr in conjunction with Helmsman claims services provided the best quotation, at the lowest cost, for the OCIP primary insurance program and that the London Syndicates of Liberty Mutual Insurance Europe Limited, Aegis Casualty Consortium 9224, AIG Europe Limited, and Aspen 4711 have structured the best quotation for OCIP Excess Liability coverage. MTA RIM expects the maximum aggregated premium, safety management and administrative cost to be approximately \$225 million, or just over 6% of total contract cost for covered projects. The insurance premium for the primary Workers' Compensation and General Liability coverage is based on loss experience. Starr has capped self-insured losses at a maximum of approximately \$172 million subject to final audited payroll. Based upon actuarial analysis of prior OCIP program losses, MTA's Captive insurance company subsidiary, First Mutual Transportation Assurance Corporation (FMTAC) wrote a deductible reimbursement policy that limits the maximum loss exposure of the Capital Program to approximately \$115 million, reducing the maximum cost of the program by \$57 million.

As part of the insurance proposal from Starr, FMTAC entered into a trust agreement with the insurance company whereby the Captive will hold collateral of \$50.05 million to secure the insurance company against exposure to the self-insured layer of Workers' Compensation/General Liability claims. FMTAC will hold and invest the funds, with any interest earned being retained by the Captive. This transaction eliminates the need for a letter of credit or the posting of other security that would otherwise be required in order to place the policy.

The MTA Board authorized Captive to manage the OCIP's claims, safety and administrative expenses, as has been done with past OCIPs. Helmsman Management Services LLC has been selected as the claims administrator and a loss fund of \$65 million will be established to pay losses and related claim costs within the self-insured retention. Safety services and administrative expenses will be funded by investment income on the funds held by the Captive over the life of the program. With a fair rate of return and minimal loss history, it is expected that FMTAC can fully fund these expenses

Additionally, Builder's Risk coverage was procured to protect MTA's interests in the property being constructed and Railroad Protective Liability was procured for the LIRR and MNR projects to protect the assets and employees of the MTA railroads and to meet our obligations to protect the railroads that operate on the right of way. These policies were procured within the aggregate OCIP maximum budget of \$225 million and based on past OCIP procurements of such policies, are anticipated to have a cost not to exceed \$15 million.

This past fall, at the request of project management, MTA RIM entered into discussions with Willis of NY to determine the cost and feasibility of including the LIRR Expansion Project in the OCIP. The primary insurance markets who had already quoted a program that included the Project, agreed to underwrite the Project on similar terms. The Project elected to use OCIP and in December 2017, Willis fully marketed the program for the MTA Board approved Base Contract Work of \$1,457,111,009.99, Completion Scope of \$270,608,499.00 and Garage Scope of \$85,449,409.26. The OCIP budget for this request only includes the hard construction costs of the Base Contract Work. This amount is estimated to be \$1.3 billion of the \$1.46 billion design-build contract.

Starr, the primary insurance carrier agreed to add the Project at a slightly reduced cost and to modify the policy terms to extend coverage for a six year period beginning January 1, 2018. The excess carriers declined to add the Project to the Capital Program OCIP but offered similar terms for a project specific policy. This resulted in a slight increase in rates. The builders risk carrier also increase its premiums due to project extending a full six year term. Railroad Protective extended coverage at similar rates and terms.

Coverage will be for the entire term of the Project, estimated to be six (6) years, and will be non-cancelable by the insurers except for non-payment of premium or non-compliance with serious safety recommendations. The OCIP primary coverage (Workers' Compensation/General Liability) will provide MTA and the contractors with limits of \$3 million per occurrence and \$6 million in the aggregate, subject to self-insured retentions of \$750,000 on the Workers' Compensation policy and \$1.5 million on the General Liability. Excess Liability will increase primary limits to \$100 million per occurrence and \$108 million in the aggregate.

MTA RIM expects the maximum aggregated premium, safety management and administrative cost for the Project to be approximately \$84.5 million, or just over 6.5% of total hard construction cost of Base Contract Work. The insurance premium for the primary Workers' Compensation and General Liability coverage is based on loss experience. Starr has capped self-insured losses at a maximum of approximately \$55.7 million subject to final audited payroll. Based upon actuarial analysis of prior OCIP program losses, MTA's Captive insurance company subsidiary, First Mutual Transportation Assurance Corporation (FMTAC) wrote a deductible reimbursement policy that limits the maximum loss exposure of the Project to approximately \$39 million, reducing the maximum cost of the program by \$16.7 million. As part of the insurance proposal from Starr, FMTAC will hold additional collateral of \$19.25 million to secure the insurance company against exposure to the self-insured layer of Workers' Compensation/General Liability claims. A loss fund of \$19.25 million will be established to pay losses and related claim costs within the self-insured retention.

The insurance programs are based upon rates and the carriers have all agreed to accept the addition of the Completion Scope and the Garage Scope within the six year program. The budget for OCIP insurance will need to increase at a rate of 6.5% of hard construction cost with any additional work orders including the award of these options.

### **IMPACT ON FUNDING:**

The Base Contract work is funded under the 2015-2019 Capital Plan.

### **ALTERNATIVES:**

The alternative would be to require the Design-Builder to carry their own Workers Compensation, General Liability, Excess Liability, and Railroad Protective Liability for their work. During the negotiation period with the Design-Builders, the option of Contractor provided insurance was explored. It was determined that the OCIP afforded greater protection to the MTA at a cost similar to if not less than Design-Builder provided coverage.

# Staff Summary

<b>Subject</b> Request for Authorization to Award Various Procurements
<b>Department</b> Executive
<b>Department Head Name</b> Phillip Eng
<b>Department Head Signature</b> 
<b>Division Head Name</b> Wael Hibri

<b>Date</b> January 11, 2018
<b>Vendor Name</b> Various
<b>Contract Number</b> Various
<b>Contract Manager Name</b> Various
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	1/22/2018	X		
2	Board	1/24/2018	X		

Internal Approvals				
Order	Approval	Order	Approval	
1	Procurement	3	CFD	
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:**

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule E: Miscellaneous Procurement Contracts	1	\$16,783,066
<b>SUBTOTAL</b>	<b>1</b>	<b>\$16,783,066</b>

**MTAHQ proposes to award Competitive procurements in the following categories:**

Schedules Requiring Majority Vote

Schedule E: Miscellaneous Procurement Contracts	1	\$ 4,795,879
Schedule F: Personal Services Contracts	15	\$ 4,389,000
Schedule H: Modification to Personal Service/Miscellaneous Service Contracts	1	\$ 12,136,076
<b>SUBTOTAL</b>	<b>17</b>	<b>\$ 21,320,955</b>

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

Schedule K: Ratification of Completed Procurement Actions	9	\$ 22,947,222
<b>TOTAL</b>	<b>27</b>	<b>\$ 61,051,243</b>

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

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

## BOARD RESOLUTION

### METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in the annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals and authorizes the solicitation of such proposals.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. The Board ratifies each action taken set forth in Schedule D for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

7. The Board authorizes the budget adjustments to estimated quantity contracts set forth in Schedule L.

**LIST OF PROCUREMENTS FOR BOARD APPROVAL, JANUARY 2018**  
**NON-COMPETITIVE PROCUREMENTS**

**METROPOLITAN TRANSPORTATION AUTHORITY**

*Procurements Requiring Majority Vote:*

**E. Miscellaneous Procurement Contracts**

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

- |    |   |  |                                      |
|----|---|--|--------------------------------------|
| 1. | <b>Kronos, Inc.</b><br><b>Provide, Deliver, Install and Maintain</b><br><b>Kronos Timekeeping System</b><br><b>Contract No. 90000000002396</b>  | <b>\$16,783,066</b><br>(not-to-exceed) | <b><u>Staff Summary Attached</u></b> |
|    | Non-competitive – 60 months<br>Board approval is sought to award an All-Agency, non-competitive, miscellaneous procurement contract to Kronos, Inc. (Kronos), for the continued maintenance of timekeeping hardware, software licenses, application and equipment upgrades, and professional services for MTA and its agencies on an as needed basis. The cost is deemed fair and reasonable. |  |                                      |

# Staff Summary

## Schedule E: Miscellaneous Procurement Contracts

Item Number:

<b>Vendor Name (&amp; Location):</b> Kronos, Inc., Chelmsford, MA
<b>Description:</b> Provide, Deliver, Install and Maintain Kronos Timekeeping System
<b>Contract Term (including Options, if any):</b> Three Years with two (2) one year options
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Procurement Type:</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
<b>Solicitation Type:</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

<b>Contract Number:</b> 900000000002396	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total Amount:</b>	<b>Not-to exceed</b> <b>\$16,783,066 (including options)</b>
<b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> MTA IT / Sidney Gellineau	
<b>Contract Manager:</b> Elissa I. Stewart	

### DISCUSSION:

Board approval is sought to award an All-Agency, non-competitive, miscellaneous procurement contract to Kronos, Inc. (Kronos), for the continued maintenance of timekeeping hardware, software licenses, application and equipment upgrades, and professional services for MTA and its agencies on an as needed basis.

In February 2007, the Board approved a multi-agency contract with Kronos for TBTA, Long Island Rail Road and New York City Transit / MTA Bus. Said contract was a ride of a NYS Office of General Services Contract. Metro North was added in 2008 and all five agencies still utilize Kronos software to manage time and leave details for approximately 26,000 employees combined. Due to the expiration of the NYS contract, a direct contract with Kronos is proposed in order to maintain continuity of services.

This new contract will provide for continued hardware and software acquisitions, as well as continued consulting services and training for the five MTA Agencies currently using Kronos. The contract will also provide for migration of participating agency systems to the Kronos Cloud environment and upgrades to the latest application versions, updates, patches, database management, application monitoring and disaster recovery.

The only alternative to the renewal of this contract with Kronos would be to change to a completely new timekeeping system. This would require all new hardware and software, as well as implementation, integration, employee training and disaster recovery services for the agencies. The costs for the aforementioned are estimated to be a minimum of \$17.5M in addition to the costs to provide, deliver and maintain a timekeeping system for 5 years. Changing systems would also require an extensive learning curve for departments at all agencies and considerable IT staff time and effort to bring it on line.

Negotiations resulted in a 30% discount off commercial list price for all software. These prices are 5% lower than current Federal GSA pricing and 10% lower than pricing under the now expired NYS Office of General Services (OGS) contract. A 26% discount has been negotiated off commercial list price for all Kronos hardware and these prices are 6% lower than GSA pricing and 11% lower than pricing on the expired NYS OGS contract. In addition, the discounts afforded the MTA for software and hardware in this contract are 8%-11% higher than the original award made to the MTA with Kronos 2007. Hourly rates for Kronos technical consulting services are 14% lower than GSA rates. Based on the foregoing, the cost is deemed fair and reasonable. A responsibility review was performed and no significant adverse information as defined in the All-Agency Responsibility Guidelines was found. Therefore Kronos is deemed to be responsible.

### IMPACT ON FUNDING

The work under this contract will be funded from the MTAHQ operating budget.

**LIST OF PROCUREMENTS FOR BOARD APPROVAL, JANUARY 2018**  
**COMPETITIVE PROCUREMENTS**

**METROPOLITAN TRANSPORTATION AUTHORITY**

*Procurements Requiring Majority Vote:*

**E. Miscellaneous Procurement Contracts**

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

2. **Ernst & Young LLC** **\$4,795,879** **Staff Summary Attached**  
**Governance, Risk and Compliance System (GRC)** (not-to-exceed)  
**Contract No.**  
Competitively Negotiated 3 proposal 48 months  
Approval is sought to award a competitively solicited All-Agency, miscellaneous procurement contract with Ernst & Young LLC to furnish, implement and maintain an Enterprise Governance, Risk and Compliance System (GRC). The new system will establish and maintain a system of internal controls and facilitate internal control reviews. All pricing, terms and conditions are considered fair and reasonable.



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

**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.)

17. **Palm Coast Data, LLC** **\$12,136,076** **Staff Summary Attached**  
**MetroCard Extended Sales Fulfillment Services** (not-to-exceed)  
**Contract No. 05F9218, S/A#7**

Base plus previous change orders = \$33,122,848

This modification will extend the contract with Palm Coast to continue to provide MetroCard extended sales fulfillment services for an additional three (3) years plus two one-year options. Traditionally fare media has been sold primarily within the NYC Transit subway system at station booths and MetroCard Vending Machines but, so as to provide a convenient alternative for customers, MetroCards are also distributed out-of-system through the MetroCard Extended Sales Merchant Network, which has been in operation since 1997. The Merchant Network is comprised of over 4,500 MetroCard Merchants (Merchants) located primarily throughout New York City, Long Island and Westchester. The program offers customers a convenient alternative means to purchase MetroCards, especially for those customers that only use NYC Transit buses and do not ordinarily use subway stations where most MetroCard vending machines are located. While the Board approved the award of a multi-year contract for a new fare payment system (NFPS) that will provide a state-of-the-art, integrated, reliable and convenient fare payment system, this extension is needed until the first quarter of 2023, when the MetroCard will be decommissioned. Approval for the full contract modification is being requested to ensure that adequate funding is available when the both MetroCard fulfillment and the NFPS run in parallel thereby avoiding any service disruptions. Procurement finds this price to be fair and reasonable.

# Staff Summary

## Schedule E: Miscellaneous Procurement Contracts

Item Number:

<b>Vendor Name (&amp; Location):</b> Ernst & Young LLC
<b>Description:</b> Governance, Risk and Compliance System (GRC)
<b>Contract Term (including Options, if any):</b> 4 Years
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type:</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

<b>Contract Numbers:</b> TBD	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total Amount:</b>	\$4,795,879.00
<b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> MTA Corporate Compliance Department/Lamond Kearse	
<b>Contract Manager:</b> Vipul A. Rana	

**PURPOSE:**

Approval is sought to award a competitively solicited All-Agency, miscellaneous procurement contract with Ernst & Young LLC to furnish, implement and maintain an Enterprise Governance, Risk and Compliance System (GRC). The new system will establish and maintain a system of internal controls and facilitate internal control reviews.

**DISCUSSION**

In 2004, the MTA Board adopted Corporate Governance Reforms based upon compliance with the Sarbanes-Oxley Act. MTA developed a Governance, Risk and Compliance (GRC) program which integrates an enterprise-wide approach to GRC. By housing a central repository of MTA risk assessments, policies, procedures and corrective action plans, the GRC system acts as a central hub for GRC activities across the entire MTA.

The MTA currently uses an aging version of Oracle's Governance Risk and Compliance software and it has been determined that the technology it's running on is obsolete. If not addressed, the software could eventually cease to work. As such, it became obvious that the MTA needed to issue an RFP to find a replacement product.

A comprehensive Request for Proposals ("RFP") was developed and advertised in the New York State Contract Reporter, the New York Post, the Daily Challenge and the MTA website. Three proposals were received and a Selection Committee comprised of each agency's Corporate Compliance representative, the Chief Compliance Officer and representatives from MTA IT met to review the proposals. The committee invited all three firms to give a demonstration and presentation. After the demonstration/presentations were complete, one of the firms was eliminated because the software they proposed did not meet the technical specifications. The two qualifying vendors (Ernst & Young LLC and Nexus Consortium) were invited to participate in further oral presentations and multiple rounds of review and negotiations.

The committee ultimately selected Ernst & Young LLC (E&Y) due to their ability to offer expertise in implementation and extensive knowledge of Corporate Compliance and Risk Management. The committee found that E&Y offered a particularly attractive support plan, a clear understanding of the objectives and offered creative and practical recommendations to ensure cost effective solutions. While E&Y's cost proposal was approximately 2.5% higher priced, Nexus Consortium only proposed to offer software and implementation services. E&Y is additionally providing audit services that support internal controls. These services were consistent with the requirements of the RFP and the committee found that they are well worth the additional cost.

As a result of negotiations, E&Y has reduced their profit margin from 8% to 7%, agreed to provide training at no additional cost, and secured the lowest pricing available for software and hosting from the OEM. The originally proposed price of \$ 4,916,075.00 for licenses, implementation and hosting was negotiated down to \$4,795,879.00 representing a savings of 2%. All pricing, terms and conditions are considered fair and reasonable.

In connection with a previous contract awarded to the Contractor, the Contractor was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel. No new SAI has been found relating to the Contractor and the Contractor has been found to be responsible.

The MTA Department of Diversity & Civil Rights assigned no participation requirements for this contract.

# Staff Summary

## Schedule F: Personal Service Contracts



Item Number:						<b>SUMMARY INFORMATION</b>	
Dept & Dept Head Name: Finance / Robert E. Foran						Vendor Name: BlackRock Financial Management	Contract Number: 16278
Division & Division Head Name: Risk and Insurance Management / Phyllis Rachmuth						Description: Investment Portfolio Manager for FMTAC	
Board Reviews						Total Amount: \$2,875,000 (not to exceed)	
Order	To	Date	Approval	Info	Other	Contract Term (including Options, if any): February 1, 2018 through January 31, 2023	
1	Finance	01/22/18	X			Option(s) Included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
2	Board	01/24/18	X			Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Internal Approvals						Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Order	Approval	Order	Approval	Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:			
1	Procurement <i>JCF</i>	4	DCCR <i>JCF</i>	Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:			
3	Risk & Ins. Mgmt. <i>PR</i>	6	CFO <i>PR</i>				

**Narrative**

**I. PURPOSE/RECOMMENDATION**

To obtain Board approval to award a competitively negotiated personal services contract to BlackRock Financial Management Inc. (BlackRock) to provide portfolio management services in connection with the assets held within the First Mutual Transportation Assurance Company (FMTAC), MTA's wholly owned captive insurance company. The proposed contract is for an initial term of three years beginning February 1, 2018 with two one-year extension options at MTA's sole discretion. The five (5) year contract is for a total not to exceed \$2,875,000.

**II. DISCUSSION**

FMTAC is regulated by New York State Department of Financial Services with respect to the amount of liquid assets that must be available to cover FMTAC liabilities. FMTAC's assets, which currently total approximately \$530 million, are separated into seven trust funds and its Investment Guidelines define the types of investments the Portfolio Manager can participate in for each fund. Project management anticipates the portfolio to grow to a value of \$700 million during the life of this contract.

MTA's current contract for portfolio management services expires on January 31, 2018. In order to continue these services, a Request for Proposals (RFP) was publicly advertised and notifications were emailed to 101 firms, including several M/WBE firms. Eight proposals were received. The Selection Committee included representatives of FMTAC, MTA Finance, Treasury, and the Comptroller and the following evaluation criteria were used: (a) experience in the management of captive insurance company portfolios; (b) the experience of the personnel assigned to the account in the management of captive insurance company portfolios; (c) responsiveness to the RFP and the firm's demonstration of a clear understanding of the different funding arrangements of FMTAC and its objectives and the constraints of the investment program, including the firm's ideas concerning investment vehicles or approaches to enhance performance while maintaining the objectives of the investment program; (d) the firm's sample reports; (e) cost; and (f) diversity practices.

Three firms failed to provide technical proposals that sufficiently addressed the evaluation criteria. The rest, including Aberdeen Standard Investments, BlackRock, Goldman Sachs Asset Management, L.P, Ramirez Asset Management Inc., and Wells Fargo Asset Management, were invited for oral presentations. Goldman Sachs and BlackRock were selected for negotiations because they demonstrated the strongest understanding of FMTAC's program structure and investment goals and because both have a wealth of experience supporting captive insurers.

The selection committee ultimately chose Blackrock, finding that its proposed staff has extensive experience managing portfolios with captive insurers and that their proposal offered an innovative and thorough approach to investments. BlackRock currently provides advisory and management services to the MTA for its Defined Benefits Pension Plan. Based on the projected portfolio value, BlackRock's final pricing is either lower or on par with the five vendors that were found to be technically qualified.

BlackRock first proposed a fee of 15 basis points for the first \$200 million of assets managed, 12 basis points for the next \$300 million and 9 basis points for the next \$500 million. Negotiations led to a BAFO of 8.5 basis points for the first \$300 million, 8 basis points for the next 400 million, and 7.5 basis points above \$700 million. The fees are fixed for the duration of the contract, inclusive of the option years. The negotiated annual fee for the projected portfolio value of \$700 million in the next three years is \$575,000, representing an annual cost savings of \$265,000 or 32% from the original proposal and a 15% reduction from the current contract. Utilizing the projected portfolio value, BlackRock's BAFO was equal to its competitor after negotiations. Based on the foregoing anticipated usage, the total five-year fee is an amount not to exceed \$2,875,000. Based on the foregoing, the total not-to-exceed cost of \$2,875,000 million is found to be fair and reasonable.

A financial responsibility review revealed no significant adverse information regarding the firm within the All-Agency Responsibility Guidelines.

### **III. D/M/WBE INFORMATION**

The MTA Department of Diversity and Civil Rights assigned zero (0%) MWBE goals to this contract as a result of the fiduciary responsibilities associated with managing six (6) trust funds which could not be subcontracted to another firm. BlackRock Financial Management Inc. has not completed any MTA contract with goals; therefore, no assessment of the firm's MWDBE performance can be determined at this time.

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

The total cost of the contract is \$2,875,000. It will be funded by FMTAC's general operating fund.

### **V. ALTERNATIVES**

1. Do not contract for a Portfolio Manager - This alternative is not recommended. Failure to provide this service would limit FMTAC in maximizing its investment returns.
2. Perform services in-house. This alternative is not feasible or cost effective. MTA does not have staff with specialized expertise for these services.

# Staff Summary



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

<b>Vendor Name (&amp; Location):</b> Palm Coast Data, LLC (Palm Coast, FL)	<b>Contract Number:</b> 05F9218	<b>AWO/Modification #</b> 7
<b>Description:</b> MetroCard extended sales fulfillment services	<b>Original Amount:</b>	\$ 13,567,242
<b>Contract Term (including Options, if any):</b> April 1, 2018- March 31, 2023	<b>Prior Modifications:</b>	\$ 18,696,697
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Prior Budgetary Increases:</b>	\$ 858,909
<b>Procurement Type:</b> <input type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Current Amount:</b>	\$ 33,122,848
<b>Solicitation Type:</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	<b>This Request:</b>	\$ 12,136,076 (Est.)
<b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	<b>% of This Request to Current Amount:</b>	36.6%
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Revenue Control / Alan Putre	<b>% of Modifications (including This Request) to Original Amount:</b>	233.6%

### DISCUSSION:

This modification will extend the contract with Palm Coast to continue to provide MetroCard extended sales fulfillment services for an additional three (3) years plus two one-year options from April 1, 2018 through March 31, 2023.

Traditionally fare media has been sold primarily within the NYC Transit subway system at station booths and MetroCard Vending Machines but, so as to provide a convenient alternative for customers, MetroCards are also distributed out-of-system through the MetroCard Extended Sales Merchant Network, which has been in operation since 1997. The Merchant Network is comprised of over 4,500 MetroCard Merchants (Merchants) located primarily throughout New York City, Long Island and Westchester. The program offers customers a convenient alternative means to purchase MetroCards, especially for those customers that only use NYC Transit buses and do not ordinarily use subway stations where most MetroCard vending machines are located.

A contract pursuant to a competitive Request for Proposal (RFP) was awarded to Kable in 2006 to provide MetroCard extended sales fulfillment services. Five proposals were received and two Proposers were short listed. The Selection Committee reviewed the Best and Final Offers, record of negotiations, and the price analysis. Kable was unanimously recommended for contract award. Kable, the lowest priced proposer, was considered superior because the firm's written proposal, oral presentation and database demonstration exhibited the best understanding of project goals as demonstrated by relevant experience and expertise in performing all aspects of fulfillment services. The contract was assigned from Kable News Company (Kable) to Palm Coast in 2007 per a request made by their parent company.

Palm Coast is responsible for accepting orders from network merchants and processing each order for shipment. Palm Coast is also responsible for providing secure warehousing, fulfillment, inventory management, payment processing and accounting services. Palm Coast picks up MetroCards from NYC Transit and ships them to merchants via armored trucks, Rapid Armored, a subcontractor to Palm Coast. Palm Coast processes, posts and reconciles payments from Merchants made by Automated Clearing House transactions, credit card, wire transfer, or by check through NYC Transit's current provider of cash management and deposit services, JP Morgan Chase. In 2016, over 60,000 secure deliveries were made of over 27 million MetroCards accounting for \$310 million in sales revenue for NYC Transit through this program.

While the Board approved the award of a multi-year contract for a new fare payment system (NFPS) that will provide a state-of-the-art, integrated, reliable and convenient fare payment system, this extension is needed until the first quarter of 2023, when the MetroCard will be decommissioned. During this period of time, Palm Coast will continue accepting orders from network merchants and processing each for shipment. These services will decrease as the Authority prepares for the NFPS. Similar services for extended sales will be provided under the NFPS contract, which goes into effect September 1, 2020. Any services not handled by the NFPS (smart card) will be handled by in-house forces as the MetroCards are phased out.

An RFP seeking a new vendor would be impractical both because of the procurement lead time associated with conducting an RFP and because it would take a new contract an estimated four months to ramp up upon award of a new contract. Additionally, it has been challenging to garner competition for this contract and the lack of competitors would be exacerbated by knowledge that there are no prospects for a successor contract; thus, one-time mobilization costs would not be offset by any prospective future business. Accordingly, Palm Coast was asked to provide pricing for three years plus two one year options. Each option year shows a decrease in services and an increase of MetroCard returns due to the roll out/implementation of NFPS. Palm Coast's initial proposal was \$14,751,305. After negotiations, Palm Coast was asked for a Best and Final Offer, which was \$12,136,076 or \$2,615,230 less than the initial proposal of \$14,751,305. With funds remaining in the contract worth over \$2.5 million; NYC Transit's estimated expenditure for this modification would be approximately \$9.6 million; however, approval for the full contract modification is being requested to ensure that adequate funding is available when the both MetroCard fulfillment and the NFPS run in parallel thereby avoiding any service disruptions. Procurement finds this price to be fair and reasonable.

A background search and review of documents submitted by Palm Coast and Rapid Armored disclosed no "significant adverse information" within the meaning of the All-Agency Responsibility Guidelines.

# Staff Summary

## Schedule F: Personal Service Contracts



Item Number:					
Dept & Dept Head Name: Chief Financial Officer/Bob Foran					
Division & Acting Division Head Name: Strategic Initiatives/Nora Ostrovskaya					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	Finance	1/22/18	X		
2	Board	1/24/18	X		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
1	Procurement	4	DDCR		
2	Strategic Initiatives	5	Legal		
3	Risk & Insurance Mgmt.	6	CFO		

<b>SUMMARY INFORMATION</b>	
Vendor Name: See Attachment A	Contract Number: 15304
Description: Insurance Linked Securities – Risk Financial Advisor and Panels for related service providers	
Total Amount: \$1,080,000 (Risk Financial Advisor only)	
Contract Term (including Options, if any): Three (3) years with two (2) one-year extensions	
Option(s) Included In Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Renewal – two (2) one-year renewals <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: [e.g., Ride - - Contract]	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

**Narrative**

**I. PURPOSE/RECOMMENDATION**

To obtain MTA Board authorization to (i) award a contract with Raymond James & Associates Inc. (“Raymond James”) to serve as an Insurance-Linked Securities (“ILS”) Risk Financial Advisor to the First Mutual Transportation Assurance Company (FMTAC) and the MTA, and (ii) to establish four panels of qualified firms, each of which will include firms eligible to serve in the roles of ILS Legal Counsel, ILS Initial Purchaser/Structuring Agent, ILS Risk Modeler and Provider of ILS Electronic Platform respectively. These panels will offer a ready list of firms pre-qualified to offer services in connection with future insurance/risk transfer capital markets-based transactions of FMTAC.

**II. BACKGROUND**

FMTAC obtained \$800 million in traditional catastrophic property reinsurance that included flood coverage in 2012. In 2013, due to market conditions, the amount of traditional reinsurance was reduced to \$500 million. On July 31, 2013, FMTAC entered into a reinsurance agreement with MetroCat Re Ltd., a Bermuda special purpose insurer formed to provide FMTAC, as the identified ceding insurer, with capital markets-based property reinsurance. Under the reinsurance agreement, FMTAC was able to obtain reinsurance coverage of \$200 million for storm surge caused damage for a three-year period ending July 30, 2016 through the sale of a Series 2013-1 Note. The reinsurance agreement with MetroCat Re Ltd. fully collateralized the reinsurance policy, addressing the concern of risk exposure caused by the reduced amount of traditional reinsurance.

In 2017, approximately a year after MetroCat Re Series 2013 matured, FMTAC entered into its second reinsurance agreement with MetroCat Re Ltd under which FMTAC obtained \$125 million for storm surge and earthquake-caused damage for a three-year period ending April 30, 2020. This agreement supplements the \$675 million of property reinsurance from the traditional property reinsurance market purchased for the 2017-2018 policy year, resulting in \$800 million in total coverage for 2017-2018.

FMTAC's current contract for risk financial advisor services will expire on January 31, 2018. In order to continue these services, a Request for Proposals was publicly advertised and notifications were emailed to 22 firms, including 1 MBE firm. In addition to the risk financial advisor, the RFP also included requirements to establish four panels of qualified firms to serve in the roles of ILS Legal Counsel, ILS Initial Purchaser/Structuring Agent, ILS Risk Modeler and Provider of ILS Electronic Platform respectively. One proposal was received for the ILS Risk Financial Advisor. Eleven proposals were received for the panels. Based on the outreach conducted for this solicitation, competition was adequate.

This staff summary seeks Board approval of the recommended risk financial advisor, as well as panels of qualified firms to perform in the following capacities: i) ILS Initial Purchaser/Structuring Agent, ii) ILS Legal Counsel, iii) ILS Risk Modeler and iv) Provider of ILS Electronic Platform. The duration of the contract and panels is three years, with two one-year extension options.

The ILS Risk Financial Advisor would provide expert advice on the timing, structure, and execution of any capital market-based risk transfer transactions conducted by MTA and FMTAC in coordination with the procurement and placement of traditional insurance and reinsurance, and would work as an advisor to FMTAC and MTA on an ongoing basis.

Multiple firms are recommended for ILS Initial Purchaser/Structuring Agent, ILS Legal Counsel, ILS Risk Modeling, and Provider of ILS Electronic Platform panels. Having multiple firms on these panels addresses two objectives: (1) it allows FMTAC to choose the transaction team based on a specific transaction structure which may vary significantly from one transaction to another based on market conditions; and (2) by providing opportunities to many qualified firms, FMTAC fosters competition both with regards to price, as well as with regards to quality of creative financing solutions. This practice is proven to be beneficial to the MTA in motivating and supporting not a single provider, but a pool of qualified vendors that provide meaningful coverage, each vendor from their own unique perspective, of complex market dynamics upon which FMTAC will be making future transaction structuring decisions. These firms would be eligible for engagement on a transaction specific basis, and would be responsible for structuring, marketing, modeling and legal review of all aspects of a specific insurance-linked securities transaction undertaken to provide reinsurance protection for FMTAC and the MTA agencies. A firm's inclusion on a panel is not a guarantee of work on any or all future transactions. Providers for specific transactions will be selected through a mini-bid process conducted amongst the approved vendors based on transaction structure determined by FMTAC. In such cases, a mini-RFP will be distributed to the approved vendors, soliciting their feedback regarding FMTAC-selected transaction structures as well as firm cost proposals. Said proposals will be evaluated by an evaluation committee consisting of representatives of Strategic Initiatives, Finance and Risk and Insurance Management Departments using criteria tailored to the particular contemplated transaction.

### III. DISCUSSION

1 proposal was received for the Risk Financial Advisor and 11 proposals were received for the panels (two of which proposed for two panels) as follows:

- ILS Risk Financial Advisor: Raymond James
- ILS Initial Purchaser/Structuring Agent: AON Securities, Inc. (“AON”), Citigroup Global Markets, Inc. (“Citigroup”), GC Securities, Goldman, Sachs & Co. (“Goldman Sachs”), Rewire Securities LLC (“Rewire”), and Swiss Re Capital Markets Corporation (“Swiss Re”)
- ILS Legal Counsel: Mayer Brown LLP (“Mayer Brown”) and Sidley Austin LLP (“Sidley”)
- ILS Risk Modeler: AIR Worldwide (“AIR”), EQECAT Inc. (“Eqecat”), and Risk Management Solutions (“RMS”)
- Provider of ILS Electronic Platform: GC Securities and Rewire Securities LLC (“Rewire”)

The selection committee consisted of representatives from MTA Headquarters Strategic Initiatives, Risk and Insurance Management, and the selection criteria included consideration of proposers' experience with ILS transactions generally as well as with ILS transactions conducted or sponsored by public entities. The evaluation criteria also included the composition of the proposed team that would provide services to MTA/FMTAC, experience with or knowledge of MTA and FMTAC, their insurance programs and risk management needs, the technical capabilities of the proposers and, for the ILS Advisor and Initial Purchaser/Structuring Agent proposers, the quality of financing and structuring ideas set forth in their proposals.

Raymond James' initial cost proposal provided an annual fee of \$275,000, an amount consistent with the expiring contract. Negotiations yielded the proposed lower annual fee of \$216,000, inclusive of all out-of-pocket expenses. The fee is fixed for the duration of the contract, inclusive of option years and represents a savings of 21.5% from both the original proposal and from the current competitively procured contract. Based on the foregoing, the total not to exceed cost of \$1,080,000 is found to be fair and reasonable.

The Selection Committee recommended the following awards by category:

*ILS Risk Financial Advisor:* Raymond James offered niche expertise as the only national securities consulting firm with a dedicated public entities/state sponsored risk management specialty group. Raymond James is widely recognized as the leading risk financing advisory firm.

*ILS Initial Purchaser/Structuring Agent Panel Selection:* All six of the proposers were recommended for award: AON, Citigroup, GC Securities, Goldman Sachs, Rewire, and Swiss Re. In all cases, the committee found that the proposers bring experience in structuring and marketing catastrophe bond transactions. In some cases, the proposers also have worked on substantial cat bond transactions that have been undertaken on behalf of public governmental entities.

*ILS Legal Counsel:* Both of the two proposers were recommended for award: Mayor Brown and Sidley. Both of these firms are recognized leaders in the ILS catastrophe bond legal specialty, offering the broadest experience in the field.

*ILS Risk Modeling:* AIR, EQECAT and RMS are recommended for the Risk Modeling panel. All are leading worldwide risk modelers utilized by the major insurance companies offering unique proprietary risk models for various perils. FMTAC and MTA are best served by having access to this diversity of expertise in risk modeling. Determination of the firm to model a specific transaction will be made on a combination of factors including the peril identified for a cat bond transaction and the associated fees.

*Provider of ILS Electronic Platform:* GC Securities and Rewire are recommended for the Provider of ILS Electronic Platform panel. Both firms demonstrated the ability to price traditional property reinsurance structures in capital markets via their respective electronic platforms.

A background search and review of the documents submitted by Raymond James & Associates, Inc., AON Securities, Inc., Citigroup Global Markets, Inc., GC Securities, Goldman, Sachs & Co., Rewire Securities LLC, Swiss Re Capital Markets Corporation, Mayer Brown LLP, Sidley Austin LLP, and Risk Management Solutions Inc. have disclosed no significant adverse information within the meaning of the All-Agency Responsibility Guidelines. In connection with the review of AIR Worldwide and EQECAT, Inc.'s responsibility pursuant to the All-Agency Responsibility Guidelines, AIR Worldwide and EQECAT, Inc. were found to be responsible notwithstanding significant adverse information and the award of the contract to each of these consultants is subject to the approval of each responsibility finding by the MTA Managing Director in consultation with the MTA Acting General Counsel.

#### **IV. D/M/WBE INFORMATION**

The MTA Department of Diversity and Civil Rights (DDCR) did not assign MWBE goals to this contracts due to the insufficient number of available MWBE firms in the ILS marketplace.

#### **V. IMPACT ON FUNDING**

The total cost of the Risk Financial Advisor contract is \$1,080,000 and will be funded by FMTAC's general operating fund. With respect to the panels, there will only be an impact on funding after FMTAC makes a decision to proceed with an ILS transaction, which is subject to Board approval, and then prices will be negotiated with the selected providers based on transaction structure.

#### **VI. ALTERNATIVES**

FMTAC and MTA could opt to not consider or pursue future Insurance-Linked Securities ("ILS") transactions sponsored by FMTAC. That alternative is undesirable, given the additional leverage that a capital markets transaction will provide to FMTAC's overall insurance portfolio construction on an annual basis.

## ATTACHMENT A

### RFP #15304 – ILS SERVICES PROVIDER RECOMMENDATION

Following individual panel members' review of the proposals, the Selection Committee met, and unanimously adopted the following recommendations:

#### **ILS Risk Financial Advisor**

- Raymond James & Associates, Inc.

#### **ILS Initial Purchaser/Structuring Agent Panel**

- AON Securities, Inc.
- Citigroup Global Markets, Inc.
- GC Securities
- Goldman, Sachs & Co.
- Rewire Securities LLC
- Swiss Re Capital Markets Corporation

#### **ILS Legal Counsel Panel**

- Mayer Brown LLP
- Sidley Austin LLP

#### **ILS Risk Modeler Panel**

- AIR Worldwide
- EQECAT Inc.
- Risk Management Solutions Inc. (“RMS”)

#### **Provider of ILS Electronic Platform Panel**

- GC Securities
- Rewire Securities LLC

**LIST OF PROCUREMENTS FOR BOARD APPROVAL, JANUARY 2018**  
**PROCUREMENTS FOR RATIFICATION**

**METROPOLITAN TRANSPORTATION AUTHORITY**

*Procurements Requiring Majority Vote:*

**K. Ratifications of Completed Procurement Actions (Involving Schedules E-J)**

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

18-27. Various	\$22,947,222	<i><u>Staff Summary Attached</u></i>
<b>Executive Order 168</b>		

This is a request that the Board ratify procurement actions awarded pursuant to Executive Order 168 (“E.O. 168”) and its extensions. The procurement actions listed in Attachment 1 were procured without a formal competitive process. In accordance with the emergency provisions in Article III(B)(1) of the All Agency General Contract Procurement Guidelines and Article III(C)(3) of the All Agency Service Contract Procurement Guidelines, the E.O. 168 procurement actions listed in Attachment 1 are being submitted to the Board for ratification. The total estimated value for the nine actions is \$22,947,222. All nine actions are for NYC Transit.

# Staff Summary

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

Item Number:

<b>Vendor Name (&amp; Location):</b> Various	<b>Contract Number:</b> Various	<b>Renewal?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Description:</b> Ratification of Executive Order 168 Actions		<b>Total Amount:</b> \$22,947,222
<b>Contract Term (including Options, if any):</b> Various		<b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Chief Operating Officer, Phillip Eng
<b>Procurement Type:</b> <input type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive <input checked="" type="checkbox"/> Various		<b>Contract Manager:</b> Chief Procurement Officer, David N. Ross
<b>Solicitation Type:</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Various		

**PURPOSE:**

This is a request that the Board ratify procurement actions awarded pursuant to Executive Order 168 (“E.O. 168”) and its extensions.

**DISCUSSION:**

On June 29, 2017, Governor Andrew M. Cuomo issued Executive Order No. 168, in which he declared a disaster emergency as a result of continued failures of tracks, signals, switches and other transportation infrastructure on MTA rail and subway systems and resulting outages, derailments, and service disruptions that have had a deleterious effect on MTA customers and the regional and New York State economy. The Governor declared that significant and immediate action must be taken to assist in the repair of such transportation infrastructure, and in remediation of track outages and service disruptions. E.O. 168, as extended, provides for the temporary suspension of statutory provisions and any implementing rules, regulations and guidelines for purposes of awarding any contracts, leases, licenses, permits or other written agreements to mitigate the disaster emergency.

Since time is of the essence in addressing the disaster emergency, the procurement actions listed in Attachment 1 were procured without a formal competitive process. In accordance with the emergency provisions in Article III(B)(1) of the All Agency General Contract Procurement Guidelines and Article III(C)(3) of the All Agency Service Contract Procurement Guidelines, the E.O. 168 procurement actions listed in Attachment 1 are being submitted to the Board for ratification. The total estimated value for the nine actions is \$22,947,222. Nine actions are for NYC Transit. Seven of the nine actions were conducted using informal competition.

Pricing for all nine actions was found to be fair and reasonable.

**Attachment 1**  
**Executive Order 168 Procurement Actions**

<u>Award Date</u>	<u>Contract #</u>	<u>Description</u>	<u>Contractor</u>	<u>Solicitation Method</u>	<u>Value</u>
12/8/2017	NYCTA 19578	Repairs and Fabrication of Mechanical Components of Elevators & Escalators	Tool & Precision Machining, Inc.	Informal Competition	\$1,983,400
12/15/2017	NYCTA 19640	Purchase of Event Recorders for Signals Division	Industrial Controls Distributors LLC	Informal Competition	\$296,861
11/29/2017	NYCTA SSE # 186797	Maintenance of Mobile Wash Units	General Repair Service of NY Inc.	Informal Competition	\$2,505,757
12/20/2017	NYCTA 19655	Remanufacture of HVAC Compressor Motors for R46-R68A Subway Cars	Walco Electric Company	Informal Competition	\$1,937,520
12/20/2017	NYCTA 19658	Remanufacture of HVAC Compressor Motors for R46-R68A Subway Cars	Sherwood Electromotion, Inc.	Informal Competition	\$1,584,000
12/18/2017	NYCTA 19603	Furnish and Install Replacement Glass Panels and Anti-Graffiti Film for NYCT Owned Elevators	Dependable Glass & Mirror Corp	Informal Competition	\$575,450
11/21/2017	NYCTA 19470	Maintenance and Repair of 18 Elevators at 5 Stations in Washington Heights	Slade Industries, Inc.	Informal Competition	\$12,284,815
12/19/2017	NYCTA B40660-2	Technical Changes on up to 139 Low Floor 60-foot Articulated Buses	New Flyer of America, Inc.	Change Order	\$1,449,000
12/1/2017	NYCTA 18828	Consulting Services for NYC Transit Subway Service Communications Initiative to Improve Subway Communications	Daniel J. Edelman, Inc.	Change Order	\$330,419
				Total	\$22,947,222

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

**JANUARY 2018**  
**MTA REAL ESTATE**  
**LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL**

**MTA CAPITAL CONSTRUCTION**

Lease Modification and Extension Agreement with 29-76 Realty Co., LIC for Eastside Access Continued Occupancy of Field Offices at 29-76 Northern Boulevard, LIC, Queens

**MTA METRO NORTH RAILROAD**

Exchange of property rights along the Hudson Line Right of Way in Tarrytown, New York with Tarrytown Self Storage, LLC

**MTA LONG ISLAND RAIL ROAD**

License agreement with TRITEC Real Estate Company, Inc., for use of vacant LIRR land at Ronkonkoma Station for construction staging related to the Ronkonkoma HUB Transit Oriented Development Project

# Staff Summary

<b>Subject</b> <b>LEASE RENEWAL FOR MTACC Boulevard</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JOHN N. LIEBER</b>
<b>Department Head Signature</b> 
<b>Project Manager Name</b> <b>Andrew D. Greenberg</b>

<b>Date</b> <b>JANUARY 22, 2018</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/22/18	X		
2	Board	1/24/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 		
2	Chief Development Officer 		
3	Chief Financial Officer 		

AGENCY: MTA Capital Construction Company ("MTACC")

LANDLORD: 29-76 Realty Company

LOCATION: 29-76 Northern Boulevard, Long Island City, NY (the "Building")

ACTIVITY: Lease Renewal (currently scheduled to expire 10/31/18)

ACTION REQUESTED: Approval of terms

COMMENCEMENT: November 1, 2018

TERM: Seven years commencing on 11/1/18 (the "Commencement Date") and expiring October 31, 2025.

TERMINATION: Provided that the Tenant gives to Landlord not less than 12 months' prior written notice, Tenant has the right to terminate the lease effective on the last day of second lease year or the last day of any lease year thereafter during the renewal term.

SPACE: Entire 5<sup>th</sup> floor consisting of 41,589 rentable square feet.

COMPENSATION:

<u>Lease Year</u>	<u>Annual Rent</u>	<u>Rent per sq. ft.</u>
11/1/18-10/31/19	\$1,245,174.66	\$29.94
11/1/19-10/31/20	\$1,282,529.90	\$30.84
11/1/20-10/31/21	\$1,321,005.80	\$31.76
11/1/21-10/31/22	\$1,360,635.97	\$32.72
11/1/22-10/31/23	\$1,401,455.05	\$33.70
11/1/23-10/31/24	\$1,443,498.70	\$34.71
11/1/24-10/31/25	\$1,486,803.66	\$35.75

REAL PROPERTY TAXES: Tenant to continue to pay its proportionate share of increases in real estate taxes based on fiscal year 2008/09.

ELECTRICITY AND GAS: Directly metered to the public utility.

PARKING: Subject to availability, Tenant to continue to receive up to a maximum of 2 parking spaces at a cost of \$110 per month.

# Staff Summary

## FINANCE COMMITTEE MEETING LEASE RENEWAL FOR MTACC.(Cont'd)

Page 2 of 2

**CLEANING:** Landlord will continue to provide cleaning to common areas and within the premises at its cost and expense in accordance with existing cleaning.

**REPAIRS AND MAINTENANCE:** Landlord will maintain and repair all structural and external building elements including roof, windows, plumbing, electrical, and HVAC.

**RENEWAL OPTION:** None

**SECURITY:** None

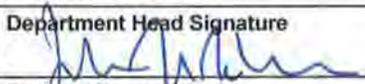
### COMMENTS:

The MTACC Eastside Access Queens area offices, a 24 hour operation, support the construction management teams responsible for Queens and Manhattan. A total of 219 employees, including LIRR force account support team members, occupy the premises. This office serves as the central construction management hub for Eastside Access and is logistically ideal for supporting railroad forces by providing direct access to the Harold Interlocking and Manhattan tunnels.

MTA Real Estate reviewed existing MTA owned and leased sites and determined that there is no other facility within the MTA portfolio suitable for these purposes. Additionally, Cushman & Wakefield, Inc. and JRT Realty, the MTA's tenant representative brokers, surveyed the real estate market and failed to identify any other suitable available sites. Remaining at this location is also the most cost-effective option because it avoids the substantial moving and fit-out costs that would be involved in relocating to another location.

Based on the foregoing, MTA Real Estate requests authorization for MTACC to enter into a renewal of the existing lease with the Landlord at 29-76 Northern Blvd. on the above described terms and conditions.

# Staff Summary

Subject <b>EASEMENT AND LONG-TERM LICENSE AGREEMENTS</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JOHN N. LIEBER</b>
Department Head Signature 
Project Manager Name <b>ALICIA BIGGS</b>

Date <b>JANUARY 22, 2018</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/22/18	X		
2	Board	1/24/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 		
2	Chief Development Officer 		
3	Chief Financial Officer 		

AGENCY: MTA Metro-North Railroad ("Metro-North") and Metropolitan Transportation Authority ("MTA")

GRANTOR/LICENSEE: Tarrytown Self Storage, LLC

LOCATION: Hudson Line Right of Way at 160 Wildey Street, Tarrytown, New York

ACTIVITY: Exchange of Property Rights

ACTION REQUESTED: Approval of License and Easement Agreements

TERM: Licenses - 257 years, to expire February 26, 2274  
Easement - Perpetual

- PARCELS:
- 1) Tarrytown Self Storage Property - 1,000 sf Railroad Encroachment Area (Tarrytown Self Storage will grant an easement to Metro-North for this area)
  - 2) Metro-North Property - 177 sf Building Encroachment Area (Metro-North will grant an exclusive license to Tarrytown Self Storage for this area)
  - 3) Metro-North Property - 1,000 sf Landscaping Encroachment Area (Metro-North will grant an exclusive license to Tarrytown Self Storage for this area)

- COMPENSATION:
- 1) Railroad Encroachment Area - \$10,000 to be paid by Metro-North to Tarrytown Self Storage
  - 2) Building Encroachment Area- \$2,300 to be paid by Tarrytown Self Storage to Metro-North
  - 3) Landscaping Encroachment Area - \$10,000 to be paid by Tarrytown Self Storage to Metro-North

# Staff Summary

## FINANCE COMMITTEE MEETING EASEMENT AND LONG-TERM LICENSE AGREEMENTS (Cont'd.)

### COMMENTS:

Tarrytown Self Storage, LLC (TSS) operates a facility adjacent to the outbound right of way of the Metro-North Hudson Line in Tarrytown, New York. The facility has been encroaching on the Metro-North right-of-way in two separate areas, to wit: approximately 1,000 sf with landscaping and a portion of parking spaces (the "Landscaping Encroachment Area") and an additional 177 sf where an exterior fire stairway, attached to TSS's building, encroaches (the "Building Encroachment Area"). Similarly, a survey revealed that Metro-North's railroad fence encroaches on approximately 1,000 sf of TSS's property (the "Railroad Encroachment Area") that MTA/Metro-North uses and requires as part of the train operating envelope.

The Building Encroachment Area and the Landscaping Encroachment Area along the outbound right of way of Metro-North's Hudson Line in Tarrytown, New York, is part of the premises which is leased to MTA under a long-term lease with Midtown Trackage Ventures LLC, successor-in-interest to American Premier Underwriters, Inc. and Owasco River Railway, which was amended and restated as of April 8, 1994 (the "Harlem-Hudson Lease"). Accordingly, the License Agreement will be entered into by both MTA and Metro-North as the operating agency designated with responsibility for the same.

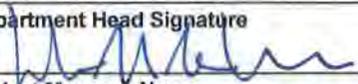
MTA, Metro-North and TSS wish to enter into mutually beneficial agreements to formalize the use of each other's property as such use now exists. TSS has agreed to grant a permanent exclusive easement to MTA for the Railroad Encroachment Area. In return, MTA and Metro-North will grant exclusive license rights for the term of the Harlem-Hudson Lease to TSS, its successors and assigns, for the Building Encroachment Area and Landscaping Encroachment Area.

An independent appraisal obtained by MTA Real Estate determined that the aggregate value of the Building Encroachment Area and Landscaping Encroachment Area being licensed on a long-term basis to TSS is \$12,300 while the value of the permanent exclusive easement in the Railroad Encroachment Area being acquired by MTA is \$10,000. The License Agreement is being entered into in conjunction with and as a condition to the execution and delivery of the Easement Agreement and TSS will pay to MTA the net consideration of \$2,300 at closing.

Entering into the License Agreement via direct negotiation complies with New York Public Authorities Law §§2895-2897 (the "PAAA") because the fair market value is less than \$15,000. In addition, the parcels are landlocked such that no other property owner would benefit from its use and an RFP would not generate any competition. An explanatory statement meeting the requirements of Public Authorities Law §2897(6)(d)(i)(D) and (ii) must be prepared and submitted at least 90 days prior to the disposition and this authorization is conditioned upon the same occurring.

Based on the foregoing, MTA Real Estate requests authorization for MTA and Metro-North, as applicable, to enter into an Easement Agreement and a License Agreement with Tarrytown Self Storage, LLC upon the above described terms and conditions.

# Staff Summary

Subject <b>GRANT OF LICENSE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JOHN N. LIEBER</b>
Department Head Signature 
Project Manager Name <b>JOHN COYNE</b>

Date <b>JANUARY 22, 2018</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/22/18	X		
2	Board	1/24/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 		
2	Chief Development Officer 		
3	Chief Financial Officer 		

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

**LICENSEE:** 1 Mill Road Apartments Investors RHPI, LLC, a subsidiary of TRITEC Real Estate Company, Inc. ("TRITEC")

**LOCATION:** Vacant LIRR land located on the northeast corner of Ronkonkoma Station, part of District 0200, Section, 800, Block 1, Lot 38, Town of Brookhaven, County of Suffolk (the "Subject Property")

**ACTIVITY:** License of vacant property to adjoining landowner for temporary staging of construction activity

**ACTION REQUESTED:** Approval of Terms

**TERM:** 12 months, terminable by LIRR at will on 60 days' notice

**SPACE:** Approximately 4,650 square feet

**COMPENSATION:** Annual license fee of \$2.00 psf/\$9,300 (i.e., \$775.00 per month)

**COMMENTS:**

In June, 2014, the Town of Brookhaven approved a multi-phase transit oriented development project at the Ronkonkoma Station and designated TRITEC as master developer. The first phase of this project will occur on private property to the northeast of Ronkonkoma Station, adjacent to the Subject Property. As part of this development project TRITEC has requested to license the Subject Property for use as a staging area while it constructs the foundation of its project on the adjacent property.

As compensation TRITEC has agreed to pay an annual license fee of \$2.00 per square foot (\$9,300) payable in monthly installments of \$775 for the 12 months it requires use of the Subject Property, which is consistent with the fair market rental value as determined by MTA Real Estate's independent appraisal.

The license is being entered into pursuant to the MTA Policies and Procedures for the Licensing of Real Property, which do not require an RFP where the fair market rental value is less than \$10.00 per square foot.

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

<b>Subject</b> Tariff Revision: Transfers Due to Service Disruptions
<b>Department</b> Office of Management & Budget
<b>Department Head Name</b> Aaron Stern
<b>Department Head Signature</b> 
<b>Project Manager Name</b> Robert Hickey

<b>Date</b> January 8, 2018
<b>Vendor Name</b> NA
<b>Contract Number</b> NA
<b>Contract Manager Name</b> NA
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	President		X		
2	Board		X		

Internal Approvals			
Order	Approval	Order	Approval
9	President	4	VP General Counsel
8	Executive V-P	3	VP GCR
7	CFO	2	Chief OP
		1	Director OMB
6	SVP Subways		
5	SVP Buses		

**Purpose**

To obtain Board approval of the annexed resolution authorizing tariff changes to allow: (1) bus operators to issue up to two paper transfers in response to planned or unplanned service diversions; and (2) allow subway station staff to issue up to two General Order Transfers during planned General Order service disruptions.

**Discussion**

In December 2017, the MTA Chairman announced that the MTA would take immediate steps to expand the free transfer policy to ensure that subway and bus customers who have paid for a trip with a MetroCard can complete their trip for a single fare during major disruptions in service, whether those changes are planned or unplanned.

Current NYCT practice to address service disruptions reflect existing Tariff provisions:

- Subway staff are authorized to issue up to two Block Tickets to customers who experience an unplanned subway service disruption. Block tickets are valid for transfer to any subway line or bus route and are valid for 48 hours after issuance.
- One General Order Transfer per customer can be issued to customers who experience a planned service disruption and are valid for transfer to authorized subway lines or bus routes during the General Order service disruption.
- Bus Operators are authorized to issue one paper transfer for customers to transfer to the next available bus operating in the same service path and direction due to a breakdown or unscheduled short-turn.

While not listed in the Tariff, temporary subway-to-subway walking transfers are programmed into the MetroCard transfer tables where applicable when certain long-term construction projects are undertaken.

While existing policy covers most customers affected by service disruptions, the policy does not address instances where bus customers cannot continue in the same direction on the same service path during planned or unplanned service disruptions, and must use more than one alternative bus route to reach their intended

destination. Similarly, there may be instances when subway passengers must use more than one alternate subway line or bus route during planned General Order disruptions. Therefore it is proposed that the tariff be revised to allow bus operators to issue up to two paper transfers during service disruptions that prevent customers from continuing on the same service path, and allow subway staff to issue up to two (instead of the current one) General Order transfers during planned service disruptions. Copies of the proposed revised tariff pages are annexed to this staff summary.

**Recommendation**

It is recommended that the MTA Board adopt the annexed resolution approving the proposed tariff change effective February 1, 2018.

**Alternatives**

Continue existing transfer policy. The current policy would not ensure that all subway and bus customers who have paid for a trip with a MetroCard but then experience a service disruption can be provided sufficient transfers or tickets to complete their trip without paying an additional fare.

**Impact on Funding**

No significant revenue change is expected.

Approved:

  
\_\_\_\_\_  
Andy Byford  
President

## **RESOLUTION**

WHEREAS, the Chairman has recommended that the MTA Board approve a Tariff change to allow bus operators to issue up to two paper transfers during service disruptions that prevent customers from continuing on the same service path, and to allow subway staff to issue up to two General Order transfers during planned service disruptions;

WHEREAS, the annexed Staff Summary contains modified Tariff pages prepared by the Office of Management and Budget to effect the recommended changes to the Authority's Tariff to expand the transfer policy for service disruptions;

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

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

II. REGULAR FARE SERVICES  
(continued)

D. Transfers (continued)

(1) Regular and reduced fare passengers paying the Westchester Bus local bus fare with coin (cash fare plus appropriate transfer fare), or with a valid Single Ride Ticket, or with a combination of value-based MetroCard then coin, are entitled to a free transfer to any NYCTA/MaBSTOA/MTABC local bus route with an electronic paper transfer, if the transfer is requested at the time the fare is paid and is dipped to enter the NYCTA/MaBSTOA/MTABC bus within two hours of the time of issue. A transfer may only be used by the passenger to whom it was issued.

b. Westchester Bus/NYCTA Subway or SIRTOA Transfers.

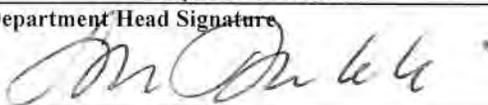
Regular and reduced fare passengers using value-based MetroCards are entitled to transfer free from any Westchester Bus route to any NYCTA subway line or SIRTOA train, provided the transfer is taken within two hours of the initial fare deduction.

10. Local Bus Transfer-on-Transfer Privileges. Passengers dipping proper transfers from designated bus routes at designated locations are entitled to receive second transfers (see Appendix II).
12. Transfers Due to Subway Service Disruptions. Regular and reduced fare passengers are entitled to transfer to another subway line or local bus route due to a service disruption with proper Block Ticket or General Order Transfer, as follows:
- a. At the discretion of Station management/supervision, up to two Block Tickets per passenger are issued during unplanned subway service disruptions and are valid for transfer to any subway line or local bus route. Block Tickets are valid up to 48 hours after issuance. No additional transfers are issued to passengers presenting block tickets when boarding buses.
- b. Up to two General Order Transfers per passenger are issued during planned General Order service disruptions and are only valid for transfer to authorized subway and/or bus route(s) during the General Order service disruption. General Order Transfers are valid until the time indicated, on the date of issue.
13. Transfers Due to Bus Breakdowns or Unscheduled Short-turns. Regular and reduced fare bus passengers are entitled to transfer to the next available bus operating in the same service path and direction as the original vehicle due to a breakdown or unscheduled short-turn with an electronic Continuation Ticket issued by the bus operator of the original vehicle at the point where the scheduled trip is interrupted. A continuation ticket is valid for 30 minutes from the time issued.

14 Transfers Due to Planned or Unplanned Bus Service Disruptions. Regular and reduced fare bus passengers are entitled to up to two electronic paper transfers valid on any other NYCT/MaBSTOA/MTABC local bus route when customers cannot complete their trip on the same service path and direction due to planned or unplanned service disruptions. Both electronic paper transfers are issued by the operator of the original vehicle after it is determined that customers cannot complete their trip. Electronic paper transfers are valid for two hours from the time the transfer is issued and are not valid for a transfer to the route initially boarded.

## PROCUREMENTS

The Procurement Agenda this month includes 16 actions for a proposed expenditure of \$1,701.5M.

<b>Subject</b> Request for Authorization to Award Various Procurements					
<b>Department</b> Materiel – NYCT					
<b>Department Head Name</b> Stephen M. Plochochi					
<b>Department Head Signature</b> 					
<b>Project Manager Name</b> Rose Davis					
<b>Board Action</b>					
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>
1	Committee	1/22/18			
2	Board	1/24/18			

January 18, 2018			
<b>Department</b> Law and Procurement – MTACC			
<b>Department Head Name</b> Evan Eisland			
<b>Department Head Signature</b>			
<b>Internal Approvals</b>			
	<b>Approval</b>		<b>Approval</b>
	President NYCT		President MTACC
	Executive VP		President MTA Bus
X	Capital Prog. Management	X	Subways
	Law	X	Diversity/Civil Rights

<b>Internal Approvals (cont.)</b>							
<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>

**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 Noncompetitive procurements in the following categories: NONE

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

MTA Bus Company proposes to award Noncompetitive 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 C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	3	\$ 1,658.0 M
<u>Schedules Requiring Majority Vote:</u>		
Schedule F: Personal Service Contracts	1	\$ 1.6 M
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	12	\$ 41.9 M
SUBTOTAL	16	\$ 1,701.5 M
TOTAL	16	\$ 1,701.5 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 Bus Company proposes to award Ratifications in the following categories: NONE**

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

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

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

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

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

## **BOARD RESOLUTION**

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

**WHEREAS**, in accordance with the All-Agency Service Contract Procurement Guidelines and General Contract Procurement Guidelines the Board authorizes the award of certain noncompetitive 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 Service Contract Procurement Guidelines, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein, and ratifies each action for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: (i) the miscellaneous procurement contracts set forth in Schedule E; (ii) the personal service contracts set forth in Schedule F; (iii) the miscellaneous service contracts set forth in Schedule G; (iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; (v) the contract modifications to purchase and public work contracts set forth in Schedule I; and (vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.

**JANUARY 2018**

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**Procurements Requiring Two-Thirds Vote:**

**C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)**  
(Staff Summaries required for items requiring Board approval.)

- |  |                               |   |
|--|-------------------------------|---|
| <p><b>1. Kawasaki Rail Car, Inc.</b><br/> <b>Two Proposals – 10-year contract</b><br/> <b>Contract# R34211</b></p>   | <p><b>\$1,444,997,948</b></p> | <p><b><u>Staff Summary Attached</u></b></p> |
| <p>Purchase of 440 new closed-end subway cars and 20 Open Gangway subway cars for the “B” Division, 75 cars for Staten Island Railway</p>  |                               |   |
| <p><b>2. Judlau Contracting, Inc.</b><br/> <b>Three Proposals – 11-month contract</b><br/> <b>Contract# A-36622D</b></p>   | <p><b>\$124,949,000</b></p>   | <p><b><u>Staff Summary Attached</u></b></p> |
| <p>Package 4 of the Enhanced Station Initiative for the design and construction of improvements at 23rd and 57th streets (6th Avenue IND), 28th Street (Lexington Avenue IRT), 34th Street – Penn Station (7th Avenue IRT), and 34th Street – Penn Station (8th Avenue IND) in the borough of Manhattan.</p> |                               |   |
| <p><b>3. Citnalta-Forte, JV</b><br/> <b>Four Proposals – 11-month contract</b><br/> <b>Contract# A-36622E</b></p>  | <p><b>\$87,987,000</b></p>    | <p><b><u>Staff Summary Attached</u></b></p> |
| <p>Package 8 of the Enhanced Station Initiative for the design and construction of improvements at 174–175th Street (Concourse IND) and 167th Street (Concourse IND) stations in the borough of the Bronx, and 145th Street Station (Lenox Avenue IRT) in the borough of Manhattan.</p>                      |                               |   |

**Procurements Requiring Majority Vote:**

**F. Personal Service Contracts**

(Staff Summaries required for all items greater than: \$100K Sole Source; \$750K Other Noncompetitive; \$1M Competitive.)

- |   |                           |   |
|---|---------------------------|---|
| <p><b>4. Sam Schwartz Engineering</b><br/> <b>Two Proposals – 60-month contract</b><br/> <b>RFP# 155263</b></p>                                 | <p><b>\$1,641,842</b></p> | <p><b><u>Staff Summary Attached</u></b></p> |
| <p>Technical consulting services pertaining to expert traffic engineering services for NYC Transit Department of Buses and MTA Bus Company.</p> |                           |   |

**JANUARY 2018**

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**Procurements Requiring Majority Vote cont.:**

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

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

- |   |                            |   |
|---|----------------------------|---|
| <p><b>5. HNTB New York Engineering and Architecture, P.C.</b><br/> <b>Contract# CM-1059.2</b></p> | <p><b>\$12,389,621</b></p> | <p><b><u>Staff Summary Attached</u></b></p> |
|---|----------------------------|---|

Modification to the contract for Consultant Construction Management Services for the Enhanced Station Initiative (Design and Renovation of Multiple Stations in the boroughs of Brooklyn, Queens, Manhattan, the Bronx, and Staten Island); in order to exercise options for Package 8 (Design and construction of improvements at the 174–175th Street (Concourse IND) and 167th Street (Concourse IND) stations in the Bronx and the 145th Street Station (Lenox Avenue IRT) in Manhattan) and Package 9 (Richmond Valley Station on the Staten Island Railway).

- |   |                           |   |
|---|---------------------------|---|
| <p><b>6. CH2M HILL New York, Inc.</b><br/> <b>Contract# A-86071.5</b></p> | <p><b>\$9,528,245</b></p> | <p><b><u>Staff Summary Attached</u></b></p> |
|---|---------------------------|---|

Modification to the contract for consulting services to support the MTA New Fare Payment System; in order to add funding and extend the contract to provide continued consultant support during design reviews and the phased implementation of the New Fare Payment System.

- |   |  |   |
|---|--|---|
| <p><b>HEPCO, Inc.</b><br/> <b>PEAK Technical Staffing USA</b><br/> <b>Rotator Staffing Services, Inc.</b><br/> <b>Metro Tech Consultant Services, Inc.</b><br/> <b>L.J. Gonzer Associates</b></p> | <p><b>\$20,000,000 (Aggregate)</b></p> | <p><b><u>Staff Summary Attached</u></b><br/> ↓<br/> ↓<br/> ↓<br/> ↓</p> |
|---|--|---|

- 7–16. Contracts CM-1413/14/15/16/17.3 (Federally Funded)**  
**Contracts CM-1418/19/20/21/22.3 (State Funded)**

Modification to the contracts for Professional and Technical Staffing Consultant services for Capital Projects; in order to adding funding and extend the contract term to provide for continued professional and technical staffing.

<b>Item Number 1</b>			
<b>Department &amp; Department Head Name:</b> SVP Operations Support, Stephen M. Plochochi			
<b>Internal Approvals</b>			
Order	Approval	Date	Approval
1	Materiel	6	EVP
2 X	Law	7	President
3 X	Budget	8	
4 X	Subways	9	
5 X	DDCR	10	

<b>SUMMARY INFORMATION</b>	
<b>Vendor Name</b> Kawasaki Rail Car, Inc.	<b>Contract No.</b> R34211
<b>Description:</b> 440 new closed end subway cars and 20 Open Gangway subway cars for the "B" Division, 75 cars for Staten Island.	
<b>Total Amount</b> \$1,444,997,948	
<b>Contract Term (including Options, if any)</b> January 2018 to November 2027	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

**PURPOSE:** To obtain Board approval for NYC Transit to award contract R34211 to Kawasaki Rail Car, Inc. (Kawasaki) to design, furnish and deliver 535 subway cars, comprised of 440 new closed end cars and 20 Open Gangway (OG) cars for the "B" Division, 75 cars for Staten Island and related non-car items such as spare parts, special tools, diagnostic test equipment, technical documentation and training. The contract will include two options, one for 640 cars and a second for 333 or 437 cars to be exercised at a later date for which subsequent Board approval will be sought.

**DISCUSSION:** The MTA 2015 – 2019 Capital Program includes funding for the purchase of 535 subway cars comprising a base award of 460 cars for the "B" Division, and 75 cars for the Staten Island Railway (SIR). Based on the technical qualifications and favorable technical proposal and pricing, NYC Transit recommends award of a contract to Kawasaki for the 535 subway cars in the amount of \$1,444,997,948.

The March 2016 Board authorized the use of a competitive Request for Proposal (RFP) for the procurement of subway cars for NYC Transit and SIR. In July 2016, NYC Transit issued an RFP which invited carbuilders to submit proposals for an award of 285 cars (10 OG test cars, 75 SIR and 200 new closed end cars) with two contractual options, one for 740 cars and a second for a range of 280 to 520 cars. NYC Transit requested that the proposers provide the most aggressive yet achievable delivery schedule to ensure an accelerated delivery. In compliance with Public Authorities Law § 1209, the RFP was advertised in the New York State Contract Reporter and the New York Post, and was also placed on the MTA website as well as in industry trade magazines. NYC Transit conducted an extensive, world-wide industry outreach to all major car builders and sub system suppliers to ensure maximum participation and competition.

On December 15, 2016 initial price and technical proposals were received from Kawasaki and the R211 Partners, a contractual joint venture between Bombardier Transit Corporation and CRRC MA. The RFP required option pricing for both OG and new closed end cars. The technical proposals were evaluated by the Selection Committee (SC) in accordance with the advertised evaluation criteria. These included technical features of the proposal; proposer/supplier/subcontract experience (including past delivery performance); demonstrated capability (including proposed delivery schedule), facilities and personnel; evaluation of major subsystems; system integration experience; management approach; system support; quality assurance and the U.S. Employment Plan (USEP).

Both proposers were invited for oral presentations, which were conducted in February 2017. Upon completion of the Oral Presentations, the SC evaluated the two proposers, based upon the oral presentations, the written proposals and exceptions to the contract terms and conditions. Each of the proposers' price proposals were then shared with the SC. Both initial price proposals were lower than the independent cost estimate formulated by NYC Transit's engineering consultant. After a thorough and detailed evaluation the SC unanimously determined that Kawasaki was the technically superior proposer and that Kawasaki was the most technically qualified to perform the work because its proposal met, and in some areas, exceeded NYC Transit's requirements.

In contrast, the SC unanimously determined that the R211 Partners' proposal did not meet the minimum requirements of, or lacked essential information relating to, key technical evaluation criteria. Among other concerns regarding the R211 Partners' proposal was Bombardier's greatly delayed delivery performance on NYC Transit's existing R179 contract, for which Bombardier was over 2 years late in meeting the contracted-for delivery schedule.

Based upon the technical evaluations, the SC unanimously recommended that the R211 Partners be eliminated from further consideration for the R211 procurement and that NYC Transit proceed with negotiations with only Kawasaki. Kawasaki's proposal demonstrated a thorough understanding of NYC Transit's operating environment and its needs. Kawasaki is a qualified car builder that has performed successfully on prior subway car contracts with NYC Transit. Its delivery performance on its subway car contracts was very good. In addition, the R160 and R188 car classes are two of the most reliable car classes in the NYC Transit fleet and the high Mean Distance Between Failure on those cars is a demonstration of strong engineering capability and quality assurance. The Executive Committee unanimously concurred with this recommendation.

The car quantities to be supplied have been revised from the quantities originally solicited. The number of new closed end cars was increased in the base due to urgent needs of NYC Transit to obtain additional cars as soon as possible to address ridership demands. The final quantity of 535 subway cars in the base is comprised of 440 new closed end cars, 20 OG test cars and 75 cars for Staten Island. The two contractual Options consist of 640 cars for Option 1 and 333 or 437 cars for Option 2 for an overall total of 1,612 cars. The increase in the number of OG test cars in the base will enable multiple tests to be conducted in a parallel timeline thereby expediting the testing of the OG cars. In anticipation of successful OG testing, the entire 640 car option could be delivered in an OG configuration, thus maximizing the total number of OG cars. Both Options 1 and 2 are set up to facilitate the provision of either OG or new closed end cars.

Negotiations were held with Kawasaki during the period September 2017 through December 2017. NYC Transit's negotiation team worked with Kawasaki from a technical and pricing perspective in an effort to obtain from Kawasaki the most competitive, technically acceptable proposal. Extensive negotiation sessions centered on all of the pricing elements and commercial alternatives with specific emphasis on shortening the delivery schedule to the greatest extent possible and leveraging the offerings of major subsystem suppliers to ensure not only lowest pricing but to obtain the highest reliability commitments and extended warranty periods. Technical negotiations centered on Communication Based Train Control installation, open gangway characteristics, the incorporation of innovative flexible advertising displays and crash energy management. Details of the costs of major subsystems were provided and analyzed for use in negotiations. All aspects of the proposed pricing were thoroughly examined and discussed including car prices and prices for non-car items.

The final negotiated price is \$1,444,997,948 for the base contract (535 cars), \$1,327,199,506 for Option 1 (640 OG cars) and \$913,565,161 for Option 2 (437 OG cars). The total price of \$3,685,762,615 for the base and both options is \$796 million (18%) less than the engineer's estimate of \$4,481,359,982. Negotiations produced a combined savings for the base and both options of \$228.5 million when compared to the interim proposal reflecting the revised car quantities. Based on the foregoing, the base price and option pricing have been found to be fair and reasonable. Option pricing is subject to escalation based on formulas and price indexes set forth in the contract.

The SC convened again in December 2017 at which time the SC reviewed the results of negotiations concerning technical issues, terms and conditions as well as pricing. The SC evaluated the Kawasaki proposal in accordance with the evaluation criteria and unanimously recommended Kawasaki for award. The Executive Committee met and unanimously concurred with the SC's recommendation.

A review of Kawasaki's financials by NYC Transit's Controller's Office found that there is reasonable assurance that Kawasaki is financially qualified to perform this contract.

The contract provides for the new closed end prototype cars (10 cars) to be delivered 30 months after Notice of Award (NOA), the most aggressive delivery of prototype cars of any NYC Transit subway car contract. Delivery of new closed end production cars is to commence 44 months after NOA, and be completed 67 months after NOA. The OG test cars (20 cars) will be delivered 40 months after NOA, and the SIR prototype cars (5 cars) will be delivered 47 months after NOA. Delivery of SIR production cars will commence 56 months after NOA and complete 65 months after NOA.

The R34211 RFP was the first NYC Transit contract to stipulate that proposers must submit detailed plans for the creation and retention of U.S. jobs under this contract through the inclusion of a USEP. Proposers were required to submit information on career pathways, training for new hires and outreach as well as submitting worksheets detailing the number and dollar value of U.S. jobs. Kawasaki, along with its subcontractors, has committed to provide approximately 470 U.S. jobs for the base award, with a total estimated value of \$125M. If both options are exercised, the total potential value of U.S. jobs is estimated to be \$270M.

Kawasaki will comply with the newly revised FTA Buy America requirement of 70%.

For doors, braking and HVAC sub-systems, areas that have been the target of fleet reliability improvements, Kawasaki will provide a doubling of the warranty as well as a doubling of the reliability metrics at no additional cost to NYC Transit.

All of the cars will come equipped with many new features including closed circuit TV, new crash energy management, flexible digital information and advertising displays, wider doors and niche areas and new interior and exterior color schemes. The “B” Division cars will be equipped with Communications Based Train Control and the SIR cars will be equipped with Cab Signaling.

Kawasaki has committed to make parts available for 20 years after the warranty of the last car delivered has expired. Kawasaki has further committed that 40% of the materials incorporated in these cars will be Commercial off the Shelf (COTS). For the procurement of sole source parts in the after-market, Kawasaki will also provide cost disclosure as well as a cap on profit. This provision for cost disclosure and the cap on profit will also flow down to its subcontractors.

No Significant Adverse Information (SAI) was discovered for Kawasaki. Of the many subcontractors reviewed for this contract, five potential subcontractors have previous SAI, but no new SAI has been found. In connection with previous contracts awarded to these potential subcontractors, these firms were found to be responsible, notwithstanding SAI pursuant to the MTA All-Agency Responsibility Guidelines. Such responsibility findings were approved by the Chief Executive Officer in consultation with the General Counsel in July 2008 and May 2015. These potential subcontractors have been found to be responsible.

### **M/W/DBE INFORMATION:**

Because this Contract is FTA funded, the FTA Transit Vehicle Manufacturer (TVM) program applies. Kawasaki complies with this FTA program.

### **CAPITAL PROGRAM REPORTING:**

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

### **IMPACT ON FUNDING:**

This contract is expected to be funded with FTA funds. This project is funded in the approved 2015-2019 Capital Program. The options, if exercised will be funded in a future Capital Program(s).

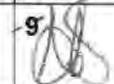
### **ALTERNATIVES:**

None recommended. A new solicitation is unlikely to result in better pricing and will prolong NYC Transit’s ability to replace cars in the existing fleet which have exceeded their useful life.

### **RECOMMENDATION:**

It is recommended that the Board approve the award of contract R34211 to Kawasaki in the amount of \$1,444,997,948 for 535 subway cars, comprised of 440 new closed end cars and 20 OG cars for the “B” Division, 75 cars for Staten Island and related non-car items such as spare parts, special tools, diagnostic test equipment, technical documentation and training.

# Staff Summary

Item Number <b>2</b>			
Department, Department Head Name: <b>SVP Operations Support, Stephen M. Plochochi</b>			
			
Internal Approvals			
Order	Approval	Order	Approval
1 <i>wd</i>	Materiel	6 X	Subways
2 X	Law	7 X	CFO
3 X	Budget	8 	EVP
4 X	DDCR	9 	President
5 X	CPM	10	

SUMMARY INFORMATION	
<b>Vendor Name</b> Judlau Contracting, Inc.	<b>Contract No.</b> A-36622D
<b>Description</b> Enhanced Station Initiative—Package 4 for Improvements at 23rd St. & 57th St. (6th Av. IND), 28th St. (Lex Av. IRT), 34th St. – Penn (7th Av. IRT) and 34th St. – Penn Station (8th Av. IND), in Manhattan	
<b>Total Amount</b> \$124,949,000	
<b>Contract Term (including Options, if any)</b> 11 months	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

**PURPOSE:**

To obtain approval of the Board to award a contract for Package 4 of the Enhanced Station Initiative (“ESI”) for the design and construction of improvements at 23rd and 57th streets (6th Avenue IND), 28th Street (Lexington Avenue IRT), 34th Street – Penn Station (7th Avenue IRT), and 34th Street – Penn Station (8th Avenue IND) in the borough of Manhattan to Judlau Contracting, Inc. (“Judlau”) in the amount of \$124,949,000 and a duration of 11 months.

In accordance with MTA policy regarding the use of design-build, and to enhance competition and defray proposal costs, this solicitation included a stipend of \$100,000 to be paid to each unsuccessful proposer whose proposal is responsive to the RFP requirements. Accordingly, permission is also requested to pay a total stipend of \$200,000. This is the fourth of several construction contracts to be awarded under the ESI Program.

**DISCUSSION:**

The ESI Program’s focus is on improving the customer experience, the continued responsibility of providing a state of good repair in stations, and the development of underlying station aesthetics through design innovation. These enhancements will result in stations that are cleaner and brighter, and through the use of more intuitive wayfinding and the inclusion of twenty-first century amenities such as Wi-Fi and cellular connectivity, will be easier to navigate. This program includes 31 preselected stations throughout all five boroughs plus two additional locations in the 34th Street–7th Avenue and 34th Street–8th Avenue stations at Penn Station. The work in Package 4 includes (1) design, (2) demolition/removals, (3) State-of-Good-Repair work including concrete and steel repairs, new platform edges and waterproofing, (4) upgraded electrical and communication systems including new closed-circuit TV cameras in control areas, (5) glass barriers in the fare control areas, (6) new signage and navigation systems providing information at street level, fare control areas and platforms (dashboards and totems), (7) enhanced street entrances, (8) new LED lighting and illuminated handrails, (9) charging stations, benches and leaning bars, and (10) contemporary art. Additionally, to emphasize the schedule as a critical component of the ESI Program, Package 4 includes early completion incentives for reductions to station closure (bypasses) durations as well as liquidated damages for extended durations resulting from contractor delays.

An Authorizing Resolution requesting the use of a two-step competitive Request for Proposal (“RFP”) procurement process was approved by the Board in April 2016. A request for letters of interest and qualification packages was advertised in May 2016, resulting in the submission of seven responses on June 21, 2016. The Step-1 qualification packages were evaluated against preestablished selection criteria addressing relevant experience, general responsibility, financial resources, and safety record.

Five teams were selected: Citnalta-Forte, Joint Venture (“CFJV”); ECCO III Enterprises, Inc. (“ECCO III”); Judlau Contracting, Inc. (“Judlau”); Picone-Schiavone ESI, Joint Venture (“PSJV”); and Skanska USA Civil Northeast (“Skanska”). Pursuant to the Authorizing Resolution, only these pre-qualified teams are eligible to propose on all ESI RFPs in Step 2.

The Package 4 RFP was issued on November 1, 2017. Proposals were received on December 13, 2017 from CFPS, JV (a joint venture between Citnalta-Forte and Picone-Schiavone) – \$157,783,000; Judlau – \$124,949,000; and Skanska – \$124,700,000. The internal estimate is \$149,607,037. ECCO III chose not to propose on Package 4 as the firm decided to focus its full attention on Package 3, which was awarded to them on October 25, 2017.

All Proposals were evaluated by a Selection Committee (“SC”) utilizing preestablished selection criteria addressing the proposer’s overall project schedule; design and construction approach; team experience; project management and M/WBE plans; qualifications and coordination of subcontractors; diversity practices; and other relevant matters. After technical factors, the overall project cost was considered. Supporting the SC evaluation were members from the Program Facilitator/Best Practices Consultant and the Consultant Construction Manager. In consideration of the repetitive nature of the ESI Program, the contractors’ increased understanding of the Program requirements after having gone through the procurement process for Packages 1 - 3 and in order to streamline the procurement process, proposers were informed that no oral presentations of their proposals would be required. In addition, proposers were informed that they should include their best schedule and price in their proposals as it was not NYCT’s intention to conduct negotiations.

The SC reviewed the technical proposals and subsequently reviewed the price proposals submitted by each proposer. After review and consideration of all proposals based on the selection criteria, the SC unanimously recommended Judlau for award. Judlau submitted a strong proposal that was determined to offer the best overall value to NYC Transit. Judlau proposed a strong design and construction team with several key members coming from the recently completed and successful South Ferry project. Judlau was the only proposer to offer a reduction to the overall project duration from 12 to 11 months and proposed the earliest delivery of all but one of the five stations in this package. Judlau also proposed to exceed the MWBE goals providing the greatest MWBE participation of all proposers. Additionally, members of the SC met with Judlau executive management and their key design and construction personnel proposed for Package 4 whereby Judlau amplified their design schedule and approach. In recognition of issues raised by MTA regarding Judlau’s past performance on the Cortlandt Street Station project as well as concurrent commitments on the Canarsie Tunnel Rehabilitation project, Judlau senior project management from both the Cortlandt and Canarsie projects were also in attendance. Judlau offered their strategy of using a different electrical subcontractor on each of the three projects as evidence of their approach to addressing potential capacity issues and expressed their commitment to the successful completion of each project. To further demonstrate its commitment to the ESI Program and the project schedule, Judlau offered and committed to doubling the contract’s liquidated damages. Judlau’s price of \$124,949,000 is \$24,658,037 (or 16.5%) below the internal estimate of \$149,607,037 and \$249,000 more than the lowest cost proposal submitted by Skanska. Judlau’s price is considered fair and reasonable.

CFPS, JV and Skanska were not selected for award. Although CFPS, JV also submitted a strong technical proposal with a good schedule, it could not compensate for their high cost proposal, which was \$8,175,963 (or 5.5%) above the internal estimate of \$149,607,037 and \$32,834,000 (or 26.3%) above the selected proposal from Judlau. Although Skanska proposed a slightly lower price than Judlau, their technical proposal was determined to be the least preferred of the three submitted. Their proposal included the longest bypass durations and the latest delivery for each station.

While there have been issues with Judlau’s performance on a current MTA Capital Construction (“MTACC”) project, Judlau has shown noticeable improvement in the last three months as reported by MTACC. Additionally, Judlau’s performance was satisfactory on the successful South Ferry project, which was recently completed on time and within its original completion date. Bonds have been approved while financial, and insurance approvals are pending. No award will be made until all such approvals are received. Additionally, Judlau has certified that it is not on the list of firms debarred from obtaining an award under the Iran Energy Sector Divestment Law.

In connection with a previous contract awarded to Judlau, Judlau was found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Interim Executive Director in consultation with the MTA General Counsel in March 2017. No new SAI has been found relating to Judlau and Judlau has been found to be responsible.

In connection with a previous contract awarded to E-J Electric Installation Co. (“E-J Electric”), E-J Electric, a significant subcontractor, was found to be responsible notwithstanding SAI pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the NYC Transit Acting President in March 2017. No new SAI has been found relating to E-J Electric, and E-J Electric has been found to be responsible.

## **M/W/DBE INFORMATION:**

The MTA Department of Diversity and Civil Rights has established goals at 15% MBE and 15% WBE. Judlau indicated in its proposal that it intends to exceed an overall 30% M/WBE participation. Award will not be made until the Department of Diversity and Civil Rights' approval is obtained. Judlau has achieved the M/W/DBE goals on previous MTA contracts.

## **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.

## **IMPACT ON FUNDING:**

This project is funded by the MTA and will be managed by NYC Transit under the MTA Capital Program. Funding is available through the 2015–2019 Capital Program.

## **ALTERNATIVES:**

Perform the work using in-house personnel. Not recommended as in-house forces do not have the resources to perform the scope of this project.

## **RECOMMENDATION:**

That the Board approve the award of a contract for Package 4 of the Enhanced Station Initiative for the Design and Construction of Improvements at 23rd and 57th Street (6th Avenue IND), 28th Street (Lexington Avenue IRT), 34th Street – Penn Station (7th Avenue IRT), and 34th Street – Penn Station (8th Avenue IND) in the borough of Manhattan to Judlau in the amount of \$124,949,000 and a duration of 11 months.

# Staff Summary

Item Number <b>3</b>			
Department, Department Head Name: SVP Operations Support, Stephen M. Plochochi			
<b>Internal Approvals</b>			
<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>
1 <i>WD</i>	Materiel	6 X	Subways
2 X	Law	7 X	CFO
3 X	Budget	8 	EVP
4 X	DDCR	9 	President
5 X	CPM	10	

<b>SUMMARY INFORMATION</b>	
<b>Vendor Name</b> Citnalta-Forte, JV	<b>Contract No.</b> A-36622E
<b>Description</b> Enhanced Station Initiative—Package 8 for Improvements at 174–175th St. and 167th St. (Concourse IND) in the Bronx and 145th St. (Lenox Av. IRT) in Manhattan	
<b>Total Amount</b> \$87,987,000	
<b>Contract Term (including Options, if any)</b> 11 months	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

**PURPOSE:**

To obtain approval of the Board to award a contract for Package 8 of the Enhanced Station Initiative (“ESI”) for the design and construction of improvements at 174–175th Street (Concourse IND) and 167th Street (Concourse IND) in the borough of the Bronx, and 145th Street (Lenox Avenue IRT) in the borough of Manhattan to Citnalta-Forte, Joint Venture (“CFJV”) in the amount of \$87,987,000 and a duration of 11 months.

In accordance with MTA policy regarding the use of design-build, and to enhance competition and defray proposal costs, this solicitation included a stipend of \$100,000 to be paid to each unsuccessful proposer whose proposal is responsive to the RFP requirements. Accordingly, permission is also requested to pay a total stipend of \$300,000. This is the fifth of several construction contracts to be awarded under the ESI Program.

**DISCUSSION:**

The ESI Program’s focus is on improving the customer experience, the continued responsibility of providing a state of good repair in stations, and the development of underlying station aesthetics through design innovation. These enhancements will result in stations that are cleaner and brighter, and through the use of more intuitive wayfinding and the inclusion of twenty-first century amenities such as Wi-Fi and cellular connectivity, will be easier to navigate. This program includes 31 preselected stations throughout all five boroughs plus two additional locations in the 34th Street–7th Avenue and 34th Street–8th Avenue stations at Penn Station. The work in Package 8 includes (1) design, (2) demolition/removals, (3) State-of-Good-Repair work including concrete and steel repairs, new platform edges and waterproofing, (4) upgraded electrical and communication systems including new closed-circuit TV cameras in control areas, (5) glass barriers in the fare control areas, (6) new signage and navigation systems providing information at street level, fare control areas and platforms (dashboards and totems), (7) enhanced street entrances, (8) new LED lighting and illuminated handrails, (9) charging stations, benches and leaning bars, and (10) contemporary art. Additionally, in order to emphasize the schedule as a critical component of the ESI Program, Package 8 includes early completion incentives for reductions to station closure (bypasses) durations as well as liquidated damages for extended durations resulting from contractor delays.

An Authorizing Resolution requesting the use of a two-step competitive Request for Proposal (“RFP”) procurement process was approved by the Board in April 2016. A request for letters of interest and qualification packages was advertised in May 2016, resulting in the submission of seven responses on June 21, 2016. The Step-1 qualification packages were evaluated against preestablished selection criteria addressing relevant experience, general responsibility, financial resources, and safety record.

Five teams were selected: Citnalta-Forte, Joint Venture (“CFJV”); ECCO III Enterprises, Inc. (“ECCO III”); Judlau Contracting, Inc. (“Judlau”); Picone-Schiavone ESI, Joint Venture (“PSJV”); and Skanska USA Civil Northeast (“Skanska”). Pursuant to the Authorizing Resolution, only these pre-qualified teams are eligible to propose on all ESI RFPs in Step 2.

The Package 8 RFP was issued on November 8, 2017. Proposals were received on January 3, 2018 from CFJV – \$87,987,000; Judlau – \$98,986,000; PSJV – \$97,388,000; and Skanska – \$91,800,000. The internal estimate is \$99,023,845. ECCO III chose not to propose on Package 8 as the firm decided to focus its full attention on Package 3, which was awarded to them on October 25, 2017.

All Proposals were evaluated by a Selection Committee (“SC”) utilizing preestablished selection criteria addressing the proposer’s overall project schedule, design and construction approach, team experience, project management and M/WBE plans, qualifications and coordination of subcontractors, diversity practices, and other relevant matters. After technical factors, the overall project cost was considered. Supporting the SC evaluation was the Program Facilitator/Best Practices Consultant. In consideration of the repetitive nature of the ESI Program, the contractors’ increased understanding of the Program requirements after having gone through the procurement process for Packages 1–4, and in order to streamline the procurement process, proposers were informed that no oral presentations of their proposals would be required. In addition, proposers were informed that they should include their best schedule and price in their proposals as it was not NYC Transit’s intention to conduct negotiations.

The SC reviewed the technical proposals, and subsequently the price proposals, submitted by each proposer. After review and consideration of all proposals based on the selection criteria, the SC unanimously recommended CFJV for award. CFJV submitted a very good proposal that was determined to offer the best overall value to NYC Transit, including the greatest total reductions to the bypass durations for all three stations at the lowest price. CFJV has assembled a strong design and construction team, many of whom worked on the successful ESI Package 1 with each of its three stations reopening on schedule in the fall of 2017. CFJV’s price of \$87,987,000 is \$11,036,845 (or 12.5%) below the internal estimate of \$99,023,845 and \$9,401,000 (or 10.7%) below the only other technically equivalent proposal submitted by PSJV. CFJV’s price is considered fair and reasonable.

Judlau, PSJV, and Skanska were not selected for award. Judlau’s proposal offered significantly fewer bypass duration reductions at the highest proposed price. Although PSJV submitted a very good technical proposal with a strong schedule, it could not compensate for the firm’s high cost proposal, which was \$9,401,000 (or 10.7%) above the selected proposal from CFJV. Although Skanska proposed the second-lowest price proposal, its proposed schedule was not as competitive as the schedule proposed by CFJV.

CFJV’s most recent station experience includes the successful completion of ESI Package 1 (Contract A-36622A) for the Design and Construction of Improvements at the Prospect Avenue, 53rd Street, and Bay Ridge Avenue stations along the 4th Avenue Line (BMT) in Brooklyn (\$72.1M). Bonds, financial, and insurance approvals are pending. No award will be made until all such approvals are received. Additionally, CFJV has certified that it is not on the list of firms debarred from obtaining an award under the Iran Energy Sector Divestment Law.

In connection with a previous contract awarded to HAKS Engineers, Architects and Land Surveyors, PC (“HAKS”), currently a subcontractor, HAKS was found to be responsible notwithstanding Significant Adverse information (SAI) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in December 2016. No new SAI has been found relating to HAKS, and HAKS has been found to be responsible.

### **M/W/DBE INFORMATION:**

The MTA Department of Diversity and Civil Rights has established goals at 15% MBE and 15% WBE. CFJV indicated in its proposal that it intends to exceed an overall 30% M/WBE participation. Award will not be made until the Department of Diversity and Civil Rights’ approval is obtained. CFJV has achieved the M/W/DBE goals on previous MTA contracts.

### **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.

### **IMPACT ON FUNDING:**

This project is funded by the MTA and will be managed by NYC Transit under the MTA Capital Program. Funding is available through the 2015–2019 MTA Capital Program.

### **ALTERNATIVES:**

Perform the work using in-house personnel. Not recommended as in-house forces do not have the resources to perform the scope of this project.

### **RECOMMENDATION:**

That the Board approve the award of a contract for Package 8 of the Enhanced Station Initiative for the Design and Construction of Improvements at the 174–175th Street (Concourse IND) and 167th Street (Concourse IND) in the borough of the Bronx, and 145th Street (Lenox Av. IRT) in the borough of Manhattan to Citnalta-Forte, Joint Venture in the amount of \$87,987,000 and a duration of 11 months.

# Staff Summary

Item Number 4			
Department, Department Head Name: SVP Operations Support, Stephen M. Plochochi			
Internal Approvals			
Order	Approval	Order	Approval
1	Materiel	6 X	CFO
2 X	Law	7	EVP
3 X	Budget	8	President
4 X	DDCR	9	
5 X	Buses/MTABC	10	

SUMMARY INFORMATION	
Vendor Name	Contract No.
Sam Schwartz Engineering	RFP 155263
Description Expert Traffic Engineering Services for NYC Transit DOB and MTABC	
Total Amount \$1,641,842	
Contract Term (including Options, if any) 60 months	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive	<input type="checkbox"/> Noncompetitive
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:

**PURPOSE:**

To obtain Board approval to award a competitively negotiated personal service contract in the estimated amount of \$1,641,842 to Sam Schwartz Engineering (“Sam Schwartz”) for technical consulting services pertaining to expert traffic engineering services, on a task order basis, for NYC Transit Department of Buses (“DOB”) and MTA Bus Company (“MTABC”) for a 60-month period.

**DISCUSSION:**

The scope of work for this contract includes (1) preparing traffic engineering analyses, (2) generating conceptual plans, reports and/or contract drawings, (3) developing specifications for a wide variety of new interagency traffic engineering projects and improvements to operations, (4) traffic sign and sign systems design, roadway systems conceptual design, (5) accident analysis and countermeasures, traffic operation analysis, and (6) interagency coordination to implement suggested improvements.

Based on work performed under past contracts, DOB and MTABC require an experienced, technically qualified contractor to handle the various task orders that will be associated with this contract. Due to the unique technical nature of the contract, it was determined to use a competitive Request for Proposal (“RFP”) process in order to consider factors beyond cost in awarding an appropriate contract. This RFP contained the following evaluation criteria (listed in order of relative importance) in evaluating proposals: (1) overall technical qualification including relevant experience of the proposer’s staff, its technical abilities to collect and analyze data from field observations and measurements, its experience or capability in the preparation of conceptual or preliminary designs, its ability to provide accurate implementation estimates, its demonstrated ability to coordinate with other agencies to implement improvements, its ability to make presentations, and its diversity practices (2) overall project pricing, and (3) other relevant matters.

In preparation for solicitation of this RFP, Procurement contacted Sam Schwartz and Urbitrans, the proposers that submitted Best and Final Offers (“BAFOs”) on the previous solicitation. It was discovered that Urbitrans was acquired by AECOM, Inc., and AECOM, Inc. stated that it was not interested in proposing on this solicitation. Procurement then specifically contacted seven other companies that had either proposed in the past on similar work, had expressed interest in proposing on this contract, or were found based on an Internet search/market survey. All seven companies purchased the bid package. In addition to advertising the solicitation, an invitation letter was sent to all bidders on the traffic engineering bidders list. NYC Transit received proposals from the incumbent, Sam Schwartz Engineering (“Sam Schwartz”), and STV Incorporated (“STV”). After the Selection Committee (“SC”) reviewed the initial proposals, both Sam Schwartz and STV were invited for oral presentations, and then for negotiations.

Negotiations were held and centered on discussions regarding contract terms and conditions, technical specifications and a price reduction. Interim proposals were obtained to make sure negotiations were yielding price reductions. After receiving the interim pricing, another round of negotiations was held with Sam Schwartz and STV. The second round of negotiations continued to center on price reductions.

After negotiations were concluded, Sam Schwartz and STV each submitted a BAFO on November 13, 2017. BAFO pricing for the 60-month period is as follows:

<u>Proposer</u>	<u>Initial Proposal</u>	<u>BAFO</u>
STV	\$1,550,336.55	\$1,411,734.90
Sam Schwartz	\$1,776,864.80	\$1,641,842.00

Sam Schwartz's BAFO of \$1,641,842 is \$135,023 or 8.22% below its initial proposal of \$1,776,865. Sam Schwartz's BAFO is \$230,107 or 16.3% higher than STV's BAFO of \$1,411,735.

The SC reviewed the two BAFOs in accordance with the evaluation criteria and unanimously found Sam Schwartz to have demonstrated superior technical expertise in performing traffic engineering services. The SC unanimously selected Sam Schwartz because it demonstrated technical superiority, experience, and ability to bring complex studies from recommendation to fruition. Furthermore, in making its final determination, the SC unanimously found that Sam Schwartz provides the best value, and thus outweighs the approximately \$40,000 difference in annual cost between the two proposals.

A background search and review of the documents submitted by Sam Schwartz has disclosed no "significant adverse information" within the meaning of the All-Agency Responsibility Guidelines.

A review of Sam Schwartz's financial statements has found that there is reasonable assurance that it is financially qualified to perform this contract.

Based on competition, an analysis of labor rates with other engineering firms as well as overhead rates the Cost Price Unit and Procurement find the pricing offered by Sam Schwartz to be fair and reasonable.

**M/W/DBE INFORMATION:**

The MTA Department of Diversity and Civil Rights ("DDCR") has established goals of 15% Minority-Owned Business Enterprise ("MBE") and 15% Women-Owned Business Enterprise ("WBE") participation for this contract. DDCR has approved the 15% MBE and 15% WBE utilization plan submitted by Sam Schwartz.

**IMPACT ON FUNDING:**

Funds are available in DOB and MTABC's budget under Account No. 712151, Function No. 630.

**ALTERNATIVES:**

To re-solicit this requirement; not recommended. There is no reason to believe that re-soliciting this requirement would yield a better value.

**RECOMMENDATION:**

It is recommended the Board approve the award of this competitively negotiated personal services contract in the estimated amount of \$1,641,842 to Sam Schwartz for technical consulting services pertaining to expert traffic engineering services, on a task order basis, for DOB and MTABC, for a 60-month period.

Item Number: 5

<b>Vendor Name (Location)</b> HNTB New York Engineering and Architecture, P.C. (New York, New York)
<b>Description</b> Consultant Construction Management Services for the Enhanced Station Initiative – Design and Renovation of Multiple Stations in the Boroughs of Manhattan, the Bronx and Staten Island
<b>Contract Term (including Options, if any)</b> March 31, 2017 – June 30, 2019
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Requesting Dept./Div., Dept./Div. Head Name:</b> Capital Program Management, John O’Grady

Contract Number	AWO/Mod. #
CM-1059	2
<b>Original Amount:</b>	\$ 33,387,959
<b>Prior Modifications:</b>	\$ 0
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 33,387,959
<b>This Request:</b>	\$ 12,389,621 (Est.)
<b>% of This Request to Current Amount:</b>	37.1%
<b>% of Modifications (including This Request) to Original Amount:</b>	37.1%

Discussion:

This modification is to obtain approval of the Board to exercise an option for Consultant Construction Management (“CCM”) Services for Package 8 of the Enhanced Station Initiative (“ESI”) for the design and construction of improvements at the 174–175th Street (Concourse IND) and 167th Street (Concourse IND) stations in the borough of the Bronx and the 145th Street Station (Lenox Avenue IRT) in the borough of Manhattan, and Package 9, Small Business Mentoring Program contract for the Richmond Valley Station on the Staten Island Railway to HNTB New York Engineering and Architecture, P.C. (“HNTB”) in the estimated amount of \$12,389,621 and a duration of 11 months for construction plus 6 months for closeout.

In March 2017, the Board approved two competitively negotiated contracts (CM-1059 and CM-1060) each with a term of 27 months, for CCM services for the ESI Program. CM-1059 was awarded to HNTB New York Engineering and Architecture, P.C. (“HNTB”) for CCM services in support of ESI Packages 1 and 2 (for three and four stations, respectively) in the combined estimated amount of \$33,287,959. CM-1060 was awarded to Jacobs Civil Consultants, Inc. (“Jacobs”) for CCM services in support of ESI Packages 3 and 4 (for four and five stations, respectively) in the combined estimated amount of \$27,274,513. Each contract allowed NYC Transit to compete options between both consultants for award of the remaining packages.

NYC Transit is competing and exercising the option for CCM services for the Enhanced Station Initiative for Packages 8 and 9 combined. The work in Packages 8 and 9 includes repairing or replacing typical station elements, including stairs, mezzanine/platform stairs, platform edges, ADA boarding areas, windscreens, canopies, platform topping, mezzanine topping, platform walls, ceilings, and column bases. The CCM will provide a range of construction inspection and closeout services. Construction-related management activities include ensuring that the project is on schedule and within budget, obtaining submittals, reviewing and processing change orders, performing inspections for quality and safety requirements, and providing construction oversight and inspections.

To compete the option, NYC Transit provided both firms with titles, hours, and fixed out-of-pocket expenses to facilitate an equal price comparison and evaluation. The maximum proposed rates could not exceed the rates proposed by each consultant in Package 4 of the base contract and subsequent new titles and rates added in Modification No. 1. However, to be competitive, both consultants were encouraged to reevaluate their overhead and fixed fee rates for Packages 8 and 9.

Proposals and alternates were received and evaluated by a Selection Committee (“SC”) utilizing the evaluation criteria in the original Request for Proposal (“RFP”). After review of the proposals, the SC recommended that negotiations be conducted with both firms.

**Continued**

Negotiations were conducted and focused on reducing overhead rates and fixed fee. At the conclusion of negotiations, both firms were requested to submit their Best and Final Offer (“BAFOs”). In response, HNTB submitted a BAFO in the combined amount of \$15,716,262 and an alternate of \$12,389,621 that was based on fewer labor hours. Jacobs submitted a BAFO in the combined amount of \$13,843,050 and an alternate of \$10,924,504 that was based on fewer labor hours. The SC, after reviewing the BAFOs, including alternates with reduced hours, unanimously agreed that the alternates were more advantageous to NYC Transit.

HNTB was the highest-rated proposer by the SC and was deemed the best prepared to quickly mobilize and provide services in support of Packages 8 and 9 based on its familiarity and experience on ESI Packages 1 and 2. In terms of both technical assessment and cost differential, these results are consistent with the initial award evaluation. HNTB’s alternate was considered the most achievable by the SC based on HNTB’s management experience on Packages 1 and 2 construction phase. Even though HNTB was 13% higher in price than Jacobs, their current workload and lessons learned from Package 1 allow them to transition their resources and apply them to Packages 8 and 9. HNTB completed Package 1 and is currently working as the CCM on Package 2 (four stations with two in construction at any time) while Jacobs is currently the CCM on Packages 3 and 4 for nine stations that have yet to start construction. The SC deemed HNTB’s proposed project team the strongest and the best team for Packages 8 and 9. With the selection of the same contractor team that successfully completed Package 1, using HNTB as the CCM presents the best opportunity for success.

Procurement and CPM concur that both BAFOs are fair and reasonable based on the competitive process used to evaluate the option and the previously audited and approved rates.

Item Number: 6

<b>Vendor Name (Location)</b> CH2M Hill New York, Inc. (New York, New York)
<b>Description</b> Consulting Services for the MTA New Fare Payment System
<b>Contract Term (including Options, if any)</b> December 31, 2013–June 30, 2018
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Requesting Dept./Div., Dept./Div. Head Name:</b> MTA Fare Payment Programs, Alan Putre

<b>Contract Number</b> A-86071	<b>AWO/Mod. #</b> 5
<b>Original Amount:</b>	\$ 4,498,136
<b>Prior Modifications:</b>	\$ 1,320,000
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 5,818,136
<b>This Request:</b>	\$ 9,528,245
<b>% of This Request to Current Amount:</b>	164.0%
<b>% of Modifications (including This Request) to Original Amount:</b>	241.2%

**Discussion:**

This modification adds funding for additional consulting services to support the MTA New Fare Payment System (“NFPS”) and extends this contract to provide continued consultant support during design reviews and the phased implementation of the NFPS.

The base contract provides consulting support for the NFPS program consisting of: (1) pre-award support services for the NFPS Request for Proposal (“RFP”) including assistance in developing the NFPS technical specifications and RFP solicitation package, evaluation of proposals, negotiations, and selection of a Systems Integrator to design and implement the NFPS, and (2) post-award support services including assistance in NFPS design reviews and oversight of the installation and implementation activities to allow the MTA to effectively monitor and manage the NFPS program. The NFPS contract itself was approved by the October 2017 Board and awarded to Cubic Transportation Systems, Inc. on November 1, 2017.

During the development of the NFPS technical specifications and during the NFPS RFP process, it became necessary for CH2M Hill New York Inc. (“CH2M”) to perform additional consulting tasks. These tasks included expansion of the NFPS specifications to include Long Island Rail Road and Metro-North Railroad (“Railroads”)<sup>1</sup>, incorporation of requirements for a Fare Control Area Local Area Network (“FCA-LAN”) into the NFPS specifications, review of alternative operational methods for Select Bus Service, and review of Paratransit’s operations and how its requirements could be integrated into the NFPS. These additional efforts and the additional time needed to award the NFPS contract depleted the funding allocated to this consulting contract.

This modification includes additional post-award consulting services that will be required to support the NFPS program, including: (i) oversight of the implementation of the Railroad and FCA-LAN installations, which was not part of the original CH2M scope, (ii) review of NYC Transit and Railroads’ fare payment rules to ensure that such rules are incorporated into the design of the NFPS, and (iii) additional oversight of the NFPS contractor during the phased implementation approach (discussed further below).

The pre-award support period was prolonged due to the additional CH2M tasks during the RFP process discussed above, most notably the inclusion of the Railroads, and a delay in securing funding due to the late approval of the 2015–2019 Capital Program. This modification extends the contract by 52 months to cover CH2M’s post-award activities to support the phased approach for implementation of the NFPS which will occur in the following phases: Phase 1 – Initial launch of contactless open payments using customer-furnished media on some buses and subway stations (18 months after award), Phase 2 – Completion of the rollout of contactless acceptance to all buses and subway stations (35 months after award), Phase 3 – Creation of a robust retail sales network

<sup>1</sup> During the NFPS negotiations, the MTA concluded that it would be advantageous to expand the Railroads’ requirements included in the initial NFPS RFP, which would better allow the MTA to obtain competitive pricing and avoid the need for a subsequent change order to address the scope of the Railroads’ needs. To this end, CH2M was tasked with revising the NFPS technical specifications and other RFP documents so that Railroad-specific system design was included as part of the base award.

for MTA-issued contactless transit cards and introduction of the new All-Agency mobile payment and ticketing app (39 months after award), Phase 4 – Implementation of new vending machines for NYC Transit and the Railroads (52 months after award), and Phase 5 – Revenue Acceptance Testing of the entire NFPS (56 months after award).

Several previous modifications were processed in connection with CH2M’s work on the Railroad specification and to add funds to ensure continued consultant support services.

Through negotiations, CH2M agreed to reduce its overhead for this modification by 9%. The final price of \$9,528,245 for this modification reflects an average annual escalation of 1.2% which compares favorably with the 2.2% annual escalation indicated by the PPI for architectural, engineering and related services. The price was found to be fair and reasonable.

In connection with the award of this contract to CH2M, CH2M was found to be responsible notwithstanding Significant Adverse Information (“SAI”) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman and CEO in consultation with the MTA General Counsel in December 2013. No new SAI has been found relating to CH2M and CH2M has been found to be responsible.

In connection with a previous contract awarded to Jacobs Engineering Group, Inc. (“Jacobs”)<sup>2</sup>, Jacobs was found to be responsible notwithstanding SAI pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Interim Executive Director in consultation with the MTA General Counsel in April 2013. No new SAI has been found relating to Jacobs and Jacobs has been found to be responsible.

---

<sup>2</sup> CH2M was acquired by Jacobs on December 15, 2017.

**Item Number: 7-16**

<b>Vendor Name (Location)</b> HEPCO, Inc. (Saddle Brook, New Jersey) - SDVOB PEAK Technical Staffing USA (Pittsburgh, Pennsylvania) Rotator Staffing Services, Inc. (East Brunswick, New Jersey) Metro Tech Consulting Services, Inc. (New York, New York)-MWBE L.J. Gonzer Associates (Cranford, New Jersey)	
<b>Description</b> Professional and Technical Staffing for Capital Projects	
<b>Contract Term (including Options, if any)</b> 60 months	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept./Div., Dept./Div. Head Name:</b> Capital Program Management, John O’Grady	

<b>Contract Number</b> <b>Federal:</b> CM-1413; CM-1414; CM-1415; CM-1416; CM-1417 <b>State:</b> CM-1418; CM-1419; CM-1420; CM-1421; CM-1422	<b>AWO/Mod. #</b>  3
<b>Original Amount:</b>	\$ 63,000,000
<b>Prior Modifications:</b>	\$ 20,000,000
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 83,000,000
<b>This Request:</b>	\$ 20,000,000 (Est.)
<b>% of This Request to Current Amount:</b>	24.1%
<b>% of Modifications (Including This Request) to Original Amount:</b>	63.5%

**Discussion:**

This modification will extend five federal- and five state-funded professional and technical staffing contracts by an additional six months. The aggregate funding across all 10 contracts will increase by \$20,000,000 (from \$83,000,000 to \$103,000,000). This increase in funding is required to meet NYC Transit/MTA Capital Construction (“MTACC”) and MTA Bus Company’s (“MTABC”) staffing needs. No additional funding is required for Metro-North Railroad (“MNR”).

In September 2011, the Board approved the award of 10 competitively solicited contracts to five staffing firms to provide professional and technical staffing to support NYC Transit/MTACC/MTABC, and MNR’s federal- and state-funded capital projects on an as-needed basis for a period of 60 months for a not-to-exceed aggregate pool of \$63,000,000. The current NYC Transit/MTACC/MTABC aggregate amount across all federal and state contracts is \$75,000,000. MNR’s portion is \$8,000,000, which is not changed by this modification. The five awardees were: HEPCO, Inc. (CM-1413/1418); PEAK Technical Staffing USA (CM-1414/1419); Rotator Staffing Services, Inc. (CM-1415/1420); Metro Tech Consulting Services, Inc. (CM-1416/1421); and L.J. Gonzer Associates (CM-1417/1422).

Under these contracts, the staffing firms compete with one another to provide the required professional and technical staffing needs for the respective MTA agencies. The types of staffing provided include engineering and construction-related positions such as (1) architects, (2) safety, electrical, and mechanical engineers, (3) graphic designers, and (4) project managers.

Modification No. 1 extended the term of all 10 contracts by 12 months and increased the aggregate funding by \$20,000,000 for NYC Transit/MTACC/MTABC. No additional funding was required to support MNR’s staffing needs.

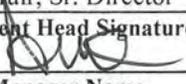
Currently, a solicitation is in process for staffing services and will be awarded in 2nd Quarter 2018. This modification will allow sufficient time to complete the procurement process and award the replacement contracts.

Additional funding is needed for NYC Transit/MTACC and MTABC projects as, based on the current rate of expenditure, the current funding will be essentially depleted by the existing expiration dates in January 2018. Due to the increased volume of work associated with the approvals of the 2015–2019 Capital Plan, Subway Action Plan, Executive Order 168, other initiatives (such as the Sandy program, and support across all program areas), more staffing has been required than originally estimated. The additional \$20,000,000 across both federal and state contracts will be added to the NYC Transit/MTACC and MTABC estimated aggregate total. This will provide the funding capacity necessary to support the required additional staff, as well as maintain the existing staffing until the new contracts are in place in 2018.



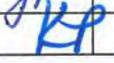
**Metro-North Railroad**

# **Procurements**

<b>Subject</b>	Request for Authorization to Award Various Procurements
<b>Department</b>	Procurement and Material Management
<b>Department Head Name</b>	Alfred Muir, Sr. Director
<b>Department Head Signature</b>	
<b>Project Manager Name</b>	

<b>Date</b>	January 11, 2018
<b>Vendor Name</b>	Various
<b>Contract Number</b>	Various
<b>Contract Manager Name</b>	Various
<b>Table of Contents Ref #</b>	

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	1-22-18	X		
2	MTA Board Mtg.	1-24-18	X		

Internal Approvals			
	Approval		Approval
X	Acting President 		
X	Executive V.P. 	X	V.P. Capital Programs 
X	Sr. V.P. Operations 	X	V.P. & General Counsel 
X	VP Finance & IT 		

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

**PURPOSE:**

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

**DISCUSSION:**

**MNR proposes to award non-competitive procurements in the following categories:**

	# of Actions	\$ Amount
<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	NONE	
<u>Schedules Requiring Majority Vote</u>	NONE	

SUB TOTAL:

**MNR proposes to award competitive procurements in the following categories:**

	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	<u>NONE</u>	
<u>Schedules Requiring Majority Vote</u>	<u>NONE</u>	

SUB TOTAL: \_\_\_\_\_

**MNR presents the following procurement actions for Ratification:**

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		
Schedule D: Ratification of Completed Procurement Actions	1	\$310,485
• Progress Rail/MOW Division, Inc.      \$310,485		
 <u>Schedules Requiring Majority Vote</u>		
Schedule K: Ratification of Completed Procurement Actions	1	\$161,918
• Community Coach, Inc. (Coach, USA)   \$161,918		
SUB TOTAL:	2	\$472,403
TOTAL:	2	\$472,403

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

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

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

## METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

JANUARY 2018

METRO-NORTH RAILROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

**D. Ratification of Completed Procurement Actions**

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

**1. Progress Rail / MOW Division, Inc.      \$310,485 (not-to-exceed)      Staff Summary Attached**  
**Purchase of 200 Axles for the Coach and M-3 Fleet**

Non-competitive procurement for the purchase of 200 axles for MNR's Coach and M-3 Fleet with requirements of 100 axles for each fleet type. This purchase required scheduled deliveries to MNR property commencing in November 2017 and continuing through January 2018.

A procurement with a new supplier of axles was competitively solicited and awarded in 2016. However, this vendor failed to pass the contractually required First Article Inspection (FAI) and subsequently this contract was terminated for nonperformance. A new procurement is currently in process to resolicit and acquire a new Coach and M-3 axle supplier.

Progress Rail was the previous qualified supplier of the Coach and M-3 axle and was the only firm with the designs, tooling and manufacturing capability that could deliver these axles in time to meet critical operating needs starting in November 2017. Unit prices paid for these axles reflect an average decrease of 3% as against the prior contract.

In connection with a previous contract awarded to the Contractor, the Contractor was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel. In addition, as a result of the review of the Contractor's responsibility since the prior contract award, new significant adverse information was identified and the Contractor was found to be responsible notwithstanding such new significant adverse information and such responsibility finding was subsequently approved by the Agency President in consultation with the MNR General Counsel.

The total cost for this procurement in the not to exceed amount of \$310,485 (\$166,500 – Coach and \$143,985 – M-3 Railcars) is deemed to be fair and reasonable. This procurement is to be funded by MNR's Operating Budget.

Schedules Requiring Majority Vote:

**K. Ratification of Completed Procurement Actions**

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

**2. Community Coach, Inc. (Coach, USA) \$161,918 Staff Summary Attached  
Substitute Busing Services for Port Jervis Line and Wassaic Branch (Harlem Line) Track Outages**

An emergency procurement for substitute busing services was initiated to support the installation of new grade crossings on the Wassaic Branch (Harlem Line) during the weekends of October 20, 2017 to October 22, 2017 and the Port Jervis Line on the weekend of October 27, 2017 to October 29, 2017. Both lines are one track territory necessitating that the work be done on weekends when commuter traffic is lightest. Train service was discontinued from Wassaic Station to Southeast Station and Harriman Station to Port Jervis Station. A lapse of passenger service on these lines would have caused significant customer service impacts.

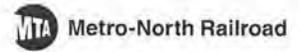
This procurement is being presented as a ratification due to the necessity for substitute busing services on the aforementioned lines. In accordance with MNR Emergency Procurement Procedures, a memorandum was received from Metro-North's Vice President of Customer Service and Stations requesting that an Emergency Procurement be initiated pursuant to the information presented herein. Bus vendors retained under existing MNR contracts were unable to provide these services due to other commitments, and outreach to other MTA, State and Federal agencies failed to identify any available service providers for these weekends. Accordingly, a limited competitive procurement between three identified firms was conducted. Advertising and minority goal requirements for this procurement were waived in accordance with MNR Emergency Procurement Procedures.

Of the three solicited firms, Coach USA provided the lowest cost per hour at \$140 as compared to US Coachways who proposed an hourly rate of \$157. World Ambulette submitted correspondence concerning their inability to provide a quote for this requirement. Coach USA was selected for the award, as it provided the lowest price, and is an experienced vendor that has provided satisfactory performance on similar tasks for the MTA and is familiar with the requirements of MNR for these services.

In connection with the review of the Contractor's responsibility pursuant to the All-Agency Responsibility Guidelines, the Contractor was found to be responsible notwithstanding significant adverse information and such responsibility finding was approved by the Agency President in consultation with the MNR General Counsel.

The total cost for these emergency bussing services is \$161,918, and is deemed fair and reasonable as it is 29% lower than the average established costs from MNR's existing bussing contract. This procurement is to be funded by MNR's Operating Budget.

**Schedule D: Ratification**



Item Number: D

<b>Vendor Name (&amp; Location)</b> Progress Rail / MOW Division, Inc. Albertville, AL 35950
<b>Description</b> Purchase of Axles for the Coach and M3 Fleet
<b>Contract Term (including Options, if any)</b> N/A
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

<b>Contract Number</b> 1000093104 & 1000093140	<b>AWO/Modification #</b> No
<b>Renewal?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total Amount:</b>	\$310,485
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Procurement & Material Management, Al Muir, Sr. Director	

**Discussion:**

Non-competitive procurement for the purchase of 200 axles for MNR’s Coach and M-3 Fleet with requirements of 100 axles for each fleet type. This purchase required scheduled deliveries to MNR property commencing in November 2017 and continuing through January 2018.

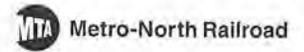
A procurement with a new supplier of axles was competitively solicited and awarded in 2016. However, this vendor failed to pass the contractually required First Article Inspection (FAI) and subsequently this contract was terminated for nonperformance. A new procurement is currently in process to resolicit and acquire a new Coach and M-3 axle supplier.

Progress Rail was the previous qualified supplier of the Coach and M-3 axle and was the only firm with the designs, tooling and manufacturing capability that could deliver these axles in time to meet critical operating needs starting in November 2017. Unit prices paid for these axles reflect an average decrease of 3% as against the prior contract.

In connection with a previous contract awarded to the Contractor, the Contractor was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel. In addition, as a result of the review of the Contractor’s responsibility since the prior contract award, new significant adverse information was identified and the Contractor was found to be responsible notwithstanding such new significant adverse information and such responsibility finding was subsequently approved by the Agency President in consultation with the MNR General Counsel.

The total cost for this procurement in the not to exceed amount of \$310,485 (\$166,500 – Coach and \$143,985 – M-3 Railcars) is deemed to be fair and reasonable. This procurement is to be funded by MNR’s Operating Budget.

**Schedule K: Ratification**



Item Number: K

<b>Vendor Name (&amp; Location)</b> Community Coach Inc. ("Coach, USA") 160 S Route 17 North Paramus NJ 07652
<b>Description</b> Substitute Busing Services for Port Jervis Line and Wassaic Branch (Harlem Line) Track Outages
<b>Contract Term (including Options, if any)</b> October 20, 2017 to October 23, 2017 & October 27, 2017 to October 29, 2017
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

<b>Contract Number</b> MN 99999	<b>AWO/Modification #</b> N/A
<b>Renewal?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total Amount:</b>	\$161,918
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept./Div. &amp; Dept./Div. Head Name:</b> Procurement & Material Management, Alfred Muir, Sr. Director	

**Discussion:**

An emergency procurement for substitute busing services was initiated to support the installation of new grade crossings on the Wassaic Branch (Harlem Line) during the weekends of October 20, 2017 to October 22, 2017 and the Port Jervis Line on the weekend of October 27, 2017 to October 29, 2017. Both lines are one track territory necessitating that the work be done on weekends when commuter traffic is lightest. Train service was discontinued from Wassaic Station to Southeast Station and Harriman Station to Port Jervis Station. A lapse of passenger service on these lines would have caused significant customer service impacts.

This procurement is being presented as a ratification due to the necessity for substitute busing services on the aforementioned lines. In accordance with MNR Emergency Procurement Procedures, a memorandum was received from Metro-North's Vice President of Customer Service and Stations requesting that an Emergency Procurement be initiated pursuant to the information presented herein. Bus vendors retained under existing MNR contracts were unable to provide these services due to other commitments, and outreach to other MTA, State and Federal agencies failed to identify any available service providers for these weekends. Accordingly, a limited competitive procurement between three identified firms was conducted. Advertising and minority goal requirements for this procurement were waived in accordance with MNR Emergency Procurement Procedures.

Of the three solicited firms, Coach USA provided the lowest cost per hour at \$140 as compared to US Coachways who proposed an hourly rate of \$157. World Ambulette submitted correspondence concerning their inability to provide a quote for this requirement. Coach USA was selected for the award, as it provided the lowest price, and is an experienced vendor that has provided satisfactory performance on similar tasks for the MTA and is familiar with the requirements of MNR for these services.

In connection with the review of the Contractor's responsibility pursuant to the All-Agency Responsibility Guidelines, the Contractor was found to be responsible notwithstanding significant adverse information and such responsibility finding was approved by the Agency President in consultation with the MNR General Counsel.

The total cost for these emergency bussing services is \$161,918, and is deemed fair and reasonable as it is 29% lower than the average established costs from MNR's existing bussing contract. This procurement is to be funded by MNR's Operating Budget.

**LONG ISLAND RAIL ROAD**

**PROCUREMENTS**

**FOR**

**BOARD ACTION**

**January 24, 2018**



**BUDGET IMPACT:**

The purchases/contracts will result in obligating LIRR operating and capital funds in the amounts listed. Funds are available in the current operating budget for this purpose.

**RECOMMENDATION:**

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

## METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

**JANUARY 2018**

**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. | <b>Ansaldo STS USA, Inc.</b>       | <b>\$6,000,000 - MNR</b>            | <i><u>Staff Summary Attached</u></i> |
|    | <b>Non-Competitive/Sole Source</b> | <b>\$5,325,000 - LIRR</b>           |                                      |
|    | <b>Contract No. TBD</b>            | <b><u>\$7,000,000 - NYCT</u></b>    |                                      |
|    |                                    | <b>\$18,325,000 - Not-to-Exceed</b> |                                      |

This is an omnibus approval request for Long Island Rail Road (LIRR), Metro-North Railroad (MNR), and New York City Transit (NYCT), for items identified as obtainable only from Ansaldo STS USA, Inc. (Ansaldo). LIRR, MNR and NYCT (“the Agencies”) request MTA Board approval in an aggregate amount not-to-exceed of \$18.325M (\$5.325M – LIRR; \$6M – MNR; \$7M – NYCT) over a 36-month period to purchase services and/or parts required to support LIRR’s, MNR’s and NYCT’s current inventory of equipment designed and manufactured by Ansaldo.

Ansaldo, the Original Equipment Manufacturer (OEM) and designer of various wayside switch and signal systems installed and operated by the Agencies, provides approximately 225 different replacement parts for LIRR, 120 for MNR and 1,100 for NYCT. The Agencies will procure these items on an “as required” basis, in various quantities during the 36-month term of this Omnibus Approval to allow the Agencies to operate and maintain the numerous switch and signals designed and manufactured by Ansaldo.

**Schedule A: Non-Competitive Purchases and Public Works**

**Staff Summary**



Item Number: 1

<b>Vendor Name</b> Ansaldo STS USA, Inc. - Batesburg, SC
<b>Description</b> Various Signal, Switch, Car Borne Parts and Services
<b>Contract Term (including Options, if any)</b> 3 Years
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b>  <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-Competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

<b>Contact Number</b> TBD	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total Amount:</b>	\$18,325,000 (Not-to-Exceed) LIRR = \$5,325,000 (NTE); MNR = \$6,000,000(NTE); NYCT = \$7,000,000 (NTE).
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Maintenance of Way – Christopher Calvagna, Chief Engineer Maintenance of Equipment – Craig Daly, CMO Special Projects/East Side Access – Afshin Hezarkhani, Chief Engineer	
<b>Contract Manager:</b> John Latterner/Jim Lorig	

**Discussion:**

This is an omnibus approval request for Long Island Rail Road (LIRR), Metro-North Railroad (MNR), and New York City Transit (NYCT), for items identified as obtainable only from Ansaldo STS USA, Inc. (Ansaldo). LIRR, MNR and NYCT (“the Agencies”) request MTA Board approval in an aggregate amount not-to-exceed of \$18.325M (\$5.325M – LIRR; \$6M – MNR; \$7M – NYCT) over a 36-month period to purchase services and/or parts required to support LIRR’s, MNR’s, and NYCT’s current inventory of equipment designed and manufactured by Ansaldo.

Ansaldo, the Original Equipment Manufacturer (OEM) and designer of various wayside switch and signal systems installed and operated by the Agencies, provides approximately 225 different replacement parts for LIRR, 120 for MNR and 1,100 for NYCT. The Agencies will procure these items on an “as required” basis, in various quantities during the 36-month term of this Omnibus Approval to allow the Agencies to operate and maintain the numerous switch and signals designed and manufactured by Ansaldo.

Ansaldo is also the OEM for the Automatic Speed Control (ASC) systems installed on LIRR’s entire fleet of rolling stock and various MNR cars. The ASC system is a vital safety system that is fully integrated with associated wayside systems. In support of LIRR and MNR rolling stock, Ansaldo provides approximately 75 different parts to allow each railroad to operate and maintain the ASC systems installed on their respective fleets.

In addition to the hardware discussed above, LIRR and MNR require the services, on an as required basis, of Ansaldo engineers and technicians to assist with trouble shooting and non-warranty repairs of the Ansaldo parts and systems. This work, if and when required, will be performed on a time and material basis at rates to be negotiated.

The parts and services discussed above are only available from Ansaldo, as they possess the design information, requisite expertise, and the proprietary software required to operate and maintain this equipment by the Agencies.

## Staff Summary



LIRR advertised the Ansaldo sole source items in the New York State Contract Reporter, New York Post and the LIRR web site and no other firm expressed an interest in participating in this procurement. In addition the Agencies also advertise Ansaldo sole source items at a minimum of once every twelve months to seek competition and a list of Ansaldo's sole source items, as well as the intention of the Agencies to buy items on the list without competitive bidding, is available for download from the Agency's website at any time by any prospective vendor. Ansaldo is the only known responsible source to obtain these parts and services.

The parts and services discussed above, pursuant to the omnibus approval process, will be ordered on an as required basis and a determination of price reasonableness will be made prior to issuing any individual Purchase Orders resulting from this omnibus approval. NYCT Procurement performed an analysis on 58 NYCT items issued during the term of the previous Ansaldo Omnibus Approval that exceeded the \$15,000 threshold. Of the 58 contracts, 27 items with a comparative history represents approximately 47.6%, or \$2,833,672.26 of the total expenditures made pursuant to the previous omnibus approval prior to contract increases. A price analysis of these contracts revealed an annual weighted average price increase of 0.94% that compares favorably to the PPI average annual increase of 1.0%. The NYCT Cost/Price Analysis Unit had found Ansaldo's price offerings fair and reasonable. The Agencies are committed to ensure that through the use of these joint procurements, Ansaldo is offering each agency more beneficial prices than if each agency was to procure the same items individually. There is no obligation for the Agencies to procure any minimum quantity of parts under these contracts.

In connection with a previous contract modification issued to Ansaldo by MTA Capital Construction (MTACC), Ansaldo was found to be responsible notwithstanding Significant Adverse Information pursuant to the MTA All-Agency Responsibility Guidelines. Such responsibility finding was approved by the MTACC President in November 2017. A subsequent review of the Contractor's responsibility since the prior modification was conducted by LIRR in connection with this award and new SAI was found in terms of one matter being settled. Therefore the new responsibility findings were approved by the MTA Managing Director in January 2018.

The parts and services identified above will be funded via the Agencies' applicable Operating, Capital or Federal funds on a per order basis.

**JANUARY 2018**

**MTA LONG ISLAND RAIL ROAD**

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

*Procurements Requiring Two-Thirds Vote*

**Schedule C: Competitive Request for Proposals (Award of Purchase and Public Work Contracts)**

(Staff Summaries only required for items requiring Board approval)

- |           |  |                     |                                      |
|-----------|--|---------------------|--------------------------------------|
| <b>2.</b> | <b>Citnalta/Scalamandre JV<br/>Competitive RFP<br/>Contract No. 6289</b> | <b>\$80,350,000</b> | <i><u>Staff Summary Attached</u></i> |
|-----------|--|---------------------|--------------------------------------|

Long Island Rail Road (“LIRR”) requests MTA Board approval to award a competitively solicited and negotiated design-build contract in the amount of \$80,350,000 to Citnalta/Scalamandre JV to complete the design and construction services for station enhancements at 8 out of 14 various LIRR stations. A subsequent MTA Board request to award a second contract for the 6 remaining stations shall follow this initial request. This Contract is an integral part of the Enhanced Station Initiative (ESI) program for the Long Island Rail Road to improve and upgrade the customer experience.

Staff Summary



Item Number: 2					
Dept & Dept Head Name: Procurement & Logistics, Dennis Mahon					
Department Head Signature & Date					
Division & Division Head Name: Department of Program Management – Paul Diettlin					
Division Head Signature & Date					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	LI Committee	1.22.18			
2	MTA Board	1.24.18			
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
6	President	3	SVP Engineering		
5	Executive VP	2	VP and CFO		
4	SVP Operations	1	VP/Gen'l Counsel & Sec'y		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Citnalta/Scalamandre JV	6289
Description LIRR Enhanced Station Initiative - Design-Build	
Total Amount	
\$80,350,000.00	
Contract Term (including Options, if any)	
365 calendar days	
Options(s) included in Total Amount:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

**I. PURPOSE/RECOMMENDATION:**

Long Island Rail Road (“LIRR”) requests MTA Board approval to award a competitively solicited and negotiated design-build contract in the amount of \$80,350,000 to Citnalta/Scalamandre JV to complete the design and construction services for station enhancements at 8 out of 14 various LIRR stations. A subsequent MTA Board request to award a second contract for the 6 remaining stations shall follow this initial request. This Contract is an integral part of the Enhanced Station Initiative (ESI) program for the Long Island Rail Road to improve and upgrade the customer experience.

**II. DISCUSSION:**

The LIRR requires the services of a design/build contractor to provide design, engineering, and construction services for ESI. RFP 6289 will require the contractor to provide Design/Build Services at the following eight stations; LIRR’s Deer Park, Brentwood, Merrick, Stony Brook, Syosset, East Hampton, Bellmore and Farmingdale Stations. The overall project goal is to enhance the appearance, function, safety and the customer’s experience at each of these stations. Each station has unique elements; the items described below represent overall scope but may not apply to each individual location.

- Platform renovation work includes repair of concrete slabs, new tactile edge warning strips, new railings, shelter sheds, stairs, ramps, overpass modifications, signage, lighting and communications systems
- Interior Station Building Renovation work includes new floor, wall, and ceiling finishes, new doors and windows, new Americans with Disabilities Act (“ADA”)compliant restrooms, new lighting, communications systems, HVAC systems, signage, benches, and information screens. Exterior renovation includes new pavers, painting, brick masonry, lighting, digital and static signage, corporate signage, bird deterrents and selective roof repair/ replacement
- ESI amenities include free customer Wi-Fi, USB charging ports, CCTV Cameras, totems, art, trash receptacles, and digital LED information screens (dashboards)

## Staff Summary

The ESI Project allows LIRR to better serve its existing customers and to accommodate future customers

At its April 2017 meeting, the MTA Board approved the use of a two-step “Request for Proposal” method to procure this design-build contract. The first step included the Request for Proposals (RFP) which was prepared and advertised in the New York State Contract Reporter and LIRR’s website to develop and pre-qualify a short list of firms. 21 firms picked up the RFP packages and on September 9, 2017, 6 firms submitted a formal proposal for pre-qualification. The pre-qualification criteria were as follows:

- 1) Record of performance on past projects;
- 2) Demonstrated experience of proposer and design / build team;
- 3) Proposer’s demonstrated financial capability;
- 4) Diversity practices

The LIRR’s three person Technical Evaluation Committee (TEC) comprised of members of LIRR’s Department of Program Management, Engineering and Stations departments determined that all 6 firms were technically competent and therefore, were asked to develop and submit Step 2 proposals. Those firms were: Aurora/ Loduca JV, Lipsky Enterprises Inc., FORTE Inc, Railroad Construction Company (RCC), Citnalta/Scalamandre JV, and EE Cruz & Company.

Step 2 RFP packages were sent to each of the six pre-qualified firms. A total of 8 addenda were issued to answer vendor queries, and revise the specifications and renderings. On December 15, 2017, proposals were received from four of the six firms. Based upon price alone both EE Cruz and Aurora / Loduca (joint venture) were excluded from consideration because their total proposed price was outside of the competitive range of the Engineers Estimate.

On December 28, 2017, the LIRR Technical Evaluation Committee (“TEC”) met individually with each of the remaining two proposing firms to hear each firm’s oral presentation, discuss and further evaluate each firm’s technical capability and to identify proposal items that each firm may wish to consider in their “best and final offer” (BAFO). LIRR requested that each firm submit a BAFO (cost, schedule and technical) that together would constitute “best value” to the LIRR.

On 01/02/18, the LIRR received BAFOs from the two remaining firms Citnalta/Scalamandre JV and Forte Construction. Based upon the evaluation criteria listed below, LIRR determined that Citnalta/Scalamandre JV submitted a proposal offering “best value” in terms of total cost, schedule and technical qualifications:

- 1) Planning & scheduling;
- 2) Technical approach to the work;
- 3) Demonstrated experience of proposer / design – build team;
- 4) Cost

In terms of cost, Citnalta/Scalamandre JV’s total cost was evaluated in conjunction with the LIRR’s internal estimate. The total proposed cost is 13.92% more than the LIRR’s internal estimate of \$69,163,787.00, however Citnalta/Scalamandre price was \$500,000.00 less than Forte Construction.

A responsibility review of the Citnalta/Scalamandre JV was conducted and no adverse or significant adverse information was found. In addition, a financial review for Citnalta/Scalamandre JV by LIRR Capital Accounting Department yielded favorable results.

## Staff Summary



### **III. M/WBE INFORMATION:**

The MTA Department of Diversity and Civil Rights (DDCR) has established MBE WBE and SDVOB goals for this procurement at 15% MBE, 15% WBE and 6% SDVOB respectively, and is awaiting the submission of Citnalta/Scalamandre's final MBE/WBE/SDVOB Utilization Plan. An award will not be made until DDCR approval of the MBE/WBE/SDVOB utilization plan is obtained. Citnalta has achieved its MBE/WBE or DBE goals on previous MTA Contracts and indicated on their January 2, 2018 BAFO Technical Response that they are committed to meeting the MBE/WBE/SDVOB participation goals assigned to this Contract.

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

This contract will be funded by the LIRR's 2015-2019 Capital Program.

### **V. ALTERNATIVES:**

LIRR does not have the ability to fully undertake the design-build services for the LIRR Enhanced Station Initiative project with in-house forces.

**JANUARY 2018**

**MTA LONG ISLAND RAIL ROAD**

**LIST OF RATIFICATIONS FOR BOARD APPROVAL**

*Procurements Requiring Two-Thirds Vote*

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

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

- |           |  |  |                                      |
|-----------|--|--|--------------------------------------|
| <b>3.</b> | <b>Harsco Metro Rail, LLC</b><br><b>Non-Competitive/Emergency</b><br><b>Contract No. PO 4000109126</b> | <b>\$380,000</b><br><b>Not-to-Exceed</b> | <i><u>Staff Summary Attached</u></i> |
|-----------|--|--|--------------------------------------|

Pursuant to an Emergency Declaration, LIRR requests MTA Board ratification of a contract to Harsco Metro Rail, LLC (Harsco) in the Not to Exceed amount of \$380,000 to provide all equipment and labor necessary for the repair of a Harsco Spreader/Ditcher Model LI4230 which is required to clear snow drifts that are up to 12 feet high from the right of way.

On March 3, 2017, the Spreader/Ditcher was struck by an out of control automobile which became airborne and cleared an outside fence to land in LIRR's Ronkonkoma yard, causing damage to the Harsco Spreader/Ditcher. Harsco is the manufacturer of the Spreader/Ditcher and does not have distributors to provide replacement parts or repair services. Harsco also holds all proprietary rights to their drawings, specifications and exact dimensional details of their equipment. Repair of the Spreader/Ditcher (based upon Harsco's inspection) requires a new cab, windows, electronics, heating system and controls. Harsco will provide technicians and all necessary components to repair the Spreader/Ditcher on site at LIRR's Facility as it would be both dangerous and expensive to have the unit transported to Harsco's facility in South Carolina.

Procurements Requiring Majority Vote

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

(Staff Summaries required for items requiring Board approval)

4. **Skanska-Posillico II (Jt Venture) \$56,015,000 - Orig. Amt** *Staff Summary Attached*  
**Competitive RFP \$ 4,702,974 - Prior Mod**  
**Contract No. 6229 \$ 0 - Prior Budget Increases**  
**\$60,717,974 - Current Amount**  
**\$ 4,396,690 - This Request**

It is requested that the Board formally ratify the declaration of an Immediate Operating Need (“ION”), made by the Chief Procurement & Logistics Officer, waiving formal competitive bidding pursuant to Article III Paragraph A of the All Agency Procurement Guidelines and Public Authorities Law Section 1265a subsection 4(a) and approve a contract modification to Skanska-Posillico II (JV) (“SPII JC”) for Construction Management Services for the new Second Track – located on LIRR’s Ronkonkoma Branch. The estimated period of performance is sixteen months from Notice of Award (“NOA”).

Long Island Rail Road’s (“LIRR”) fast-tracked Design-Build Double Track Project will improve service on the Main Line between Farmingdale and Ronkonkoma, which currently consists of a single electrified at-grade track, with limited passing sidings. The total length of the corridor is 17.9 miles, with single track segments totaling 12.6 miles. Operation of a full Double Track will allow for more reliable LIRR Main Line service and faster recovery time following service disruptions. This investment will also allow for more frequent, half-hourly, mid-day service along this corridor. For the Farmingdale to Ronkonkoma segment of the LIRR, the construction of the Double Track is the key to improving service reliability and on-time performance and increasing service during off-peak and weekend periods. The project has two geographic phases, with SPII JV responsible for both Phase I and Phase II under two individual contracts (LIRR #6119 and #6229).

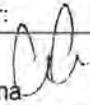
**Schedule D: Ratification of Completed Procurement Actions**

**Staff Summary**



Item Number: 3

<b>Vendor Name (&amp; Location)</b> Harsco Metro Rail, LLC – West Columbia, SC
<b>Description</b> Emergency Repair of LIRR-owned Harsco Spreader/Ditcher
<b>Contract Term (including Options, if any)</b> Until Repair is accomplished
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-Competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Emergency Procurement

<b>Contact Number</b> PO 4000109126	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total Amount:</b>	NTE \$380,000
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Chief Engineer, Engineering Christopher Calvagna 	
<b>Contract Manager:</b> Jack Lattener – Manager, MoW Procurements	

**Discussion:**

Pursuant to an Emergency Declaration, LIRR requests MTA Board ratification of a contract to Harsco Metro Rail, LLC (Harsco) in the Not to Exceed amount of \$380,000 to provide all equipment and labor necessary for the repair of a Harsco Spreader/Ditcher Model LI4230 which is required to clear snow drifts that are up to 12 feet high from the right of way.

On March 3, 2017, the Spreader/Ditcher was struck by an out of control automobile which became airborne and cleared an outside fence to land in LIRR’s Ronkonkoma yard, causing damage to the Harsco Spreader/Ditcher. Harsco is the manufacturer of the Spreader/Ditcher and does not have distributors to provide replacement parts or repair services. Harsco also holds all proprietary rights to their drawings, specifications and exact dimensional details of their equipment. Repair of the Spreader/Ditcher (based upon Harsco’s inspection) requires a new cab, windows, electronics, heating system and controls. Harsco will provide technicians and all necessary components to repair the Spreader/Ditcher on site at LIRR’s Facility as it would be both dangerous and expensive to have the unit transported to Harsco’s facility in South Carolina.

The Spreader/Ditcher is an integral piece of LIRR’s snow fighting and roadway maintenance equipment. The snow clearing work performed by this machine helps to quickly restore service following heavy snowfalls and the ditching/drainage work it accomplishes helps the roadbed to hold its surface longer.

Harsco estimates that it will take up to 1200 hours to manufacture and assemble the new cab, alone. Published Labor rates proposed by Harsco have been held constant since 2013 and are consistent with rates charged for similar services to other rail customers in the USA and Canada, including Amtrak, CSX, NS, UP, and MNR. Parts and equipment prices were most favored customer rates. The NTE price of \$380,000 is therefore fair and reasonable.

This contract is funded through LIRR’s Operating Budget. The estimated replacement cost of this equipment is estimated at over \$1,500,000 with a lead time of up to two years. This unit is LIRR’s only unit of its kind, was commissioned in 2013, and has an expected remaining useful life of 20-25 years. It is therefore recommended that the MTA Board ratify this award to Harsco Metro Rail, LLC in the Not to Exceed amount of \$380,000.

**Schedule K: Ratification of Completed Procurement Actions  
Staff Summary**



Item Number: 4

<b>Vendor Name (&amp; Location)</b> Skanska-Posillico II (Joint Venture)	
<b>Description</b> Design/Build Services for Mainline Double Track Ronkonkoma Branch Phase II	
<b>Contract Term (including Options, if any)</b> 16 months	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Immediate Operating Need	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Department of Project Management, Paul Dietlin 	

<b>Contact Number</b> 6229	<b>AWO/Modificaiton #</b> 5
<b>Original Amount:</b>	\$56,015,000
<b>Prior Modifications:</b>	\$ 4,702,974
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 60,717,974
<b>This Request:</b>	\$4,396,690
<b>% of This Request to Current Amount:</b>	7.2 %
<b>% of Modifications (including This Request) to Original Amount:</b>	16.2%

**Discussion:**

It is requested that the Board formally ratify the declaration of an Immediate Operating Need (“ION”), made by the Chief Procurement & Logistics Officer, waiving formal competitive bidding pursuant to Article III Paragraph A of the All Agency Procurement Guidelines and Public Authorities Law Section 1265a subsection 4(a) and approve a contract modification to Skanska-Posillico II (JV) (“SPII JC”) for Construction Management Services for the new Second Track – located on LIRR’s Ronkonkoma Branch. The estimated period of performance is sixteen months from Notice of Award (“NOA”).

Long Island Rail Road’s (“LIRR”) fast-tracked Design-Build Double Track Project will improve service on the Main Line between Farmingdale and Ronkonkoma, which currently consists of a single electrified at-grade track, with limited passing sidings. The total length of the corridor is 17.9 miles, with single track segments totaling 12.6 miles. Operation of a full Double Track will allow for more reliable LIRR Main Line service and faster recovery time following service disruptions. This investment will also allow for more frequent, half-hourly, mid-day service along this corridor. For the Farmingdale to Ronkonkoma segment of the LIRR, the construction of the Double Track is the key to improving service reliability and on-time performance and increasing service during off-peak and weekend periods. The project has two geographic phases, with SPII JV responsible for both Phase I and Phase II under two individual contracts (LIRR #6119 and #6229).

To date, SPII JV was the sole contractor on this overall project. Subsequently, new contracts for further work elements in Phase II territory were awarded to LK Comstock for Track and System Installation and to STALCO for the Wyandanch Station building. In addition, Ansaldo STS USA is responsible for the design/manufacture and delivery of signal equipment for all phases. Hence, work on this project is now, and increasingly will be, progressed under a number of independent contracts with multiple vendors working in contiguous areas throughout the project corridor. This produces a need for overall field oversight and coordination of all the vendors working on this project to ensure its timely and efficient completion.



The scope of this contract modification provides for SPII JV to perform construction management services to oversee and coordinate existing and upcoming construction. This work will include coordination, tracking, work trend analysis and providing a master schedule which integrates all construction work (Force Account and Third Party Contractors) with major material deliveries, signal equipment deliveries, and commissioning activities. These construction management services and integrated schedule will identify potential impacts in time for remedial action to be taken to help ensure successful completion of the fast track schedule.

Negotiations with SPII JV were held that focused on technical and schedule concerns, including design, equipment delivery schedule, and LIRR support. SKII JV's original proposal of \$6,012,803 was reduced by \$1,616,113 to a final negotiated price of \$4,396,690 for the construction management work. Reductions were achieved through elimination of non-essential tasks, reduction of staffing levels, elimination of some field expenses, and reduction in some field overhead costs and mark-ups. The final negotiated price is 12% less than the LIRR internal estimate \$4,975,927, and therefore deemed fair and reasonable.

In connection with a previous contract awarded to Skanska, Skanska was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel. No new SAI has been found relating to Skanska and Skanska was found to be responsible.

The MTA Department of Diversity and Civil Rights (DDCR) has established MBE/WBE goals of 15%/15% for the contract which will remain in effect for this modification.

This contract is funded in the LIRR 2015-2019 Capital Budget.

The only other alternative to achieving the oversight and coordination work required under this contract modification would be to solicit proposals for this work from other contractors. Contracting with another contractor would not be in the best interest of the LIRR for the following reasons:

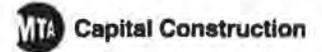
- LIRR would lose the benefit of SKII JV's three and one half years of knowledge of the project gained through the design and construction of the civil, sitework and trackbed preparation at Phase 1 and Phase 2 which could result in the inability to identify potential impacts and problems that might hamper the progress of the work.
- There would be significant duplication of effort by a new contractor, who would have to become familiar with the constructability and site access limitations of the 18 mile site. The increased time resulting from the learning curve of a new contractor would adversely impact this fast track project.

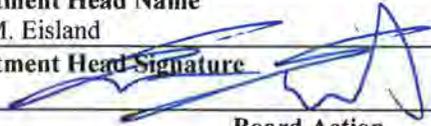
**LONG ISLAND RAIL ROAD  
COMMITTEE**

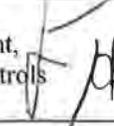
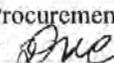
**MTA BOARD**

**PROCUREMENT PACKAGE  
JANURY 2018**

Staff Summary



<b>Subject</b> Request for Authorization to Award Various Procurements					
<b>Department</b> Law and Procurement					
<b>Department Head Name</b> Evan M. Eisland					
<b>Department Head Signature</b> 					
Board Action					
Order	To	Date	Approval	Info	Other
1	LIRR Committee	1/22/18	X		
2	Board	1/24/18	X		

<b>Date:</b> January 17, 2018			
<b>Vendor Name</b> Various			
<b>Contract Number</b> Various			
<b>Contract Manager Name</b> Various			
Internal Approvals			
	Approval		Approval
3	Vice President, Program Controls 	5	President 
2	Chief Financial Officer 	4	Executive Vice President 
1	Chief Procurement Officer 		

**PURPOSE**

To obtain the approval of the Board to award various contracts and a modification and, to inform the Long Island Rail Road Committee of these procurement actions.

**DISCUSSION**

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

Schedules Requiring Majority Vote:

Schedule F - Competitive Requests for Proposals

	<u># of Actions</u>	<u>\$ Amount</u>
	29	\$ 61,000,000
<b>SUBTOTAL</b>	29	\$ 61,000,000

MTA Capital Construction proposes to award Ratifications in the following category

Schedule K - Ratifications of Completed Procurement Actions

	<u># of Actions</u>	<u>\$ Amount</u>
	1	\$ 2,768,000
<b>SUBTOTAL</b>	1	\$ 2,768,000
<b>TOTAL</b>	30	\$63,768,000

**Budget Impact:**

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

**Recommendation:**

That the contracts and modification be approved as proposed. (The items are included in the resolution of approval at the beginning of the Procurement Section.)

**MTA Capital Construction Company**

**BOARD RESOLUTION**

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

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

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

NOW, the Board resolves as follows:

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

January 2018

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**Procurements Requiring Majority Vote:**

**Schedule F. Personal Service Contracts**

**(Staff Summaries required for all greater than: \$100K Sole Source; \$250K other Noncompetitive; \$1M Competitive)**

<b>1 - 26</b>	<b>Various Firms Contract No. PS866 Five Years</b>	<b>NTE \$56,000,000</b>	<b><u>Staff Summary Attached</u></b>
---------------	--	-------------------------	--------------------------------------

In accordance with Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTACC is seeking Board approval on behalf of itself, Long Island Rail Road (“LIRR”) and Metro North Railroad (“MNR”) to enter into competitively solicited personal service contracts with twenty six firms to provide professional staffing and services on an as-needed basis.

<b>27 - 29</b>	<b>Various Firms Contract Nos. PS862A – PS862C Four Years</b>	<b>NTE \$ 5,000,000</b>	<b><u>Staff Summary Attached</u></b>
----------------	---	-------------------------	--------------------------------------

In accordance with Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTACC seeks Board approval to enter into competitively solicited and negotiated personal service contracts with three firms to provide independent compliance monitoring on projects managed by MTACC on an as-needed basis.

<b>Item Number 1 - 26</b>					
<b>Dept &amp; Dept Head Name: Various</b>					
<b>Division &amp; Division Head Name:</b>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LIRR Committee	1/22/18	X		
2	Board	1/24/18	X		
Internal Approvals					
Order	Approval	Order	Approval		
3	Vice President, Program Controls <i>[Signature]</i>	6	President <i>[Signature]</i>		
2	Chief Financial Officer <i>[Signature]</i>	5	Executive Vice President <i>[Signature]</i>		
1	Chief Procurement Officer <i>[Signature]</i>	4	Sr. Vice President & General Counsel <i>[Signature]</i>		

SUMMARY INFORMATION	
<b>Vendor Name</b> Various	<b>Contract Number</b> PS866
<b>Description</b> Professional Staffing and Services	
<b>Total Amount</b> Aggregate Not-To-Exceed \$56,000,000 (MTACC \$36,000,000, LIRR \$10,000,000 MNR \$10,000,000)	
<b>Contract Term</b> Five Years	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

**I. PURPOSE/RECOMMENDATION**

Pursuant to Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTA Capital Construction ("MTACC") is seeking Board approval on behalf of itself, Long Island Rail Road ("LIRR") and Metro North Railroad ("MNR") to enter into competitively solicited personal service contracts with the following firms to provide professional staffing and services on an as-needed basis:

- |                                       |  |                              |
|---------------------------------------|--|------------------------------|
| 1. A.G Consulting Engineers (DBE)     | 10. Haider Engineering (DBE)                 | 19. Nova Link Sol            |
| 2. Aptim Engineering of New York      | 11. Hill International Inc.                  | 20. Penda Aiken, Inc. (DBE)  |
| 3. Arcadis of New York Inc.           | 12. Info Systems International               | 21. PMA Consultants          |
| 4. Armand Corporation (DBE)           | 13. Infojini, Inc.                           | 22. Popli Design Group (DBE) |
| 5. CARIAN Group                       | 14. Management Concepts Systems & Svcs (DBE) | 23. SI Engineering (DBE)     |
| 6. Di Domenico + Partners             | 15. Mott MacDonald                           | 24. SJH Engineering (DBE)    |
| 7. Dvirka & Bartilucci Engineering    | 16. MP Engineers (DBE)                       | 25. Tectonic Engineering     |
| 8. FS Consulting Consulting LLC (DBE) | 17. Naik Consulting Group (DBE)              | 26. Ty Lin International     |
| 9. Faithful+Gould                     | 18. Net2source Inc                           |                              |

**II. DISCUSSION**

This procurement will provide MTACC, LIRR and MNR with a pool of consultants to provide professional staffing and services to support the planning and management of MTA projects. As each agency identifies specific needs, it will issue a request for proposals to those selected consultants that have the resources to meet those needs. The agency will then issue a task order containing a detailed scope of work and expected deliverables to the consultant whose proposal will provide the best value. Task Orders will be written against zero-dollar based contracts with each of the consultants.

The types of professionals available under these contracts include:

Accountants	General Management Services	Quality Assurance Engineers
Administrative Support	Geotechnical Engineers	Railroad Engineers
Archaeologists	Government Affairs Manager	Railroad Signal Experts
Architects	Graphic Artist	Risk Managers
Art Administrators	Graphic Designers	Safety Engineers
Blasting Experts	Historical Resources Expertise	Security Assessment Experts
Budget Analyst	HVAC Designers	Service Planner
CADD Operators	I & C Engineers	Signage Designers
Civil Engineers	Industrial Engineers	Signals Engineers
Claims and Changes Managers	Information Management Services	Space Planners
Communications	Interior Designers	Specification Writers
Communications Engineers	Landscape Architects	Structural Engineers
Communications Manager	Marketing Manager	Structural Engineers
Community Affairs Manager	Marketing Services	Surveyors
Concrete Experts	Mechanical Engineers	Sustainable Design Expertise
Construction Inspectors	Model Makers	System Integration Engineers
Construction Managers	Operations Planner	Technical Trainers
Contract Administrators	Outreach Coordinator	Technicians
Contract Managers	Photographer	Traffic Engineers
Copy Writer	Plumbing Designers	Transportation Engineer
Cost Control Experts	Procurement Specialists	Transportation Planner
Cultural Resources Expertise	Project Managers	Tunneling Experts
Electrical Engineers	Project Planners	Value Engineers
Environmental Engineers	Project Schedulers	Web Designer
Estimators	Property Managers	Web Developer
Financial Analyst	Public Affairs and Public Relations Manager	Webmaster

### **III. PROCUREMENT PROCESS**

The Request for Proposal (RFP) was advertised in The New York Post, The New York State Contract Reporter and Minority Commerce Weekly. Forty five (45) firms requested a copy of the RFP and proposals were received from twenty-eight (28) firms. A selection committee evaluated the proposals based on the following criteria as outlined in the RFP documents and listed in the order of relative importance:

1. Knowledge and experience
2. Technical qualifications
3. Demonstrated ability to obtain qualified professional staff
4. Past performance on MTA or other contracts
5. Management approach
6. Recruitment methods and retainage of personnel
7. Other relevant matters
8. Quality of written proposals

The selection committee determined that all of the proposers possess the capacity, understanding, experience and commitment to perform the subject work and recommended that the Agencies be authorized to enter into contracts with all of the proposing firms.

Full responsibility vetting is currently in process for all twenty-six firms. No firm with significant adverse information pursuant to the All-Agency Responsibility Guidelines will be awarded a Contract unless they are found to be responsible notwithstanding the significant adverse information and such finding is approved by the MTA Managing Director in consultation with the MTA General Counsel.

### **IV. D/M/WBE**

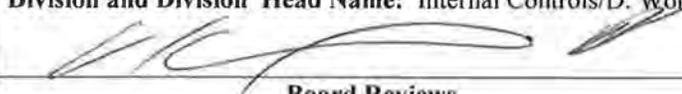
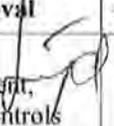
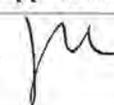
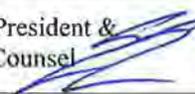
This Contract is federally funded and is therefore is governed by the regulation promulgated by the U.S Department of Transportation at 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The Department of Diversity and Civil Rights reviewed the requirements of the Contract and after undertaking a thorough analysis established a goal of 20% for this contract based on the nature of the work and the availability of Disadvantaged Business Enterprises capable of performing the work. All of the Proposers have pledged to meet the 20% goal.

**V. IMPACT ON FUNDING**

The total aggregate contract values are \$36,000,000 for MTACC, \$10,000,000 for LIRR and \$10,000,000 for MNR. These values are based upon current projections and are being used for budgeting purposes only. Actual costs and sources of funding for these services will be determined on a case by case basis at the time of issuance of a Task Order. Funding will be available from each Agencies Capital Program and from the FTA.

**VI. ALTERNATIVES**

The alternative would be to perform these services in-house but these services will be utilized when the Agencies do not have the in house resources available.

Item Numbers 27 - 29					
Dept & Dept Head Name: MTA Corporate Compliance/L. Kears					
					
Division and Division Head Name: Internal Controls/D. Worrell					
					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LI Committee	1/22/18	X		
2	Board	1/24/18	X		
Internal Approvals					
Order	Approval	Order	Approval		
3.	Vice President, Program Controls 	6	President 		
2	Chief Financial Officer 	5	Executive Vice President 		
1	Sr. Director and Chief Procurement Officer 	4	Sr. Vice President & General Counsel 		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Various	PS862A - PS862C
Description	
Independent Compliance Monitor	
Total Amount	
Aggregate Not-To-Exceed \$5,000,000	
Contract Term	
Four Years	
Option(s) included in Total Amount?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal?	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

**I. PURPOSE/RECOMMENDATION:**

Pursuant to Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTACC requests Board approval to award competitively solicited and negotiated personal service Contracts PS862A through PS862C in the aggregate not-to-exceed amount of \$5,000,000 to the following firms:

1. Ankura Consulting, LP
2. Exiger LLC
3. K2 Intelligence LLC

These contracts are to provide as-needed independent compliance monitoring on projects managed by MTACC. These are zero dollar based contracts and do not obligate MTACC to commit any minimum dollar amount. The term of each contract is four years.

**II. DISCUSSION:**

Based on the scope and aggregate value of several of the MTA's expansion and mobility projects (the "Mega-projects"), in 2005 the MTA hired an Integrity Compliance Monitor to ensure compliance with laws, rules, regulations and contract requirements. In 2011, based on findings that were uncovered by the original monitor and the investigation by the MTA Office of the Inspector General (MTA OIG), the MTA decided to continue the program and fund successor contracts (PS833-1 through PS833-3) to perform Compliance Monitoring. These contracts PS862A through PA862C, will replace those contracts.

The scope under these contract include monitoring contractor compliance with laws, rules and contractual requirements in the areas of (i) Disadvantaged Business Enterprise (DBE); (ii) payments to Subcontractors and Suppliers (iii) payment of prevailing wages to workers and (iv) other areas of potential fraud as identified by the MTA's Chief Compliance Officer. As described below, through a competitive Request for Proposal (RFP) process three Monitors have been selected. MTA's Chief Compliance Officer, in consultation with MTACC and the MTAOIG, will issue "task orders" against base contracts with these three firms to perform specific investigative services.

The Request for Proposal (RFP) was advertised on March 17, 2017. The advertisement appeared in the New York State Contract Reporter, the New York Post, Engineering News-Record, Minority Commerce Weekly and on the MTA Website. Twenty-one firms requested the RFP documents and the following thirteen entities submitted technical proposals:

1. Ankura Holdings, LP
2. Armand Resource Group, Inc.
3. Baker Tilly Beers & Cutler, PL
4. BDO Consulting
5. Berkeley Research Group
6. Exiger LLC
7. Guidepost Solutions LLC
8. K2 Intelligence LLC
9. KPMG LLC
10. Kroll Associates, Inc.
11. Navigant Consulting, Inc.
12. Price Waterhouse Cooper Public
13. Talson Solutions LLC

The Selection Committee for this Contract was composed of representatives from MTAHQ and MTACC. The selection committee evaluated the technical proposals based on the following criteria as outlined in the RFP documents and listed in the order of relative importance:

1. Project Management
2. Past/Similar Experience
3. Knowledge
4. Quality
5. Proposers Diversity Practices Questionnaire
6. Other Relevant Matters

Based on the technical evaluations the following firms were deemed to be in a competitive range and were invited to provide oral presentations:

1. Ankura Consulting, LP
2. BDO Consulting
3. Exiger LLC
4. Guidepost Solutions LLC
5. K2 Intelligence LLC
6. Kroll Associates, Inc.

Following the Oral Presentations, the Selection Committee rescored the Technical Proposals and unanimously determined that Ankura Consulting, LP and Exiger LLC and K2 Intelligence LLC, were the highest rated firms and within a competitive range. Therefore, the Selection Committee determined that MTACC should enter into negotiations with all three firms.

Negotiations focused primarily on hourly rates and skill sets. The rates of all three entities were deemed fair and reasonable when compared to the internal estimate. Accordingly, the Selection Committee recommended awarding contracts to all three firms. The services to be provided under these contracts will be awarded on a Task Order basis at the negotiated billing labor rates which will be fixed for a period of four (4) years from the Notice of Award.

Responsibility reviews were performed on all three firms. No significant adverse information as defined in the All-Agency Responsibility Guidelines was found. Therefore all three firms are deemed to be responsible.

**III. MBE/WBE/SDVOB INFORMATION:**

The Department of Diversity and Civil Rights reviewed the requirements of the contracts and after undertaking a thorough analysis established a goal of 15% MBE and 15% WBE based on the nature of the work and the availability of MBEs and WBEs capable of performing the work. Ankura Consulting, LP, Exiger LLC and K2 Intelligence, have all indicated that they will meet the M/WBE Goal.

In connection with past experience meeting D/M/WBE goals, Ankura Consulting, LP, Exiger LLC and K2 Intelligence have no performance history with D/M/WBE goals on MTA Contracts.

**IV. IMPACT ON FUNDING:**

Funding for this Contract is available in the 2015-2019 Capital Program.

**V. ALTERNATIVES:**

The alternative would be to perform the compliance monitoring services in-house but neither MTA nor MTACC have the in-house resources available to undertake this work.

January 2018

**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)

30.	Tutor Perini Corporation Contract No. CS179 Modification No. 74	\$ 2,768,000	<i><u>Staff Summary Attached</u></i>
-----	---	--------------	--------------------------------------

In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC is requesting the Board ratify a modification to the contract to implement repairs and upgrades to prevent water infiltration into multiple Queens Facilities.

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

Item Number 30

<b>Vendor Name (&amp; Location)</b> Tutor Perini Corporation (Peekskill, New York)	
<b>Description</b> Systems Facilities Package No. 1	
<b>Contract Term (including Options, if any)</b>  75 Months	
<b>Option(s) included in Total Amount?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Procurement Type</b>	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b>	<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> East Side Access, W. Goodrich, P.E.	

Contract Number	AWO/Modification #	
CS179	74	
<b>Original Amount:</b>	\$	333,588,000
<b>Prior Modifications:</b>	\$	14,288,142
<b>Exercised Options:</b>	\$	216,800,001
<b>Current Amount:</b>	\$	564,676,143
<b>This Request</b>	\$	2,768,000
<b>% of This Request to Current Amount:</b>		0.4 %
<b>% of Modifications (including This Request) to Original Amount:</b>		5 %

**Discussion:**

This Contract provides the systems for the East Side Access (ESA) project, including fire detection, tunnel ventilation, facility power, signal power, tunnel lighting and SCADA systems. In accordance with Article VIII of the All-Agency General Contract Guidelines, MTACC requests that the Board ratify a contract modification to implement repairs and upgrades to prevent water infiltration into multiple Queens Facilities.

The 12th St., 23rd St., 29th St., and Roosevelt Ave. Ventilation Facilities were constructed in the 1970s as part of construction of the 63rd St Tunnel. Upon commencement of CS179 contract work, the Contractor and the Construction Manager observed water infiltration within these facilities. The facilities require a dry environment in order to install the electrical equipment. Without remedial action to reduce and manage the water infiltration, the rooms with electrical equipment would be exposed to excessive moisture and cause premature deterioration and component failure. The Designer performed surveys of the facilities and determined the cause of the water infiltration was through the street level hatches as well as cracks in certain walls.

Under this modification, the Contractor will complete the various types of repairs to address water infiltration issues at the 29th Street, 23rd Street, 12th Street, and Roosevelt Island Facilities. The work includes hatch repairs, additional drainage systems, crack repairs and painting

In order not to delay the installation work and to protect the equipment, the President approved a Retroactive Memorandum and the Contractor was directed to proceed with the remedial work in April of 2016 up to a Not-To-Exceed work value of \$2,121,055. As the work pursuant to the Retroactive Memorandum proceeded, further conditions causing leaks and requiring remedial work were discovered, necessitating repeated inspections, assessments and revisions to the work to be performed, delaying the negotiation of a final modification. To date, the Contractor has performed approximately 80% of the required remedial work, having reached the NTE value of the work.

The Contractor submitted a cost proposal for the work in the amount of \$3,238,434, while MTACC's approved estimate is \$3,273,353. It was subsequently determined, based on the work performed to date, that the work can be completed at a substantially lower cost than originally estimated by either party. Negotiations were held and the parties agreed to a cost of \$2,768,000, which is considered fair and reasonable.

In connection with a previous contract awarded to Tutor Perini Corporation (TPC), TPC was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Interim Executive Director in consultation with the MTA General Counsel in February 2017. No new SAI has been found relating to TPC and TPC was found to be responsible.



# Bridges and Tunnels

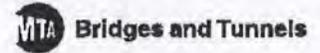
---

---

## Procurements January 2018



# Staff Summary



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

<b>Date</b> 01/11/2018
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	President	01/11/2018			
2	MTA B&T Committee	01/22/2018			
3	MTA Board	01/24/2018			

Internal Approvals			
Order	Approval	Order	Approval
	President <i>cl</i>		VP Operations
	Executive Vice President <i>AP</i>		VP & Chief Engineer
	SVP & General Counsel		VP & Chief Procurement Officer <i>BB</i>
	VP & Chief Financial Officer <i>AS</i>		

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

**PURPOSE:**

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

**DISCUSSION:**

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

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

<u>Schedules Requiring Majority Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule F: Personal Service Contracts	1	\$ 1.682M
<b>SUBTOTAL</b>	<b>1</b>	<b>\$ 1.682M</b>

MTA B&T presents the following procurement actions for Ratification:

<u>Schedules Requiring Two-Thirds Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule D: Ratification of Completed Procurement Actions	3	\$24.533M
<b>SUBTOTAL</b>	<b>3</b>	<b>\$24.533M</b>
<b>TOTAL</b>	<b>4</b>	<b>\$ 26.210M</b>

**BUDGET IMPACT:**

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

**RECOMMENDATION:**

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

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

**MTA BRIDGES & TUNNELS**  
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

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

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

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

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

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

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**  
**JANUARY 2018**

**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. <b>Kupper Engineering and Land<br/>Surveying, PLLC<br/>Contract No. PSC-15-2970</b> | <b>\$1,682,487.90</b> | <b><u>Staff Summary Attached</u></b> |
|--|-----------------------|--------------------------------------|

3 yr. Contract- Competitive RFP

B&T is seeking Board approval under the All-Agency Service Contract Procurement Guidelines to award a competitively negotiated personal service contract in order to provide all labor, material and equipment necessary to perform Maritime Security Services.

# Staff Summary

Item Number 1 (Final)					
Dept & Dept Head Name: Internal Security, Steven Hansen					
Division & Division Head Name: Internal Security, Donald Look					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	1/8/18			
2	MTA B&T Committee	1/22/18			
3	MTA Board	1/24/18			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>[Signature]</i>	4	Executive Vice President <i>[Signature]</i>		
2	General Counsel <i>[Signature]</i>	5	President <i>[Signature]</i>		
3	Chief Procurement Officer <i>[Signature]</i>				

SUMMARY INFORMATION	
Vendor Name Kupper Engineering and Land Surveying, PLLC	Contract Number PSC-15-2970
Description Maritime Security Services for Undersea Survey Program for Bridge and Tunnel Infrastructure	
Total Amount \$1,682,487.90	
Contract Term (including Options, if any) Three (3) Years	
Option(s) Included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input 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**

MTA Bridges and Tunnels (B&T) is seeking Board approval under the All-Agency Guidelines for Procurement of Services to award a competitively negotiated personal service contract to Kupper Engineering and Land Surveying, PLLC (Kupper) to provide all labor, material and equipment necessary to perform Maritime Security Services in the agreed upon amount of \$1,682,487.90 for a duration of three (3) years.

**II. DISCUSSION**

B&T requires the services of a consultant to provide comprehensive undersea surveys on a scheduled basis of its bridge and tunnel infrastructure for documentation of underwater related conditions. This contract will enhance security for our critical maritime infrastructure. These detailed underwater surveys will also be utilized to determine possible structural concerns and complement B&T's structural maintenance and review programs. In addition, this contract provides emergency and on demand survey services that will allow for inspection due to the possibility of structural deterioration from either natural or manmade events.

The service requirements were publicly advertised. Six firms submitted qualification information for review and evaluation by the selection committee. Four firms were chosen to receive the RFP based on review of those qualifications. On January 26, 2016 three firms: Kupper Engineering & Land Surveying PLLC, M.G. McLaren PC (McLaren) and Meridian Ocean Services Inc. (Meridian) submitted proposals. The fourth firm, WJ Castle, PE elected not to submit a proposal. The

(rev. 1/22/14)

## Staff Summary

proposals were evaluated against established criteria set forth in the RFP including qualification of firm, technical work proposed, understanding of project, record of consultant's performance/experience and cost. Based on the committee's review it selected Kupper based on its: (i) qualified personnel; (ii) resources (specialized marine equipment including 3D real time echoscope sonar imagery and remotely operated vehicle (ROV) underwater video for a baseline survey); (iii) satisfactory work experience with TBTA, Port Authority & NJDOT; (iv) proposed team with vast maritime security services and (v) specialized homeland security training and experience. Although the other proposers met the requirements of the RFP the selection team evaluated Kupper's maritime security experience, proposed team and resources superior to the proposals from McLaren and Meridian.

Kupper submitted a cost proposal in the amount of \$1,749,677.57. The Engineer's estimate is \$1,598,914. The negotiations resulted in B&T and Kupper agreeing to a cost of \$1,682,487.90 which is 5 percent higher than the estimate. The variance can be attributed to several factors including: (i) no prior experience with procurement of these services; (ii) the specialization of the equipment and personnel needed for these services and (iii) underestimation of overhead required for this effort. The negotiated amount is considered fair and reasonable. Kupper is deemed to be a responsible consultant.

### **III. D/M/WBE INFORMATION**

MTA Department of Diversity and Civil Rights have assigned goals of 15% MBE and 15% WBE on this contract. Kupper is projected to achieve the assigned MWBE goals. Kupper Engineering has not completed any MTA contracts with goals; therefore, no assessment of the firm's MWDBE performance can be determined at this time.

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

Funding is available in the Operating Budget under GL #710702.

### **V. ALTERNATIVES**

There are no recommended alternatives. B&T does not possess the resources certified to perform these services.



# Bridges and Tunnels

---

---

## Ratifications

---

---

## LIST OF RATIFICATIONS FOR BOARD APPROVAL JANUARY 2018

### MTA BRIDGES & TUNNELS

#### Procurements Requiring Two-Thirds Vote:

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

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

1. **DeFoe Corp.** **\$13,925,775.26** *Staff Summary Attached*  
**Contract No. RK-23A**

3 yr. Contract- Competitive Bid

This is to inform the Board and seek its ratification under the All Agency General Contract Procurement Guidelines for an amendment issued under public work Contract RK-23A to furnish and install electrical and other associated work in connection with post Open Road Tolling (ORT) implementation at the RFK Bridge.

2. **Judlau Contracting, Inc.** **\$ 8,600,000.00** *Staff Summary Attached*  
**Contract No. QM-40S**

3 yr., 2 months Contract- Competitive RFP

This is to inform the Board and seek its ratification under the All Agency General Contract Procurement Guidelines for an amendment issued under public work Contract QM-40S to furnish and install electrical and lighting infrastructure upgrades to modernize the Manhattan and Queens Plazas in coordination with the new Open Road Tolling (ORT).

3. **WSP SELLS | HNTB, JV** **\$ 2,007,374.29** *Staff Summary Attached*  
**Contract No. PSC-14-2957**

4 yr. Contract- Competitive RFP

This is to inform the Board and seek its ratification under the All Agency Services Contract Procurement Guidelines to amend personal services Contract PSC-14-2957 for an additional design and construction support services (CSS).

## Schedule D: Ratification of Completed Procurement Actions

Item Number: 1 (Final)

<b>Vendor Name (&amp; Location)</b> DeFoe Corp. (Mount Vernon, NY)	<b>Contract Number</b> RK-23A	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Description</b> Reconstruction and Rehabilitation of the 125 <sup>th</sup> street Manhattan Approach Ramps to the RFK Bridge	<b>Total Amount:</b> \$13,925,775.26	
<b>Contract Term (including Options, if any)</b> December 22, 2014 – December 21, 2017	<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Engineering and Construction, Joe Keane, P.E.	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Contract Manager:</b> Tara Bugg	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:		

**Discussion:**

This is to inform the Board and seek its ratification under the All Agency General Contract Procurement Guidelines for an amendment issued under public work Contract RK-23A to furnish and install electrical and other associated work in connection with post Open Road Tolling (ORT) implementation at the RFK Bridge (RFK) in the negotiated amount of \$13,925,775.26.

The Contract was awarded to DeFoe Corp. (DeFoe) in December 2014 in the amount of \$68,300,000.70 (inclusive of an incentive totaling \$1,165,440.00) subsequent to competitive sealed bidding. The Scope of Work required the replacement of the on-bound and off-bound ramps from 125<sup>th</sup> Street in Manhattan to the RFK Bridge, inclusive of maintenance and protection of traffic and incidental lead abatement. Previous amendments totaling \$35,284,058.83 have been authorized, including \$22,208,282.00 for ORT implementation and associated tower work.

B&T has completed its implementation of cashless all-electronic ORT at all B&T facilities. This expedited Authority-Wide phased initiative not only transforms and modernizes the facilities but also includes installations for security tower lighting and control, traffic enforcement, safety, incident response and management, as well as other security related initiatives. These system improvements are scheduled to be integrated into the Authority's new Command and Control Center.

The scope of work includes: structural strengthening of the plaza deck, as well as security tower fabrication, installation, electrical power distribution and lighting. DeFoe submitted proposals totaling \$15,710,536.23. The Engineer's estimate is \$13,394,500.25. Negotiations resulted in B&T and DeFoe agreeing to an amount totaling \$13,925,775.26 (inclusive of an allowance in the amount of \$600,000.00 for additional modifications), which is 4.0% above the Engineer's estimate and is considered fair and reasonable. B&T initially authorized an amendment to coordinate the work with other ongoing plaza and restoration work in order to minimize customer impacts.

Funding is available in the 2015-2019 Capital Program for work at the Manhattan approach in the amount of \$13,655,775.26 (Project D703RK63/D04018) and for work at the Manhattan Plaza in the amount of \$270,000.00 (Project D703RK63 /D03950).

## Schedule D: Ratification of Completed Procurement Actions

Item Number: 2 (Final)

<b>Vendor Name (&amp; Location)</b> Judlau Contracting, Inc, College Point, New York	<b>Contract Number</b> QM-40S	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Description</b> Sandy Restoration and Mitigation and Projects QM-40/QM-18, Rehabilitation of the Tunnel and Manhattan Exit Plaza at the Queens Midtown Tunnel	<b>Total Amount:</b> \$8,600,000	
<b>Contract Term (including Options, if any)</b> April 23, 2015 – July 9, 2018	<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Engineering & Construction, Joe Keane, P.E.	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Contract Manager:</b> Brian Bajor	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		

### Discussion:

This is to inform the Board and seek its ratification under the All Agency General Contract Procurement Guidelines for an amendment issued under public work Contract QM-40S with Judlau Contracting, Inc. (Judlau) to furnish and install electrical and lighting infrastructure upgrades to modernize the Manhattan and Queens Plazas in coordination with the new Open Road Tolling (ORT) in the amount of \$8,600,000.

The Contract was awarded to Judlau in April 2015 in the amount of \$236,500,000 (inclusive of incentives totaling \$6,460,000) subsequent to a competitive RFP process and Board approval. The Scope of Work required the contractor to restore the Queens Midtown Tunnel (QMT) to a pre-storm state of good repair including system replacements as follows: tunnel electrical; lighting; communications; monitoring and control systems; mid-river pump room; tunnel structural and civil repairs; tunnel wall tile; ceiling panels; polymer panels; catwalk, curbs and gutters; and tunnel ventilation building rehabilitation as well as asbestos and incidental lead abatement and maintenance and protection of traffic. Additionally Project QM-18 includes the rehabilitation of the Manhattan Exit Plaza. Previous amendments totaling \$49,312,696.73 have been approved, inclusive of ORT amendments totaling \$10,954,000. B&T has accelerated the substantial completion of the Project, which is now scheduled for July 9, 2018.

B&T completed its implementation of cashless all-electronic ORT at B&T facilities. This expedited Authority-Wide phased initiative not only transforms and modernizes the facilities, but also includes installations for: plaza lighting and control, traffic enforcement, safety, incident response and management, as well as other security related initiatives. These system improvements are scheduled to be integrated into the Authority's new Command and Control Center.

The work includes construction for power distribution upgrades and relocations at the Manhattan and Queens Plazas and the installation of lighting on the plaza walls and security towers. Judlau submitted proposals totaling \$13,088,163.40. The Engineer's estimates totaled \$8,581,737.76. Negotiations resulted in B&T and Judlau agreeing to the negotiated amount totaling \$8,600,000. B&T initially authorized an amendment in the amount of \$7,300,000, to coordinate with other ongoing plaza and restoration work in order to minimize customer impacts. The negotiated amendment amount is 0.2% above the estimate and is fair and reasonable.

The funding for this work in the amount of \$8,600,000 is available in the 2015-2019 Capital Program, under Project D703QM63, Task D04015.

In connection with a previous contract award, Judlau was found to be responsible notwithstanding significant adverse information (SAI) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel. In addition, as a result of the review of Judlau's responsibility since the prior contract award, new SAI was identified and Judlau was found to be responsible notwithstanding such new SAI and such responsibility finding was subsequently approved by the TBTA President in consultation with the TBTA General Counsel on February 21, 2017.

## Schedule D: Ratification of Completed Procurement Actions

Item Number: 3 (Final)

<b>Vendor Name (&amp; Location)</b> WSP SELLS   HNTB, JV, Briarcliff Manor, NY	<b>Contract Number</b> PSC-14-2957	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Description</b> Feasibility Study and Conceptual Design for Project RK-65B, Reconstruction of Manhattan Plaza of the RFK Bridge and Associated Ramps	<b>Total Amount:</b> \$2,007,374.29	
<b>Contract Term (including Options, if any)</b> December 24, 2014 – December 23, 2018	<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Engineering and Construction, Joe Keane, P.E.	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Contract Manager:</b> Susan Higgins	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		

### Discussion:

This is to inform the Board and seek its ratification under the All-Agency Guidelines for Procurement of Services to amend personal services Contract No. PSC-14-2957 with WSP SELLS | HNTB, JV for additional design and construction support services (CSS) in the negotiated amount of \$2,007,374.29.

WSP SELLS | HNTB, JV design services have been utilized for the implementation of Open Road Tolling (ORT) at the RFK, to modernize and transform the RFK plazas and for the Operations Command and Control Center (C3) Facility. This Contract was awarded to WSP SELLS | HNTB, JV in December 2014 on a competitive basis in the amount of \$3,641,416 for a duration of two years to conduct a feasibility study and conceptual design for Project RK-65B, Reconstruction of the Manhattan Plaza of the RFK Bridge and Associated Ramps. Previously an amendment was issued pursuant to Board approval in the amount of \$2,471,525 for the designs to implement ORT at the Robert F. Kennedy Bridge (RFK Bridge), including designs for a new and more technologically advanced C3 were needed to centrally monitor and control existing and new operational functions.

B&T completed its implementation of cashless all-electronic ORT at all B&T facilities. Additional engineering services were necessary at the RFK for modifications to improve tolling, security and enforcement initiatives, as well as security tower erection and lighting scopes of work. The scope of services includes additional design and CSS for the relocated C3 which is integral to ORT implementation, security and weather monitoring measures. WSP SELLS | HNTB, JV proposed a cost of \$2,342,468.97. The negotiated amount is \$2,007,374.29, which is 5.8% below the Engineer's Estimate of \$2,131,982.53 and is fair and reasonable.

B&T initially authorized an amendment in the amount of \$1,381,300 to meet the project schedule for ORT implementation and the operation of the new C3, construction of which was completed by the end of 2017.

Funding is available in the 2015-2019 Capital Program under Projects D703/RK-63/D03947 (\$246,786.73), D703/RK-63/D04073 (\$670,214.43), D703/RK-63/D04019 (\$195,289.42) and D705/AW66/D03492 (\$895,083.71).

WSP SELLS | HNTB, JV is a joint venture between WSP and HNTB. Parsons Brinckerhoff, Inc. is a wholly owned subsidiary of WSP. In connection with a previous contract awarded to the Consultant, Parsons Brinckerhoff, Inc. was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel on March 25th, 2008. No new SAI has been found relating to the consultant and Parsons Brinckerhoff, Inc., and likewise WSP, have been found to be responsible.