



Metropolitan Transportation Authority

July 2018

MTA Board Action Items



MTA Board Meeting
2 Broadway - 20th Floor Board Room
New York, N.Y. 10004
Wednesday, 7/25/2018
9:00 AM - 12:00 PM ET

1. PUBLIC COMMENT PERIOD

2. APPROVAL OF MINUTES

MTA Regular Board Minutes - June 20, 2018

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NYCT/MaBSTOA/SIRTOA/MTA Bus Company Regular Board Minutes - June 20, 2018

NYCT/MaBSTOA/SIRTOA/MTA Bus Company Minutes - June 20, 2018 - Page 11

MTA Metro-North Railroad Regular Board Minutes - June 20, 2018

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MTA Long Island Rail Road Regular Board Minutes - June 20, 2018

MTA LIRR Minutes - June 20, 2018 - Page 22

MTA Bridges & Tunnels Regular Board Minutes - June 20, 2018

MTA B&T Minutes - June 20, 2018 - Page 37

MTA Capital Construction Regular Board Minutes - June 20, 2018

MTACC Minutes - June 20, 2018 - Page 42

3. COMMITTEE ON FINANCE

Action Items

i. Authorization to Increase Transportation Revenue Anticipation Notes

Authorization to Increase Transportation Revenue Anticipation Notes - Page 45

ii. Extension of Owner Controlled Insurance for East Side Access

Extension of Owner Controlled Insurance for East Side Access - Page 63

MTAHQ Procurements Report

MTAHQ Procurement Report - Page 65

i. Non-Competitive

MTAHQ Non-Competitive Procurements - Page 67

ii. Competitive

MTAHQ Competitive Procurements - Page 73

iii. Ratifications

MTAHQ Ratifications - Page 90

Real Estate Items

i. Real Estate Agenda and Staff Summaries

Real Estate Agenda and Staff Summaries - Page 95

4. COMMITTEE ON NYCT & BUS

NYCT Procurements

NYCT July Procurement Staff Summary and Resolution - Page 118

i. Non-Competitive

NYCT Non-Competitive Actions - Page 123

ii. Competitive

NYCT Competitive Actions - Page 125

iii. Ratifications

NYCT, MTACC Ratifications - Page 133

5. COMMITTEE ON METRO-NORTH RAILROAD

Metro-North Procurements

MNR Procurements - Page 141

i. Non-Competitive (no items)

ii. Competitive

MNR Competitive Procurements - Page 144

iii. Ratifications (no items)

6. COMMITTEE ON LONG ISLAND RAIL ROAD

LIRR Procurements

LIRR Procurements - Page 152

i. Non-Competitive (no items)

ii. Competitive

LIRR Competitive - Page 156

iii. Ratifications (no items)

LIRR MTACC Procurements

MTA CC Procurements - Page 161

i. Non-Competitive (no items)

ii. Competitive

MTA CC Competitive - Page 165

iii. Ratifications

MTA CC Ratifications - Page 169

7. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS

BT Procurements

B&T Procurement - Page 173

i. Non-Competitive (no items)

ii. Competitive

B&T Competitive - Page 176

iii. Ratifications (no items)

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

9. CFO PRESENTATION TO A JOINT SESSION OF THE BOARD & FINANCE COMMITTEE (Materials Distributed Separately)

2018 Mid-Year Forecast

2019 Preliminary Budget

July Financial Plan 2019-2022

10. EXECUTIVE SESSION

**Metropolitan Transportation Authority
Minutes of
Regular Board Meeting
2 Broadway
New York, NY 10004
June 20, 2018
9:00 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. Susan Metzger
Hon. Charles G. Moerdler
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
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

Hon. Andrew Albert
Hon. Randolph Glucksman
Hon. Vincent Tessitore, Jr.

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick Fulton, President TBTA, Darryl Irick, President, MTA Bus Operations, 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.

1. PUBLIC SPEAKERS SESSION.

Mr. Morello called speakers' attention to the countdown clock and asked that each speaker limit their comments to two minutes.

The following eleven (11) 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.

Debra Cohen, private citizen
David Paul Gerber, private citizen
Filippa Grisafi, private citizen
Jason Piniero, private citizen
Maurice Lynch, private citizen
Harold P. Schroer, private citizen
William Henderson, PCAC
Mary Parrison, CURES
Omar Vera, private citizen
Max Shaw, private citizen
Vijay Duggal – private citizen

2. WORKING GROUPS' PRESENTATION.

Chairman Lhota welcomed everyone to the June Board meeting.

Chairman Lhota announced that today's meeting will begin with brief presentations from Board Member Charles Moerdler, Chair of the Procurement Reform Working Group and Board Member Scott Rechler, Chair of the Capital Project Cost Containment Working Group. The Chairman also announced that next month Board Member Veronica Vanterpool, Chair of the Working Group on Paratransit and Board Member Ira Greenberg, Chair of the Working Group on Subway Accessibility will present a brief overview of their respective Working Groups' progress.

Board Member Moerdler presented the Board with an update on the progress made by the Procurement Working Group, stating that the Group's mission is to streamline the procurement process. Board Member Moerdler commended the leadership of Patrick Foye, President of MTA and Steven Plochochi, NYCT Senior V.P. of Operations Support, and he also commended the work of Board Members Norman Brown, Veronica Vanterpool and Carl Weisbrod, as Members of the Working Group.

Board Member Rechler provided the Board with an overview of the Capital Project Cost Containment Working Group's progress. He identified three main areas of concern and presented the Working Group's recommendations to solve the areas of concern. Board Member Rechler acknowledged and thanked Board Members Lawrence Schwartz, Polly Trottenberg and Mitchell Pally for their contributions.

Chairman Lhota thanked Board Members Moerdler and Rechler for their presentations.

The details of the presentations, Board Members' comments and discussions are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records.

3. CHAIRMAN'S REMARKS.

The Chairman noted that this Sunday marks the first time in a while that the #2 Train will stop at the Clark Street Station.

Chairman Lhota congratulated everyone who worked to make the Fair Fares a budgetary reality for New York City. The Chairman acknowledged the Community Service Society and its President and CEO, MTA Board Member David Jones, who the Chairman stated was a long time champion of the Fair Fares initiative.

Chairman Lhota acknowledged Steve Morello, who is retiring at the end of the month after serving six years as Counselor to the Chairman, and a long career in State and City government, where he served as a spokesperson for three Governors and two Mayors. On behalf of the MTA and the Board, Chairman Lhota thanked Mr. Morello for his services and wished him well in his retirement.

Chairman Lhota announced the resignation of Board Member John Molloy, who was appointed to the MTA Board in 2013 representing Nassau County. Chairman Lhota, on behalf of the MTA and Board Members, thanked Board Member Molloy for five years of dedicated service.

Chairman Lhota commented on reports of attacks on transit workers by members of the public. The Chairman stated that the assaults are unacceptable and abhorrent and the MTA is prepared to do everything in its power to keep workers safe. The Chairman reminded everyone that assaulting a transit worker is a Class D felony and he stated that violators should be prosecuted to the fullest extent of the law.

Chairman Lhota stated that it has come to his attention that five years ago an incident occurred involving a Metro-North employee, who through private social media, was depicted acting out an extremely inappropriate and offensive racial stereotype. Chairman Lhota stated that this type of behavior is reprehensible, and that Catherine Rinaldi, Metro-North President, has ordered an immediate investigation and review of the matter.

Catherine Rinaldi, President of Metro-North, provided the Board with an overview of the incident and stated that this type of conduct is completely unacceptable and does not reflect Metro-North's values. President Rinaldi expressed concern that some Metro-North

employees may be afraid to report incidents of discrimination or harassment because of fear of retaliation. President Rinaldi stated that the only way that the agency will be able to root out discrimination and bias in the workplace is to have allegations fully investigated, and she stated that retaliation against anyone making such a report will not be tolerated.

The details of Chairman Lhota's comments and Board Members' discussion are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records

4. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the Regular Board Meeting held on May 23, 2018.

5. **COMMITTEE ON FINANCE.**
 - 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. 2018 State Public Work Enforcement Fund ("PWEF") Assessment. Authorized staff to remit the 2018 State assessment on behalf of the MTA and its constituent agencies for the PWEF, including the adjustment for the 2017 overpayment, to the State Department of Labor.

 - B. **Procurement Items.** Upon motion duly made and seconded, the Board approved the following procurement items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.
 1. National Industries for the Blind ("NIB") – Purchase of Atlantic Cotton Mop Heads – No. 40000000001687. Approved the award of a non-competitive three (3) year contract with NIB, a New York State Preferred Source Vender, for the purchase of Atlantic cotton mop heads to clean stations, trains bathrooms, floors and any other required mop cleaning at LIRR.

 2. National Industries for the Blind ("NIB") – Purchase and Delivery of Hi-Visibility T-shirts – No. TBD. Approved the award of a non-competitive contract for three (3) years with NIB, a New York State Preferred Source Vender, for the purchase, branding and delivery of Hi-Visibility T-Shirts for use by Metro-North Railroad.

 3. Penta Corporation ("Penta") – Upgrade of LIRR's Audio Visual Paging System ("AVPS") – No. 04-0953. Approved the amendment of a miscellaneous procurement contract with Penta to provide hardware and software upgrades to LIRR's AVPS, together with five years of maintenance and support services.

 4. A&D Project – NYCT Astoria Blvd. Subway Station. Approved the award of an A&D competitively negotiated procurement contract to Jeffrey Gibson Studio to provide technical design, fabrication, crating, storage, delivery and oversight of installation of materials at the NYCT Astoria Blvd Station.

5. Milliman, Inc. – Multi-Agency Actuarial Consulting Services – No. 9000005. Approved the award of a competitively negotiated multi-agency personal services contract for actuarial services for pension and other post-employment benefit plans, as mandated by law, for a period of three (3) years with two (2) one-year renewal options.
6. Geneva World Wide, Inc. – Written Translation Services for Paratransit – No. 18205, Modification No. 1. Approved a modification, extending the term of the contract for thirty-six (36) months, to a contract with Geneva World Wide, Inc. to provide written translation services for Paratransit.
7. 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 actions for NYCT competitive contracts, awarded pursuant to E.O. 168 and its extensions.

C. **Real Estate Items.** Upon motion duly made and seconded the Board approved the real estate items listed below. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Member Moerdler recused himself from the vote on item # 2 below

Long Island Railroad

1. License agreement with Shiekh & Sons Inc., the principal of which is Muhammad M. Afzal, for the operation of a newsstand at the Hempstead Station, Hempstead, N.Y.
2. License agreement with Access One Solutions, Inc. for the exclusive rights to provide automated teller machines at seven (7) LIRR stations and six (6) Metro-North Stations.
3. License agreement with Shiekh Sons Inc., the principal of which is Muhammad M. Afzal, for the operation of a newsstand located at LIRR’s Lynbrook Station, Lynbrook, N.Y.

New York City Transit Authority

4. Disposition of air rights and easement located 189 Broadway at Dey Street, (Manhattan Tax Block 63, Lot 13) New York, N.Y.
5. Modification and extension of a lease with Concord Business Services, Inc. for parking for NYCT vehicles and storage of equipment at 242 Gold Street, Brooklyn, N.Y.
6. License agreement with The City of New York and SP Plus Corporation, in support of the Canarsie Tunnel Rehabilitation project, for surface parking areas under the FDR Drive between 18th and 23rd Street, New York, N.Y.

Regular Board Meeting
June 20, 2018

7. Three sub-licenses from The Port Authority of New York and New Jersey, Licensor, and Sub-Licensor New Jersey Transit Corporation, acting by and through its wholly-owned subsidiary, NJ Transit Bus Operations, Inc. for bus parking, in support of the Canarsie Tunnel Rehabilitation project, located at 40th Street and 10th Avenue (Manhattan Block 711, p/o Lot 1 (“Lot A”)), 40th Street and 11th Avenue (Manhattan Block 711, p/o 1 (“Lot F”)), and 38th Street between 8th and 9th Avenues (Manhattan Block 735, p/o Lot 22 (“Lot J”)), New York, N.Y.
8. Lease between DG Flatbush LLC, 1560 Properties LLC, IL Vermilyea LLC (as Tenants in Common) for swing room space for bus operators and dispatchers located at 1351 Flatbush Avenue, Brooklyn, N.Y.

Metro-North Railroad

9. License agreement with Wells Fargo Bank, N.A. for the licensing of exclusive right to provide and maintain and automated teller machine (ATM) located at the White Plains Station, Harlem Line, Westchester County, N.Y.
10. Lease with Neuhaus Inc. d/b/a Neuhaus for the retail sale of Neuhaus brand chocolates and confections in Grand Central Terminal, New York, N.Y.

Chairman Lhota announced that the next regularly scheduled Board meeting will be held on Wednesday, July 25, 2018 at 9:00 a.m.

6. **ADJOURNMENT.** Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:00 a.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, June 20, 2018
9:00 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. Susan Metzger
Hon. Charles G. Moerdler
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
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

**Hon. Andrew Albert
Hon. Randolph Glucksman
Hon. Vincent Tessitore, Jr.**

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick Fulton, President TBTA, Darryl Irick, President, MTA Bus Operations, and Stephen Morello, Counselor to the Chairman, also attended the meeting.

1. CHAIRMAN LHOTA CALLED THE MEETING TO ORDER

2. PUBLIC COMMENT PERIOD

The following speakers spoke on matters related to MTA NYC Transit/Staten Island Rapid Transit Operating Authority/MTA Bus Company during the public speakers session:

Debra Cohen, private citizen
David Paul Gerber, private citizen
Filippa Grisafi, private citizen
Jason Piniero, private citizen
Maurice Lynch, private citizen
Harold P. Schroer, private citizen
William Henderson, PCAC
Omar Vera, private citizen
Max Shaw, private citizen
Vijay Duggal – private citizen

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. WORKING GROUPS' PRESENTATION

Chairman Lhota welcomed everyone to the June Board meeting.

Chairman Lhota announced that today's meeting will begin with brief presentations from Board Member Charles Moerdler, Chair of the Procurement Reform Working Group and Board Member Scott Rechler, Chair of the Capital Project Cost Containment Working Group.

Board Member Moerdler presented the Board with an update on the progress made by the Procurement Working Group, stating that the Group's mission is to streamline the procurement process. Board Member Moerdler commended the leadership of Patrick Foye, President of MTA and Steven Plochochi, NYCT Senior V.P. of Operations Support, and he also commended the work of Board Member Norman Brown, Veronica Vanterpool and Carl Weisbrod, as Members of the Working Group.

Board Member Rechler provided the Board with an overview of the Capital Project Cost Containment Working Group's progress, he identified three main areas of concern and presented the Working Group's recommendations to solve the areas of concern. Board Member Rechler acknowledged and thanked Board Members Lawrence Schwartz, Polly Trottenberg and Mitchell Pally for their contributions.

Chairman Lhota thanked Board Members Moerdler and Rechler for their presentations.

The details of the presentations, Board Members' comments and discussions are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records.

4. CHAIRMAN'S REMARKS

The Chairman noted that this Sunday marks the resumption of the #2 Train stop at the Clark Street Station.

Chairman Lhota congratulated everyone who worked to make the Fair Fares a budgetary reality for New York City. The Chairman acknowledged the Community Service Society and its President and CEO, MTA Board Member David Jones, who the Chairman stated was a long time champion of the Fair Fares initiative.

Chairman Lhota acknowledged Steve Morello, who is retiring at the end of the month after servicing six years as Counselor to the Chairman, and a long career in State and City government, where he served as a spokesperson for three Governors and two Mayors. On behalf of the MTA and the Board, Chairman Lhota thanked Mr. Morello for his services and wished him well in his retirement.

Chairman Lhota announced the resignation of Board Member John Molloy, who was appointed to the MTA Board in 2013 representing Nassau County. Chairman Lhota, on behalf of the MTA and Board Members, thanked Board Member Molloy for five years of dedicated service.

Chairman Lhota commented on reports of attacks on transit workers by members of the public. The Chairman stated that the assaults are unacceptable and abhorrent and the MTA is prepared to do everything in its power to keep workers safe. The Chairman reminded everyone that assaulting a transit worker is a Class D felony and he stated that violators should be prosecuted to the fullest extent of the law.

The details of Chairman Lhota's comments and discussions are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records.

5. MINUTES

Upon motion duly made and seconded, the Board unanimously approved the minutes of the meeting held on May 23, 2018 of the Board of MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company.

6. COMMITTEE ON FINANCE

Procurements:

Ratifications: Upon motion duly made and seconded, the Board approved three (3) NYCT-related 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 items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of MTA NYC Transit /Staten Island Rapid Transit Operating Authority/MTA Bus Company.

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

Service Changes:

Upon motion duly made and seconded, the Staten Island Express Bus service changes were approved.

Procurements:

Personal Service Contracts and Modifications to Personal Service Contracts/Miscellaneous Service Contracts: Upon motion duly made and seconded, the Board approved the personal service contracts set forth in the Board material (Schedule F) and the modification action set forth in the Board materials (Schedule H in the Agenda).

Detail regarding the above items are set forth in the related 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 RFP Authorization: Upon motion duly made and seconded, the Board approved the competitive request for proposals authorizing resolution set forth in the Board materials requiring a two-thirds vote (Schedule B in the Agenda).

Detail regarding the above item is set forth in the related staff summary, a copy of which is 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 ratification action requiring a majority vote (Schedule K in the Agenda).

Detail regarding the above item is set forth in the related staff summary, a copy of which is 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. **ADJOURNMENT**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:00 a.m.

Respectfully submitted,
/s/James B. Henly
James B. Henly
Secretary

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company
2 Broadway – 20th Floor
New York, NY 10004
Wednesday, June 20, 2018
9:00 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. Susan Metzger
Hon. Charles G. Moerdler
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
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Andrew Albert
Hon. Randolph Glucksman
Hon. Vincent Tessitore, Jr.

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick Fulton, President TBTA, Darryl Irick, President, MTA Bus Operations, and Stephen Morello, Counselor to the Chairman, also attended the meeting.

Chairman Lhota called the meeting to order.

1. Public Speakers:

There were 11 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 the speakers' statements.

2. Working Groups' Presentation.

Chairman Lhota welcomed everyone to the June Board meeting.

Chairman Lhota announced that today's meeting will begin with brief presentations from Board Member Charles Moerdler, Chair of the Procurement Reform Working Group and Board Member Scott Rechler, Chair of the Capital Project Cost Containment Working Group. The Chairman also announced that next month Board Member Veronica Vanterpool, Chair of the Working Group on Paratransit and Board Member Ira Greenberg, Chair of the Working Group on Subway Accessibility will present a brief overview of their respective Working Groups' progress.

Board Member Moerdler presented the Board with an update on the progress made by the Procurement Working Group, stating that the Group's mission is to streamline the procurement process. Board Member Moerdler commended the leadership of Patrick Foye, President of MTA and Steven Plochochi, NYCT Senior V.P. of Operations Support, and he also commended the work of Board Members Norman Brown, Veronica Vanterpool and Carl Weisbrod, as Members of the Working Group.

Board Member Rechler provided the Board with an overview of the Capital Project Cost Containment Working Group's progress. He identified three main areas of concern and presented the Working Group's recommendations to solve the areas of concern. Board Member Rechler acknowledged and thanked Board Members Lawrence Schwartz, Polly Trottenberg and Mitchell Pally for their contributions.

Chairman Lhota thanked Board Members Moerdler and Rechler for their presentations.

The details of the presentations and Board Members' comments and discussions are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records.

3. Chairman Lhota's Opening Remarks:

The Chairman noted that this Sunday marks the first time in a while that the #2 Train will stop at the Clark Street Station.

Chairman Lhota congratulated everyone who worked to make the Fair Fares a budgetary reality for New York City. The Chairman acknowledged the Community Service Society and its President and CEO, MTA Board Member David Jones, who the Chairman stated was a long-time champion of the Fair Fares initiative.

Chairman Lhota acknowledged Steve Morello, who is retiring at the end of the month after serving six years as Counselor to the Chairman, and a long career in State and City government, where he served as a spokesperson for three Governors and two Mayors. On behalf of the MTA and the Board, Chairman Lhota thanked Mr. Morello for his services and wished him well in his retirement.

Chairman Lhota announced the resignation of Board Member John Molloy, who was appointed to the MTA Board in 2013 representing Nassau County. Chairman Lhota, on behalf of the MTA and Board Members, thanked Board Member Molloy for five years of dedicated service.

Chairman Lhota commented on reports of attacks on transit workers by members of the public. The Chairman stated that the assaults are unacceptable and abhorrent and the MTA is prepared to do everything in its power to keep workers safe. The Chairman reminded everyone that assaulting a transit worker is a Class D felony and he stated that violators should be prosecuted to the fullest extent of the law.

Chairman Lhota stated that it has come to his attention that five years ago an incident occurred involving a Metro-North employee, who through private social media, was depicted acting out an extremely inappropriate and offensive racial stereotype. Chairman Lhota stated that this type of behavior is reprehensible, and that Catherine Rinaldi, Metro-North President, has ordered an immediate investigation and review of the matter.

Catherine Rinaldi, President of Metro-North, provided the Board with an overview of the incident and stated that this type of conduct is completely unacceptable and does not reflect Metro-North's values. President Rinaldi expressed concern that some Metro-North employees may be afraid to report incidents of discrimination or harassment because of fear of retaliation. President Rinaldi stated that the only way that the agency will be able to root out discrimination and bias in the workplace is to have allegations fully investigated, and she stated that retaliation against anyone making such a report will not be tolerated.

The details of Chairman Lhota's comments and that of Board members are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records.

4. Approval of Minutes:

Upon motion duly made and seconded, the minutes of the Regular Board Meeting held on May 23, 2018 were approved.

5. Committee on Finance:

Action Item:

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

- Authorization of the actions relating to the payment of the State assessment on the MTA and its constituent agencies for the Public Work Enforcement Fund for calendar 2018.

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

MTAHQ Procurements:

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

- Approval to award of a three-year contract for the purchase, branding and delivery of Hi-Visibility T-Shirts in the not-to-exceed amount of \$786,800 to the National Industries for the Blind, a New York State Preferred Source Vendor, for use by Metro-North Railroad.

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

- Approval to award a competitively negotiated multi-agency personal services contract with Milliman, Inc. in the not-to-exceed amount of \$3,727,100 to provide actuarial services as mandated by law for a period of three-years with two one-year renewal options.

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

Real Estate:

Long Island Rail Road:

The Board was presented with the following Long Island Rail Road real estate item recommended to it by the Committee on Finance that relates to Metro-North.

- Authorization for Long Island Rail Road and Metro-North to each to enter into a separate license agreement with Access One Solutions, Inc. for the exclusive rights to provide automated teller machines at seven (7) Long Island Rail Road stations and six (6) Metro-North Stations.

Metro-North Railroad:

The Board was presented with the following real estate items recommended to it by the Committee on Finance that relate to Metro-North.

- Approval of a license agreement with Wells Fargo, N.A. for the operation of an ATM at Metro-North's White Plains Station.
- Approval of a lease with Neuhaus Inc. for Retail Space B-60 at 42nd Street.
- Approval of license agreements for ATMs at various Long Island Rail Road and Metro-North locations. See Long Island Rail Road real estate item above.

Upon motion duly made and seconded, the Board approved the foregoing real estate items. Board member Moerdler recused himself from the vote on the license agreement with Access One Solutions, Inc. The details of the approved real estate items are contained in the staff summaries and documentation filed with the minutes of the MTA Board meeting held this day and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

6. Committee on Metro-North Railroad:

Procurements:

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

- Adoption of a resolution declaring that competitive, sealed bidding is impractical or inappropriate and that it is in the public interest to use the competitive Request for Proposal (RFP) process, pursuant to Public Authorities Law Section 1265-a, to solicit for the Design/Build delivery and installation of DC Traction Switchgear at nine Metro-North Stations on the Hudson and Harlem Lines.
- Adoption of a resolution declaring that competitive, sealed bidding is impractical or inappropriate and that it is in the public interest to use the competitive RFP process, pursuant to Public Authorities Law Section 1265-a, to solicit proposals for the Rehabilitation of, and Improvements to Hartsdale and Scarsdale Stations.
- Approval to award a five-year competitively solicited and negotiated contract in the not-to-exceed amount of \$3,619,908 to Conductix, Inc. to design, fabricate, test, and deliver third rail fiberglass brackets.
- Approval to award a competitively solicited, five-year miscellaneous service contract in the not-to-exceed amount of \$5,000,000 to TRC Environmental Corporation (\$2,500,000) and Environmental Planning & Management, Inc. (\$2,500,000) to perform on-call system-wide asbestos and lead air monitoring and testing services on an as-needed, task order basis.

President Rinaldi will advise the Board on the phasing of the work at Hartsdale and Scarsdale Stations.

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.

7. Committee on Long Island Rail Road:

The Board was presented with the following non-competitive procurement recommended to it by the Committee on Long Island Rail Road that relates to Metro-North.

- Approval to award two three-year sole source contracts to Knox Kershaw in a total amount not-to-exceed \$960,725, (LIRR: \$710,725 & MNR: \$250,000) for replacement parts required to operate and maintain various pieces of Knox Kershaw equipment.

Upon motion duly made and seconded, the Board approved the above procurement. The details of the approved procurement are contained in a staff summary and documentation filed with the minutes of the Long Island Rail Road Board meeting held this day and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

8. Adjournment:

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:00 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Linda Montanino". The signature is written in a cursive, flowing style.

Linda Montanino
Assistant Secretary

June 2018 Board Minutes-FINAL
Legal/Corporate

**Minutes of the Regular Board Meeting
Long Island Rail Road Company
2 Broadway
New York, NY 10004
Wednesday, June 20, 2018
9:00 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. Susan Metzger
Hon. Charles G. Moerdler
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
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Andrew Albert
Hon. Randolph Glucksman
Hon. Vincent Tessitore, Jr.

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick Fulton, President, TBTA, Darryl Irick, President, MTA Bus Operations, and Stephen Morello, Counselor to the Chairman, also attended the meeting.

Chairman Lhota called the meeting to order.

1. Public Speakers

Robert Marino, New York City Transit Acting Vice President - Government & Community, indicated that eight (8) speakers had signed up to speak (ultimately, a total of eleven (11) persons appeared as public speakers). Mr. Merino asked all speakers to limit their comments to two (2) minutes.

Two (2) of the speakers commented on matters relating to the Long Island Rail Road (“LIRR”):

Jason Pineiro asked the Board to investigate why Long Island Rail Road (“LIRR”) uses school buses for transportation when LIRR train service is disrupted.

Mary Parisen Lavelle, Chair of Civics United for Railroad Environmental Solutions (“CURES”), stated that Tim Ellis has advised LIRR President Phillip Eng that the reason why New York & Atlantic Railway (“NYAR”) bought four (4) older locomotives from LIRR was that NYAR exercised its option to buy those locomotives under the 1997 lease. She further stated that she is here to tell the Board that the lease gives the Metropolitan Transportation Authority (“MTA”) the right to disapprove the sale. Further, she asserted that under Section 2897(7) of the Public Authorities Law, the MTA Board and the public are entitled to a lawful sales process, requiring justification for a below-market value sale such as this one. The MTA Board must make a determination that there is no reasonable alternative to such sale, but the Board has many alternatives to this sale, which poses grave public harm. Ms. Parisen Lavelle asked the Board to block this harm by following through on MTA’s plan to replace all eight (8) locomotives used by NYAR with Tier IV switcher locomotives, including the ones LIRR sold to them. Ms. Parisen Lavelle stated that MTA has indicated it is prepared to call into question the business integrity of NYAR and whether NYAR should be permitted to continue operating rail freight service on the LIRR system. Yet LIRR engineered a give-away of four (4) locomotives to NYAR, upending six years of New York State public policy. Mr. Parisen Lavelle further stated that the 2013 locomotive procurement resulted in the acquisition of two (2) problematic Progress Rail/Caterpillar green locomotives. She asked the Board to condemn violations of public trust, and to ensure a fair and open procurement for green locomotives.

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. Working Group Presentations

Chairman Lhota stated that the meeting would begin with two presentations, by the Working Group on Procurement Reform, chaired by Board Member Charles Moerdler, and the Working Group on Capital Project Cost Containment, chaired by Board Member Scott Rechler. He indicated that next month, the Board would be hearing presentations from the Working Group on Paratransit, chaired by Board Member Veronica Vanterpool, and the Working Group on Subway Accessibility, chaired by Board Member Ira Greenberg.

Working Group on Procurement Reform

Board Member Moerdler indicated that he wanted to update the Board on progress since the March report. He stated that the aim of the Working Group is to streamline the procurement process. He further stated that the leadership of Pat Foye and the work of the team at New York City Transit ("NYCT") headed by Steven Plochochi shows what is possible. He commended the work of Board Members Norman Brown, Veronica Vanterpool and Carl Weisbrod as members of the Working Group.

Board Member Moerdler stated that in March, he reported that methods had been identified to shorten the procurement process for service contracts by 165 days, from 278 days to 113 days. He further stated that the Working Group has since refined and started implementing some of those initiatives to accelerate the procurement process. It has been determined that 146 days out of the 165 day reduction can be accomplished without legislation.

Board Member Moerdler stated that NYCT is already reducing the time for legal review of procurements; the time to validate price submissions; the time to streamline MBE/WBE goals and utilization plans; the time prepare bid documents and answer bidder questions; the time to prepare biddable scopes of work; and time for routing and approval of staff summaries by doing so electronically. He further stated that a reduction of 28 days out of the 146 day period referred to above has already been achieved.

Board Member Moerdler stated that the next steps would be to examine the streamlining of Requests for Proposals ("RFPs") at NYCT, which has become the process of choice to evaluate bidder capacity. This process allows leadership to apply quality control and a host of factors in addition to price.

Board Member Moerdler noted that time savings should lead to more bidders and ultimately result in reduced prices. Management and staff have evidenced their willingness to work to achieve these goals.

Board Member Carl Weisbrod stated that the report demonstrates extraordinary progress and he commended Board Member Moerdler for the tremendous amount of work he put in. Anyone in government recognizes how frustrating the procurement process is, making it difficult to make the process more efficient.

Vice Chairman Fernando Ferrer thanked Board Member Moerdler for his leadership on this issue and expressed an interest in knowing more about streamlining MBE/WBE goals and utilization plans.

Board Member Moerdler responded, stating that the basic problem is reducing the use of paper and moving to 21st Century technology. If you reduce the usage of paper, you get it done.

MTA President Patrick Foye stated that the streamlining does not represent a stepping back in any way from MTA's MBE/WBE commitments.

Board Member Andrew Albert complimented Messrs. Moerdler, Foye and Plochochi on what has been accomplished. He asked if any of this will open up the bidder pool.

Board Member Moerdler responded, stated that this is the primary objective. He added that a huge amount of paper shuffling discourages bidders, and when they see the same people getting contracts, it is a disincentive to bid. When they see a change in attitude, they react accordingly.

Chairman Lhota thanked Board Member Moerdler for his work, and expressed his wish to see this effort expanded to the MTA commuter railroads.

Working Group on Capital Project Cost Containment

Board Member Scott Rechler stated that a lot of the work of his Working Group dovetails with the efforts of Board Member Moerdler's Working Group. He acknowledged and thanked Board Members Lawrence Schwartz, Polly Trottenberg and Mitchell H. Pally for their contributions.

Board Member Rechler stated that NYCT President Byford's plan to revitalize the transit system was critical. He noted that in 1990, New York City was experiencing high crime rates and many people didn't want to stay in the City. Today, the biggest issue is congestion, and unless we find a way to solve that problem, we may find ourselves in the same place.

Board Member Rechler stated that his Working Group focused first on areas that MTA can fix by itself. No one single person is responsible for the broken system we have today. A combination of some bad decisions made in the name of erecting additional protections of the public have led to the problems we have today.

Board Member Rechler stated that the three (3) areas have been identified as a problem:

- Unbalanced contracts, which do not reflect commercial terms, and are difficult to navigate. None of us in this room would sign such a contract.
- Layers of Bureaucracy – A lot of competing groups each pressing for its own agenda.
- Weak Project Management.

With respect to unbalanced contracts, Board Member Rechler stated that this leads to fewer groups willing to bid. The terms are not commercially reasonable and force the contractor to assume all risk. Bidders therefore assume a "worst case" scenario and companies have said that they charge a twenty five percent (25%) "MTA Premium."

Board Member Rechler stated that the fix was to bring in a task force, including outside legal counsel experienced in construction contracts, to review MTA's terms and conditions. The goal was to avoid the "worst case" scenario and develop new contracts which should be more

balanced and user-friendly. By way of example, Board Member Rechler pointed to dispute resolution mechanisms. Today, a dispute is resolved by an MTA employee who is assumed by the contractor to be biased. The recommendation made was to move to a single third-party, to arbitrate disputes on an expedited basis. Board Member Rechler stated that another example is bonding. Today, bonding is required in the amount of 100% of project cost. This reduces the pool of bidders who can bid, as very few can obtain such bonding. The recommendation is to relax the bonding requirement to 50% of project cost, with the aim of broadening the number of bidders. These steps should take the 25% "MTA Premium" down.

With respect to the second problem area – layers of bureaucracy – Board Member Rechler stressed the issues of no accountability, too much red tape, and an inefficient process. The process today allows for different stakeholders to demand things that are nice to have, but aren't necessarily needed. There is a need for someone to arbitrate this.

Board Member Rechler stated that the fix is to appoint a single project lead or CEO, empowered to make final decisions on scope, cost and schedule. He also pointed to two other areas where change is needed:

- Revise the system to permit partial payments on invoices. Today, 100% of the amount invoiced can be held back if there's an issue with 5% of what is being billed.
- Revise the change order process. Today, the change order process has forty (40) steps and can take as long as nine (9) months. The contractor has to proceed and do the work while all of this is happening. The delay can be reduced by eighty percent (80%), by reducing the number of people involved from seventeen (17) to four (4). This is already being piloted on the East Side Access Project. The Project CEO will be responsible for assessing this.

With respect to weak project management, Board Member Rechler pointed to poor estimating, based on extrapolations from past numbers rather than a vigorous analysis of the specific scope of work. He also pointed to inefficient planning and overly rigid specifications.

Board Member Rechler stated that the fix is to avoid estimating the price until we are ready and have a good sense of what that scope is going to be and then apply value engineering and risk analysis to your cost forecasts. He also stressed the need for more flexibility in specifications and using performance-based specifications where appropriate. Finally, he recommended changing consultant compensation from flat fees to performance-based fees, with cost savings resulting in additional compensation and cost increases resulting in penalties.

Board Member Rechler stated that the next phase is to examine needed changes to State law. He also stated that there is a need to create a change in culture at MTA to make all this work, and to look at metrics to show how many people are bidding on MTA contracts.

Board Member Rechler stated that he had more confidence that MTA leadership wants these changes now, and he suggested to Chairman Lhota that an executive from each of the MTA commuter railroads be appointed to the Working Group.

Chairman Lhota stated that he agreed with Board Member Rechler, and that he wants people at MTA not to be afraid of change.

Board Member Andrew Saul thanked Board Member Rechler and stated that his private sector expertise is great and that his recommendations are well thought out. He stressed that MTA needs to be sure it is getting value as it moves into large commuter rail projects. He further stated that he would like the Working Group to look at increasing competition in subcontractors. He requested that the Working Group consult with MTA Chief Development Officer Janno Lieber on how to advise the Board if there is little or no competition in subcontracting.

Board Member Saul also expressed concern about a recent New York Post article, noting that former MTA Capital Construction Company President Dr. Michael Horodniceanu had become a member of the Board of Tutor-Perini, a principal contractor on East Side Access.

Chairman Lhota responded, noting that he had asked MTA General Counsel Thomas Quigley to advise him (and the Board of Tutor-Perini) about the requirements of the 2-year ban and lifetime ban embodied in New York State law.

MTA General Counsel Thomas Quigley stated that he had received a letter from Dr. Horodniceanu, pledging to observe all State law requirements.

Board Member Susan Metzger complimented Board Member Rechler on a well-done report. She agreed that by properly allocating risks, we should be able to reduce the number of change orders. She added that she had heard the Working Group was increasing communications between the MTA bureaucracy and contractors, and this should help cut down on problems. Finally, she stated that as opposed to 2008, you really are working on an implementation plan and that is what is needed,

Chairman Lhota responded, stating that follow-up is critical.

Board Member Polly Trottenberg complimented Board Member Rechler's report and stated that she was very excited to see how MTA proceeds. This will offer lessons learned to other transportation agencies, such as her agency, the New York City Department of Transportation. She commented that appointment of a Project CEO in particular will save money and time.

Board Member Trottenberg stated that the New York City Police Department is really trying to improve its enforcement of bus lane restrictions, and that the enforcement numbers are up.

Board Member Lawrence Schwartz complimented MTA Chief Development Officer Janno Lieber and his team. He added that we said we didn't just want to tweak things, we wanted to blow the current system up, and we did just that. He complimented Mr. Lieber and MTA Capital Construction Company Chief of Staff Zoe Davidson for their efforts.

Board Member Schwartz asked that the recommendations of all the Working Groups be adopted as part of the upcoming MTA budget, as this is a policy document as well as a fiscal document, and it is important that these recommendations be institutionalized. He also noted the need for culture change and that by adopting the recommendations as part of the budget, you are violating MTA policy if you are not implementing those recommendations.

Board Member Vincent Tessitore, Jr., noted that Board Member Rechler had offered to work with organized labor, meaning the contractor's labor. He recommended that the Working Group also work with labor "within", meaning internal MTA labor, who may be able to offer more competition on work.

Board Member James Vitiello thanked both Working Groups, and noted that if their recommendations are adopted, it will result in a positive impact. He offered two suggestions: first, if you come out with new model contracts, offer present contractors the opportunity to enter into the new form of contract; and second, if you afford the bidders the opportunity to cast their pricing so as to include a quarterly or monthly fee that always get paid unless the contract gets terminated, that will generate cash flow and we would not be feeling pressured to pay contracts.

Board Member Ira Greenberg thanked Board Members Moerdler and Rechler, Chairman Lhota, and Steven Plochochi. He stated that we often do not know the true condition of our stations or facilities when we enter into contracts, and the contractor must therefore charge a large contingency. He further stated that this is a challenge, and he would like to know how to address it.

Board Member Neal Zuckerman thanked both working groups, and remarked that what we had just heard were professional, private sector presentations. He stated that we have heard a lot about "carrots" to contractors, but what about "sticks?"

Board Member Rechler responded, stating that he emphasizes performance, giving contractors a share in any savings realized, and penalties if costs increase. He added that he was looking at creating a ranking system to encourage the highest performance from the contractors.

Board Member Moerdler congratulated Board Member Rechler on a superb job. He added that in the eight (8) years he has served on the Board, this is the first time a Chairman has sought to use the skills of people who understand the real world. He stated that the Chairman deserves enormous credit for this.

Chairman Lhota thanked Board Member Moerdler for his comments.

Board Member Peter Ward stated we need to be careful, as Board Member Rechler said, not to approach a tipping point, and that we don't want the state of our transit system to put us there. He added that bureaucracies form as a result of process, not a singular event, and he is continually impressed with the quality of the people at the MTA. Despite bureaucracy, lack of funding, and increased ridership, they find a way to get most things done right. No one on this Board means to diminish the work of the people here. It is up to us to give them solutions and

enforce this to change the culture. Changing a bureaucracy is also a process and we need to continue to recognize the work that people do here.

Chairman Lhota commented that someone once said to him that change is the only constant. We need to eliminate the fear of change, and we need to work with our unions and understand that at the end of the day, as a result of the changes we make, it will be a better day.

Board Member Randolph Glucksman thanked the Working Groups and noted that when he worked at the MTA, there were incentives for competition and penalties for non-competition, and he hoped that we still do this.

The details of the foregoing presentations, along with certain discussion between Board members with respect to the presentation, are contained in the minutes of the MTA Board meeting held this day, and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

3. Chairman's Remarks

Chairman Lhota noted that the Number 2 and Number 3 trains will go through the Clark Street tunnel for the first time this weekend. He also noted the implementation of the "Fair Fares" program by the City of New York and thanked everyone involved in making it a reality. In particular, he thanked Board Member David Jones, and noted that MTA is working with the City on implementation.

Chairman Lhota noted that Counselor to the Chairman Stephen Morello was retiring at the end of the month, and had spent six (6) years as Counselor, after a long career in government, including service as a spokesperson for Governor Hugh Carey and two other Governors. On behalf of everyone at the MTA, Chairman Lhota thanked Mr. Morello for his service.

Chairman Lhota also noted that John Molloy had resigned from the Board. Mr. Molloy was first appointed in 2013, and Chairman Lhota thanked him for his dedicated service.

Chairman Lhota stated there two items in the news that he would like to address. First, he stated that attacks on transit workers are abhorrent and that we will do everything in our power to keep our people safe. He reminded everyone that assaulting a transit worker is a Class D felony. Second, Chairman Lhota stated that yesterday, he became aware of an incident in which a Metro-North worker attended a party in blackface, and nothing was done about it. He stated this behavior was reprehensible, and Metro-North President Catherine Rinaldi has ordered an immediate investigation and review. He added that it was imperative that we ensure there is no retaliation against workers for reporting actions like this.

Chairman Lhota added that appearing in blackface is a racist action, and there is no place for it at the MTA or in society.

Board Member Mitchell Pally thanked John Molloy, as the other Long Islander on the Board, for his guidance and expertise, and wished him well on his retirement.

Board Member Greenberg also thanked John Molly, and noted that as he was an engineer, he found Mr. Molloy's advice to be invaluable.

Board Member Zuckerman stated that he appreciated John's partnership. He also stated that, given the horrific news about the blackface incident, he would appreciate being informed about such matters before the press is informed. He also asked that this matter be referred to the Diversity Committee.

Chairman Lhota responded, noting that we will shortly be appointing a new Chair of the Diversity Committee. He added that the issue of attacks on transit workers has reached a critical point and is going in the wrong direction. He apologized for not getting news about the Metro-North incident to the Board earlier.

Board Member Schwartz thanked Chairman Lhota and Metro-North President Rinaldi for taking this matter up. MTA has to have a zero tolerance policy on acts of bias. There is no statute of limitations at work; what's wrong is wrong.

Board Member Metzger said that this despicable behavior came to the Metro-North Committee's attention last night or early in the morning. All of the Committee members are distressed. I've worked with Metro-North management for many years and this doesn't represent Metro-North management or employees or how I view them.

Chairman Lhota stated that the incident and the apparent cover-up are unacceptable.

Board Member Albert stated that attacks on transit workers are intolerable. There should be a program to respond to that.

Chairman Lhota responded, stating that we will work with UFT [sic] on the reporting of such incidents.

Board Member Carl Weisbrod condemned the attacks on transit workers and the wholly unacceptable racist act. He suggested that Chairman Lhota's remarks be expanded to represent the consensus view of this Board as a whole.

Board Member Veronica Vanterpool stated that employees who are brave enough to report acts like this should always feel they are supported. This should be a priority.

Board Member Ward noted that Board Member John Samuelson was calling for body cameras and cameras in cabs.

Chairman Lhota stated that MTA will work with unions on this. Cameras can be a deterrent and allow for proper prosecution. The unions have changed their approach on cameras and now see this as a help.

Board Member Ward noted that in the hotel industry, panic buttons have been found to be helpful. Can something like this be provided?

Chairman Lhota responded, stating that MTA will look into this. We have called the New York City Police Department and asked them to provide more of a uniformed presence. We do have panic buttons in our subway cars, which enable communication with the Rail Control Center. We will look at what type of devices are being put into the new cars.

Board Member Ward thanked Chairman Lhota for his strong stance on the racist action. He noted that he had recently met with members of the "Little Rock 9", all of whom went on to lead remarkable lives. He also noted that they expressed fear that with regard to the ugly head of racism, the country was going backwards. The only way we can avoid this is to be strong and vocal in our condemnation.

Board Member Rechler stated that New York City is the city with the largest population of immigrants, and we need to do everything to make immigrants feel safe.

Board Member Moerdler stated that at Monday's meeting, he pointed out that the statistics showed an increase in racial bias against African Americans in the subways. We've also seen increases in other types of bias incidents. Our Police Department makes every effort to deal with hate crimes. One area needs focus: those who prosecute hate crimes do their jobs; those on the bench should wake up and enforce the law.

Chairman Lhota offered a quotation from George Washington, stating that the newly formed United States was premised on the principle of "giving bigotry no sanction."

Board Member Norman Brown objected to use of a quotation from George Washington, since he was a slaveholder, as were other members of the Founding Fathers such as Thomas Jefferson. He criticized a strong racist current that still exists in our society, and which will take many years to correct.

Chairman Lhota said he agreed with Mr. Brown's concerns.

Metro-North President Catherine Rinaldi stated that she saw photos of the incident for the first time last week, and that she was shocked and appalled. She further stated that Brian Geary, whose heroism was recognized by the Board, represents the best of Metro-North. The incident does not reflect Metro-North's values. Ms. Rinaldi apologized for not giving the Board an earlier heads-up. She also expressed concern that some Metro-North employees may be afraid to report matters like this. This needs to be worked on across Metro-North. Ms. Rinaldi stated that we will only move the dial by encouraging people to report, and that she was committed to this.

4. Approval of Minutes

Chairman Lhota asked for a motion to approve the minutes of the Regular Board Meeting of May 23, 2018. Upon motion duly made and seconded, the minutes of the Regular Board Meeting of May 23, 2018 were approved.

5. Committee on Finance

Action Items

The Board was presented with one (1) action item, which related to the Long Island Rail Road:

- **2018 State PWEF Assessment** – To authorize actions pertaining to the payment of the State assessment on the MTA and its constituent agencies for the Public Work Enforcement Fund for calendar 2018.

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 MTA records.

Procurement Items

The Board was presented with eight (8) procurement items recommended to it by the Committee on Finance, three (3) of which related to Long Island Rail Road:

Non-Competitive Procurements:

- **National Industries for the Blind – Purchase of Atlantic Cotton Mop Heads** – NTE \$305,136 – Board approval is sought for the purchases of Atlantic cotton mop heads for 3 years to clean stations, trains, bathrooms, floors, and wherever requires mop cleaning at LIRR. The current contract with National Industries for the Blind expired on May 23, 2018.
- **Penta Corporation – Upgrade of LIRR’s Audio Visual Paging System** – NTE \$2,758,018 – Board approval is sought to amend a miscellaneous procurement contract with Penta Corporation (“Penta”) to provide hardware and software upgrades to Long Island Rail Road’s Audio Visual Paging System (AVPS) along with five years of maintenance and support services.

Upon motion duly made and seconded, 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.

Competitive Procurement:

- **Milliman, Inc. – Multi-Agency Actuarial Consulting Services for Pension and Other Post-Employment Benefit Plans – NTE \$3,727,100** – Board approval is sought for the award of a competitively negotiated multi-agency personal services contract for actuarial services as mandated by law for a period of three years with two one-year renewal options. Tasks performed by the actuarial consultant will include the preparation of pension plan statements, financial reporting of post-retirement benefits, drafting summary plan descriptions, forecasting and analysis on funding requirements, and the preparation of five-year experience studies.

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

The Board was presented with ten (10) real estate items recommended to it by the Committee on Finance, three of which related to Long Island Rail Road:

- **License Agreement for a Newsstand at Hempstead Station** – License with Shiekh & Sons Inc. for a retail newsstand at Hempstead Station. License term: 5 years, terminable at will by LIRR with 60 days' notice, at no cost. Compensation: \$17,200 first year, with 3% annual increases.
- **License Agreements for ATMs at Various Long Island Rail Road and Metro-North Locations** – License Agreement between LIRR and Access One Solutions, Inc. ("Access") for 7 LIRR station locations, and License Agreement between Metro-North and Access for 6 Metro-North station locations. Term: 5 years, terminable at will by MTA on 60 days' notice, at no cost. Compensation: 56% of each transaction surcharge.
- **License Agreement for a Newsstand at Lynbrook Station** - License with Shiekh & Sons Inc. for a retail newsstand at Lynbrook Station. License term: 5 years, terminable at will by LIRR with 60 days' notice, at no cost. Compensation: \$13,500 first year, with 3% annual increases.

Upon motion duly made and seconded, and with Board Member Moerdler recusing himself as to the item for License Agreements for ATMs, the Board approved the foregoing real estate 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.

6. LIRR Committee

Procurement Items

The Board was presented with seven (7) procurement items recommended to it by the LIRR Committee, two (2) of which were for the Long Island Rail Road and five (5) of which were for MTA Capital Construction Company (“MTACC”):

Procurements by Long Island Rail Road:

Non-Competitive

- **Knox Kershaw** – LIRR, on behalf of itself and Metro-North Railroad, requests Board approval to award two three-year sole source contracts to Knox Kershaw in a total amount not-to exceed \$960,725 for replacement parts required to operate and maintain various pieces of Knox Kershaw equipment.

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.

Competitive:

- **T. Moriarty & Son, Inc.** – LIRR requests Board approval to award a competitively negotiated contract in the amount of \$14,325,000 to T. Moriarty & Son, Inc. to construct, furnish, and install a prefabricated traction power substation to replace the Meadowbrook Substation, which has exceeded its useful life. This contract also includes an allowance for the removal and disposal of contaminated soil classified as hazardous waste to an approved off-site disposal facility.

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.

Procurements by MTA Capital Construction Company:

Competitive Procurements:

- **Five Star/LK Comstock, Joint Venture - \$52,990,000 - Contract CS086** – To obtain Board approval to award a competitively solicited contract for signal installation and testing for the East Side Access Project.

- **GCT Constructors Joint Venture - \$1,550,000 Contract No. CM014B, Mod No. 162, and \$4,400,000 – Contract No. CM014B, Mod No. 163** – Contract CM014B is for the architectural, structural, electrical, plumbing, and mechanical fit-out of the new Long Island Rail Road (LIRR) concourse located in the Madison Yard of Grand Central Terminal. In accordance with Article VIII of the All Agency General Contract Procurement Guidelines, MTACC requests that the Board approve modifications to the Contract to increase the allowance for Bid Items 9 and 20.

Upon motion duly made and seconded, 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.

Ratifications:

- **GCT Constructors Joint Venture - \$1,990,000 - Contract No. CM014B, Mod No. 164** - In accordance with Article VIII of the All Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a modification to revise the LIRR Concourse layout to facilitate future construction of an entrance at 45th Street.
- **Tutor Perini Corporation - \$1,000,000 – Contract No. CQ033, Mod No. 15** - In accordance with Article VIII of the All Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a modification to design, furnish and install a raised platform to support a 10' x 10' Hut, and furnish and install a gate and access staircase.

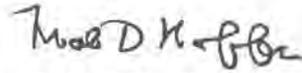
Upon motion duly made and seconded, the Board approved the foregoing procurement items, the details of which are contained in the minutes of the MTA Board meeting held this day, the staff summaries filed with those minutes, and in the video recording of the meeting, produced by the MTA and maintained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

7. Adjournment

Chairman Lhota announced that the next Board meeting would be held on July 25, 2018.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:00 A.M.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark D. Hoffer". The signature is written in a cursive style with some loops and flourishes.

Mark D. Hoffer,
Secretary

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

BOARD MINUTES

June 20, 2018

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
June 20, 2018

Meeting Held at
2 Broadway, 20th Floor
New York, New York 10004

9:00 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. Susan Metzger
Hon. Charles G. Moerdler
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
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Andrew Albert
Hon. Randolph Glucksman
Hon. Vincent Tessitore, Jr.

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, New York City Transit Authority, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick T. Fulton, President, Triborough Bridge and Tunnel Authority, Darryl Irick, President, MTA Bus Operations, 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 11 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 (MTA) 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 stating that there would be two brief working group presentations by Chuck Moerdler on procurement reform and Scott Rechler on construction costs. Chairman Lhota also congratulated those who fought to make Fair Fares a budgetary reality for New York City; he acknowledged the Community Service Society and its president and CEO, MTA Board member David Jones, who championed this cause; and he stated that Fair Fares will have no financial impact on the MTA but will be a great way to help New York City's most vulnerable. Chairman Lhota announced that Steve Morello, Counselor to the Chairman, would be retiring at the end of the month and thanked him for his service. Chairman Lhota also announced that John Molloy, Nassau County's representative, resigned from the Board and he thanked him for his service. Chairman Lhota stated that assaults on New York City Transit workers are unacceptable and abhorrent and reminded everyone that such an assault is a Class D felony. Lastly, Chairman Lhota addressed a recent news story where a Metro-North Railroad worker attended a private party in black face five years ago by stating that an investigation is being conducted and that black face is racist and has no place at the MTA or in society.

The details of Chairman Lhota's remarks and the presentation 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. Working Group Presentations

Charles Moerdler, Chair of the Procurement Reform Working Group, stated that the working group is focusing on simplifying, expediting and streamlining the procurement process. It has been able to shorten the procurement process for change orders at the New York City Transit Authority by 165 days and a dashboard will be used to track the initiatives and legal requirements. Chairman Lhota commented that he would like these revised procurement policies to extend to the railroads and to TBTA. Scott Rechler, Chair of the Cost Containment Working Group, stated that the working group is focusing on three primary areas: unbalanced contracts, layers of bureaucracy and weak project management. He also discussed fixes that can be done immediately having to do with value engineering and risk analysis to cost forecasts; flexible performance-based specifications; incentivizing value engineering; and performance-based compensation and militant monitoring. He stated that in order to move forward, a change in culture needs to be created.

The details of the presentations 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.

4. Approval of Minutes of Regular Meeting May 23, 2018

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on May 23, 2018 were approved.

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

Non-Competitive Procurements

Commissioner Moerdler stated that there is one (1) non-competitive procurement totaling \$2.4 million.

Competitive Procurements

Commissioner Moerdler stated that there are four (4) competitive procurements totaling \$28.2 million.

Non-Competitive Procurement

Modifications to Purchase & Public Works Contracts

New York State Department of Transportation	Contract No. MOU-17-71 TBTA is seeking Board approval under the All Agency General Contract Procurement Guidelines to amend a Memorandum of Understanding, known as MOU-17-71, with the New York State Department of Transportation to provide additional funding for reconstruction of Ramp RC connecting the southbound Bruckner Expressway with the Bronx approach to the Robert F. Kennedy Bridge.	\$2,433,195.00
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Competitive Procurement

Request to Use RFP for Procurement of Purchase & Public Works in lieu of Sealed Bid

Contractors to be Determined	Contract No. GFM-527 TBTA is seeking Board approval under the All Agency General Contract Procurement Guidelines to declare competitive bidding to be impractical and/or inappropriate and to authorize TBTA to enter into a competitive Request for Proposal process for Contract GFM-527 to obtain Miscellaneous Construction Services on an As-Needed Basis at Various Authority Facilities. The budget for these as yet defined projects is \$120,000,000.00. The duration of these projects will be for four years.	Cost to be Determined
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Personal Service Contracts

Greenman-Pedersen, Inc.	Contract No. PSC-17-3006 TBTA is seeking Board approval under the All Agency Service Contract Procurement	\$19,694,864.14
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Guidelines to award a personal service contract for Construction Inspection and Administration Services for Project TN-49, Replacement of the Roadway Deck on the Suspended Span at the Throgs Neck Bridge.

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

Weidlinger Associates Inc./ Parsons Brinckerhoff	Contract No. PSC-11-2897 TBTA is seeking Board approval under the All Agency Service Contract Procurement Guidelines to amend Contract PSC-11-2897 with Weidlinger Associates Inc./ Parsons Brinckerhoff, A Joint Venture for funding to provide (i) construction support services for Project TN-49, Deck Rehabilitation/ Replacement of the Suspended Spans at the Throgs Neck Bridge; (ii) shop fabrication and testing oversight during orthotropic deck fabrication; and (iii) main cable and suspender rope investigation and evaluation.	\$7,975,734.00
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Modifications to Purchase & Public Works Contracts

SAI Services, Inc.	Contract No. RKM-357 TBTA is seeking the Board's approval under the All Agency General Contract Procurement Guidelines to modify this contract with SAI Services, Inc. for additional work associated with the rehabilitation of the curtain walls at the Manhattan Plaza of the Robert F. Kennedy Bridge as well as a time extension.	\$491,843.31
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Ratifications

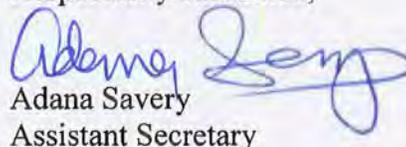
Commissioner Moerdler stated that there are no ratifications.

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

6. Adjournment

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 11:00 a.m.

Respectfully submitted,


Adana Savery
Assistant Secretary

**Regular Board Meeting
MTA Capital Construction Company
2 Broadway
New York, NY 10004
Wednesday, June 20, 2018
9:00 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. Susan Metzger
Hon. Charles G. Moerdler
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
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Andrew Albert
Hon. Randolph Glucksman
Hon. Vincent Tessitore, Jr.

Patrick Foye, President, MTA, Veronique Hakim, Managing Director, MTA, Helene Fromm, Chief of Staff, MTA, Janno Lieber, Chief Development Officer, MTA, Robert Foran, Chief Financial Officer, MTA, Thomas J. Quigley, General Counsel, MTA, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick Fulton, President TBTA, Darryl Irick, President, MTA Bus Operations, Stephen Morello, Counselor to the Chairman, Evan Eisland, Sr. Vice President, General Counsel and Secretary, MTACC, and, David Cannon, VP, 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 eight (8) public speakers, none of whom spoke on MTA Capital Construction Company matters. The names and remarks of the 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.

Presentations by MTA Board Working Groups

Board Members Charles Moerdler (Chairman of the Procurement Reform Group) and Scott Rechler (Chairman Construction Costs Group) gave presentations which provided updates on the work of their respective groups since they reported to the Board in March 2018. Afterwards a discussion amongst the Board members ensued.

The details of the presentations along with the Board Members' comments and discussion are noted in the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on this date.

A copy of each presentation is filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority of 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 May 23, 2018.

Chairman's Remarks

Chairman Lhota announced that Stephen Morello, Counselor to the Chairman, is retiring at the end of June 2018 and John Molloy, the Nassau County Representative to the Board, has resigned his Board position. He thanked them both for their service to the MTA.

The remainder of the Chairman's remarks along with the Board members' comments and discussion are noted in the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on this date.

Long Island Rail Road Committee

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

1. Award of a publicly advertised public works contract (CS086) for the East Side Access Tunnel Systems 2 Package, Signal Installation and Testing in the amount of \$52,990,000.
2. A Modification to the GCT Concourse and Facilities Fit Out Contract (CM014B) for the East Side Access Project to increase the allowance for Bid Item No. 9, Asbestos and Lead Paint Abatement in the amount of \$1,550,000.
3. A Modification to the GCT Concourse and Facilities Fit Out Contract (CM014B) for the East Side Access Project to increase the allowance for Bid Item No. 20, Structural Steel Repair in the amount of \$4,400,000.

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.

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

1. A Modification to the GCT Concourse and Facilities Fit Out Contract (CM014B) for the East Side Access Project to revise the LIRR Concourse layout to facilitate future construction of an entrance at 45th Street in the amount of \$1,990,000.

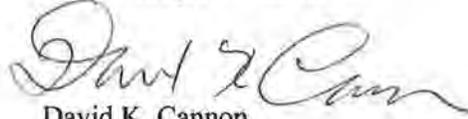
2. A Modification to the Mid-Day Storage Yard contract (CQ033) for the East Side Access Project to design, furnish and install a raised platform to support a 10' X 10' Hut, and furnish and install a gate and access staircase in the amount of \$1,000,000.

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.

Adjournment

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

Respectfully submitted,



David K. Cannon
Assistant Secretary

Staff Summary

Subject Transportation Revenue Anticipation Notes
Department Finance
Department Head Name Robert E. Foran, Chief Financial Officer
Department Head Signature
Project Manager Name Patrick J. McCoy, Director of Finance <i>BJM</i>

Date July 25, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	7/23			
2	Board	7/25			

Internal Approvals			
Order	Approval	Order	Approval
	Managing Director		Legal <i>TO</i>
	Chief of Staff <i>NF</i>		
	Procurement		

PURPOSE

The MTA Finance Department is seeking MTA Board authorization of the necessary documentation and activities to increase its authorization to issue revenue anticipation notes under the Transportation Revenue Obligation Resolution (“RANs”) to provide for short-term liquidity. The Board previously approved the issuance of RANs of up to \$350 million. The Finance Department is seeking authorization to increase the amount of RANs to \$700 million. The notes will be used from time to time, and may be repaid and reissued, to address potential unanticipated operating funding needs.

DISCUSSION

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

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

On August 24, 2017, MTA entered into a \$350 million taxable revolving credit agreement with JPMorgan Chase Bank, National Association that is active through August 24, 2022. Per discussion with JPMorgan Chase Bank, it is currently anticipated that the existing revolving credit agreement can be increased to \$700 million under the same pricing and terms as previously agreed upon. It is further anticipated that no RANs will be issued until a draw upon the facility is made by the MTA and that such RANs will be issued in compliance with MTA’s existing Transportation Revenue General Resolution and will be payable from (1) operating subsidies received by the MTA, and (2) farebox operating revenues to the extent such subsidies are delayed or insufficient to repay the RANs.

Board approvals are sought as follows:

1. MTA Board approval of the annexed amendatory resolution (the “Resolution”), documents and activities in connection with the issuance of RANs in an aggregate principal amount necessary to finance, on a short-term basis, up to \$700 million of operating needs for MTA wide systems. The Resolution amends the Series 2013 Transportation Revenue Anticipation Note Resolution (Working Capital Revolving Credit Facility) adopted July 24, 2013 and authorizes MTA to issue RANs under the Transportation Revenue Obligation Resolution in one or more subseries in an aggregate principal amount at any time outstanding necessary to finance, on a short-term basis, up to \$700 million of operating costs of the MTA system, including amounts needed to provide for applicable issuance costs and any original issue discount.

2. With respect to the above-referenced transaction set forth in paragraph 1, MTA Board approval delegating authority to the Chairman, the Managing Director, the Chair of the Finance Committee, the Vice Chairman, the Chief Financial Officer or the Director, Finance to (a) increase the revolving credit agreement with JPMorgan Chase Bank to \$700 million and/or one or more other financial institutions which rated at least investment grade by any two nationally recognized rating agencies to execute and/or deliver in each case, where appropriate the documents listed below; and (b) authority to take such other actions as may be necessary or desirable to effectuate such transactions. The anticipated documents consist of:

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

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

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

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

ALTERNATIVES:

To not increase the amount of short-term operating liquidity.

RECOMMENDATION:

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

**AMENDMENT TO
SERIES 2013 TRANSPORTATION REVENUE ANTICIPATION NOTE RESOLUTION
(WORKING CAPITAL REVOLVING CREDIT FACILITY),
ADOPTED JULY 24, 2013**

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

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01 Amendment to Supplemental Resolution. This Amendment (the “Amendment”) to Series 2013 Transportation Revenue Anticipation Note Resolution (Working Capital Revolving Credit Facility) adopted July 24, 2013 (the “2013 RAN Resolution”) is supplemental to, and is adopted, in accordance with Article A-VIII and Article A-IX of a resolution of the Issuer adopted on March 26, 2002, entitled “General Resolution Authorizing Transportation Revenue Obligations” (the “Resolution”).

Section 1.02 Definitions. All capitalized terms which are used but not otherwise defined in this Amendment shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

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

ARTICLE II

AMENDMENT TO AUTHORIZATION OF NOTES

Section 2.01 Amendment to Authorized Principal Amount of 2013 RAN Resolution. (a) Section 1 of the 2013 RAN Resolution is hereby amended by deleting “Three Hundred Fifty Million (\$350,000,000)” and replacing it with “Seven Hundred Million (\$700,000,000)”.

(b) The 2013 RAN Resolution is hereby amended by deleting “Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority” and replacing it with “Chairman, the Managing Director, the Chair of the Finance Committee, the Vice Chairman, the Chief Financial Officer or the Director, Finance of the Authority” and by deleting “Chairman, the Vice Chairman, the Chief Financial Officer and the Director of Finance of the Authority” and replacing it with “Chairman, the Managing Director, the Chair of the Finance Committee, the Vice Chairman, the Chief Financial Officer and the Director, Finance of the Authority” in each case where such language appears in the 2013 RAN Resolution.

(c) The first sentence of paragraph 5 of Section 5 is hereby amended by deleting such sentence in its entirety and replacing it with “Consistent with book-entry provisions, one

typewritten certificate for each \$700,000,000 of principal amount, or such other amount as shall be consistent with the then current practices of DTC together with an additional certificate with respect to the remaining principal amount, in the aggregate principal amount of Notes bearing each interest rate applicable to the Notes shall be prepared for the Notes and registered in the name of the Securities Depository Nominee.”.

Section 2.02 Effective Date. This Amendment shall take effect immediately upon its adoption by the Issuer’s Board.

METROPOLITAN TRANSPORTATION AUTHORITY

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

Adopted July 24, 2013

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

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

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

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

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

SECTION 3. Unless otherwise provided in a Section 16 Certificate, the payment of the principal of and interest on the Notes on the maturity dates thereof shall be made in lawful money of the United States of America in immediately available funds at the principal corporate trust office of The Bank of New York Mellon, New York, New York, which is hereby appointed Paying Agent for the Notes (the “Paying Agent”), upon presentation and surrender, subject to the provisions of the Letter of Representations (as hereinafter defined), if any, of the Notes to the Paying Agent at maturity. Unless otherwise provided in a Section 16 Certificate, interest on the Notes payable prior to the maturity dates thereof shall be paid in lawful money of the United

States of America in immediately available funds by wire transfer to the registered owner from the Paying Agent without the necessity of presentation of the Note. The Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority is hereby authorized to enter into such agreements and make such other arrangements with the Paying Agent as such officer deems necessary or appropriate to enable the Paying Agent to accomplish its duties under this resolution.

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

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

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

So long as the Notes are registered in the name of the Securities Depository Nominee, the Authority and the Paying Agent shall have no responsibility or obligation to any Securities Depository participant, indirect participant or beneficial owner of the Notes. Without limiting

the immediately preceding sentence, the Authority and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of any Securities Depository, any Securities Depository Nominee or any Securities Depository participant or indirect participant with respect to any beneficial ownership interest in the Notes, (ii) the delivery to any Securities Depository participant, indirect participant, beneficial owners or any other person, other than the Securities Depository Nominee, of any notice with respect to the Notes, or (iii) the payment to any Securities Depository participant, indirect participant, beneficial owner or any other person, other than the Securities Depository Nominee, of any amount with respect to the principal of or interest on the Notes.

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

Consistent with book-entry provisions, one typewritten certificate for each \$700,000,000, or such other amount as shall be consistent with the practices of DTC, or portion thereof in aggregate principal amount of Notes bearing each interest rate applicable to the Notes shall be prepared for the Notes and registered in the name of the Securities Depository Nominee. There shall be no physical distribution of certificates to beneficial owners of such Notes. In the event that the Notes do not qualify to be held by the Securities Depository or that either the Authority determines to discontinue the book-entry only system or DTC determines to discontinue providing its service with respect to the Notes and there is no successor Securities Depository, certificates for the Notes in substantially the form set forth in Exhibit A hereto shall be delivered.

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

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

SECTION 6. The Notes shall be special obligations of the Authority payable solely from the items pledged for the payment thereof specified in this Section 6 in accordance with their terms and the terms of this resolution. There is hereby pledged for the payment of the principal of and interest on the Notes (i) the first Payments (as defined in Section 8 of this resolution) received on or after the date or dates or upon the occurrence of any event or events set forth or described in a Section 16 Certificate by any Related Transportation Entity up to any amount equal to principal of and/or interest on the Notes, (ii) all of the monies deposited or caused to be deposited in the Payment Fund (as hereinafter defined) pursuant to the Deposit Agreement (as hereinafter defined) (such monies being hereinafter referred to as the "Deposited Monies"), and (iii) the Payment Fund including any investment income thereon (collectively, the "Pledged Amounts"). The Authority may, in its discretion, but is not obligated to, deposit or

cause to be deposited Payments into the Payment Fund at times earlier than and in addition to any date or dates set forth or described in a Section 16 Certificate and prior to the occurrence of any event or events set forth or described in a Section 16 Certificate. In addition, the Authority may, in its discretion, but is not obligated to, apply any other legally available funds to the payment of principal and/or interest on the Notes. The lien of Interagency Agreement and the Transportation Resolution (together, the “Existing Lien Documents”) on the Payments is subordinate to the lien created by this resolution. Neither the State of New York (the “State”) nor The City of New York (the “City”) nor any other local government unit shall be liable on the Notes, and the Notes shall not be a debt of the State, the City or any other local government unit. The pledge hereby created shall be valid and binding from and after the date of the issuance of the Notes; the Pledged Amounts hereby pledged shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act; and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof.

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

SECTION 8. So long as the Notes shall remain outstanding and unpaid unless the provisions of Section 17 of this resolution have been satisfied, unless otherwise provided in a Section 16 Certificate, the Authority covenants and agrees (i) that it will at all times comply with its obligations in connection with payment of the monies (a) which the State (along with the City and certain counties) is legally obligated to pay to the Authority for the benefit of any Related Transportation Entity under Section 18-b of the Transportation Law and Sections 88-a, 89-c and 92-ff of Article VI of the State Finance Law, (b) which TBTA is legally obligated to pay to the Authority for the benefit of LIRR and MNCRC under Section 569-c of the Public Authorities Law and to the Transit Authority under Section 1219-a of the Public Authorities Law, (c) which the City and Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties (the “Transportation District”) are legally obligated to pay to the Authority for the costs of operation, maintenance and use of each passenger station of the Commuter System located

within their respective areas under and pursuant to Section 1277 of the Act for the twelve month period or periods ended on the date or dates set forth or described in a Section 16 Certificate, (d) certain mortgage recording taxes and real property taxes with respect to certain real property located in the City required by State statute to be paid to the Transit Authority, and (e) that are made available from amounts allocable to the payment of capital costs to reimburse the Authority or any other Related Transportation Entity for expenses related to employees working on capital projects (collectively, the “Payments”); (ii) that it will at all times use its best efforts to take all actions legally available to it and determined by the Authority to be necessary to enforce the payment of the Payments which the State, TBTA, the City or the counties in the Transportation District, as the case may be, are legally obligated to pay at such time as is necessary to assure the payment of the Notes; (iii) that it will not repeal this resolution, amend or terminate the Deposit Agreement, by and among the Authority, the Transit Authority, MaBSTOA, MTA Bus Company, LIRR, MNCRC and TBTA relating to the Notes, in substantially the form annexed hereto as Exhibit B (the “Deposit Agreement”), or take any other action impairing the authority given hereunder with respect to the payment of the Notes; (iv) that it will not repeal, amend or modify any action taken by the Board of the Authority from time to time relating to the monthly advance of amounts described in clause (b) of this Section 8 so as to delay the timing or reduce the amounts to be transferred by TBTA to the Authority or any other Related Transportation Entity in any month; and (v) that it will, until the Notes are paid, deposit into the Payment Fund at the time and in the amounts provided pursuant to Section 6 hereof and all Payments necessary so that the amount on deposit in the Payment Fund or any separate account therein (valuing any investments on deposit therein as well as any investment obligations which the Paying Agent is instructed to purchase with the Payments then being deposited into the Payment Fund or any separate account therein at their full principal amount at maturity and including any investment income received or to be received on such investments) shall equal the amount necessary to pay principal and/or interest on the Notes then issued and outstanding.

SECTION 9. The Authority represents and warrants that:

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

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

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

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

(e) except to the extent provided in the Existing Lien Documents, no outstanding notes have heretofore been authorized or issued by the Authority secured by the Deposited Monies and the Deposited Monies have not been pledged or assigned by the Authority to secure any other outstanding obligation or indebtedness of the Authority.

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

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

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

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

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

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

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

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

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

The provisions of clauses (c), (d), (e) and (f) hereof shall not prohibit the Authority from issuing (A) any Obligations or Parity Debt (each as defined in the Transportation Resolution) or (B) any notes or other evidences of indebtedness (“Other Indebtedness”) payable from or secured by Payments or Pledged Amounts if, in the case of such Other Indebtedness, (i) any claim to, lien on, pledge of, or right to receive such Payments or Pledged Amounts for the benefit of such Other Indebtedness is expressly made subordinate to any such claim, lien, pledge or right for the benefit of the Notes; (ii) except as set forth in a Section 16 Certificate, such Other Indebtedness has no interest payment dates, redemption dates or maturity dates on or prior to the latest maturity date of any Note issued under this resolution then outstanding and does not grant to any holder of such Other Indebtedness, or trustee therefor, any right to accelerate any of such dates; and (iii) except as set forth in a Section 16 Certificate, such Other Indebtedness requires no deposit in respect of any payment thereon or in any fund or account maintained in connection with such Other Indebtedness from the Payments or Pledged Amounts prior to the latest maturity date of any Note issued under this resolution then outstanding or such later date on which the Notes have been paid or such earlier date on which the provisions of Section 17 of this resolution have been satisfied.

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

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

SECTION 12. The Authority may deem and treat the holder of a Note as the absolute owner thereof for the purpose of receiving payment of, or on account of, the principal and interest due on said Note and for all other purposes. The Authority agrees to indemnify and save the Paying Agent harmless from and against any loss, cost, charge, expense, judgment or

liability incurred by it, acting in good faith and without negligence or default hereunder, in so treating such holder.

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

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

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

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

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

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

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

There is hereby delegated to the Chairman, the Vice Chairman, the Chief Financial Officer or the Director of Finance of the Authority the power to make any changes in or additions to this resolution necessary (i) to allow the Notes to constitute Revenue Anticipation Notes (as defined in the Transportation Resolution) payable from and secured by a lien on the Payments prior to the lien created under the Transportation Resolution or (ii) to attain or maintain specific ratings, if any, on the Notes deemed advantageous to the Authority including, without limitation, changes to the Section 6, 7, 8 or 10 hereof.

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

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

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

investment obligations then on deposit in the Payment Fund shall be immediately set aside by the Paying Agent into an escrow account to be held by the Paying Agent in escrow solely for the payment of the Notes or the Notes payable from such separate account then outstanding.

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

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

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

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

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

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

SECTION 24. This resolution shall take effect immediately.

EXHIBIT A

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METROPOLITAN TRANSPORTATION AUTHORITY

REVENUE ANTICIPATION NOTE, SERIES 2013

(Working Capital Revolving Credit Facility)

CUSIP No.

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

_____ (\$_____)

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

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

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

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

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

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

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

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

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

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

ATTEST:

METROPOLITAN TRANSPORTATION
AUTHORITY

By: _____
[ASSISTANT SECRETARY]

By: _____
[facsimile]
[CHAIRMAN]

[SEAL]

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number:

Page 1 of 2

Vendor Name (& Location): Willis of New York	Contract Number:	AWO/Modification # 8
Description: Extension of Owner Controlled Insurance for East Side Access	Original Amount:	\$93,000,000
Contract Term (including Options, if any):	Prior Modifications:	\$491,201,498
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	\$
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$584,201,498
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$27,000,000
Funding Source: <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	4.6%
Requesting Dept/Div & Dept/Div Head Name: Risk and Insurance Management / Phyllis Rachmuth	% of Modifications (including This Request) to Original Amount:	557%

PURPOSE:

To obtain Board approval to extend the Excess Liability policies of the MTA's Owner Controlled Insurance Program (OCIP) for the East Side Access Project through March 31, 2021.

- Authorization to extend Excess Liability with a Navigators and a consortium of London and Bermuda Insurers.
- Authorization for MTA's Captive subsidiary, First Mutual Transportation Assurance Company (FMTAC) to underwrite the first layer of Excess Liability Insurance.
- Total additional funding requested: \$27 million.

SUMMARY:

The MTACC East Side Access Project is currently insured through an MTA Owner Controlled Insurance Program (OCIP), which was approved by the Board on December 17, 1998. Willis of NY, the OCIP broker, selected through a competitive RFP process, subsequently marketed and placed OCIP policies in 1999, based upon the then-scheduled completion date and estimated third party construction costs. These policies were subsequently extended, with Board approval in 2010, to April 1, 2016. In 2016 the Board approved coverage extensions to April 1, 2021 to reflect an estimated third party construction cost of \$7.025 billion including Regional Investments. Authorization was also granted to extend the Excess Liability, Pollution Liability and Railroad Protective Liability policies through March 31, 2021 upon their expirations. The Excess Liability policy extension will exceed the approved budget. An additional \$27 million is required.

DISCUSSION:

The East Side Access Project OCIP provides the MTA and each architect, engineer, contractor, and subcontractor working on the project with uniform Professional Liability (E&O), Environmental Liability, Workers Compensation (WC), General Liability (GL), Excess Liability, Railroad Protective Liability, and Builders Risk Insurance. Policies are underwritten by insurance companies with A.M. Best ratings of A or greater and/or equivalent financial strength. The carriers were competitively selected based upon policy terms, conditions, services and costs offered for this program. The original OCIP Program budget for all policies was \$93 million based upon a project cost of \$2.3 billion and project completion in 2010. In 2010, the Board approved an extension of these policies to reflect a third party construction value of \$5.075 billion and construction completion by the first quarter of 2016. In 2016, the Board approved extending the program to March 31, 2021 based upon a third party construction value including Regional investments of \$7.025 billion.

Excess Liability

The AIG Excess Liability policies expire on August 1, 2018. These policies were priced based upon a final construction value of \$5.729 billion. As the construction value increased, additional premium is due upon expiration. Losses have also exceeded policy parameters triggering a penalty premium and exposing the project to trailing self-insured retentions. A total of \$57.5 million is required to close the current policy. This exceeds the prior approved amount by \$13.5 million and is primarily the result of incurring an additional loss sensitive penalty of \$15 million.

Willis marketed the policy extension to AIG and the global Excess Liability market. This marketing revealed that no excess carrier was interested in attaching to the primary insurance's annual limits of \$2 million per occurrence and \$5 million in the aggregate. A buffer layer would be required to bridge the gap to the excess market. Willis recommended that we insure this buffer within our captive, FMTAC, as the commercial market premium for this layer would most likely exceed the coverage amount after estimated losses, profits, commissions, fees and taxes were taken into account. FMTAC will cover the project with annual limits of \$10 million per occurrence and \$10 million in the aggregate for three years at a premium of \$20 million.

The initial quotes provided by the incumbent AIG were well above estimates. In response, Willis reached out to multiple markets to quote the program. The most favorable terms and conditions were offered by Navigators and a consortium of London and Bermuda Insurers. Willis was able to obtain a total of \$300 million in excess limits for a total cost of \$29 million representing a savings of over \$10 million when compared to AIG's best and final. This exceeds the prior approved amount by \$13.5 million and is primarily the result of project loss history and general increases in the global excess liability market.

The total amount necessary to extend is \$47.5 million over the prior authorization, however, due to a realized savings of \$20.5 million during the placement of the primary policies in 2016, only \$27 million is required at this time. This extension of the excess policy will establish a common expiration of the primary and excess policies of March 31, 2021. As the project schedule with contingency shows a completion date of December 21, 2022, it may become necessary to extend the program further. This need for the extension and the duration will be assessed in late 2020.

MTACC is obligated under its construction contracts to provide continuing Owner Controlled Insurance coverage. Risk and Insurance Management has been able to achieve favorable extension terms. MTA Risk and Insurance Management has weighed the risk of loss and the cost of available insurance and concluded that this program is reasonable, cost effective and in the best interests of the MTA.

IMPACT ON FUNDING:

The additional \$27 million will be funded in MTACC's 2015-2019 Capital Program.

ALTERNATIVES:

The alternative would be to require each construction contractor to carry their own Workers Compensation, General Liability, Excess Liability, Environmental Liability and Railroad Protective Liability for their work. This approach would not be cost effective as the additive cost of each contractor's policy would most likely exceed the cost of the MTA policy. Also, contractor insurance would expire upon completion of a contract leaving completed works without coverage. By purchasing a single insurance program, the MTA can cover all completed and active construction works of the East Side Access Project until construction completion under a uniform program with high limits suitable for a project such as East Side Access.

Staff Summary

Subject Request for Authorization to Award Various Procurements
Department MTA Business Service Center
Department Head Name Wael Hibri
Department Head Signature <i>Michael L. Moran for W. Hibri</i>
Division Head Name David N. Ross

Date July 11, 2018
Vendor Name Various
Contract Number Various
Contract Manager Name Various
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	7/23/2018	X		
2	Board	7/25/2018	X		

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

PURPOSE:

To obtain approval of the Board to award various contracts/contract modifications and purchase orders, as reviewed by the MTA Finance Committee.

DISCUSSION:

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

Schedules Requiring Two Thirds Vote

Schedule A: Non-Competitive Purchases and Public Work Contracts	1	\$ 398,600
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Schedules Requiring Majority Vote

Schedule E: Miscellaneous Procurement Contracts	1	\$ 1,745,000
Schedule F: Personal Services Contracts	1	\$ 852,576

SUBTOTAL	3	\$ 2,996,176
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MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule F: Personal Services Contracts	5	\$ 29,211,400
Schedule G: Miscellaneous Service Contracts	5	\$ 0
Schedule H: Modification to Personal Service/Miscellaneous Service Contracts	2	\$ 4,800,000
Schedule I: Modification to Purchases and Public Work Contracts	1	\$ 4,577,525
Schedule J: Modifications to Miscellaneous Procurement Contracts	1	\$ 1,563,600

SUBTOTAL	14	\$ 40,152,525
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MTAHQ presents the following procurement actions for Ratification:

Schedules Requiring Majority Vote

Schedule K: Ratification of Completed Procurement Actions	4	\$ 30,925,000
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TOTAL	21	\$ 74,073,701
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BUDGET IMPACT: The purchases/contracts will result in obligating MTAHQ operating and capital funds in the amount listed. Funds are available in the current MTAHQ operating/capital budgets for this purpose.

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

BOARD RESOLUTION

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

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

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

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

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

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

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

LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 2018
NON-COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Two Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

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

- 1. National Industries For The Blind** **\$398,600** **Staff Summary Attached**
Purchase and Delivery of 4-Ply Disposable Wipes (not-to-exceed)
Contract No. 125315-0100

Non-Competitive - 36 months

Board Approval is requested for the award of a three (3) year contract for the purchase and delivery of 4-ply nylon disposable wipes on an as-needed basis in the not-to-exceed amount of \$398,600 to the National Industries for the Blind DBA NYSPSP, a New York State Preferred Source Vendor, for use by Long Island Railroad (LIRR). Based on New York State Office of General Services Guidelines on Preferred Source procurements, we are required to procure from a preferred source where items are within 15% of prevailing market prices among responsive and responsible offers, for the same or equivalent commodities or services. Accordingly, NYSPSP's pricing is considered fair and reasonable.

E. Miscellaneous Procurement Contracts

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

- 2. Computer Associates (CA)Technologies, Inc.** **\$1,745,000** **Staff Summary Attached**
Maintenance & Support of CA Software Products (not-to-exceed)
Contract No. 9-2699

Non-Competitive - 60 months

Board approval is sought to award a five-year miscellaneous procurement contract for maintenance and support of CA software products. These CA products are proprietary software, which can only be licensed, maintained and supported by CA. These legacy software products were first installed in 1984 at various NYCT, MNR and LIRR locations. CA-RAMIS is a legacy database program language used by NYCT for the Capital Program application to transfer data between the mainframe application and the midrange application. CA-IDMS/DBA is a relational database management tool-set used to build databases used for NYCT TALON logistic system, MNR Crew Management System, and LIRR Safety System. IDMS is a hierarchical database used by applications to store and to access data quickly. CA-Easytrieve Plus performs data extraction from IDMS databases and report generation, reducing the time and efforts to program these functions. All these software products are pertinent to operations of these core business systems used by various MTA agencies. Negotiations yielded a 0.9% reduction from CA's original proposed price and no annual escalation vs. the last contract which allowed for 2% to 5% annual escalation. Labor and material costs are the same as our last contract with CA. CA has confirmed that the MTA is receiving the best pricing available to any customers for like products. As such, the negotiated cost is considered fair and reasonable.

LIST OF PROCUREMENTS FOR BOARD APPROVAL
NON-COMPETITIVE PROCUREMENTS

Procurements Requiring Majority Vote:

F. Personal Service Contracts

Staff Summaries required for items greater than: \$100k Sole Source; \$250 other Non-Competitive, \$1 million Competitive

3. **PriceWaterhouseCoopers LLP. \$ 852,576 Staff Summary Attached**
Consulting Services for the Design of a New (not-to-exceed)
All-Agency MTA Intranet Portal Intranet
Contract No. 90000000002683

Board approval is sought to award a six-month personal services contract to PriceWaterhouseCooper Public Sector LLP (“PwC”) to design an All-Agency MTA Enterprise Intranet Portal. Currently each MTA Agency maintains separate and independent agency-specific intranet websites. These consulting services are necessary to unify and modernize MTA’s corporate-wide intranet solution, standardize intranet infrastructure and processes, and to improve the end user experience with state of the art technology to meet demands for collaboration, redundancy and performance. The negotiated contract amount is 18% below the MTA inhouse estimate. The contract covers ten project deliverables that are only payable upon MTA review and acceptance. Accordingly, all pricing and terms are deemed fair and reasonable.

Staff Summary

Schedule A: Non-Competitive Purchases and Public Work Contracts

Item Number:

Vendor Name (& Location): National Industries for the Blind DBA NYSPSP
Description: Purchase and Delivery of 4-Ply Disposable Wipes
Contract Term (including Options, if any): Three (3) Years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type: <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Preferred Source

Contract Number: 125315-0100	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$ 398,600
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: LIRR – Material HSF Stores Department/Leon Delmarco	
Contract Manager: Marcella Wiles/Kim Jones	

DISCUSSION:

Board Approval is requested for the award of a three (3) year contract for the purchase and delivery of 4-ply nylon disposable wipes on an as-needed basis in the not-to-exceed amount of \$398,600 to the National Industries for the Blind DBA NYSPSP, a New York State Preferred Source Vendor, for use by Long Island Railroad (LIRR).

The proposed contract will be awarded to NYSPSP in accordance with Section 162 of the New York State Finance Law which provides that preferred sources are granted the right to provide services to New York State Agencies to advance social and economic goals. Under the State Finance Law, contracts awarded to preferred sources such as NYSPSP are exempt from Statutory competitive procurement requirements provided they are (i) capable of providing the service in the form, function and utility required and (ii) the price offered is as close to the prevailing market prices as is practicable. NYSPSP meets these requirements.

NYSPSP quoted a price of \$39.86 per case for a 36-month term agreement in accordance with the requirements listed in the scope of work. This price is \$ 0.53 more than a similar product offered by another Preferred Source Vendor, New York State Industries for the Disabled (NYSID), but their product would not fit the dispensers used by MTA. A non-preferred source offered pricing less than 3% lower. Based on New York State Office of General Services Guidelines on Preferred Source procurements, we are required to procure from a preferred source where items are within 15% of prevailing market prices among responsive and responsible offers, for the same or equivalent commodities or services. Accordingly, NYSPSP’s pricing is considered fair and reasonable.

Preferred Source procurements are exempt from M/WBE and SDVOB goals consideration by MTA Department of Diversity and Civil Right.

A review of the bid documents submitted by NYSPSP has disclosed no significant adverse information within the meaning of the Responsibility Guidelines. Due to past experiences with NYSPSP LIRR considers the company to be technically sound and qualified to perform the contract work.

Staff Summary

Schedule E: Miscellaneous Procurement Contracts

Item Number:

Vendor Name (& Location): Computer Associates (CA) Technologies, Inc.	Contract Number: 9-2699	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description: Maintenance & Support of CA Software Products	Total Amount: \$1,745,000	
Contract Term (including Options, if any): August 26, 2018 through August 25, 2023	Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Requesting Dept/Div & Dept/Div Head Name: MTA Information Technology, Sidney Gellineau	
Procurement Type: <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	Contract Manager: Roopa Mamudiseeti	
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source		

DISCUSSION:

Board approval is sought to award a non-competitive, five-year miscellaneous procurement contract to Computer Associates (CA) Technologies, Inc., for maintenance and support of CA software products in the not-to-exceed amount of \$1,745,000. These CA products are proprietary software, which can only be licensed, maintained and supported by CA.

These legacy software products were first installed in 1984 at various NYCT, MNR and LIRR locations. CA-RAMIS is a legacy database program language used by NYCT for the Capital Program application to transfer data between the mainframe application and the midrange application. CA-IDMS/DBA is a relational database management tool-set used to build databases used for NYCT TALON logistic system, MNR Crew Management System, and LIRR Safety System. IDMS is a hierarchical database used by applications to store and to access data quickly. CA-Easytrieve Plus performs data extraction from IDMS databases and report generation, reducing the time and efforts to program these functions. All these software products are pertinent to operations of these core business systems used by various MTA agencies.

MTA IT currently has projects already underway to replace these legacy systems but continuous maintenance, updates, software patches and support services are necessary to allow automated archival and retrieval of mainframe reports, and to automatically send reports from mainframe applications to printers and workstations. This 5-year contract is required until the old systems are decommissioned.

Negotiations yielded a 0.9% reduction from CA's original proposed price of \$1,761,619, with no annual escalation vs. the last contract which allowed for 2% to 5% annual escalation. Labor and material costs are the same as our last contract with CA. In addition, CA has confirmed that the MTA is receiving the best pricing available to any customers for like products. As such, the negotiated cost of \$1,745,000 is considered fair and reasonable.

A responsibility review revealed no significant adverse information regarding the firm within the All-Agency Responsibility Guidelines. The MTA Department of Diversity & Civil Rights (DDCR) has assigned 0% MWBE/SDVOB participation goals. Funding is available in the MTA IT Operating Capital Budget.

Staff Summary

Schedule F: Personal Service Contracts

ConductItem					
Dept & Dept Head Name: MTA IT: Sidney Gellineau					
Division & Division Head Name: MTA BSC: Wael Hibri					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Finance	7/23/18	X		
2	Board	7/25/18	X		
Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement	4	IT		
2	DDCR	5	CFO		
3	Legal				

SUMMARY INFORMATION	
Vendor Name: PriceWaterhouseCoopers LLP.	Contract Number: 90000000002683
Description: Consulting Services for the Design of a New All-Agency MTA Intranet Portal Intranet	
Total Amount: \$852,576	
Contract Term (including Options, If any): 6 months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type: <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Ride of NYS DOB	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

Board approval is sought to award a six-month personal services contract to PriceWaterhouseCooper Public Sector LLP ("PwC") in the not-to-exceed amount of \$852,576 to design an All-Agency MTA Enterprise Intranet Portal. Currently each MTA Agency maintains separate and independent agency-specific intranet websites.

These consulting services are necessary to unify and modernize MTA's corporate-wide intranet solution, standardize intranet infrastructure and processes, and to improve the end user experience with state of the art technology to meet demands for collaboration, redundancy and performance.

II. DISCUSSION

Through a competitive RFP process, the New York State Division of Budget issued a contract to PwC for various as-needed management consulting services. MTA is leveraging this NY State Contract to develop an All-Agency MTA Enterprise Intranet Portal. This portal will provide a unified and more modern intranet solution across all the MTA Agencies.

Due to outdated technologies that are not in line with new operating systems, MTA employees are experiencing problems with accessing pertinent employee information. These issues have required MTA to devote extensive resources to mitigate problems. PwC has the requisite experience and knowledge of enterprise modernization and offers a sound technical approach suited to MTA's environment. Conducting a separate procurement process is unnecessary and would delay addressing this immediate problem.

PwC will perform work over four phases: (i) project planning, (ii) current state assessment, (iii) future state design requirements and (iv) implementation roadmap. The scope of services includes:

- Setting the framework for the project by establishing project structure, timeline, key stakeholders and reporting/update frequency;
- Gathering and documenting a current state of the intranet infrastructure and applications for each Agency;
- Addressing pain points in current state assessment and developing future state intranet vision and recommendations for improvement; and
- Developing a roadmap by organizing activities to implement future state recommendations.

This 6 month assignment will include engaging various titles and roles from Visual Designer to Senior Director with hourly rates ranging from \$165/hour to \$399/hour. These all-inclusive hourly rates are 4.1% to 23% lower than the State Contract rates and are in-line with other MTA consulting agreements. In addition, the negotiated contract amount is 18% below the MTA inhouse estimate. The contract

Staff Summary

Schedule F: Personal Service Contracts

value of \$852,576 covers ten project deliverables that are only payable upon MTA review and acceptance. Accordingly, all pricing and terms are deemed fair and reasonable.

III. D/M/WBE INFORMATION

The Department of Diversity and Civil Rights have assigned 15% MBE, 15% WBE and 6% SDVOB goals to this contract. PWC is projecting to meet the assigned goals. PWC has achieved its previous MWDBE goals on previous MTA contracts.

IV. IMPACT ON FUNDING

The contract amount of \$852,576 is funded by the MTA IT Operating Budget.

V. ALTERNATIVES

The alternative is to continue with current separate and independent agency-specific intranet websites with inefficient maintenance and processes. Continuing to operate without a unified and modernized approach will severely limit the MTA's ability to improve end user experience and optimize its infrastructure to deliver an enterprise-wide intranet portal with up to date technology and enhancements satisfying all-agency requirements.

We anticipate that the intranet solution will be a cloud based solution and as such the hardware and software cost for the development, test and production environments would be shifted from an on premise purchased solution to a subscription model. The current estimate for these on premise environments is \$1.7M, which includes the initial cost of the environment and on-going contractual maintenance. We anticipate a 15% reduction in the total cost of ownership for the hardware and software environments which is approximately \$258K savings per year. These numbers can be validated and refined within this project.

LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 2018
COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Majority Vote:

F. Personal Service Contracts

Staff Summaries required for items greater than: \$100k Sole Source; \$250 other Non-Competitive, \$1 million Competitive

- 4. A&D project at the Times Square Shuttle at 42nd Street-Time Square NYCT Subway Station**
– A&D will provide technical design, fabrication, crating, storage, delivery and oversight of installation of materials at the station specified below:

Competitively negotiated – 92 proposals - 48 months

Nickey Cave – Times Square Shuttle NYCT (\$415,000)

- 5. A&D project at 138th St-Grand Concourse NYCT Subway Station** – A&D will provide technical design, fabrication, crating, storage, delivery and oversight of installation of materials at the station specified below:

Competitively negotiated – 220 proposals - 24 months

Amy Pryor – 138th St-Grand Concourse NYCT (\$123,000)

- 6. IBM, Inc. **\$ 19,500,000** **Staff Summary Attached****
MTA Business Service Center PeopleSoft (not-to-exceed)
Pension Upgrade

Contract No. 90000000002704

Competitively negotiated 2 proposals 30 months

Board approval is sought for the award of an all-agency, competitively negotiated, personal services contract to IBM, Inc. to provide professional and technical consulting services required to upgrade MTA's defined benefits pension system for a fixed fee of \$19.5 million. In December of 2016, Pension Phase I went live for LIRR, MNR and MTA Police, with the objective of implementing centralized MTA defined benefit pension plans in the PeopleSoft Pension Administration module, thus improving the quality of employee services, streamlining pension calculations and estimates, and to ensuring the accuracy and validity of data. Phase II will bring the defined benefit pension plans for the LIRR closed plans, the SIRTOA, MaBSTOA and MTA Bus plans into the centralized PeopleSoft Pension Administration System. The platforms for these systems rely heavily on paper, are outdated and have reached end of life. This initiative provides uniformity and much needed efficiencies for MTA pension administration. These plans will also utilize an automated interface to a third-party trustee who will be producing the pension payroll for the MaBSTOA plan as it currently does for all plans within the MTA Defined Benefit Pension Plan. The negotiated fixed fee of \$19.5 million is considered fair and reasonable.

LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 2018

COMPETITIVE PROCUREMENTS

Procurements Requiring Majority Vote:

7. **Vicom Computer Services** **\$ 5,937,000** **Staff Summary Attached**
Radio Frequency Design and Heat-Mapping (not-to-exceed)
Consulting Services
Contract No. 90000000002712
Competitively negotiated 5 proposals 60 months
Board approval is sought to award a competitively negotiated, personal services contract to provide Radio Frequency (RF) design and heat-mapping consulting services. These services are necessary to provide information to the MTA regarding options for installing wi-fi or wireless network supporting enterprise asset management (EAM) applications at over 300 MTA sites. The consulting services proposed here will provide as-needed site surveys based on the EAM project deployment plan, and evaluations of the signal strength at each site. These findings will provide guidance to the MTA on proper installation and strategic placement of wireless access points and antennas, as well as the required cabling and/or changes to the wired data infrastructure to optimize wi-fi coverage. Vicom proposed the lowest overall cost in addition to negotiating average hourly rates by 3.9%.
8. **Asite LLC** **\$ 3,236,400** **Staff Summary Attached**
Implementation of All-Agency Electronic (not-to-exceed)
Project Management System
Contract No. 0000186403
Competitively negotiated 9 proposals 60 months
Board approval is sought to award a competitively negotiated, personal service contract to Asite LLC for implementation of an enterprise-wide, cloud-based Electronic Project Management (EPM) System. This EPM software tool is used for design and construction project management, document storage, and stakeholder collaboration. Asite offered the lowest overall cost amongst the three highest rated proposals and successfully demonstrated full system functionality required by the MTA. Asite's pricing is over 30% lower than that of the other two finalists and came with terms more favorable to the MTA. Accordingly, the five-year contract price of \$3,236,400 is deemed fair and reasonable.

LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 2018
COMPETITIVE PROCUREMENTS

Procurements Requiring Majority Vote:

J. Modifications to Miscellaneous Procurement Contracts

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

17. Yardi Systems, Inc. \$1,563,600 Staff Summary Attached

Software Cloud Implementation and Subscription (not-to-exceed)

Contract No. 6-01-96069-0-0, Mod. 14

Base Amount = \$4,595,267.65

Board approval is sought to amend a miscellaneous procurement contract with Yardi Systems, Inc. (Yardi) to move the current perpetual licensing environment of Yardi software to a Cloud base SaaS platform for a period of five years. Additional funding not-to-exceed \$1,563,600 will cover the Voyager and Voyager Commercial business application licenses, the Cloud based SaaS platform, and implementation services of the software onto the cloud. The Yardi database system is a highly customized system that is utilized by the MTA Real Estate Department (RED) to track real estate inventory, capture rental revenue, and monitor security deposit increases. The MTA and its operating agencies have a significant investment in using Yardi so, while it may be possible to customize other products to meet the MTA's needs, this could only be accomplished at considerable cost. The negotiated fixed fee of \$1,563,600.00 is considered fair and reasonable.

Staff Summary

Schedule F: Personal Service Contracts

Item Number:						SUMMARY INFORMATION	
Department Head Name: Wael Hibri						Vendor Name: IBM, Inc.	
Division & Division Head Name: IT/ Sidney Gellineau						Contract Number: 90000000002704	
Board Reviews						Description: MTA Business Service Center PeopleSoft Pension Upgrade	
Order	To	Date	Approval	Info	Other	Total Amount: \$19,500,000	
1	Finance	7/23/18	X			Contract Term (including Options, if any) August 1, 2018 through February 28, 2021	
2	Board	7/25/18	X			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	
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	4	DDCR			Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
2	IT	5	Legal				
3	CFO	6	Pension				

I. PURPOSE/RECOMMENDATION

Board approval is sought for the award of an all-agency, competitively negotiated, personal services contract to IBM, Inc. to provide professional and technical IT consulting services required to upgrade and incorporate the Manhattan and Bronx Surface Transit Operation Authority ("MaBSTOA") pension plan, the Staten Island Rapid Transit Operating Authority ("SIRTOA") pension plan, MTA Bus pension plan and the Long Island Rail Road ("LIRR") Closed Plan ("LIRR Closed") into one MTA pension module ("Upgraded Pension Administration Module") in PeopleSoft for a fixed fee of \$19.5 million. The contract term is thirty (30) months from August 1, 2018 through February 28, 2021.

II. DISCUSSION

In December of 2016, IBM implemented Pension Phase I for Long Island Rail Road ("LIRR"), Metro North Railroad ("MNR") and MTA Police to an Upgraded Pension Administration Module in PeopleSoft. This implementation improved the quality of employee services, streamlined pension calculations and estimates, and ensured the accuracy and validity of data which is necessary in order to provide for efficient financial reporting and Actuarial Valuations necessary to determine appropriate funding levels.

This Phase II proposal will bring the LIRR Closed pension, the SIRTOA, MaBSTOA and MTA Bus pension plans into the Upgraded Pension Administration Module. The existing IT platforms for these systems rely heavily on paper and are outdated, being retired and do not provide the functionality necessary to meet the requirements for efficient pension calculations and effective financial and actuarial reporting. Phase II will provide uniformity and much needed efficiencies. The Upgraded Pension Administration Module will also utilize an automated IT interface with a third-party trustee. The third-party interface will provide the pension payroll for the MaBSTOA plan. All the other pension plans already interface and use this feature with the third-party trustee.

A competitive Request for Proposals ("RFP") was issued in July of 2017 to provide Phase II services. The RFP was publicly advertised and letters advising potential proposers of the RFP's availability were sent to 35 firms including seven M/WBE Firms. Proposals were received from IBM Inc. and Accenture LLP, and the selection committee was comprised of pension and IT professionals knowledgeable in the MTA Bus, MaBSTOA, LIRR and SIRTOA pension plans and previous PeopleSoft Pension implementations and upgrades. Both firms were invited for oral presentations. IBM's initial proposal was \$28.3 million but negotiations reduced their proposal to \$21 million. Accenture's initial proposal was \$7 million vis-à-vis a revised proposal of \$9.8 million.

The selection committee ultimately chose to move forward with IBM based on their demonstrated ability to adjust for anomalies from the various sources of data (manual, spreadsheet, and electronic). The committee determined that Accenture would be required to expend a significant amount of time and resources to attain fluency in the MTA's existing pension customizations and that Accenture's proposal failed to take account of that work. The committee concluded that the complexity of data cleansing, data conversions and existing customizations were all understated in the Accenture proposal, which would inevitably lead to a contract modification. In fact, Accenture alluded to this possibility in a section entitled "Factors Likely to Affect Labor Hours or Schedule" of their proposal. Moreover, Accenture's references were less positive than those we received for IBM.

Nonetheless, and due to the difference in pricing, an executive committee was convened to review the results of the RFP evaluation by the selection committee and to review the proposed award of the Pension Phase II upgrade. The executive committee, in turn, instructed that a third-party firm be engaged to assess the resources anticipated for this project based on the scope of work and the proposals from each vendor. Each firm was advised of the third-party vendor's findings and was given the opportunity to revise their price and technical proposals and submit revised BAFOs. The revised BAFO from IBM was \$19.5 million and the Accenture BAFO was \$11.5 million. The same caveat with respect to hours or schedule was still part of the final Accenture proposal.

Upon completion of the review process, the executive committee unanimously determined that Accenture's proposal still under-estimated the resource requirements associated with data conversion and training and thus exposed the MTA to the risk of delays and potentially costly change orders throughout the engagement. The committee determined that IBM, having a better understanding of the data conversion and having successfully completed Phase I, would more likely complete the work in a timely manner and with lower risk of cost overruns.

IBM's final fixed price is 7% lower than the project manager's estimate of \$21 million. Additionally, the hourly rates IBM used to calculate the proposed fixed fee range from \$90 to \$362, amounts that were generally on par with the comparable Accenture's rates ranging from \$159 to \$393. Based on the above, the negotiated fixed fee of \$19.5 million is considered fair and reasonable.

MTA is currently conducting a responsibility review and other due diligence on IBM. Procurement will not execute this contract where AI or SAI information is revealed unless the information is waived in accordance with the All-Agency Responsibility Guidelines and the vendor have been determined to be a responsible proposer.

III. D/M/WBE INFORMATION

The MTA's Department of Diversity and Civil Rights established 15% MBE, 15% WBE and 6% SDVOB goals for these contracts. IBM has submitted a utilization plan to achieve the assigned MWBE and SDVOB goals. IBM has not achieved its MWDBE goals to date. However, it has committed to achieving MWDBE goals in the future.

IV. IMPACT ON FUNDING

Funding for this contract is available in the Business Service Center Operating Budget.

V. ALTERNATIVES

1. Do not Approve Award of the Contract. This is not practical or cost effective. This would delay and compromise the BSC's ability to streamline the back-office processes into a shared services environment and to operate more efficiently.
2. Perform the Services In-house. This is not a feasible alternative. MTA does not possess the internal resources or the expertise to provide these services.

Staff Summary

Schedule F: Personal Service Contracts

Item Number:						SUMMARY INFORMATION	
Dept & Dept Head Name: MTA IT: Sidney Gellineau						Vendor Name: Vicom Computer Services	
Division & Division Head Name: IT EAM Applications/David Koehler						Contract Number: 90000000002712	
						Description: Radio Frequency Design and Heat-Mapping Consulting Services	
						Total Amount: \$5,937,000	
Board Reviews						Contract Term (Including Options, if any) September 4, 2018 – September 3, 2023	
Order	To	Date	Approval	Info	Other	Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
1	Finance	7/23/18	X			Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
2	Board	7/25/18	X			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:	
Internal Approvals						Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Order	Approval	Order	Approval				
1	Procurement	3	Legal				
2	DCCR	4	CFO				

I. PURPOSE/RECOMMENDATION

Board approval is sought to award a competitively negotiated, personal services contract to Vicom Computer Services (Vicom) to provide radio frequency (RF) design and heat-mapping consulting services. These services are necessary to provide information to the MTA regarding options for installing wi-fi or wireless network supporting enterprise asset management (EAM) applications at over 300 MTA sites. This 5-year agreement estimated at \$5,937,000 will allocate 53K hours to survey up to 300 MTA locations that will require network connectivity to support the EAM program.

II. DISCUSSION

The MTA is deploying a new cloud based EAM system to provide asset tracking, inventory control, access to asset repair and schematic documentation. The EAM application will be delivered through the MTA's wireless network to approximately 300 sites. The consulting services proposed here will provide as-needed site surveys based on the EAM project deployment plan, and evaluations of the signal strength at each site. These findings will provide guidance to the MTA on proper installation and strategic placement of wireless access points and antennas, as well as the required cabling and/or changes to the wired data infrastructure to optimize wi-fi coverage.

Survey locations will include open areas such as bridges, rail yards, wayside structures and closed structures such as buildings, trailers and underground stations. There are some locations with multiple site(s).

III. PROCUREMENT PROCESS

A Request for Proposals was publicly advertised and sent to 22 firms, six of which were MWBE/SDVOB firms. Proposals were received from Vicom, Washington Computer Services ("WCS"), Diversitec, V-COMM and EIA Datacom, with a WBE firm partnering on the WCS proposal. The Selection Committee included representatives from MTA's IT EAM and IT Infrastructure groups and proposals were evaluated based on proposer expertise, experience with RF designs, tools and heat mapping services, project approach, methodology, resourcing and price.

V-COMM did not cite relevant WiFi design experience and described only performance on microwave and land mobile radio applications and, hence, was not short-listed. The other firms were invited for negotiations and asked to provide improved pricing based on a common reference of a 30,000 square foot site. The Selection Committee ultimately selected Vicom, finding it both the most technically qualified and lowest overall cost provider. MTA has conducted a responsibility review and other due diligence on Vicom and deemed it to be responsible for award.

Negotiations yielded a reduction of about 40% off from Vicom's original \$10,084,230 estimate. Most of the decrease was the result of clarifications regarding the size of the locations involved, but they also reduced hourly rates by an average of 3.9%. These negotiated hourly rates will remain the same for the full term of the contract.

Vicom will perform the following services to meet the project objectives:

- Site walk-throughs to assess each location's physical properties.
- They will develop RF designs that will include access points quantities and types, and recommend optimal placement of antennas and ancillary equipment required for ubiquitous wireless coverage.
- They will perform wireless site surveys to test and verify the designs and signal strength for locations.

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights have established goals of 15% MBE, 15% WBE and 6% SDVOB. Viacom is projecting to meet the assigned goals. Viacom 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 will be allocated by MTA IT on a task order basis.

V. ALTERNATIVES

1. Perform all services in-house. This alternative is not feasible. The MTA and its agencies do not have the resources or the expertise to perform these services.
2. Do not approve award of the contracts. This is not practical. This would delay and compromise the MTA's ability to streamline its operations and realize operating efficiencies as a result of these services.

Staff Summary

Schedule F: Personal Service Contracts



Item Number:					
Dept & Dept Head Name: Capital Program Management/John O'Grady					
Division & Division Head Name: CPM Management Services/Anne-Marie Romano					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Finance	7/23/18			
2	Board	7/25/18			
Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement	4	Legal		
2	Capital Program Mgmt	5	CFO		
3	DDCR				

SUMMARY INFORMATION	
Vendor Name: Asite LLC	Contract Number: 900000000002746
Description: Implementation of All-Agency Electronic Project Management System	
Total Amount: \$3,236,400	
Contract Term (Including Options, if any): September 4, 2018 - September 3, 2023	
Option(s) included in Total Amount?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

Board approval is sought to award a competitively negotiated, personal service contract to Asite LLC for implementation of an enterprise-wide, cloud-based Electronic Project Management (EPM) System. This EPM software tool is used for design and construction project management, document storage, and stakeholder collaboration. The proposed contract is for an initial term of 3 years at a cost of \$2,036,400 beginning September 4, 2018, with two one-year renewal options at an additional cost of \$1,200,000.

II. DISCUSSION

MTA agencies currently use Autodesk's Constructware to manage design and construction projects. Constructware was first rolled out in 2006 and is used by NYCT, LIRR and MNR with about 1,500 internal and external users/contractors. The Constructware maintenance and support contract expires August 31, 2019 and the product is approaching the end of life with no further software enhancements forthcoming from Autodesk.

A Request for Proposal (RFP) was initiated to find a replacement product with improved capabilities and continued feature development. The RFP was publicly advertised and sent to 26 vendors of which seven were minority/women-owned business enterprises. Proposals were received from Asite, DLT, Stellar (two proposals), Aconex, Kahua, M&J Engineering, Imaginit, and PMWeb. Stellar submitted two proposals.

The Selection Committee was comprised of seven representatives from multiple agencies and departments who had expertise in capital program management, administration and analysis using the software and workflow design of construction projects. The proposals were evaluated based on proposer expertise, implementation experience with cloud-based project management solutions, project approach and methodology, as well as resource capacity and price.

The Selection Committee deemed M & J Engineering and Imaginit not technically qualified as they lacked required experience and/or did not adequately describe how their solutions and implementation plans would meet the Scope of Work (SOW). Kahua, Aconex and PMWeb were not selected because they did not demonstrate solutions containing all required functionalities or having sufficient expertise with all SOW project phases.

The committee ultimately determined that Asite provided the best proposal. Asite offered the lowest overall cost from among the three highest rated proposals and they successfully demonstrated full system functionality required by the MTA. Asite's reference checks yielded no adverse information.

Negotiations resulted in a 5% reduction from Asite's original proposal of \$2,144,400 for a savings of \$108,000. Asite also offers an initial license fee of \$41 per user per month to lower the initial rollout and ramp-up cost to the MTA. Once MTA reaches 610 users, the monthly fee will be fixed at \$50,000 per month for an unlimited number of user licenses throughout the term of the contract, including the option years. Asite's platform provides updated functionality and features to drive project management efficiencies including unlimited storage and maintenance support. NYCT Capital Program Management (CPM) expects the number of MTA users to grow past 3,100 users as Asite's platform providing project management functionality is rolled out to NYCT, B&T, CC, LIRR and MNR.

Asite's pricing is over 30% lower than that of the other two finalists and came with terms that were considered to be more favorable to the MTA. Accordingly, the five-year contract price of \$3,236,400 is deemed fair and reasonable. NYCT Capital Program Management (CPM) will serve as the lead agency to engage Asite on project planning, business process/workflow definition, system configuration, training delivery, system rollout, project data migration and user administration. After system rollout, completed projects in Constructware will be viewable on an MTA server, and will be converted to microfiche for long-term record-keeping; and new projects will be created only on Asite's platform. Interfaces will be established to current MTA applications for project scheduling and budget management to support project lifecycle management.

Procurement performed a background check that revealed information disclosed by Asite that may be considered Significant Adverse Information (SAI) within the meaning of the All-Agency Responsibility Guidelines. MTA is reviewing the relevant information. If the Board approves this contract, no award will be made unless Asite is found to be fully responsible for the award.

III. D/M/WBE INFORMATION

The MTA Department of Diversity & Civil Rights (DDCR) established 0% goals for MBE, WBE and SDVOB on this contract because there are no subcontracting opportunities. Asite LLC 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

The total cost for this contract will not exceed \$3,236,400. It will be funded by the NYCT's capital reimbursable overhead budget. Cost-sharing details among the agencies will be settled post-award.

ALTERNATIVES

1. Perform services in-house. This alternative is neither feasible nor cost effective, since performing this specialized project in-house require additional staffing to develop, upgrade and maintain a software application, purchase and maintain data storage servers and incur associated overhead costs. This project is managed best by an independent outside firm monitored closely by MTA staff. MTA does not have staff with specialized expertise for these services.
2. Do not approve award - This would severely curtail MTA's ability to be more efficient in managing critical design and construction projects. Staying with Constructware is not a feasible plan as no software upgrades are available. This alternative is not recommended.

Staff Summary

Schedule G: Miscellaneous Service Contracts

Item Number:

Vendor Name (& Location): Various
Description: As Needed Electric Power Supply Request
Contract Term (including Options, if any): Five (5) Years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

Contract Number: 0009000008	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: TBD	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Chief Financial Officer/Bob Foran / Strategic Initiatives/Nora Ostrovskaya	
Contract Manager: Ryan Gardrvits	

I. PURPOSE/RECOMMENDATION

To obtain Board approval to pre-qualify energy services companies (“ESCOs”) eligible to supply electricity in New York State to provide electricity supply services to the MTA that include energy, capacity and related ancillary services (“Electricity Supply Services”). These services would be available to supplement the MTA’s existing Electricity Supply Services provided currently to the MTA by various utilities within the New York Independent System Operator (“NYISO”) service territory.

II. BACKGROUND

Currently New York Power Authority, Long Island Power Authority, Central Hudson Gas & Electric Corporation, Orange and Rockland Utilities, Inc., and New York State Electric & Gas are the Electricity Supply Services providers within the NYISO service territory. The MTA buys power from these suppliers without competition via direct accounts for electrical power supply as metered by the MTA’s Local Distribution Companies (LDC) that are servicing LIRR, MNR, MTAHQ, NYCT, TBTA & SIRTOA within NYISO service territory. In 2017, the overall cost of Electricity Supply Services from these five providers was over \$225 million. To lower this cost, the MTA would like to have the option to utilize the services of ESCOs to competitively purchase Electricity Supply Services within NYISO service territory.

To that end, the MTA plans to first pre-qualify proposers whose proposals meet the pre-qualification requirements (“Pre-Qualified Bidders”) for a term of five years (“Pre-Qualification Term”). Then, the MTA will have the option to solicit price proposals (“Bids”) from the selected Pre-Qualified Bidders to provide specific Electricity Supply Services for a subset of accounts that will be selected based on load characteristics.

The MTA will identify specific account groups and products for Pre-Qualified Bidders to bid on and may solicit bids at any time during the length of the Pre-Qualification Term. When bids are conducted, awards will go to lowest priced bidder for a period of one to three years.

III. DISCUSSION

A Request for Proposals (“RFP”) was sent to 11 firms posted on the MTA website and publicly advertised. Six proposals were received, of which the following five were deemed technically qualified: Agera Energy, LLC, Constellation Energy Resources, LLC, Direct Energy Business, LLC, East Coast Power and Gas, LLC, and Engie Resources, LLC. The sixth proposal failed to address the core requirements contained in the RFP and was therefore found non-responsive.

The selection committee consisted of representatives from MTA Headquarters and included an Acting Senior Director from Strategic Initiatives, a Senior Deputy Budget Director and a Deputy Director of Finance. Since this was a pre-qualification process, the evaluation criteria included: 1) the financial and operational viability of the firm; 2) whether the firm is ready, willing and able to provide the services; 3) whether the firm is responsible; and 4) whether firm’s proposed changes to the contract were acceptable to MTA.

A responsibility review of the five firms listed above was conducted based on the MTA Institution and Energy Supplier Guidelines and found them to be responsible.

IV. M/W/DBE INFORMATION

The MTA Department of Diversity and Civil Rights (DDCR) did not assign MWBE goals to this contract due to the fact that utilities are exempt from subcontracting requirements and therefore are not assigned M/WBE goals.

V. IMPACT ON FUNDING

This recommendation is to pre-qualify ESCOs. As such, there is no financial commitment to any of the pre-qualified proposers/bidders at this time.

VI. ALTERNATIVES

MTA could opt not to consider or pursue competitive bidding and continue to purchase power non-competitively from the utilities that currently provide Electricity Supply Services to the MTA.

VII. RECOMMENDATION

As part of the continuing effort to reduce MTA's electricity costs and seek competitive solutions for its electricity needs, the Selection Committee recommends that the Board approve the pre-qualification of the following firms:

- Agera Energy, LLC
- Constellation Energy Resources, LLC
- Direct Energy Business, LLC
- East Coast Power and Gas, LLC
- Engie Resources, LLC

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number:

Page 1 of 1

Vendor Name (& Location): Danella Rental Systems, Inc. (Plymouth Meeting, PA) TNT Equipment, Inc. (Cinnaminson, NJ)
Description: As-Needed Heavy Equipment and Vehicle Rental Contract
Contract Term (including Options, if any): Thirty-six (36) Months
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type: <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: MTA HQ Procurement, D. Ross, Chief Procurement Officer

Contract Number: IT04360-MW04	AWO/Modification # 18/15
Original Amount:	\$2,046,000
Prior Modifications:	\$7,654,000
Prior Budgetary Increases:	\$ 0
Current Amount:	\$9,700,000
This Request:	\$3,900,000
% of This Request to Current Amount:	40.2%
% of Modifications (including This Request) to Original Amount:	564.7%

DISCUSSION:

Board approval is sought to amend a miscellaneous services contract with Danella Rental Systems (“Danella”) and TNT Equipment, Inc. (“TNT”) for the rental of heavy equipment and vehicles to add funding in the not-to-exceed amount of \$3,900,000 and to extend the contract period of performance by twelve months ending July 31, 2019.

In 2014, leveraging a joint procurement led by Long Island Rail Road (“LIRR”), Metro North Railroad (“MNR”) awarded a 36 month contract to six heavy construction equipment rental suppliers (bulldozers, bucket loaders, cranes, etc.) and two utility vehicle rental suppliers to support various MNR departments and their territories of responsibility. Vehicle types rented from the utility vehicle rental suppliers under this agreement include but are not limited to SUVs, pickup trucks for the transportation of project materials and equipment, dump trucks, bucket trucks and welder trucks with approximately half being modified to accommodate high-rail operations.

There have been ten change orders in the total amount of \$7,654,000 since the original solicitation, including Board approved change orders in September 2015 and February 2016. Three of the change orders extended the contracts for 15 months collectively. The additional extensions and funding are necessary to bring the Metro North system into a federally mandated State of Good Repair, as well as the initiative to implement Positive Train Control.

While current expenditure levels are expected to decrease once the system is brought into a state of good repair, there will be an ongoing need for this equipment nonetheless. The Danella and TNT contracts were selected for transition to management under MTAHQ Procurement as part of the Procurement Consolidation initiative. MTAHQ Procurement anticipates releasing a new solicitation for heavy equipment and vehicle rentals by the fourth quarter of 2018. Extending this contract for twelve (12) months is necessary to allow MTAHQ Procurement to conduct a heavy equipment and vehicle rental category procurement and to transition to a new supplier or suppliers.

Unit prices will remain as established in the base agreement and are deemed fair and reasonable, as the pricing being received under this extension will be the same pricing received under the base agreement, which was the result of a competitive bid process.

Staff Summary

Schedule I: Modifications to Purchase and Public Work Contracts

Vendor Name (& Location): VF Imagewear, Inc.
Description: Purchase of Uniform Garments
Contract Term (including Options, if any): March 31, 2010 – July 15, 2018
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: MTAHQ Procurement Department /David Ross

Contract Number: 08B9834A	AWO/Modification # 7
Original Amount: \$23,347,894 (NYCT/MTABC) \$5,746,497 (LIRR)	\$29,094,391
Prior Modifications: \$10,500,000 (NYCT/MTABC) \$2,000,000 (LIRR)	\$12,500,000
Prior Budgetary Increases:	\$0
Current Amount:	\$41,594,391
This Request: \$4,577,525 (NYCT/MTABC) \$0 (LIRR)	\$4,577,525
% of This Request to Current Amount:	11%
% of Modifications (including This Request) to Original Amount:	58.7%

PURPOSE:

Board approval is requested to extend the above referenced contract term by 16 months ending November 18, 2019, allowing time for the award a competitively negotiated multi-agency contract to replace it. The additional funding is required to cover expenses during the extension period. This multi-agency contract encompasses the supply and delivery of uniform garments to NYC Transit (NYCT), MTA Bus Company (MTABC) and Long Island Rail Road (LIRR).

DISCUSSION:

NYCT, MTABC and LIRR require that certain employees wear uniforms as part of their job duties. Uniforms designed to improve customer recognition and safety are supplied to over 34,000 employees in 42 workgroups at no cost to the employee. Uniforms are provided through an ordering and distribution process that utilizes internet and/or phone orders with home delivery. The contractor takes orders and produces, warehouses and distributes garments to the employees. The contractor also provides and maintains a dedicated website to facilitate ordering of uniform garments by employees.

The solicitation of the original contract yielded proposals from VF Imagewear, Inc. (VF), Lion Uniform Group (Lion) and Elder Manufacturing, Inc. (Elder). In January 2010, the Board approved a five year competitively negotiated contract in the amount of \$29,094,391 with an additional three- year option to Lion, a Division of G & K Services, Company. Lower pricing was a key factor in determining that award. After the contract award, Lion legally changed its name to GK Direct and, in 2013, G & K Services sold the GK Direct portion of the business (including portions of the business that serviced the MTA) to Affinity Specialty Apparel, Inc. (Affinity). Thus, an assignment agreement was executed between MTA and both vendors to assign the contact from GK Direct to Affinity effective January 2014.

As far back as 2010, GK (and later Affinity) exhibited some performance problems including late deliveries and late program start-up. These problems were initially attributed to the learning curve associated with taking on a new and complex uniform program. At the same time, GK claimed it was losing money on the contract. In 2016, after a series of events further diminished Affinity's ability to perform (including a fire at a manufacturing facility), Affinity indicated that it was unable to handle the demands of the contract, and requested that it be assigned to VF. Having received satisfactory services from VF in the past, the MTA allowed the assignment from Affinity to VF.

Other than modifications relating to the exercise of the MTA's option to extend (\$12.5 million), and of the aforementioned name changes and assignments, the only other modifications were no cost contract changes associated with the mix of garments provided through the contract.

This modification is required to extend the term by 16 months ending November 2019 and to add funds necessary to cover expenses during the extension period. Spending on the contract has been well within budget, leaving a current remaining balance of about \$10 million, a portion of which will be required to (as planned) buy out a portion of the remaining inventory when the contract ends. A portion of the underspending is also attributable to delays in the program's initial implementation.

For the extended term, VF submitted a proposal that included price increases averaging about 20% higher than under the current contract, however, that amount was reduced to an increase of about 17% through negotiations. It is noteworthy that the negotiated rates are on average about 2.6% more than the pricing quoted by VF in 2010, an increase well below inflations since that time. Elder, the third and only other vendor to have offered a proposal when this contract was originally solicited, had then proposed higher prices than VF. As part of its justification for the increase in the rates, VF cited profitability, increased costs and overhead expenses. Accordingly, the prices submitted by VF as part of this modification no. 7 is considered fair and reasonable.

Staff Summary

Schedule J: Modifications to Miscellaneous Procurement Contracts



Vendor Name (& Location):	
Yardi Systems, Inc.	
Description:	
Yardi Software Cloud Implementation and Subscription	
Contract Term (including Options, if any):	
5 Years	
Option(s) included in Total Amount?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type:	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type:	<input 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:	
Requesting Dept/Div & Dept/Div Head Name: David Florio	

Contract Number:	AWO/Modification #
6-01-96069-0-0	14
Original Amount:	\$1,446,306
Prior Modifications:	13
Prior Budgetary Increases:	\$3,148,961.65
Current Amount:	\$4,595,267.65
This Request:	\$1,563,600
% of This Request to Current Amount:	34%
% of Modifications (including This Request) to Original Amount:	426%

Purpose:

Board approval is sought to amend a miscellaneous procurement contract with Yardi Systems, Inc. (Yardi) to move the current perpetual licensing environment of Yardi software to a Cloud base SaaS platform for a period of five years. Additional funding not-to-exceed \$1,563,600.00 will cover the Voyager and Voyager Commercial business application licenses, the Cloud based SaaS platform, and implementation services of the software onto the cloud.

Discussion:

In August 1998, the Board approved a competitively solicited 7-year contract with Yardi for their Property Inventory System. The contract included a 2-year development phase during which Yardi would add custom tables, screens, and functionality to house data for acquisitions, appraisals, utility crossings, easements, stairways, inspections and tenant management tasks as well 100 custom reports. The contract included an additional 5 years of maintenance.

The Yardi database system is highly customized system that is utilized by the MTA Real Estate Department (RED) to track real estate inventory, capture rental revenue, and monitor security deposit increases. In addition to accepting fixed rent from retail establishments, RED also collects a percentage of the tenant's gross sales so the Yardi software is used to collect that information and make the necessary calculations. The system is used for an inventory of approximately 14,000 MTA real estate interests (stations, rights-of-way, bridges, yards, depots, etc.), 420 subway entrance agreements and 10,000 tenants. The system is also used to assemble information relevant to the approximately 1,000 acquisitions and/or changes to rental agreements annually.

The MTA and its operating agencies have a significant investment in using Yardi so, while it may be possible to customize other products to meet the MTA's needs, this could only be accomplished at considerable cost. In fact, an MTA Real Estate analysis of alternatives concluded that changing systems would require a monetary investment estimated to be more than \$2,300,000 vis-à-vis the current \$312,720 annual cost for maintaining the system. Moreover, the Yardi contract provides beneficial terms including Unlimited Support Help that have kept expenses below market while changing systems would require an training of both MTA and vendor staff.

MTA has been using the perpetual software licenses since 2000 and various modifications to the original licensing agreement have been issued, providing additional customization and software upgrades, extensions of maintenance services and providing professional services and training. The enhancements have allowed for significant streamlining of the reporting process and transfer of data into agency general ledger systems by allowing their staff to access information directly from the Yardi system. Yardi has also developed custom web pages that allow MTA's outsourced Tenant Management Company to access the MTA's Yardi System via the Internet.

In January 2014, RED upgraded to Yardi VOYAGER Commercial, a new system designed specifically for commercial/retail real estate companies. This system enabled web access to tenant accounts, on line payments, and marketing information on available properties via Yardi's Tenant Portal. In January 2015, acting on a New York State Comptroller recommendation, MTA's property management contractor for Grand Central Terminal (Jones, Lang, LaSalle) merged their accounts receivables, accounts payable and tenant management data functions into MTA's Yardi system, providing all MTA real estate inventory and financial data in real time via the web.

Yardi's most recent software upgrade to VOYAGER 7 now includes Yardi Cloud Services and Orion Business Intelligence Module. The benefits of converting software modules from a self-hosted environment to SaaS are:

- Easier application and data administration
- Automatic program version updates.
- Future ease of additional ancillary Yardi modules (e.g. Yardi Inspections, Budgeting and Forecasting) and future products
- Business continuity at the highest standards with servers mirrored in several data centers worldwide.
- Redundant hard drives, servers, network clusters, and network devices.
- Built-in disaster recovery to a remote recovery data center
- 24/7 availability and technical support. (Changes on self-hosted servers require users to be off line during business hours).

The Orion Business Intelligence Module will allow MTA Real Estate to create customized interactive dashboards to allow executives to analyze portfolio health and risk, analyze trending information, and spot performance outliers.

Negotiations on Yardi's proposal price of \$1,877,100.00 (for licensing over five years) resulted in a savings of \$315,500 to \$1,563,600. Based on the above, the negotiated fixed fee of \$1,563,600.00 is considered fair and reasonable.

The MTA Office of Civil Rights established 0% MWBE goals for this contract. MTA has conducted a responsibility review and other due diligence and deemed Yardi Systems, Inc. responsible for award.

It is recommended that the Board approve a change order to move the current perpetual licensing environment of Yardi software to a Cloud base SaaS platform for a period of five years from September 1, 2018 through August 31, 2023. The total amount not-to-exceed \$1,563,600.00 is for a Cloud based SaaS platform and professional services, which will be funded by the MTA Real Estate Operating Budget.

LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 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)

18-21. Various **\$30,925,000** ***Staff Summary Attached***

Executive Order 168

This is a request that the Board ratify procurement actions awarded pursuant to Executive Order 168 (“E.O. 168”) and its extensions. The total estimated value for the four actions is \$30,925,000; an action is for Long Island Rail Road for \$2,925,000; two actions for New York City Transit for \$13,000,000 and an action for MTA Headquarters for \$15,000,000. All four actions were found to be fair and reasonable.

Staff Summary

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

Vendor Name (& Location): Various
Description: Ratification of Executive Order 168 Actions
Contract Term (including Options, if any): Various
Option(s) included in Total <input type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type: <input type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive <input checked="" type="checkbox"/> Various
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Various
Approval
Office of the Chairman <i>W. Hakim</i>

Contract Number: Various	Renewal? <input type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$30,925,000
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Senior Director, Wael Hibri	
Contract Manager: Chief Procurement Officer, David N. Ross	

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 below were procured using 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 E.O. 168 procurement actions listed below are being submitted to the Board for ratification. The total estimated value for the four actions is \$30,925,000; an action is for Long Island Rail Road for \$2,925,000; two actions for New York City Transit for \$13,000,000 and an action for MTA Headquarters for \$15,000,000. All four actions were found to be fair and reasonable.

1.

Agency	Award Date	Contractor	Description	Contract Number	Contract Amount	Solicitation Method
LIRR		Academy Express, LLC. (Hoboken, NJ)	Scheduled Bus Services to supplement LIRR's existing third-party bus providers – required to cover scheduled service outages - per Executive Order No. 168	6320-A	\$2,000,000 (Est.)	Non-competitive
		Suburban Trails, Inc. (New Brunswick, NJ)		6320-B	\$925,000 (Est.)	Non-competitive
				Total	\$2,925,000 (Est.)	

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

Discussion:

In March 2013, pursuant to a competitive RFP, LIRR awarded contracts to fourteen (14) bus providers who are utilized on an as-needed basis to provide scheduled and emergency bus services during service outages, disruptions and events. The pool of providers has been reduced over the years due to firms departing the busing business, having safety deficiencies, consolidation and performance issues, leaving LIRR with only three (3) bus providers to support assignments. Only one (1) provider out of the three (3) has the capacity to offer a significant fleet of coach buses (30 buses) for large assignments, upon request. Reliance on a single supplier is inadequate to address the extensive schedule of planned service outages required for upcoming events and projects such as the Annual Track Program and the LIRR Expansion Project, where LIRR will need to consistently provide alternate or supplemental bus service during scheduled track outages. This, combined with the increased off-peak and weekend travel, particularly during the summer season, could result in increased demand for substitute bus service over the next several years.

With the renewal of the five-year bus contracts about to be initiated via RFP, LIRR hopes to attract additional coach fleet providers to add to the list of qualified firms by the 1st quarter of 2019, at which time we will re-assess the pool's capacity to provide coach services and determine whether any supplemental services are necessary. Under E.O. 168, in order to address the coming summer and fall needs, LIRR wishes to bolster its bus provider list with Academy Express, LLC. ("Academy") and Suburban Trails, Inc. ("Suburban") affiliate of Coach USA, Inc. who demonstrated their abilities to support scheduled needs during the recent 2017 "Summer of Hell" Amtrak Outage. Each company provided 100 ADA compliant buses during that outage, and did so in a professional and responsible manner, which mitigated risk to our customers and provided seamless alternate transportation.

Upon completion of responsibility reviews of both firms, Significant Adverse Information was identified with respect to Coach USA, the Suburban's parent company. Suburban was found to be responsible notwithstanding such significant adverse information and such responsibility finding was subsequently approved by the LIRR President in consultation with LIRR's Vice President and General Counsel.

Services to be provided will be paid based on the agreed hourly labor rates for buses and operators, and for dispatchers if required. The firms' rates are within industry standards and are therefore fair and reasonable.

This strategy will mitigate the impact on customers if service outages and disruptions occur.

2. and 3: Grouting Contracts

These procurements advance the Subway Action Plan's Water Management Initiative by accelerating the application of grout, a chemical sealant, in selected areas in the subway system. The procurements directly address the issue of water intrusion and mitigate its deleterious impact on structural assets, such as tunnel and station walls, track and signal equipment. Each procurement uses a different strategic approach to grouting – one is called "spot grouting," which primarily encompasses the sealing of individual and localized leaks. The other is called "curtain grouting," which typically encompasses sealing a discrete section of a tunnel or station in its entirety. The ability to use both approaches affords NYC Transit the needed flexibility to effectively remediate the different types of water conditions found in the system.

Agency	Award Date	Contractor	Description	Contract Number	Contract Amount	Solicitation Method
NYC Transit	06/22/2018	Sovereign-Thyssen, LP (New York, NY)	Spot Chemical Grouting Services	6%21187	\$4,000,000 (Est)	Informal Competition

Discussion:

Sovereign-Thyssen LP (Sovereign) was awarded a one-year estimated quantities contract for Spot Chemical Grouting Services. Spot grouting waterproofs by sealing a leak at the interior point of water ingress. The technique entails drilling holes at the site of the leak, then injecting grout into the affected area.

Under the terms of the contract, Sovereign will conduct pre-work inspections with the NYC Transit Project Manager of areas in stations or tunnels where leaks have been identified. Sovereign must thereafter provide all supervision, labor, materials, tools and equipment necessary to seal the identified leaks.

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

An informal competitive solicitation was conducted. Multiple vendors were solicited, and a Pre-Bid Conference was scheduled to discuss the work requirements with potential vendors. Three bids were received. Sovereign-Thyssen, LP was the lowest responsive bidder and, based on effective price competition, its price is considered to be fair and reasonable.

Agency	Award Date	Contractor	Description	Contract Number	Contract Amount	Solicitation Method
NYC Transit	06/29/2018	Sovereign-Thyssen, LP (New York, NY)	Curtain Chemical Grouting Services	6%21289	\$9,000,000 (Est)	Non-Competitive

Discussion:

Sovereign-Thyssen, LP (Sovereign) was awarded a two-year, task order based contract for Curtain Chemical Grouting Services. Curtain grouting is a technique that creates a waterproof barrier between the concrete subway tunnel and the surrounding exterior, thereby stopping the flow of water into the station or tunnel. It entails drilling a grid pattern of holes through the station or tunnel walls, injecting the grout and allowing it to flow along the external surface to create a continuous barrier.

Sovereign is the manufacturer and applicator of a proprietary grouting product called, NOH2O. This product was originally used to address water intrusion in mining operations and has been successfully used internationally and on NYC Transit capital projects. Additionally, it is supported by a ten-year warranty. At this time, there is no other comparable product on the market, and Sovereign is the sole authorized applicator of NOH2O.

Under the terms of the contract, Sovereign shall furnish all supervision, labor, materials, tools and equipment necessary to seal locations designated by NYC Transit. The task order comprises work to be performed at the 7th Ave-53rd St. station and tunnel. It is anticipated that three additional task orders will be issued for other locations identified by Project Management.

Pricing for this contract was established following negotiations and is considered to be fair and reasonable based on a comparison with previously awarded contracts. Sovereign agreed to hold its pricing on the per-gallon rate of grout from its recent contract for the South Ferry Station rehabilitation, and agreed to an overall 4.8% price concession on its quoted labor rate.

4.

Agency	Award Date	Contractor	Description	Contract Number	Contract Amount	Solicitation Method
MTAHQ	6/20/18	Thales, Inc.	Proof of Concept for Communication Based Train Control (CBTC)	17001-030	\$15,000,000	Non-Competitive

Discussion:

The MTA is exploring new methods of train location and control systems that include Ultra-Wide Band (UWB) wireless sensor networks and Communications Based Train Control (CBTC) systems. As part of this proof of concept, Thales, Inc. will provide the MTA professional engineering services to do the following in support of the CBTC Acceleration Project: 1) Engineering and Management consulting for integration of CBTC into UWB mesh network and wireless track switching; 2) CBTC architecture consulting; and 3) Engineering work on the design and prototype fabrication of chipset, circuit boards, etc. for the control of wireless track switches.

Testing of the Thales CBTC system is intended to assess the feasibility of a new 'remote' interface to a subway track switch as well as define the safety strategy for this technology ("Phase 1"); validate Phase 1 through integration and demonstration at the Culver test track ("Phase 2"), and to prepare for Phase 3's implementation of the new technology on other subway lines, as designated by the MTA.

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

Thales was provided with a Letter of Intent in March and instructed to begin work on the project and a contract was executed in June. Completion of the Culver test track project (“Phase 2”) is anticipated by December of 2018. The hourly rates for Thales technical engineering and consulting services range from \$93 to \$355, which is the same pricing offered under other current MTA contracts with Thales as well as contracts with other vendors providing similar services. Therefore, all costs are considered fair and reasonable.

July 2018
MTA REAL ESTATE
LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

MTA METRO-NORTH RAILROAD

Amendment of lease for short term additional office space at 420 Lexington Avenue, New York, New York

Exercise of Option for Right of First Offer Expansion Space at 420 Lexington Avenue, New York, New York

License Agreement with Emtee Cleaners, Inc. for Retail Space at Croton-Harmon Station

Acquisition of property from CSX Transportation, Inc. on the Hudson Line in Poughkeepsie, NY

MTA LONG ISLAND RAIL ROAD

License agreement with the Village of East Rockaway to improve and operate a commuter parking lot, at 514 Ocean Avenue, East Rockaway, New York

Extension of license with Bombardier Transportation for use of its Arch Street Facility in connection with the installation of PTC equipment on rail cars

MTA NEW YORK CITY TRANSIT

Amendment of lease with Columbus Turnstyle, LLC for retail space in the 59th Street/Columbus Circle Subway Station

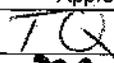
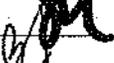
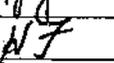
Acquisition of easements at 69th Tenants Corp. building (Imperial House) in support of the 68th Street-Hunter College Station ADA elevator installation project

Staff Summary

Subject LEASE AMENDMENT FOR OFFICE SPACE
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name MICHAEL DANIELS

Date JULY 23, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/23/18	X		
2	Board	7/25/18	X		

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

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

LANDLORD: SLG Graybar Mesne Lease LLC ("Landlord") an affiliate of SL Green Realty Corp. ("SL Green")

LOCATION: 420 Lexington Avenue, Suite 616-21 (7,537 rsf)

USE: Metro-North Training Center classrooms

ACTION REQUESTED: Authorization to enter into a lease amendment adding one suite to an existing lease at the Graybar Building

TERM: Three years

SPACE: Suite 616-21 (7,537 rsf)

BASE RENT: Year 1: \$486,136.50 / \$64.50 rsf
Year 2: \$493,673.50 / \$65.50 rsf
Year 3: \$501,210.50 / \$66.50 rsf

RENEWAL OPTION: None

TERMINATION RIGHT: Metro-North has a one time right to terminate the lease for the suite effective on the second anniversary of the Commencement Date upon 12 months' prior written notice, provided that Metro-North must pay all unamortized transaction expenses including a termination fee equal to three months of the then escalated rent.

OPERATING EXPENSE: Metro-North pays its proportionate share of the increases over a 2018 base calendar year.

REAL ESTATE TAXES: Metro-North pays its proportionate share of increases in real estate taxes over a 2018 calendar base year for real estate taxes.

Staff Summary

FINANCE COMMITTEE MEETING LEASE AMENDMENT FOR OFFICE SPACE (Cont'd)

- LEASE COMMENCEMENT:** Upon execution and delivery of mutually acceptable lease documents by and between the Landlord and Metro-North, and completion of Landlord's Base Building Work and Metro-North's Work.
- LANDLORD'S WORK:** Landlord shall bring a sprinkler tie-in to the space. Metro-North shall be responsible for the cost of all sprinkler installation associated with the branching installation within the space.
- TENANT'S WORK:** At Metro-North's sole cost and expense, Landlord shall construct a turnkey installation according to plans agreed upon by Landlord and Metro-North. Landlord shall be entitled to fees pursuant to the existing lease Article 8.
- Landlord, at Metro-North's sole cost and expense, shall be responsible for preparing all architectural and engineering plans necessary to complete Metro-North's work, including any required filing with the Building Department. Metro-North shall provide Landlord with detailed specifications associated with any alterations required as part of Metro-North's initial space buildout.
- ELECTRICITY:** Landlord shall install, at Metro-North's sole cost and expense, a submeter and electricity shall be charged pursuant to existing lease. Landlord shall furnish six (6) watts per usable square foot demand load exclusive of base building HVAC.
- CLEANING:** Same as existing lease.
- HVAC:** Same as existing lease.

COMMENTS:

Construction for Metro-North's Training Center space in GCT Hall 78 started in the second quarter 2018. This construction project is scheduled to take two to three years. In the interim, the Training Center has temporarily relocated to 347 Madison through December 2018. Due to the construction schedule, the Training Center will need to relocate temporarily for approximately 24 to 36 months.

The Training Center performs the following:

- New hire training and testing for Transportation (Conductors and Locomotive Engineers)
- Annual training, recertification, and skills enhancement for Transportation employees
- Regualification for Transportation Managers
- Regulatory training and qualification for Maintenance of Way and Maintenance of Equipment forces
- Other safety training and qualification programs
- Foreman-in-Training programs
- Professional and leadership development courses for all staff

The Training Center requires 8 training rooms with a capacity of 25 seats from Monday through Friday 8 AM to 6 PM.

Cushman & Wakefield (C&W), under contract with the MTA for real estate services, assisted with a market survey and site visits to various properties in the GCT area. It was determined by Metro-North staff, MTA RED and C&W staff that 420 Lexington Avenue was the best fit for this short term need. Currently, there are no Metro-North sites or properties that can accommodate this space requirement and 347 Madison Avenue is being emptied as part of its development.

Staff Summary

FINANCE COMMITTEE MEETING LEASE AMENDMENT FOR OFFICE SPACE (Cont'd.)

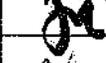
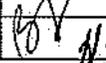
Based on the foregoing, MTA Real Estate requests authorization for Metro-North to enter into a lease amendment on the above-described terms and conditions.

Staff Summary

Subject EXERCISE OF LEASE OPTION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ANDREW GREENBERG

Date JULY 23, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/23/18	X		
2	Board	7/25/18	X		

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

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

LANDLORD: SLG Graybar LLC ("Landlord"), an affiliate of SL Green Realty Corp. ("SL Green")

LOCATION: 420 Lexington Avenue, New York, NY (the "Graybar Building")

ACTIVITY: Exercise of lease option for expansion space.

ACTION REQUESTED: Authorization to exercise lease option

TERM: Approximately 15 years from an anticipated commencement date in late 2019 or early 2020 until November 5, 2034.

EXPANSION SPACE: Portion of the 9th floor (Suite 900E) consisting of approximately 17,756 rentable square feet ("RSF")

COMPENSATION:	Rent/RSF	Annual Rent
Rent Commencement - 5 th anniversary of Rent Commencement	\$47.55	\$844,297.80
5 th Anniversary of Rent Commencement – 10 th Anniversary of Rent Commencement	\$54.68	\$970,898.08
10 th Anniversary of Rent Commencement – Expiration	\$59.68	\$1,059,678.08

LEASE COMMENCEMENT: The expansion space is currently occupied and will become available for possession September 1, 2019. Lease commencement is upon execution and delivery of lease amendment documents and Landlord's delivery of possession of the expansion space with Landlord's Work and Metro-North's work substantially completed by Landlord.

RENT COMMENCEMENT: 2 months following Lease Commencement date.

distribution. Landlord will also contract for and perform all Metro-North designed improvements and contribute \$85/RSF towards the cost of such improvements.

RENEWAL OPTIONS:	Same as existing lease.
EXPANSION OPTIONS:	Same as existing lease.
REAL PROPERTY TAX ESCALATION:	None
OPERATING EXPENSE ESCALATION:	Tenant to pay its proportionate share of increases in operating expenses over a calendar 2019 base year.
UTILITIES:	Same as existing lease
SERVICES:	Same as existing lease
MAINTENANCE AND REPAIRS:	Same as existing lease
SECURITY DEPOSIT:	Same as existing lease

COMMENTS:

Pursuant to the existing lease approved by the MTA Board Metro-North in April 2013, Metro-North relocated its headquarters from 347 Madison Avenue to the Graybar building. The original Metro-North program for the Graybar building accommodated 624 employees, consistent with the current MTA-wide standard for workstations and ratio of offices to small and managerial cubicles and further assumed zero future headcount growth. Following safety related incidents in 2013 and 2014, the Federal Railroad Administration, National Transportation Safety Board, as well as a blue-ribbon panel on safety, required that Metro-North implement measures to address operational deficiencies which resulted in the hiring of 166 new employees. Through further densification and the acquisition of additional space, occupancy in Graybar building is approximately 845 employees.

Metro-North is now tasked with identifying additional seating for 35 new budgeted positions. Some of the positions are federally mandated with the remainder related to the Enterprise Asset Management and Procurement and Material Management initiatives. All these positions are required and funded in the current financial plan. Additionally, Metro-North needs to reclaim space within GCT currently occupied by 20 JLL and CBRE staff members and create satellite "hoteling" offices for employees required to report to multiple locations. Also, since Metro-North will no longer be able to utilize the MTA Board Room at 347 Madison starting in 2019, a large conference center/meeting space will be required.

Metro-North has been looking to accommodate the space shortfall through densification at 525 N. Broadway in North White Plains which they own; however, the cost to accomplish this, based on detailed designs, is \$21 million. Furthermore, if Metro-North were to proceed with such densification, they would face, with no viable solution, inadequate parking at/near the facility. Exercising this option for additional space in Graybar will accommodate what was planned for the 525 N. Broadway densification.

Landlord will modify the existing condominium documents to create a separate condominium unit and tax lot for space. Accordingly, in recognition of Metro-North's tax-exempt status, the rent set forth above reflects a reduction of \$14.32 per rentable square foot as against current market rent.

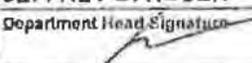
Staff Summary

FINANCE COMMITTEE MEETING EXERCISE OF LEASE OPTION (Cont'd.)

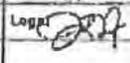
Based on the foregoing MTA real estate requests authorization for Metro-North to exercise the option in the existing lease to lease the Expansion Space on the above described terms and conditions.

Staff Summary

**FOR REFERENCE
PURPOSES
ONLY**

Subject LEASE MODIFICATION	Date April 22, 2013
Department REAL ESTATE	Version 1
Department Head Name JEFFREY B. ROSEN	Contract Number
Department Head Signature 	Contract Manager Name
Project Manager Name ANDREW GREENBERG	Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	04/22/13	X		
2	Board	04/24/13	X		

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

AGENCY: Metro-North Railroad ("MNR")
 LICENSOR: SLG Graybar LLC ("Landlord"), an affiliate of SL Green Realty Corp ("SL Green")
 LOCATION: 420 Lexington Avenue, New York, NY (the "Graybar Building")
 ACTIVITY: Modification of lease relating to office space to be used for MNR headquarters
 ACTION REQUESTED: Approval of terms
 SPACE: Approximately 280,891 rentable square feet ("RSE") of office space plus dedicated loading dock, consisting of the following:

Expansion Space	RSE
2 nd Floor	34,482
5 th Floor	41,162
10 th Floor	58,786
Total	134,400

Renewal Space	RSE
11 th Floor	56,804
12 th Floor	57,564
22 nd Floor	14,123
Total	128,491

Loading Dock 6 bays

LANDLORD WORK: Landlord to provide at its own cost a turnkey installation, encompassing required "tenant improvements" as well as improvements to base building, based on plans developed by MTA's architects.

EXPANSION SPACE POSSESSION: Upon completion of Landlord's Work in Expansion Space.

RENEWAL SPACE POSSESSION: Immediate, pending completion of Landlord's Work in Expansion Premises. Then (after MNR moves from Renewal Space to Expansion Space) upon completion of Landlord's Work in Renewal Space.

Staff Summary

FINANCE COMMITTEE MEETING
SLG Graybar (Cont'd.)

FOR REFERENCE

Metropolitan Transportation Authority

Page 2 of 5

INITIAL TERM: 20 years from Expansion Space rent commencement.

ANNUAL BASE RENT: Expansion Space **PURPOSES ONLY** Rent Rent per RSF

Until 6 months after completion of Landlord's Work in Expansion Space	\$0.00	\$0.00
From 6 months after such completion - 01/31/2020	\$5,334,389	\$40.29
02/01/20 - 01/31/25	\$5,996,389	\$46.29
02/01/25 - 01/31/30	\$6,658,389	\$50.29
02/01/30 - Expiration	\$7,320,389	\$55.29

Renewal Space Rent Rent per RSF

From lease modification - completion of Landlord's Work in Renewal Space	\$2,319,740	\$18.05
From such completion - 1/31/16	\$3,105,070	\$24.17
02/01/16 - 07/31/16	\$0.00	\$0.00
08/01/16 - 01/31/20	\$5,282,516	\$41.11
02/01/20 - 01/31/25	\$5,924,970	\$46.11
02/01/25 - 01/31/30	\$6,587,426	\$51.11
02/01/30 - Expiration	\$7,209,880	\$56.11

Loading Dock Rent

From lease modification - 01/31/16	\$96,789
02/01/16 - 01/31/20	\$144,797
02/01/20 - 01/31/25	\$166,589
02/01/25 - 01/31/30	\$188,401
02/01/30 - Expiration	\$210,203

REAL PROPERTY TAX ESCALATION: None

OPERATING EXPENSE ESCALATION: Expansion Space: Tenant to pay its proportionate share of increases in operating expenses over calendar 2014 base year.

Renewal Space: Until 01/31/16, Tenant to continue to pay its proportionate share of increases in operating expenses over calendar 1996 base year. Thereafter, 2014 base year to apply.

Staff Summary

FINANCE COMMITTEE MEETING
SLG Graybar (Cont'd.)

FOR REFERENCE

Metropolitan Transportation Authority

Page 3 of 5

RENEWAL OPTION:	Either one 10-year extension or two 5-year extensions at 95% of fair market rent (not of property taxes).
EXPANSION OPTIONS:	Tenant will have options to expand into spaces totaling approximately 85,000 RSF, on substantially the same terms as applicable Expansion Space, when and as such spaces become available. Authorizations to exercise such options will respect to up to 5,000 RSF to the extent deemed necessary to address Sandy-related emergency staffing needs.
UTILITIES:	Tenant will be responsible for cost of electricity as measured by submeter, at Landlord's actual cost with no mark-up. All other utilities will be included in base rent.
SERVICES:	Cleaning, HVAC service during normal hours, building security, and building messenger will be provided to Tenant at no cost. Condenser water access for Tenant's supplemental HVAC will be provided for a fee of \$500.00 per year per ton in excess of 60 tons.
MAINTENANCE & REPAIR:	Landlord will be responsible for maintenance and repair of building common areas, common building systems and structural components. Tenant will be responsible for maintenance and repair of any supplemental air conditioning equipment, any rooftop equipment and any tenant-installed generator, and for non-structural repairs within the leased space.
SECURITY DEPOSIT:	None
LOADING DOCK RENEWAL OPTION	Tenant will have, at Tenant's option, an on-going right to extend the term covering the loading dock every ten years until expiration of Landlord's ground lease (12/31/50), for 87% of rent per RSF under the office lease.

COMMENTS

As previously reported to and discussed with the Finance Committee (and for the reasons set forth at length in a written report presented to the Finance Committee at its April 2011 meeting, as updated most recently by a progress report presented to the Finance Committee at its March 2013 meeting), MTA Real Estate, with the assistance of Cushman & Wakefield ("C&W"), TPG Architecture ("TPG") and various other departments of the MTA and its operating agencies, has devised, and been working to refine and implement, a plan to relocate MNR, MTA Police Department and MTA headquarters personnel and equipment from the MTA's properties at 341-347 Madison Avenue (the "Madison Avenue Properties"), and then dispose of the Madison Avenue Properties for redevelopment, so as to avoid the costs of remedying years of deferred maintenance there while unlocking the asset value of the underlying development site. MTA management has targeted the second half of next year for the delivery of vacant possession of the Madison Avenue Properties to a developer.

The plan envisions that MTA headquarters personnel will be relocated to the MTA's office building at 2 Broadway following a re-stacking and densification of that building and that MTA PD personnel will be relocated to Long Island City. However, efficient MNR operations depend on MNR administrative personnel continuing to be located (preferably in a relatively small number of facilities) in close proximity to MNR's operating theater, including particularly its flagship facility Grand Central Terminal ("GC"), and Cushman & Wakefield was therefore instructed to focus its search for replacement space for MNR on areas within walking distance of GC (where some 370 MNR employees are currently housed at the Madison Avenue Properties and another 320 are currently housed at the Graybar Building), MNR's 125th Street station and/or 325 North Broadway in North White Plains (where some 190 MNR employees are currently housed in approximately 80,000 RSF of office space).

Because MNR has an existing lease at the Graybar Building, which is not scheduled to expire until January 2016, and because MNR's entitlement to make ongoing use of loading docks in the Graybar Building that are vital to the operations

Staff Summary

FINANCE COMMITTEE MEETING
SLG Graybar (Cont'd.)

The Metropolitan Transportation Authority

Page 4 of 5

of GCT depends on continued occupancy of at least two floors at the Graybar Building, the team evaluated, in addition to various scenarios involving the consolidation of MNR's information offices at a single location, a variety of scenarios whereby MNR administrative functions would be located at two buildings, as they are now, among 525 North Broadway, the Graybar Building and a third location.

Following a comprehensive survey by C&W encompassing a cross of 50 properties, and based on an initial space program prepared by TPG (which identified various desirable spatial adjacency and space requirements, taking into account the results of extensive interviews conducted by TPG and workspace standards prevailing at 2 Broadway), four buildings were identified as potentially suitable and affordable relocation sites for the MNR personnel that are currently housed at the Madison Avenue Properties and/or the Graybar Building -- namely, 205 E 42nd Street, 150 E 42nd Street, 685 Third Avenue and the Graybar Building -- and detailed requests for proposals were thereupon sent to the owners of such buildings. Subsequently, based on the responses to multiple iterations of such RFPs, it was determined that 150 E 42nd Street and Third Avenue would be too expensive and further negotiations should be conducted concurrently with the owners of the Graybar Building and 205 E 42nd Street (SL Green and The Durst Organization, respectively). Detailed financial analyses were prepared throughout the negotiation process, tracking the respective owners' proposals and comparing the relative costs and benefits of each alternative. Additionally, TPG prepared architectural test-fits and TPG's subcontractor MG Engineering prepared engineering reports for the selected alternatives.

MTA Real Estate recommends that MNR's existing lease at the Graybar Building be extended and modified as described above, based on the following considerations:

a. Over the initial term of the lease, relative to the terms offered by the owner of 205 E 42nd Street (the next most cost effective option), the proposed lease modification will yield net present value savings of \$14.6 million assuming an occupancy split between 205 E 42nd Street and the Graybar Building or approximately \$25.0 million assuming a consolidation at 205 E 42nd Street. Expressed differently, the economics of the proposed lease modification will yield an average annual operating expense savings of approximately \$700,000 assuming an occupancy split between 205 E 42nd Street and the Graybar Building or \$1,300,000 assuming a consolidation at 205 E 42nd Street.

b. Currently, MNR's rent at the Graybar Building includes amounts attributable to real estate taxes payable by landlords. However, by virtue of the proposed lease modification, SL Green is prepared to subject the Graybar Building to a condominium regime of ownership, such that the MTA will be able to avail itself of its statutory exemption from such taxes. That will result not only in substantial recurring annual savings with respect to the Expansion Space but also in a reduction of some \$1.5 million (\$12.00 per RSF) in the rent MNR pays for the Renewal Space in the first year following execution of the lease modification (and in comparable amounts annually thereafter), notwithstanding that MNR's existing lease is not scheduled to expire until 2016.

c. The Graybar Building is directly accessible to GCT, the seat of MNR's operations, via the indoor connection known as the Graybar Passageway.

d. Locating at the Graybar Building will afford MNR direct access to GCT via an established conduit path for its critical IT infrastructure, whereas relocation to another location would require the leasing of lines from a third party, resulting in increased operating expense and concerns with respect to reliability and control.

e. Extending its office occupancy at the Graybar Building will enable MNR to extend -- for the long run, on favorable terms and without resort to the MTA's condemnation power -- MNR's right to continue to control and make exclusive use of five Depew Place loading docks that are essential to the provisioning of, and removal of waste from, GCT.

f. In consideration of the proposed lease modification, SL Green has agreed to provide up to \$1 million in matching funds for the improvement of the Graybar Passageway, and to waive certain existing restrictions on MNR's use and alteration of such passageway.

g. Tenant-favorable provisions of the existing lease with respect to assignability, subletting, etc. are to be carried forward past the scheduled expiration of the existing lease and will apply to the Expansion Space as well as to the Renewal Space.

FOR REFERENCE

PURPOSES

In order to achieve desired densities and updated workplace standards, the existing 20-year-old fit-out in the Renewal Space (other than the 22nd floor, which houses a medical facility) will be replaced in a manner consistent with the initial fitting-out of the Expansion Space. SL Green has agreed to perform all of such fit-out work, as well as required base building work -- on a phased basis (first in the Expansion Space, and then in the Renewal Space) and at its own cost and risk (to be recovered through the stipulated rent) to accommodate the installation of office furnishings to be provided by Tenant. The stipulated rent shown above is based on a guaranteed maximum cost of \$34,470,000 for Landlord's Work, including contingency, that has been developed by SL Green based on design development plans that have been prepared for the MTA by TPG. When final construction plans and specifications for Landlord's Work have been completed, Landlord's Work will be competitively bid out on an open-book basis; and, following the completion of Landlord's Work, if the final actual out-of-pocket cost to Landlord of Landlord's Work has been less than \$34,470,000, the Base Rent will be subject to reduction. The rent will not be subject to increase by reason of any cost overruns with respect to Landlord's Work.

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

Staff Summary

Subject LICENSE AGREEMENT FOR RETAIL SPACE AT CROTON-HARMON STATION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ALICIA BIGGS

Date JULY 23, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/23/18	X		
2	Board	7/25/18	X		

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

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

LICENSEE: Emtee Cleaners, Inc.

LOCATION: Croton-Harmon Station; Hudson Line, Westchester County

ACTIVITY: License for retail space at Metro-North's Croton-Harmon Station for a pick-up/drop-off dry cleaning service.

ACTION REQUESTED: Authorization to enter into license agreement

TERM: 5 years, terminable at will by Metro-North upon 60 days' notice at no cost

SPACE: Approximately 390 SF

COMPENSATION: \$12,800 in year 1, with 3% annual increases

COMMENTS:

In response to an RFP issued June 22, 2017 for the former ticket office at the base of the station overpass at Metro-North's Croton-Harmon Station, one proposal was received from Emtee Cleaners, Inc., the incumbent. Emtee Cleaners has occupied a portion of this building since November 2014.

Emtee Cleaners offered the suggested annual rent of \$12,800 with 3% annual increases. Over the 5 year term, their proposed rent is equivalent to a present value of \$55,522.52 (using a 7% discount rate). Emtee Cleaners is owned and operated by Marc Hiltzley who will be personally guaranteeing all the Licensee's obligations under the license agreement for the entire term.

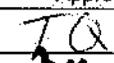
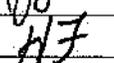
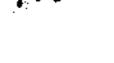
Based on the foregoing, MTA Real Estate requests authorization for Metro-North to enter into a license agreement with Emtee Cleaners, Inc. on the above-described terms and conditions.

Staff Summary

Subject ACQUISITION OF PROPERTY IN POUGHKEEPSIE, NY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ANTHONY CAMPBELL

Date JULY 23, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Metro-North	7/23/18		X	
2	Finance Committee	7/23/18	X		
3	Board	7/25/18	X		

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

AGENCY: MTA Metro-North Railroad ("Metro-North")
 GRANTOR: CSX Transportation, Inc. ("CSX")
 LOCATION: Adjacent to Metro-North's Hudson Line and Yard in Poughkeepsie
 Parcel #1: Tax Map Parcel# 804689 Block 2, Lot 804
 Parcel #2: Tax Map Parcel# 814449 Block 59, Lot 814
 Parcel #3: Tax Map Parcel# 796629 Block 2, Lot 796
 Parcel #4: Tax Map Parcel# 801437 Block 59, Lot 801
 Collectively ("the Property")

ACTION REQUESTED: Authorization to acquire fee simple title to the Property, as-is
 PROPERTY: 7.8± acres of land, with existing track and appurtenances
 COMPENSATION: \$1,230,000.00

COMMENTS:

Metro-North seeks to purchase the Property, which is the only available parcel strategically located adjacent to the Hudson Line and contiguous to Metro-North's Poughkeepsie Yard and North Water Street facility. The Property had been operated by CSX to service local freight customers but most recently has only experienced intermittent use for train storage. This acquisition will support growth, operational resiliency and allow Metro-North to have additional space for train storage during off peak hours. CSX has agreed to sell the Property subject to a deed restriction prohibiting certain uses on the Property, none of which affect transportation use or the previously mentioned Metro-North objectives for acquiring the Property.

The purchase price, which was negotiated between Metro-North and CSX, is consistent with a fair market value appraisal obtained by MTA Real Estate.

During negotiations, CSX provided access to the Property and Metro-North's Environmental Compliance and Services Department undertook a Phase 1 environmental assessment, which did not indicate any environmental conditions other than that typically found on properties historically operated as a railroad with diesel locomotives. The purchase of this

Staff Summary

FINANCE COMMITTEE MEETING

ACQUISITION OF PROPERTY IN POUGHKEEPSIE, NY (Cont'd.)



Metropolitan Transportation Authority

Page 2 of 2

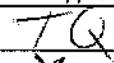
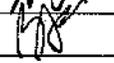
Based on the foregoing, MTA Real Estate requests authorization for Metro-North to execute the contract and purchase the Property on the above terms and conditions.

Staff Summary

Subject LICENSE AGREEMENT FOR COMMUTER PARKING LOT IN EAST ROCKAWAY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name DORRIE MASSARIA

Date JULY 23, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/23/18	X		
2	Board	7/25/18	X		

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

AGENCY: MTA Long Island Rail Road ("LIRR")
 LICENSEE: The Incorporated Village of East Rockaway ("Village")
 LOCATION: 514 Ocean Avenue, East Rockaway, New York
 ACTIVITY: Commuter Parking Lot
 ACTION REQUESTED: Authorization to enter into a License Agreement
 TERM: Fifteen Years, terminable at will by LIRR upon 60 days' notice and at no cost
 SPACE: Approximately 9,000 square feet on the north side of the Long Beach Branch
 COMPENSATION: Payment waived until improvement and maintenance costs are recouped, afterwards 50% of revenue from parking operation.

COMMENTS:

LIRR was approached by the Mayor of the Village with a request to develop a commuter parking lot on vacant, unimproved LIRR property located along the Long Beach Branch Right of Way. The site, consisting of approximately 9,000 square feet, was previously occupied by a service station that was demolished in 2007. The license will provide that the Village is responsible for any environmental compliance issues arising out of the project and any costs associated with the same.

The Village will clean and improve the site at its sole cost and expense, and recoup its expenses from the revenues generated by the parking lot. The work is estimated to cost \$160,000. Improvement work will include installation of a central parking meter system, lighting, new asphalt paving, sidewalks, curbs, striping, and fencing. Additionally, the Village will be responsible for all ongoing maintenance costs of the improvements during the term of the agreement. Upon the Village's recoupment of its capital investment, the LIRR will share in the revenue from parking operations at a rate of 50%, net of Village's operating costs.

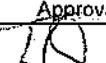
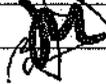
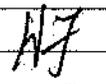
Based on the foregoing, MTA Real Estate requests authorization for the LIRR to enter into a License Agreement with the Village of East Rockaway on the above-described terms and conditions.

Staff Summary

Subject EXTENSION OF LICENSE AT ARCH STREET FACILITY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name DAVID FLORIO

Date JULY 23, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/23/18	X		
2	Board	7/25/18	X		

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

AGENCY: MTA Long Island Rail Road ("LIRR") and MTA Metro-North Railroad ("Metro-North")

LICENSEE: Bombardier Transportation, Inc. ("Bombardier")

LOCATION: MTA's Arch Street Maintenance Shop Facility, 21-16 Jackson Avenue, Long Island City, New York (the "Arch Street Shop")

ACTIVITY: Extension of a license to permit the continued installation of positive train control on-board equipment and other work on M-3 and M-7 cars owned by MTA Metro-North Railroad ("Metro-North") pursuant to its contract with Bombardier

ACTION REQUESTED: Authorization to extend license at the Arch Street Facility

TERM: Four months (September 1, 2018 – December 31, 2018), terminable at will by LIRR upon 60 days' notice at no cost.

SPACE: Approximately 12 acres or 522,720 square feet

COMPENSATION: \$1 payment waived

COMMENTS:

Metro-North entered into a contract with Bombardier for the installation of positive train control ("PTC") on-board equipment on up to 334 M-7 railcars. This was approved by the Board in September, 2015. The original term was for 26 months commencing October 1, 2015. The work requires a specialized rail facility and the Arch Street Shop was appropriately equipped. A license with Bombardier for its use was approved in July, 2015 subject to the Board's approval of the Bombardier contract (see attached Staff Summary).

Metro-North now seeks to have 100 of its M-3 cars similarly outfitted to meet the December, 2018 deadline for Federal compliance. The Board approved a contract with Bombardier in February, 2018 to conduct this work. The license extension contemplated above will facilitate the continued use of the Arch Street Shop for the same purpose.

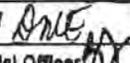
Based on the foregoing, MTA Real Estate requests authorization to enter into a license extension with Bombardier on the above described terms and conditions.

Staff Summary

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

Date SEPTEMBER 21, 2015
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/21/15	X		
2	Board	9/24/15	X		

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

AGENCY: MTA, acting through MTA Long Island Rail Road ("LIRR") and MTA Metro-North Railroad ("Metro-North")

LICENSEE: Bombardier Mass Transit Corporation ("Bombardier")

LOCATION: LIRR Arch Street Maintenance Shop Facility, 21-18 Jackson Ave, Long Island City, Queens, New York (the "Arch Street Shop")

ACTIVITY: Installation of positive train control on-board equipment and other work on M-7 cars owned by MTA Metro-North Railroad ("Metro-North"), pursuant to a contract between Metro-North and Bombardier

ACTION REQUESTED: Approval of terms

TERM: 26 months (October 1, 2015 – December 31, 2017, approximately)

SPACE: Approximately 12 acres (522,720 square feet)

COMPENSATION: \$1 payment waived

COMMENTS:

Metro-North intends to enter into a contract with Bombardier for the installation of positive train control on-board equipment on up to 334 Metro-North M-7 rail cars (the "PTC O-B Work"). The PTC O-B Work is critical to enabling Metro-North to use positive train control on its system and comply with the positive train control mandate imposed by Congress in the Rail Safety Improvement Act of 2008.

The PTC O-B work requires use of a specialized rail facility. Metro-North does not have capacity in its shops for this work. The Arch Street Shop, however, is equipped to accommodate this work. LIRR and Metro-North have worked cooperatively to provide for the licensing of the Arch Street Shop to Bombardier to facilitate the PTC-OB Work, as the shop is not currently required by LIRR for car maintenance.

Execution of this license will be contingent upon Metro-North entering into a contract for the PTC O-B work with Bombardier. Such contract is being brought before the Metro-North Committee and the MTA Board this month for approval. Subject to MTA Board approval, the PTC O-B Work is expected to commence on or about October 1, 2015,

Staff Summary

FINANCE COMMITTEE MEETING

Bombardier Transportation, Inc (Cont'd.)

and be completed, by or before December 31, 2017. Bombardier will require the Arch Street Shop for this entire duration, provided that there will be provisions in the license allowing part of the facility to be used for acceptance of M-9 cars, as may be necessary.

The savings to Metro-North associated with providing the Arch Street Shop rent-free will be realized in a lower contract price with Bombardier. Incremental costs of utilities and facility operation and maintenance will be covered by the PTC O-B project.

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

REFERENCE PURPOSE ONLY

Staff Summary

Subject AMENDMENT TO MASTER LEASE AGREEMENT
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name LEAH BASSKNIGHT

Date JULY 23, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/23/18	X		
2	Board	7/25/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		TQ
2	Chief Development Officer		
3	Chief Financial Officer		
4	Chief of Staff		NZ

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

TENANT: Columbus Turnstyle LLC dba Underground Market Turnstyle ("Turnstyle" or "Tenant")

LOCATION: As shown on the attached Exhibit A, approximately 29,000 square feet of space at NYCT's 58th Street-Columbus Circle station (the "Station"), consisting of 35 stores collectively containing approximately 14,000 square feet of retail space (the "Stores") and adjoining public circulation space underlying 8th Avenue (the "Common Area"), a portion of which may be used for retail kiosks.

ACTIVITY: Operation of retail center under master lease

PERMITTED USES: Retail uses of the level of quality generally prevailing at other high-quality shopping malls associated with transportation facilities at New York City, such as, by way of example, the below-grade retail concourses at Rockefeller Center and the up-to-date terminals at the New York area's major airports (the "Retail Standard")

ACTION REQUESTED: Authorization to amend master lease agreement

TERM: From commencement of construction (May 2015) until 20 years after opening, plus one 10-year extension period at Tenant's option.

Comments:

In November 2013, and subsequently in May, 2015, the MTA Board approved the terms of a Master Lease between the NYCT and Tenant which was entered into May 26, 2015 (the Lease). After 11 months of construction Turnstyle opened to the public in April 2016. The first of its kind "shopping center" added a welcome and exciting new dimension to transit retail. The MTA implemented a unique public partnership – proving the viability of "station transformation" and the potential for new revenue streams for the MTA. It is a unique public space offering quality goods to New Yorkers and a prototype for similar public private efforts. Turnstyle opened fully leased, successfully attracting a high caliber of retail subtenants including many MWBEs, goals of both the development team and the MTA.

However, the task of installing a shopping center within a station has resulted in Turnstyle encountering a number of unforeseen problems such as:

Staff Summary

FINANCE COMMITTEE MEETING AMENDMENT TO MASTER LEASE AGREEMENT (Cont'd.)

- Operational issues inherent in operating 35 stores within the subterranean subway facility along a public corridor, including greater security needs and difficulties educating the consumer to shop underground.
- Retail space subtenant turnover and vacancies due to the unique challenge of doing business underground exacerbated by market changes resulting in substantial sub rent reductions and reduced revenue expectancies.

In response to current market conditions and to overcome the aforementioned challenges, the Tenant has undertaken steps to relaunch the project including making additional capital investments and committing to make more investments, in excess of the initial \$14M. These measures are intended to convert the current retail model to provide for more food uses. This model has been determined by Tenant to be necessary to stabilize the income stream for the project. Specifically, the Tenant proposes to invest in the following which becomes the property or benefits of the MTA:

- Physical improvements to the project, including but not limited to supplemental HVAC improvements, ventilation, electrical upgrades, subdividing and/or combining existing unit layout for the changing market and changing the food hall, kiosks and signage, in order to enhance marketability and appeal for retailers and customers.

As a result, Tenant is requesting a rent credit; subject to Tenant providing verifiable capital expenditures for every dollar credited, not to exceed \$1.080M. The risk analysis of a first time project of this type warrants a revisit to the economic arrangement between NYCT and Tenant. Given that the Tenant has already expended in excess of \$14M to improve the station premises and create a new level of retail experience for the NYCT customers, and will continue to invest additional capital to assure the success of this vital transit customer and neighborhood amenity, the added sustaining support of this public-private venture by NYCT through a rent credit of up to \$1.080M to offset the economic burden of these additional capital improvements to this station premises is deemed warranted.

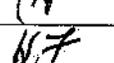
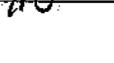
Based on the foregoing, MTA Real Estate requests authorization for NYCT to amend the terms of the Lease with Turnstyle on the terms described above.

Staff Summary

Subject ACQUISITION OF EASEMENTS FROM 69TH TENANTS CORP.
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name MICHAEL T. THADATHIL

Date JULY 23, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/23/18	X		
2	Board	07/25/18	X		

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

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

SELLER: 69th Tenants Corp., a residential cooperative corporation ("Seller")

PURCHASER: NYCT

PROPERTY: Permanent perpetual easement volumes within street level and below grade level commercial space on Lexington Avenue between 68th Street and 69th Street in the commercial retail portion of the residential cooperative building known as "Imperial House" (931 Lexington Avenue, New York, NY)

LOCATION: 68th Street Hunter College Station, Lexington Avenue line (the "Station")

PURCHASE PRICE: \$4.90 million

ACTION REQUESTED: Authorization to acquire permanent easements and temporary construction licenses within Imperial House property in order to construct a new subway entrance to the northbound platform of the Station

COMMENTS:

The Station was identified by New York State as a Key Station to be made compliant with the Americans with Disabilities Act of 1990, as amended ("ADA") by constructing and installing an ADA-compliant elevator from the street level to the Station's mezzanine level at the southeast corner of 68th Street and Lexington Avenue and two ADA-compliant elevators from the mezzanine level to the northbound and southbound platforms at the Station. As part of its plans to make the Station ADA-compliant, NYCT will be making other improvements to relieve congestion and enhance passenger circulation to the Station, within the Station, and at street level. These improvements include the widening of the stair entrances on the southeast corner of East 68th Street and Lexington Avenue, the repositioning of the stair entrance on the northeast corner of East 68th Street and Lexington Avenue to face east, the rehabilitation of the stair entrance on the northwest corner of East 68th Street, and the construction of two new stair entrances from the street level to the south and north-bound platforms, respectively: one on the southwest corner of East 69th Street and Lexington Avenue and the other on Lexington Avenue between East 68th Street and East 69th Street within a portion of the Imperial House building (all of the foregoing, the "Project").

The existing stair entrance at the southeast corner of East 68th Street and Lexington Avenue ("Hunter College main subway entrance") will need to be closed in order to construct the ADA-compliant elevators. Before closing the Hunter College main subway entrance, NYCT must first build the two new stair entrances described above in order to alleviate the pedestrian

Staff Summary

FINANCE COMMITTEE MEETING

ACQUISITION OF EASEMENTS FROM 69TH TENANTS CORP. (Cont'd.)

congestion that will result from the stair entrance closure. In order to build the new stair entrance to the northbound platform, NYCT must acquire permanent easements within Imperial House and temporary construction licenses in other areas of the Imperial House property.

The new stair entrance to the northbound platform was originally proposed to be in the public sidewalk on East 69th Street adjacent to Imperial House. However, the sidewalk location was strongly opposed by the local community and Imperial House during the Project's public review process due to perceived negative impacts on pedestrian sidewalk circulation, perceived impediments to Imperial House building ingress and egress, and loss of street parking resulting from the curb bump out near the proposed sidewalk entrance location. In order to resolve the local community and Imperial House objections, Imperial House offered to sell to NYCT space within the retail portion of its building fronting on Lexington Avenue (mid-block between East 68th Street and East 69th Street) within the street and basement levels. This location, based upon certain studies that were performed, would have the least impact on pedestrian and vehicular circulation and on the character of the neighborhood (it would result in minimal tree loss and loss of parking spaces for the community). The proposed new subway stair entrance within Imperial House property will improve pedestrian circulation by providing an additional access point to the Station thereby relieving congestion at the south end of the Station.

After extensive negotiations, Imperial House has agreed to sell the permanent easement interests to NYCT (including an access easement over the sidewalk area in front of the new subway entrance site within the setback area owned by Imperial House) for \$4.90 million, which is consistent with MTA's independent appraisal of the property interests. For no additional consideration, as part of the sale, NYCT and Imperial House will also enter into a construction license and indemnity agreement, which will allow NYCTA temporary access to areas outside of NYCT's permanent easement volume within the Imperial House property.

In addition, to facilitate timely acquisition of property interests and meet NYCT construction schedule, NYCT has agreed to reimburse Imperial House for certain expenses: Imperial House's third party engineering consultant fees capped at \$200,000 and Imperial House's expenses to relocate utilities (prior to NYCT's acquisition) located within the permanent easement volumes capped at \$100,000.

The property conveyance documents will allow Imperial House to subdivide its property any time after acquisition closing, at Imperial House's sole cost and expense, such that NYCT's entrance easement volume becomes a separate tax lot. NYCT will cooperate with Imperial House for the subdivision with the understanding that NYCT will bear its own legal expenses for this effort only for a period of 18 months after closing. If Imperial House is successful in the subdivision, the fee interest in the subdivided easement volumes will be deeded to NYCT for no further consideration and NYCT will be released from its ongoing indemnity obligations, which will terminate, under the easement agreement.

The Project will be funded in part by a grant from the Federal Transit Administration ("FTA"). In accordance with federal regulations promulgated under the National Environmental Policy Act ("NEPA"), MTA prepared an environmental assessment and held a public hearing to review the Project and receive public comments. FTA reviewed the documents and the proceedings, concurred that the Project would not result in any significant environmental impacts, and memorialized that determination by issuing a finding of no significant impact ("FONSI").

Based on the foregoing, MTA Real Estate requests authorization for NYCT to acquire property interests from 69th Tenants Corp. (Imperial House) on the above described terms and conditions.

Procurement

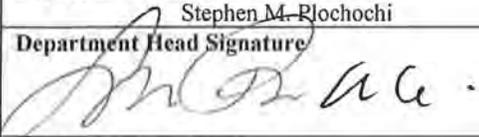
Steve Plochochi, Senior Vice President

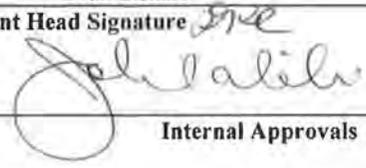


Signage welcoming customers to the newly opened 30 Av Station on the Astoria Line. This station, which opened on schedule, is part of NYCT's Enhanced Station Initiative. (See Contract A-36622B in NYCT's July procurement package.)

PROCUREMENTS

The Procurement Agenda this month includes 35 actions for a proposed expenditure of \$282.4M.

Subject Request for Authorization to Award Various Procurements					
Department Materiel – NYCT					
Department Head Name Stephen M. Plochochi					
Department Head Signature 					
Project Manager Name Rose Davis					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	7/23/18			
2	Board	7/25/18			

July 17, 2018			
Department Law and Procurement – MTACC			
Department Head Name Evan Eisland			
Department Head Signature 			
Internal Approvals			
	Approval		Approval
	President NYCT	7/18/18	President MTACC
	Executive VP		SVP DOB / President MTA Bus
X	Capital Prog. Management	X	Subways
	Law	X	Diversity/Civil Rights

Internal Approvals (cont.)

Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE:

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

DISCUSSION:

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

Schedules Requiring Majority Vote:

Schedule L: Budget Adjustments to Estimated Quantity Contracts	1	\$	28.0 M
• VeriFone Transportation Systems			\$ 28.0M
SUBTOTAL	1	\$	28.0 M

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:

Schedules Requiring Majority Vote:

Schedule F: Personal Service Contracts	19	\$ 204.8 M
Schedule I: Modifications to Purchase and Public Works Contracts	9	\$ 33.5 M
SUBTOTAL	<u>28</u>	<u>\$ 238.3 M</u>

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

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

NYC Transit proposes to award Ratifications in the following categories:

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions	4	\$ 6.5 M
SUBTOTAL	<u>4</u>	<u>\$ 6.5 M</u>

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

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

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions	2	\$ 9.6 M
SUBTOTAL	<u>2</u>	<u>\$ 9.6 M</u>
TOTAL	<u>35</u>	<u>\$ 282.4 M</u>

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.

JULY 2018

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

L. Budget Adjustments to Estimated Quantity Contracts

(Expenditures which are anticipated to exceed the lesser of \$750,000 or \$50,000 in the event such expenditures exceed 15% of the adjusted contract budget, including any contract modifications.)

1. **VeriFone Transportation Systems** **\$28,048,798**
Contract# 6%19129

Staff Summary Attached

Provide additional funds for continued Paratransit E-Hail services under NYC Transit's E-Hail Pilot program.

L. Budget Adjustments to Estimated Quantity Contracts

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

1.	VeriFone Transportation Systems	Original Amount: (including options)	\$	11,627,562
	Contract# 6%19129	Prior Modifications:	\$	0
	October 11, 2017–October 10, 2018	Prior Budgetary Increases:	\$	19,335,380
		Current Amount:	\$	30,962,942
		This Request:	\$	28,048,798
		% of This Request to Current Amount:		90.6%
		% of Mods/Budget Adjustments (including This Request) to Original Amount:		407.5%

Discussion

NYC Transit is requesting the approval of a budget adjustment to provide additional funds for continued Paratransit E-Hail services being provided by VeriFone Transportation Systems, a division of VeriFone Systems (“VeriFone”), under NYC Transit’s E-Hail Pilot program.

In October 2017, NYC Transit began a 12-month pilot program to test and evaluate if E-Hail companies could be utilized to electronically disseminate paratransit trips to NYC Taxi and Limousine Commission (“TLC”) licensed drivers through the use of the E-Hail company’s web-based application. VeriFone was the first of multiple E-Hail companies intended to be awarded a contract under this pilot. E-Hail providers are technology companies that have developed web-based applications intended to match individuals in need of transportation with vehicles located within the individual’s immediate geographical area. In New York City, VeriFone operates an application that disseminates trips to approximately 13,500 yellow and green metered taxicabs that are affiliated to its application and that are located within the five boroughs. The drivers of these vehicles are TLC-licensed drivers that are independent contractors.

At the beginning of the pilot, it was anticipated that VeriFone would perform approximately 2,500 daily trips throughout the 12-month period, however, they are currently performing up to 6,000 trips daily with an expected consecutive monthly growth rate of 5.4 percent through the term of the contract. In addition, it was originally anticipated that multiple E-Hail companies would participate in the program and share the work, but it was not until May 2018 that another E-Hail company entered into the pilot. In April 2018, the Board approved a budget adjustment in the amount of \$19.3M. Actual trip data received in May 2018 illustrated an even greater demand for E-Hail service than what was previously estimated. This substantial increase is the result of positive customer experiences resulting in increased demand for the new mode of paratransit service. For these reasons, there is a need to increase funding in this VeriFone Contract through the end of the term.

In order to fulfill the additional estimated 781,086 Access-A-Ride (“AAR”) trips that will be performed by VeriFone through October 10, 2018, funding of \$28,048,798 (781,086 trips x \$35.91 per trip) is being requested. VeriFone’s pricing is based on a fixed price per trip based on distance. Per the contract price schedule, the average price per trip is \$35.91. VeriFone’s continued participation in this pilot yields a savings of approximately \$32.80 per trip (or approximately 47 percent) when compared to the average cost of \$68.71 for a Primary Carrier trip. If Primary Carriers were used to perform these trips, the cost to the Authority would be approximately \$53,668,419.

In April 2018, an Immediate Operating Need (“ION”) was declared to increase the capacity of paratransit trips being performed by VeriFone and to expedite the awards made to other E-Hail companies in support of the E-Hail pilot program and beyond. The purpose of the ION was to allow NYC Transit the ability to evaluate multiple contractors during the pilot, continue improvements to customer service, and maintain continuity of E-Hail service. This action is being processed under the existing ION and will further increase the capacity of paratransit trips being performed by VeriFone. Due to the established ION, this action is not subject to prior approval by the Office of the State Comptroller.

JULY 2018

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

F. Personal Service Contracts

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

1. **VHB/STV North Shore Joint Venture** **\$4,805,376** **Staff Summary Attached**
Four Proposals – 24-month contract
Contract # CM-0143

Provide Environmental and Engineering services for the Staten Island North Shore Bus Rapid Transit System.

Various Contractors **\$200,000,000 (Est. Aggregate)** **Staff Summary Attached**
Twenty-Two Proposals – 60-month contract

- 2–19. **Contract #s CM-1576/77/78/79/80, CM-1618/19/20/21 (Federally Funded)**
Contract #s CM-1581/82/83/84/85, CM-1622/23/24/25 (State Funded)

Provide Indefinite Quantity Staffing Services for Miscellaneous Projects.

I. Modifications to Purchase and Public Work Contracts

(Staff Summaries required for individual change orders greater than \$750K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least \$250K.)

Various Contractors **\$33,500,000 (Est. Aggregate)** **Staff Summary Attached**
Seventeen Proposals – 60-month contract

- 20–28. **SSE# 147199**

Provide independent medical examinations and related services for NYC Transit’s Law Department and MTA Headquarters’ Human Resources Department.

Staff Summary

Item Number 1			
Department, Department Head Name: SVP Operations Support, Stephen M. Plochochi			
Internal Approvals			
Order	Approval	Order	Approval
1 <i>WD</i>	Materiel	6 X	Buses
2 X	Law	7 <i>(WD)</i>	EVP
3 X	CFO	8	President <i>[Signature] 7/18/18</i>
4 X	DDCR	9	
5 X	Operations Planning	10	

SUMMARY INFORMATION	
Vendor Name VHB/STV North Shore Joint Venture	Contract No. CM-0143
Description Environmental and Engineering Services for the Staten Island North Shore Bus Rapid Transit System	
Total Amount \$4,805,376 (Base \$4,292,862, Outreach Option: \$441,433, Forecasting Option: \$71,081)	
Contract Term 24 Months	
Option(s) included in Total Amount?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive	<input type="checkbox"/> Noncompetitive
Solicitation Type	
<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Bid <input type="checkbox"/> Other:
Funding Source	
<input type="checkbox"/> Operating	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:

Purpose

To obtain Board approval to award a competitively negotiated consultant contract, CM-0143, to VHB/STV North Shore Joint Venture (“VHB/STV JV”) to provide Environmental and Engineering Services for the Staten Island North Shore Bus Rapid Transit (“BRT”) System for a 24-month period for a total estimated amount of \$4,805,376, including options for Public Outreach and Agency Coordination and Travel Demand Forecasting. The Public Outreach and Agency Coordination option amount is \$441,433 and the Travel Demand Forecasting option amount is \$71,081; neither option will increase the contract term. These options, if exercised, will be authorized by the Assistant Chief Procurement Officer.

Discussion

NYC Transit is seeking to retain the services of a consultant to provide environmental and engineering services to support the Staten Island North Shore BRT System. The BRT was identified as the Locally Preferred Alternative in the Staten Island North Shore Alternative Analysis (“SINSAA”) completed under CM-1387 in 2012. In the SINSAA, it was envisioned that a bus terminal and turnaround would be located in the parking lot between the St. George ferry terminal and the adjacent stadium facility. However, due to recent construction at that location, it has precluded the planned BRT terminal layout.

The selected consultant will prepare an update to the SINSAA by developing a new alignment for the BRT system. Upon completion of the update to the SINSAA, NYC Transit will direct the consultant to proceed with conceptual engineering to support the preparation of the required documentation for the final Environmental Impact Statement (“EIS”) for the BRT system. The objective of the contract will be to obtain a Record of Decision pursuant to the National Environmental Policy Act with the Federal Transit Administration acting as the lead federal agency. The EIS shall be consistent with New York’s State Environmental Quality Review and the New York City Environmental Quality Review.

A one-step Request for Proposal (“RFP”) was issued requiring the submission of technical and cost proposals. The following four firms submitted proposals: AKRF, Inc. (“AKRF”); HAKS, VHB/STV JV, and WSP USA (“WSP”). The Selection Committee (“SC”) reviewed the written technical proposals in accordance with the established evaluation criteria, which included the proposer’s plan of approach, relevant experience, current workload of key personnel, diversity practices, and past performance on similar projects.

Oral presentations were also conducted with three respondents to the RFP: AKRF, VHB/STV JV, and WSP. HAKS was not invited to provide an oral presentation as its proposal did not demonstrate sufficient relevant experience with projects related to environmental review.

After oral presentations, all three consultants were selected for negotiations based on the demonstrated knowledge and experience of the teams proposed. All firms were considered qualified to perform the work when evaluated in accordance with the established evaluation criteria, based primarily on their experience with projects that required environmental review and EIS. VHB/STV JV was rated technically highest by the majority of the SC due to the emphasis on creating a comprehensive public outreach plan to address the concerns of the community and other stakeholders in the North Shore of Staten Island and their enhanced knowledge of the environmental concerns of the project area.

The RFP provided proposers specific titles to facilitate price comparisons and evaluation among the proposals. The initial cost proposals from the three selected firms were as follows: AKRF – \$6,356,343 (\$5,043,492 base/\$633,026 options); VHB/STV JV – \$5,471,920 (\$4,949,915 base/\$522,005 options); and WSP – \$5,057,607 (\$4,576,259 base/\$481,348 options). The in-house estimate was \$4,753,820 (\$4,250,000 base/\$503,820 options). Price negotiations were conducted with all firms, which focused on work scope, direct labor rates, proposed hours, overhead, and fixed fee and out-of-pocket expense. Prices were negotiated to levels consistent with the cost/price objective and competitive price range for the project. In addition, the overhead rates were negotiated in accordance with MTA Audit recommendations.

Best and Final Offers (“BAFOs”) were received as follows: AKRF– \$5,729,604 (\$5,064,724 base/\$664,880 options); VHB/STV JV – \$4,805,376 (\$4,292,862 base/\$512,514 options); and WSP USA – \$4,670,108 (\$4,188,760 base/\$481,348 options). The in-house estimate remained at \$4,753,820 (\$4,250,000 base/\$503,820 options). The price difference of \$135,268 between VHB/STV JV’s BAFO pricing and WSP’s BAFO pricing reflects the difference of the Out-of-Pocket Cost. The SC voted to recommend award of the contract to VHB/STV JV due to it being the most technically preferred firm. Technical factors were the most important criteria and the SC determined that VHB/STV JV’s knowledge, experience, and the technical approach to the scope of work was preferable as described above. VHB/STV JV’s BAFO of \$4,805,376 is \$1,556 or 1.1 percent higher than the in-house estimate. VHB/STV JV’s BAFO was determined to be fair and reasonable based on the competitive RFP process.

Background investigations and materials submitted by VHB and STV, individually and as a joint venture, disclosed no significant adverse information within the meaning of the All-Agency Responsibility Guidelines.

M/W/DBE Information

The MTA Department of Diversity and Civil Rights has assigned goals of 15 percent MBE, 15 percent WBE, and 6 percent Service-Disabled Veteran-Owned Businesses (“SDVOB”). VHB/STV JV has submitted a utilization plan to address the assigned M/WBE and SDVOB goals. VHB/STV JV has committed to an overall 35 percent participation of MBE/WBE and SDVOB goals. VHB/STV North Shore Joint Venture has not completed any MTA contracts with goals; therefore, no assessment of the firm’s M/W/DBE performance can be determined at this time.

Alternatives

None. NYC Transit Operations Planning lacks the in-house technical personnel to perform the specific tasks required under the scope of work for this contract.

Impact on Funding

This contract will be funded with 100 percent MTA funds. A WAR certificate will be requested, and no award will be made until a WAR certificate is received.

Capital Program Reporting

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

Recommendation

That the Board approve to award of a competitively negotiated consultant contract, CM-0143, to VHB/STV JV to provide Environmental and Engineering Services for the Staten Island North Shore BRT System for a 24-month period for a total estimated amount of \$4,805,376.

Staff Summary

Item Number 2-19			
Department, Department Head Name: SVP Operation Support, Stephen M. Plochochi			
			
Internal Approvals			
Order	Approval	Order	Approval
1	Materiel	6	EVP
2	X Law	7/18/18	President
3	X CFO		
4	X DDCR		
5	X CPM		

SUMMARY INFORMATION	
Vendor Name	Contract Nos.
Various (see list below)	CM-1576 to CM-1580 and CM-1618 to CM-1621 (Federal) CM-1581 to CM-1585 and CM-1622 to CM-1625 (State)
Description	
IQ Staffing Services for Miscellaneous Projects	
Total Amount	
\$200M (Est. Aggregate, Federal, and State)	
Contract Term (including Options, if any)	
60 months – No Option	
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 type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

Purpose

To obtain Board approval to award 18 contracts to nine firms on a competitive basis to provide Indefinite Quantity (“IQ”) Staffing Services for Miscellaneous Projects to support NYC Transit / MTA Capital Construction Company (“MTACC”), Triborough Bridge and Tunnel Authority (“TBTA”), and related MTA agencies on an as-needed basis for a period of 60 months. The aggregate value of the awarded contracts is an estimated \$200 million. These will be zero dollar-based contracts and have no minimum guaranteed amount to be awarded. The recommended awardees are as follows:

Awardee Firms

- Hepco, Inc. (*Service-Disabled Veteran-Owned Business – SDVOB*)
- Info Tran Engineers, P.C. (*M/DBE*)
- The Kohl Group, Inc.
- L.J. Gonzer Associates
- Metro Tech Consulting Services, Inc.
- Nesco Resource LLC
- New Wave People, Inc. (*W/DBE*)
- Peak Technical Staffing USA
- Rotator Staffing Services

Contract No.

- CM-1576 (Federal) / CM-1581 (State)
- CM-1577 (Federal) / CM-1582 (State)
- CM-1578 (Federal) / CM-1583 (State)
- CM-1579 (Federal) / CM-1584 (State)
- CM-1580 (Federal) / CM-1585 (State)
- CM-1618 (Federal) / CM-1622 (State)
- CM-1619 (Federal) / CM-1623 (State)
- CM-1620 (Federal) / CM-1624 (State)
- CM-1621 (Federal) / CM-1625 (State)

Discussion

The IQ staffing firms will provide temporary personnel to NYC Transit, MTACC, TBTA, and related MTA agencies on an as-needed basis for miscellaneous Capital Projects. The types of temporary staffing personnel required include: architects, engineers of varied disciplines, graphics designers, project managers, space planners, surveyors, construction inspectors; heating, ventilation, and air-conditioning designers; specification writers, computer-aided drafting and design operators, railroad signal specialists, estimators, project planners, schedulers, and support personnel. Unlike a contract awarded to an engineering firm, where the firm would have the responsibility to execute an entire project or assigned portion thereof, these contracts will enable the respective MTA agencies to meet their need for temporary staff to perform project-specific, short-term specialized assignments under the direction of assigned Agency personnel. Staffing firms have much lower overhead rates than engineering consultants and provide staffing at a lower cost.

Work Orders for new staffing requirements will be competitively solicited from awardee firms by each agency's Procurement department. Firms will be requested to submit resumes of proposed candidates. The contract award does not represent a commitment on the part of any agency to any of the awardees. The only commitment is to give the awardees the opportunity to compete for future personnel assignments.

Staffing firms will pre-qualify all candidates prior to referral to the requesting MTA agency, which includes interview, background verification, reference checks, and furnishing resumes and other related data. The requesting agency will consider technical factors and costs in determining candidates for assignments. The staffing firms will be paid the actual salary of the person whose services are provided to the agency, plus a negotiated markup representing the firm's profit, overhead, and other expenses. A lower fee is also applied for renewal candidates, as applicable. This approach has been used successfully by NYC Transit under previous and current contracts. The firms were selected via a qualifications-based one-step procurement process.

This solicitation was originally released under Request for Proposal ("RFP")/SSE 150397. Fifteen firms submitted proposals. The Selection Committee ("SC") reviewed the proposals and evaluated the firms based on the evaluation criteria established for this RFP, which included: proposer's knowledge, experience, and demonstrated ability to satisfactorily perform the work associated with providing temporary professional and technical staff; number of years providing temporary professional/technical staffing; large database of resumes of qualified professional/technical personnel available; management approach; and recruitment method and policies to assure retainage of personnel. However, only one MBE/DBE firm was initially identified for further consideration. Although the MTA Department of Diversity and Civil Rights had prescribed 0 percent DBE, 0 percent MBE, and 0 percent WBE goals as a result of its determination that this solicitation lacks subcontracting opportunities and that past and current staffing contracts are not economically feasible for subcontracting due to the low markups, it was determined that it was in the best interest of NYC Transit to encourage more participation from M/W/DBE firms.

Thus, in a concerted effort to attract more M/W/DBE firms, additional outreach was conducted within the M/W/DBE community and RFP/SSE 150397 was amended and subsequently reopened under RFP/SSE 202532. Seven additional proposals were received. Of these, four had one or more M/W/DBE certifications. As with the original solicitation submittals, the SC evaluated these additional proposals in accordance with the evaluation criteria set forth in this RFP.

Of the 22 proposals received, the SC selected the following 11 firms for negotiations: HEPCO, Inc. ("Hepco"); Info Tran Engineers, P.C. ("Info Tran"); The Kohl Group, Inc. ("Kohl"); L.J. Gonzer Associates ("L.J. Gonzer"); Management Concepts Systems & Services, Inc. ("MCSS"); Metro Tech Consulting Services ("Metro Tech"); Nesco Resources LLC ("Nesco"); New Wave People, Inc. ("NWP"); Peak Technical Staffing USA ("Peak"); Rotator Staffing Services ("Rotator"); and The Spear Group, Inc. ("Spear"). The other 11 proposers were not selected due to either their lack of, or inadequate relevant qualifications; or their resources, capabilities, and relevant experience were not as strong as those of the selected firms.

Initial proposed markup rates from these 11 firms ranged from 26 to 78.2 percent. Negotiations were subsequently conducted, culminating in the receipt of Best and Final Offers ("BAFOs") ranging from 26 to 74 percent.

The SC selected the following nine firms for award: Hepco (*incumbent*); Info Tran; Kohl; L.J. Gonzer (*incumbent*); Metro Tech (*incumbent*); Nesco; NWP; Peak (*incumbent*); and Rotator (*incumbent*). Their BAFO markups ranged from 26 to 35 percent. MCSS and Spear's BAFO markups were significantly out of range of the in-house estimate and NYC Transit's Cost Price Analysis Unit's objective. They were not recommended for award. NYC Transit considers the final proposals of the selected firms to be fair and reasonable.

This RFP was originally intended for award to approximately five firms. However, in anticipation of a substantial increase in the need for temporary staffing to support NYC Transit's Capital Program and the Corporate Plan Fast Forward, and consistent with NYC Transit's objective to expand and diversify its vendor pool, the SC has recommended award to these nine firms.

The nine selected firms were previously awarded the following staffing or related contracts for the MTA or its affiliates: Hepco – CM-1413 and CM-1418; Info Tran – 14073-2300; Kohl – CM-1510 and CM-1536; L.J. Gonzer – CM-1417 and CM-1422; Metro Tech – CM-1416 and CM-1421; Nesco – CM-1263 and CM-1297; NWP – 129525 and 15333-0300A; Peak – CM-1414 and CM-1419; Rotator – CM-1415 and CM-1420.

M/W/DBE Information

The MTA Department of Diversity and Civil Rights has established a 0 percent M/WBE and 0 percent DBE goals on this procurement due to the single-trade and lack of subcontracting opportunities. Of the nine pre-qualified firms, the following three firms will be solicited from the pool of pre-qualified firms to maximize the M/WBE/DBE/SDVOB prime contracting participation: Hepco (SDVOB), Info Tran (M/DBE), and NWP (W/DBE).

Alternatives

Perform the work using in-house personnel. At this time, CPM lacks available staff with the expertise necessary to perform the specific tasks required under the scope of work for these projects.

Capital Program Reporting

These contracts have been reviewed for compliance with the requirements of the 1986 legislation application to Capital Contract Awards and the necessary inputs have been secured from the responsible functional departments.

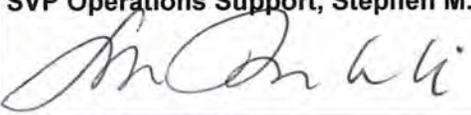
Impact on Funding

These contracts will be funded with federal/MTA funds provided on a work-order basis by the individual capital project requiring these services. Work Orders will not be issued until approved WAR certificates are received.

Recommendation

That the Board approve the award of 18 contracts to nine firms on a competitive basis to provide IQ Staffing Services for Miscellaneous Projects to support NYC Transit/MTACC, TBTA, and related MTA agencies on an as-needed basis for a period of 60 months with an estimated aggregate value of \$200 million with no minimum guaranteed amount to be awarded.

Staff Summary

Item Number 20-28			
Department, Department Head Name: SVP Operations Support, Stephen M. Plochochi			
			
Internal Approvals			
Order	Approval		Approval
1	Materiel STS	6	President
2 X	Law	7	 7/18/18
3 X	CFO	8	
4 X	MTAHQ Human Resources	9	
5 	EVP	10	

SUMMARY INFORMATION	
Vendor Name Various (See "Purpose" section)	Contract No. SSE 147199
Description Independent Medical Examinations	
Total Amount \$33,500,000 (estimated aggregate value)	
Contract Term (including Options, if any) August 1, 2018-July 31, 2023	
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"/> 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 approval from the Board to award nine competitively negotiated personal service contracts to provide independent medical examinations and related services for NYC Transit’s Law Department and MTA Headquarters’ (“MTA-HQ”) Human Resources Department for a period of five years, with an estimated aggregate value of \$33,500,000 (\$32,550,000 for NYC Transit and \$950,000 for MTA-HQ) to the firms listed below. These will be zero dollar-based contracts and have no minimum guarantee of any assignments. One firm, Utopia Claims Concepts, Inc., is a certified MBE and one firm, Juris Solutions, Inc., is a certified WBE.

1. Dane Street, LLC (“Dane Street”)	6. Psychiatric Solutions of Westchester, PC (“Dr. Raff”)
2. D&D Medical Associates, PC (“D&D”)	7. Peter Sass, MD (“Dr. Peter Sass”)
3. Juris Solutions, Inc. (“Juris”) – WBE	8. Support Claim Services, Inc. (“SCS”)
4. Optimum Consulting Associates, LLC (“Optimum”)	9. Utopia Claims Concepts, Inc. (“Utopia”) – MBE
5. Professional Evaluation Group, Inc. (“PEG”)	

Discussion

Under these five-year contracts, the firms will provide medical subject matter experts to conduct independent medical examinations and medical record reviews as well as provide court testimony and related services on an as-needed basis. These services are required in connection with four different categories of claims: workers’ compensation claims, personal injury lawsuits (tort litigation), claims for medical costs of injuries covered under New York’s automobile No-Fault Law (“No-Fault Claims”), and disability retirement applications. These indefinite quantity contracts are proposed to be awarded to the independent medical examination (“IME”) firms identified above, to provide physicians in various specialties, as requested by NYC Transit and MTA-HQ for particular assignments. Fees will be paid to the firms on a per-assignment basis in accordance with the negotiated contractual price schedules. There is no minimum number of examinations guaranteed to any firm.

Award of these contracts will provide access to a wide array of medical experts provided by the pool of nine contractors. It will ensure the availability of doctors with subject matter expertise in 39 distinct specialties (such as orthopedics, neurology, and radiology) to perform necessary assignments in particular matters as determined by in-house counsel, claim examiners, and others. The contractors will provide medical examinations and other related services such as follow-up exams, reporting, medical record reviews, peer reviews, and court testimony.

Procurement conducted an extensive outreach to enhance competition, which resulted in receipt of 17 proposals in response to the publicly advertised Request for Proposals (“RFP”). All 17 proposals were evaluated by the Selection Committee (“SC”) in accordance with the evaluation criteria in the RFP, which included such technical criteria as (1) proposer’s demonstrated knowledge and relevant experience

Staff Summary

including quality of assigned personnel, and experience and stability of proposer's organization, (2) proposer's plan for managing the work in accordance with the contract requirements including the plan for timely examinations and reports, and (3) proposer's diversity practices. The evaluation criteria also included overall project cost and other relevant matters.

Based upon the technical evaluations, the SC voted to invite 11 firms to give oral presentations: Dane Street; D&D; Industrial Medicine Associates, PC; Juris; Optimum; PEG; Patient Focus Medical Association of NY, PC; Dr. Raff; Dr. Peter Sass; SCS; and Utopia. The firms not selected to give oral presentations did not demonstrate sufficient experience to meet the requirements of the scope of work in the RFP.

Following oral presentations, pricing, which had been analyzed by NYC Transit's Cost Price Analysis Unit ("Cost Price Analysis"), was presented to the SC. Subsequently, the SC unanimously voted to invite nine firms for negotiations: Dane Street, D&D, Juris, Optimum, PEG, Dr. Raff, Dr. Peter Sass, SCS, and Utopia. Two firms that were eliminated from further consideration did not demonstrate the level of experience and technical skills necessary to meet the business needs required under this RFP, such as scheduling, reporting, and availability of experts to provide testimony. In addition, the unit prices of these two firms were the highest compared to the remaining proposers.

Negotiations with the remaining nine proposers focused on pricing and contractual terms and conditions. Upon completion of negotiations, Best and Final Offers ("BAFOs") were requested, and were received on April 18, 2018. Proposers were requested to provide pricing for services by physicians in 39 distinct specialties, with variations in the specific nature of services to be provided for the four different categories of claims (workers' compensation, tort litigation, No-Fault, and disability retirement applications). However, the RFP did not require proposers to provide pricing for all specialties.

The SC reviewed the BAFOs in accordance with the evaluation criteria in the RFP and unanimously recommended all nine finalists for award. The SC determined that each of the firms were technically qualified to perform the contract work based on their experience in the industry and past performance providing independent medical examination services to various government and private clients. All reference checks were positive. Cost Price Analysis developed a range of acceptable prices for individual specialties which are deemed fair and reasonable based on market pricing and the in-house estimate. Specialties for which a proposer's BAFO prices were above this range were not recommended for award to that proposer. While no awardee will receive an award for all specialties, the aggregate awards to the nine finalists were determined by the SC to provide sufficient coverage for all specialties. Most specialties have coverage of three to six firms per specialty and only four seldom-used specialties have coverage by fewer than two firms per specialty. As noted previously, the contracts do not guarantee a minimum quantity of assignments to a firm. The prices have been found to be fair and reasonable based on the competitive nature of the RFP and in comparison to the in-house estimate.

M/W/DBE Information

The MTA Department of Diversity and Civil Rights established goals of 0 percent MBE and 0 percent WBE for this contract due to insufficient availability of M/WBE firms in the marketplace.

Impact on Funding

Approved funding is available in Law Department's Operating Budget under Account No. 712701, Responsibility Center No. 6314 and Function No. 930 and in the MTA-HQ's Human Resources Department budget.

Alternatives

None recommended. NYC Transit cannot meet these needs through direct employment of physicians as it requires access to independent medical experts in a variety of specialties to provide these claim-related medical examination services.

Recommendations

It is recommended that the Board approve the award as described in the "Purpose" section.

JULY 2018

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

- | | | | |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------------|
| 1. | E.E. Cruz & Company, Inc.
Contract# A-36865.19 | \$982,500 | <u>Staff Summary Attached</u> |
| | Modification to the contract for station renewal and component repairs of three stations in Queens: 121st Street, 111th Street, and 104th Street; in order to fabricate and deliver 34 trackside platform steel girders for platforms at all three stations. | | |
| | Skanska USA Civil Northeast, Inc. | \$5,545,000 (Aggregate) | <u>Staff Summary Attached</u> |
| 2. | Contract# A-36622B.21 | \$2,750,000 | ↓ |
| 3. | Contract# A-36622B.26 | \$1,800,000 | ↓ |
| 4. | Contract# A-36622B.28 | \$995,000 | ↓ |
| | Modifications to the contract for Enhanced Station Initiative–Package 2: Improvements at the 30th Avenue, Broadway, 36th Avenue, and 39th Avenue stations along the Astoria Line in Queens, in order to provide for steel repairs to the platform/span girders at the 30th and 36th Avenue stations and additional repairs to platform pipe supports as well as the repair of platform precast haunch support beams at the 30th, 36th, 39th Avenue, and Broadway stations. | | |

Item Number: 1

Vendor Name (Location) E.E. Cruz & Company, Inc. (New York, New York)
Description Component Repairs at Four Stations, Jamaica Line (BMT) in the Boroughs of Brooklyn and Queens
Contract Term (including Options, if any) June 22, 2016–February 21, 2019
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept./Div., Dept./Div. Head Name: Capital Program Management, John O’Grady

Contract Number A-36865	AWO/Mod. # 19
Original Amount:	\$ 58,255,400
Prior Modifications:	\$ 500,767
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 58,756,167
This Request:	\$ 982,500
% of This Request to Current Amount:	1.6%
% of Modifications (including This Request) to Original Amount:	2.5%

Discussion

This retroactive modification is for fabrication and delivery of 34 trackside platform steel girders for platforms at three stations in Queens.

The base contract covers station renewal and component repairs of three stations in Queens: 121st Street, 111th Street, and 104th Street. The work includes (1) cast-in-place platform replacements, including tactile warning strips, (2) installation of windscreens, artwork, doors, and windows, (3) renewal of side platform stairs, (4) structural steel repairs and replacements, (5) temporary support of electrical and signal cables, (6) communications work, and (7) painting and other incidental work.

At the three stations in Queens, the contract calls for the repair of 103.7 tons of trackside platform girders. During construction, 55.23 tons of repair were required at the Manhattan-bound platforms at 121st and 104th Street stations. After the concrete slabs and paint were removed from the 34 trackside girders at the remaining platforms of the Queens stations, a joint survey revealed that the trackside girders had excessive corrosion. Capital Program Management (“CPM”) and the Department of Subways determined that all 34 girders should be removed and replaced with new, shop-fabricated girders. The corrosion was so extensive and the repairs were so intensive that it was no longer beneficial to continue with the repairs from either a schedule or cost point of view. Replacement will mitigate schedule delay. The cost of furnishing and installing shop-fabricated replacement girders is comparable to the cost of performing the required intensive repairs. Moreover, the replacement girders are superior and have a much longer life-span than the girders that would otherwise have been repaired.

This retroactive modification requires the contractor to have 34 trackside platform girders shop-fabricated by a structural steel fabricator offsite and deliver them to the jobsite. A separate modification is being negotiated for the cost of installation at the jobsite.

Work under this modification includes performing (1) a detailed field survey, (2) engineering, drawings, and shop fabrication of 34 trackside platform steel girders, (3) factory inspection, (4) priming and painting, and (5) delivery to site.

To meet the steel mill production schedule, the contractor was directed to proceed on April 13, 2018, with the approval of the SVP, CPM.

E.E. Cruz submitted its revised proposal in the amount of \$1,056,278. The revised in-house estimate is \$954,000. Negotiations resulted in the agreed-upon lump-sum price of \$982,500. Savings of \$73,778 were achieved. This price is found to be to be fair and reasonable.

At Myrtle Avenue Station in Brooklyn, the contract covers only component repairs (including tactile tiles and platform edge replacement, crack and spall repairs, replacement of the expansion joint plates and refuse enclosures, and other miscellaneous minor repairs) because the girders are considered to be in a state of good repair.

In connection with the review of E.E. Cruz’s responsibility pursuant to the All-Agency Responsibility Guidelines, E.E. Cruz was found to be responsible notwithstanding significant adverse information and such responsibility finding was approved by the NYC Transit President in July 2018.

Item Number: 2-4

Vendor Name (Location) Skanska USA Civil Northeast (Queens, New York)
Description Enhanced Station Initiative – Package 2, Design and Construction of Improvements at the 30th Avenue, Broadway, 36th Avenue, and 39th Avenue Stations, Astoria, Queens Line
Contract Term (including Options, if any) April 14, 2017–February 15, 2019
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept./Div., Dept./Div. Head Name: Capital Program Management, John O’Grady

Contract Number A-36622B	AWO/Mod. #s 21, 26, and 28
Original Amount:	\$ 149,680,000
Prior Modifications:	\$ 11,013,063
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 160,693,063
This Request: Mod. 21: \$2,750,000 Mod. 26: \$1,800,000 Mod. 28: \$995,000	\$ 5,545,000
% of This Request to Current Amount:	3.5%
% of Modifications (including This Request) to Original Amount:	11.1%

Discussion

These retroactive state-of-good-repair modifications are for Skanska USA Civil Northeast (“Skanska”), and will provide for steel repairs to the platform/span girders at the 30th and 36th Avenue stations and additional repairs to platform pipe supports as well as the repair of platform precast haunch support beams at the 30th, 36th, 39th Avenue, and Broadway stations along the Astoria line in Queens.

The base contract for Enhanced Station Initiative (“ESI”) Package 2 covers (1) design, (2) demolition, (3) state-of-good-repair work including concrete and steel repairs, and full and partial stair replacement including new street stair canopies, (4) new platform canopies and windscreens, (5) upgraded electrical and communication systems including new closed-circuit TV cameras in control areas, (6) new signage and navigation systems providing service information located at street level (totems), fare control and platform (dashboards) areas, (7) new mezzanine concrete floor slabs with granite floor tiles, (8) new glass and metal façade walls and glass barriers in the fare control areas, (9) charging stations, benches and leaning bars, and (10) contemporary art.

Modifications 21 and 28

This contract requires the removal and replacement of the concrete platform slab at the area of each platform above the mezzanine. Removal of the concrete slab at the 30th and 36th Avenue stations revealed severe corrosion to the platform/span girders which span approximately 66 feet across the street intersection below the mezzanine of each station. The corrosion necessitated replacement of the top flange plates and repairs to the web of the northbound and southbound girder of each station. In consideration of the project schedule, these repairs are addressed in separate modifications due to the additional time needed to develop the web repair detail. It was also necessary to perform these repairs in sequence with the top flange repairs occurring first to enable the subsequent web repairs to proceed without the need for temporary support. Accordingly, the top flange repair is addressed in Modification 21 and the web repair is addressed in Modification 28. Both repairs are essential to maintain a state of good repair. Similar repairs will be required at the Broadway and 39th Avenue stations, and will be addressed under separate modifications as the extent of the corrosion and required repairs cannot be determined until after station closing.

Pursuant to the approval of retroactive waivers by the SVP, Capital Program Management, work under both modifications started immediately in order to maintain the June 22, 2018 reopening date of the 30th and 36th Avenue stations. The work has been completed.

Modification 21: Work under this modification includes all design, procurement, fabrication and installation associated with the replacement of the deteriorated top flange plates of the platform/span girders at the 30th and 36th Avenue stations, including temporary shoring and jacking of the existing girders during replacement of the plates and removal of additional concrete as needed to facilitate the work.

Skanska submitted its proposal in the amount of \$3,360,938. The revised in-house estimate is \$2,549,893. Negotiations resulted in the agreed-upon lump-sum price of \$2,750,000. Savings of \$610,938 were achieved. Procurement finds this price to be fair and reasonable. Approval was also obtained from the SVP, Operations Support authorizing payment up to the agreed amount of this modification prior to its approval.

Modification 28: Work under this modification includes all design, procurement, fabrication, and installation of steel plates to repair the web of the platform/span girders at the 30th and 36th Avenue stations, including removal of the existing concrete track slab adjacent to the girder, removal of rivets and existing angles, cleaning the steel to accept the new steel plates, installation of the steel plates and restoration of the track slab including rebar, structural concrete, waterproofing, and topping slab.

Skanska submitted its proposal in the amount of \$1,260,210. The in-house estimate is \$989,852. Negotiations resulted in the agreed-upon lump-sum price of \$995,000. Savings of \$265,210 were achieved. Procurement finds this price to be fair and reasonable.

Modification 26

This contract includes a unit price item for the repair (in all four stations) of 240 platform pipe supports under existing precast concrete platform panels. Skanska's Field Condition Surveys revealed that the damage to the platform pipe supports was more numerous (973 supports) and more severe than anticipated in the unit price item. In addition, the Field Condition Surveys identified significant deterioration to the concrete haunches of the precast platform panels at 54 locations, the repairs for which were not considered in this contract, and include the installation of steel haunch support beams. The Design/Builder determined that the additional repairs were necessary to bring the platform into a state of good repair and presented its findings and proposed repair details, which were accepted by NYC Transit.

The scope of work under this modification, at all four stations, includes (1) the repair of 973 precast concrete platform pipe supports based on a more robust repair detail, (2) repair of the concrete haunches of the precast platform panels at 54 locations, and (3) a credit for the contract unit price item.

Pursuant to the approval of a retroactive waiver by the SVP, Capital Program Management, work at the 30th and 36th Avenue stations was started immediately in order to maintain their June 22, 2018 reopening date. The work at these stations has been completed.

Skanska submitted its proposal in the net amount of \$2,063,363. The in-house estimate is in the net amount of \$1,706,391. Negotiations resulted in the agreed-upon net lump-sum price of \$1,800,000. Savings of \$263,363 were achieved. Procurement finds this price to be fair and reasonable.

In connection with a previous contract awarded to Skanska, Skanska 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 November 2014. No new SAI has been found relating to Skanska and Skanska has been found to be responsible.

JULY 2018

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

K. Ratification of Completed Procurement Actions (Involving Schedule E–J)

(Staff Summaries required for items requiring Board approval.)

1. **Judlau Contracting, Inc.** **\$2,860,820** **Staff Summary Attached**
Contract# A-35301.143
Modification to the contract for Cortlandt Street #1 Line Station Rehabilitation, in order to provide the installation of platform to street Elevator 3 and associated sidewalk-level elevator kiosk at the Cortlandt Street #1 Line Station.

2. **WSP USA, Inc.** **\$6,670,871** **Staff Summary Attached**
Contract# CM-1338.32
Modification to the contract for Consultant Construction Management services on the Second Avenue Subway Project, Phase 1, in order to provide additional Consultant Construction Management services and extend the contract term by an additional 12 months.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (Location) Judlau Contracting, Inc. (New York, New York)
Description Cortlandt Street No.1 Line Station (IRT) Rehabilitation
Contract Term (including Options, if any) April 20, 2015–February 20, 2018
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept./Div., Dept./Div. Head Name: MTA Capital Construction, John N. Lieber

Contract Number A-35301	AWO/Mod. # 143
Original Amount:	\$ 101,150,000
Prior Modifications:	\$ 8,898,419
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 110,048,419
This Request:	\$ 2,860,820
% of This Request to Current Amount:	2.6%
% of Modifications (including This Request) to Original Amount:	11.6%

Discussion

This retroactive modification is for the installation of platform-to-street Elevator 3 required to provide Americans with Disabilities Act (“ADA”) Accessibility including a sidewalk-level elevator kiosk at the Cortlandt Street station along the 1 line in the borough of Manhattan.

The base contract, awarded to Judlau Contracting, Inc. (“Judlau”), is for the Rehabilitation of the Cortlandt Street No. 1 Line Station (IRT) located within the World Trade Center site.

This contract was originally awarded by the Port Authority of New York and New Jersey (“PANYNJ”). After approximately 20 percent of the initial construction work had been performed, the contract was assigned to the MTA. Prior to the commencement of the initial construction contract work, NYC Transit reviewed the drawings and specifications for conformance to NYC Transit standards and submitted comments to PANYNJ. The comments, however, were not incorporated into the contract. Work under this contract only included the procurement of the elevator components. The installation of the elevator, and the procurement and installation of the sidewalk kiosk, which were required pursuant to NYC Transit design standards (ADA accessibility), were not included.

When the MTA assumed this contract from PANYNJ, certain scope-of-work items required to meet NYC Transit standards were added in a series of Bulletins which provided for the additional work required as well as resiliency work not addressed in the contract. Work addressed in these Bulletins was then incorporated into the work to be performed by Judlau in a series of modifications. Work that is the subject of this modification was addressed as Bulletin No. 4.

Work under this modification includes (1) changing the elevator cab to a glass wall structure, (2) installation of Elevator 3 and associated equipment, (3) procurement and installation of an elevator kiosk at street level, and (4) a flood mitigation design for the elevator. This modification also includes accelerated work for the procurement of materials and installation due to the project schedule anticipated station opening date in October 2018. As part of this modification, a credit was also taken for the original cab as specified in the base contract.

To avoid additional delay to the project schedule, this work had to begin in advance of formal approval. Consequently, the MTA Capital Construction (“MTACC”) Chief Development Officer approved a retroactive waiver on April 2, 2018.

Judlau submitted its revised proposal in the amount of \$3,321,122. The revised in-house estimate is \$2,601,734. Negotiations resulted in the agreed-upon net lump-sum price of \$2,860,820. MTACC and Procurement find this amount to be fair and reasonable.

Issues related to any time extension and impact costs, if appropriate, will be addressed in a subsequent change order(s).

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 March 2017. No new SAI has been found relating to Judlau and Judlau has been found to be responsible.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 2

Vendor Name (Location) WSP USA, Inc. (New York, New York)
Description Consultant Construction Management Services for the Second Avenue Subway Project, Phase 1
Contract Term (including Options, if any) May 31, 2007–December 31, 2017
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept./Div., Dept./Div. Head Name: MTA Capital Construction, John N. Lieber

Contract Number CM-1338	AWO/Mod. # 32
Original Amount:	\$ 80,940,647
Prior Modifications:	\$ 120,246,576
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 201,187,223
This Request:	\$ 6,670,871
% of This Request to Current Amount:	3.3%
% of Modifications (including This Request) to Original Amount:	156.8%

Discussion

This retroactive modification is for additional Consultant Construction Management (“CCM”) services on Phase 1 of the Second Avenue Subway (“SAS”) Project, and to extend the contract duration for an additional 12 months (January 1, 2018 to December 31, 2018).

The base contract was awarded to Parsons Brinckerhoff, now WSP USA Inc. (“WSP”), in May 2007. Initially, six construction contracts were planned for Phase 1 of the SAS project. It was subsequently decided by MTA Capital Construction (“MTACC”) to increase this number to 10 in order to provide for smaller construction packages, which would in turn enhance competition and receive more favorable pricing. CCM services under this contract include the monitoring/managing of all construction activities such as (1) coordination with contractors and other agencies, (2) full-time on-site inspections and reporting non-conformances, (3) ensuring adherence to environmental specifications, (4) reviewing contractor submittals, and (5) performing administrative, payment, and scheduling services. Additional CCM services necessitated by the increased number of construction contracts and additional staffing support in newly identified areas were previously approved by the Board under Modifications 15 and 21.

During the second quarter of 2016, the SAS contractors began construction acceleration to achieve revenue service. In order to support this effort, CCM services were increased. In order to meet the deadline, contractors worked around the clock at the station, at street level, and in the tunnel. Accordingly, WSP performed CCM services by providing inspection staff to monitor all activities and assure that contract specifications were followed. The SAS program has now achieved Substantial Completion of all ten contracts with the systems contract substantial completion declaration on July 12, 2018 with a final completion scheduled for December 2018.

Under this modification, WSP will provide continued CCM services to support (1) post revenue service construction for all remaining work in the stations, streets, and back-of-house areas, (2) inspecting completion of station punch-list items, (3) Construction Contract C26009 Systems (Track, Traction Power, Signals, and Communication) activities, (4) assisting in the processing of Additional Work Orders, (5) street restoration and coordination of acceptance activities with city agencies, (6) preparation of documentation for the Federal Transit Administration, and (7) closeout activities for all five remaining SAS construction contracts, such as review and approval of more than 12,000 as-built drawings and submittals of manuals and documentation. The projected staffing support under this modification was approximately 36 full-time employees (“FTEs”) during the first quarter of 2018. This number will decrease gradually to 12 FTEs by December 31, 2018.

The contract budget was exhausted by late December 2017 due to the contracts not achieving Substantial Completion as planned. A retroactive memo, effective January 1, 2018, was approved by the MTA Chief Development Officer to continue work pending negotiations and award of this modification. WSP’s initial proposal was in the amount of \$7,463,455. MTACC’s revised estimate was \$6,381,008. Negotiations with WSP resulted in a Best and Final Offer (“BAFO”) of \$6,670,871, or 10.6 percent lower than its initial proposal. WSP’s BAFO was deemed fair and reasonable, and reflects \$792,584 in negotiated savings.

It is noted that discussions with regard to performance issues under this contract resulted in WSP's agreement to provide MTACC with a credit in the amount of \$3,000,000, which will be applied towards WSP invoices.

In connection with a previous contract awarded to WSP¹, WSP 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 Executive Director and Chief Executive Officer in consultation with the MTA General Counsel in March 2008. No new SAI has been found relating to WSP and WSP has been found to be responsible.

¹ WSP acquired PBAmericas, Inc. in October 2014.

Subject Request for Authorization to Award Various Procurements

Department Procurement and Material Management

Department Head Name Alfred Muir, Sr. Director

Department Head Signature 

Project Manager Name

Date July 16, 2018

Vendor Name Various

Contract Number Various

Contract Manager Name Various

Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	7-23-18	X		
2	MTA Board Mtg.	7-25-18	X		

Internal Approvals			
	Approval		Approval
X	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
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PURPOSE:

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

DISCUSSION:

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

of Actions \$ Amount

Schedules Requiring Two-Thirds Vote (or more, where noted)

NONE

Schedules Requiring Majority Vote

NONE

SUB TOTAL:

MNR proposes to award competitive procurements in the following categories:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts) (Award of Purchase and Public Work Contracts)	1	TBD
• Request to Use the RFP Process		TBD
 <u>Schedules Requiring Majority Vote</u>		
Schedule G: Miscellaneous Service Contracts	1	\$6,000,000
• Various Bus Companies		\$6,000,000
SUB TOTAL:	2	\$6,000,000

MNR presents the following procurement actions for Ratification:

<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:	
TOTAL:	2 \$6,000,000

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

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

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

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical or inappropriate to utilize a procurement process inviting sealed bids with award to the lowest responsive/responsible bidder.

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

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

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

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

JULY 2018

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

**B. Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)
(Staff Summaries only required for items estimated to be greater than \$1 million)**

**1. Request to Use the RFP Process TBD Staff Summary Attached
Design, Manufacture, Test and Deliver New Diesel-DC Electric ("Dual Mode") Locomotives**

MTA Metro-North Railroad (Metro-North) requests the Board adopt a resolution declaring that competitive, sealed bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal (RFP) process, pursuant to Public Authorities Law Section 1265-a, to solicit and evaluate proposals from prospective locomotive manufacturers to Design, Manufacture, Test and Deliver New Passenger Diesel-DC Electric ("Dual Mode") Locomotives for Metro-North's Harlem, Hudson, and New Haven Lines.

Metro-North's 2015-2019 Rolling Stock Plan includes the purchase of Dual Mode Locomotives to begin replacement of MNR's existing fleet of Genesis locomotives. This fleet of 31 locomotives is crucial to service between GCT and diesel-only territory. Built between 1995 and 2001, they are approaching or exceeding the end of their projected useful life of 20 years. The units are now between 17 and 23 years old. The average number of Genesis locomotives in the shop for repairs in a given day has increased 49% from 2013 through 2017, reducing availability for daily service. Two Reliability Centered Maintenance Programs have been implemented on this fleet, consisting of targeted preventive replacement of critical components. These programs have sustained reasonable performance from the fleet, but as the locomotives reach and pass their expected service life, continued adequate performance is at risk.

The scope of work for this solicitation includes the design, manufacturing, testing and delivery of Dual Mode Locomotives, which will include the required Technical Support, Deliverables, and Capital Spare Parts required to operate and maintain the fleet. This procurement will be structured with a base order of up to 28 locomotives with provisions for additional locomotives as funding becomes available. The subsequent award of this contract, with final base and option quantities, will be submitted to the Board for approval.

Metro-North conducted a formal industry outreach to the rolling stock industry of Locomotive builders, suppliers, and consultants on March 28, 2018, which was well attended by the industry. This industry outreach was advertised in the New York State Contract Reporter, the New York Post, Daily Challenge and El Diario and posted on the MNR website. To further increase the vendor pool, Metro-North placed ads in two of the leading industry periodicals, Railway Age and Progressive Railroading.

The RFP process generally is used to solicit major rolling stock acquisitions. The RFP process will give Metro-North the ability to evaluate terms other than price alone, such as technical approach, contractor and design professional qualifications and past performance. The RFP process also provides the ability to negotiate key terms and to solicit improved technical and schedule requirements.

To realize the goal of awarding the proposed contract, Metro-North is proposing a two-step RFP process, consisting of the locomotive builder submission of a Qualification Proposal (Phase 1) and a submission of a Technical and Cost Proposal (Phase 2). Proposer's best meeting the requirements, as evaluated against the Selection Criteria in Phase 1 will then be shortlisted and moved on to Phase 2.

In Phase 1 of the RFP, locomotive builders will be required to demonstrate that it has the integrity, skill, experience and necessary facilities, and the technical and financial qualifications, to perform the work in a satisfactory manner and within the time required by the contract.

Phase 2 of the RFP will entail (1) review and evaluation of technical and cost proposals and (2) negotiation and final selection of a locomotive builder based upon all the evaluation criteria. The criteria will assess, among other things, the ability of locomotive builders to deliver quality locomotives in a timely manner, overall price, locomotive safety, reliability, energy consumption, cost of maintenance, vehicle design commercial off the shelf and non-proprietary parts and diversity practices. Metro-North intends to award a contract to the contractor whose proposal represents the best value to the Agency.

These procurements will be funded by the 2015-2019 Capital Program and potentially the 2020-2024 Capital Program.

Schedules Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

**2. Various Bus Companies \$6,000,000 (not-to-exceed) Staff Summary Attached
Emergency & Scheduled Bus Services**

Approval is requested to award a five-year competitively negotiated, miscellaneous service contract (RFP process, six proposals received) to retain pre-qualified vendors to furnish emergency and scheduled bus services on an as-needed basis for railroad passengers and/or crews between stations throughout the New York and Connecticut operating territories during scheduled and emergency work. The period of performance is from October 1, 2018 through September 30, 2023 for a total estimated not-to-exceed cost of \$6,000,000.

The Request for Proposal (RFP) was publicly advertised in the New York State Contract Reporter, New York Post, Daily Challenge, El Diario and posted on MNR's website in January

2018. The RFP was issued to 16 firms on January 26, 2018. The RFP established minimum vendor requirements and requested supporting information that would demonstrate their capabilities to meet the requirements on an ongoing basis. In an effort to increase the pool of pre-qualified vendors, proposers were given the opportunity to propose on one or more of the locations based on zones as specified in the RFP.

Based on the oral presentations and negotiations, the Selection Committee unanimously agreed to recommend all six participating firms for contract award based on their technical expertise and capabilities to perform the services identified by the RFP. The actual distribution of services among the vendors will be based upon geographical zone, operational requirement, vendor capacity and proposed cost with the goal of meeting service requirements. The recommended firms are:

1. A Yankee Line, Inc.	4. Leprechaun Lines, Inc.
2. Community Coach, Inc.	5. Peter Pan Bus Lines, Inc.
3. Greater Bridgeport Transit	6. White Plains Bus Company, Inc.

The hourly rates negotiated are comparable to the current contract and that of MTA Bus (\$175/hr.) and CT Transit (\$121/hr. plus mileage) for these services and are deemed fair and reasonable.

The total estimated five-year cost is not-to-exceed \$6,000,000. This procurement is to be funded by the State of Connecticut, MNR Operating and Capital Budgets, and FTA funds.

Staff Summary

Item Number B					
Dept. & Dept. Head Name: Procurement & Material Management, Al Muir, Sr. Director					
Division & Division Head Name: Executive Vice President, Susan Doering					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	7-23-18	x		
2	MTA Board Mtg.	7-25-18	x		
Internal Approvals					
Order	Approval	Order	Approval		
x	President	x	V.P. & General Counsel		
x	Sr. V.P. Operations				
x	V.P. Finance & IT				
x	V.P. Capital				

SUMMARY INFORMATION	
Vendor Name TBD	Contract Number TBD
Description Request to use the RFP process for the Design, Manufacture, Test and Deliver New Diesel- DC Electric ("Dual Mode") Locomotives	
Total Amount TBD	
Contract Term (including Options, if any)	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION:

MTA Metro-North Railroad (Metro-North) requests the Board adopt a resolution declaring that competitive, sealed bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal (RFP) process, pursuant to Public Authorities Law Section 1265-a, to solicit and evaluate proposals from prospective locomotive manufacturers to Design, Manufacture, Test and Deliver New Passenger Diesel-DC Electric ("Dual Mode") Locomotives for Metro-North's Harlem, Hudson, and New Haven Lines.

II. DISCUSSION:

Metro-North's 2015-2019 Rolling Stock Plan includes the purchase of Dual Mode Locomotives to begin replacement of MNR's existing fleet of Genesis locomotives. This fleet of 31 locomotives is crucial to service between GCT and diesel-only territory. Built between 1995 and 2001, they are approaching or exceeding the end of their projected useful life of 20 years. The units are now between 17 and 23 years old. The average number of Genesis locomotives in the shop for repairs in a given day has increased 49% from 2013 through 2017, reducing availability for daily service. Two Reliability Centered Maintenance Programs have been implemented on this fleet, consisting of targeted preventive replacement of critical components. These programs have sustained reasonable performance from the fleet, but as the locomotives reach and pass their expected service life, continued adequate performance is at risk.

The scope of work for this solicitation includes the design, manufacturing, testing and delivery of Dual Mode Locomotives, which will include the required Technical Support, Deliverables, and Capital Spare Parts required to operate and maintain the fleet. This procurement will be structured with a base order of up to 28 locomotives with provisions for additional locomotives as funding becomes available. The subsequent award of this contract, with final base and option quantities, will be submitted to the Board for approval.

Staff Summary

Metro-North conducted a formal industry outreach to the rolling stock industry of Locomotive builders, suppliers, and consultants on March 28, 2018, which was well attended by the industry. This industry outreach was advertised in the New York State Contract Reporter, the New York Post, Daily Challenge and El Diario and posted on the MNR website. To further increase the vendor pool, Metro-North placed ads in two of the leading industry periodicals, Railway Age and Progressive Railroading.

The RFP process generally is used to solicit major rolling stock acquisitions. The RFP process will give Metro-North the ability to evaluate terms other than price alone, such as technical approach, contractor and design professional qualifications and past performance. The RFP process also provides the ability to negotiate key terms and to solicit improved technical and schedule requirements.

To realize the goal of awarding the proposed contract, Metro-North is proposing a two-step RFP process, consisting of the locomotive builder submission of a Qualification Proposal (Phase 1) and a submission of a Technical and Cost Proposal (Phase 2). Proposer's best meeting the requirements, as evaluated against the Selection Criteria in Phase 1 will then be shortlisted and moved on to Phase 2.

In Phase 1 of the RFP, locomotive builders will be required to demonstrate that it has the integrity, skill, experience and necessary facilities, and the technical and financial qualifications, to perform the work in a satisfactory manner and within the time required by the contract.

Phase 2 of the RFP will entail (1) review and evaluation of technical and cost proposals and (2) negotiation and final selection of a locomotive builder based upon all the evaluation criteria. The criteria will assess, among other things, the ability of locomotive builders to deliver quality locomotives in a timely manner, overall price, locomotive safety, reliability, energy consumption, cost of maintenance, vehicle design commercial off the shelf and non-proprietary parts and diversity practices. Metro-North intends to award a contract to the contractor whose proposal represents the best value to the Agency.

III. D/M/WBE INFORMATION:

MTA DDCR will be consulted in order to establish MBE/WBE and SDVOB goals for these contracts.

IV. IMPACT ON FUNDING:

These procurements will be funded by the 2015-2019 Capital Program and potentially the 2020-2024 Capital Program.

V. ALTERNATIVES:

The alternative is to use the sealed competitive bidding process however this alternative is not recommended, as it would require Metro-North to first obtain 100% designs of the work to be implemented, thereby losing the advantages of Design/Build construction. The use of the Design/Build process shall also allow the contractor to utilize its specialized expertise to adapt the base design to the individual stations optimizing design efficiencies

Staff Summary

Item Number G					
Dept. & Dept. Head Name: Procurement & Material Management, Al Muir, Sr. Director					
Division & Division Head Name: Executive Vice President, Susan Doering					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	7-23-18	x		
2	MTA Board Mtg.	7-25-18	x		
Internal Approvals					
Order	Approval	Order	Approval		
x	President	x	V.P. & General Counsel		
x	Sr. V.P. Operations				
x	V.P. Finance & IT				
x	V.P. Capital				

SUMMARY INFORMATION	
Vendor Name Various Bus Companies	Contract Number 96417
Description Emergency & Scheduled Bus Services	
Total Amount \$6,000,000 not-to-exceed	
Contract Term (including Options, if any) Five 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 checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: State of CT	

Narrative

I. PURPOSE/RECOMMENDATION:

Approval is requested to award a five-year competitively negotiated, miscellaneous service contract (RFP process, six proposals received) to retain pre-qualified vendors to furnish emergency and scheduled bus services on an as-needed basis for railroad passengers and/or crews between stations throughout the New York and Connecticut operating territories during scheduled and emergency work. The period of performance is from October 1, 2018 through September 30, 2023 for a total estimated not-to-exceed cost of \$6,000,000.

II. DISCUSSION:

Metro-North Railroad ("MNR") is continually evaluating how bus services are provided with the intent of leveraging both public and private resources to achieve better responses within geographic zones, improve communications and contain overall costs. The RFP sought proposals from third-party vendors for both emergency and scheduled bus operations. Emergency busing is defined as the need for immediate service due to a sudden and unanticipated disruption while scheduled busing is a request for service to supplement a planned disruption in scheduled train service as a result of capital and operating projects. Third-party vendor agreements will supplement existing Memoranda of Understanding with MTA Bus and CT Transit to provide a comprehensive plan for emergency and scheduled bus services throughout MNR's territory in the most responsive and cost-effective manner.

The agreements will provide emergency and scheduled bus services within five defined zones:

- Zone 1 – CT/ New Haven to Bridgeport (Waterbury Branch);
- Zone 2 – CT/ Bridgeport to State Line (Danbury & New Canaan Branches);
- Zone 3 – NY/ Hudson Line north of Croton Harmon to Poughkeepsie, Harlem Line north of White Plains to Wassaic;
- Zone 4 – NY/ Hudson Line from Croton Harmon and south, Harlem Line from White Plains and South;
- Zone 5 – NY/West of Hudson, Rockland and Orange counties.

Staff Summary

The Request for Proposal (RFP) was publicly advertised in the New York State Contract Reporter, New York Post, Daily Challenge, El Diario and posted on MNR’s website in January 2018. The RFP was issued to 16 firms on January 26, 2018. The RFP established minimum vendor requirements and requested supporting information that would demonstrate their capabilities to meet the requirements on an ongoing basis. In an effort to increase the pool of pre-qualified vendors, proposers were given the opportunity to propose on one or more of the locations based on zones as specified in the RFP.

Six proposals were received on March 12, 2018. The Selection Committee was comprised of representatives from Metro-North Customer Service, Security and Procurement Departments. The Committee evaluated the proposals using the established selection criteria set forth in the RFP as follows:

- (1) Demonstrated understanding of MNRs’ operating territories and commitment to responding to emergency requests, including but not limited to facility locations, available bus fleet and qualified operators and 24/7 dispatching center.
- (2) Confidence level, commitment of relevant resources to MNR’s work, including the qualifications of key personnel and reliability to perform the services.
- (3) Cost per hour.

Based on the oral presentations and negotiations, the Selection Committee unanimously agreed to recommend all six participating firms for contract award based on their technical expertise and capabilities to perform the services identified by the RFP. The actual distribution of services among the vendors will be based upon geographical zone, operational requirement, vendor capacity and proposed cost with the goal of meeting service requirements. The recommended firms are:

1. A Yankee Line, Inc.	4. Leprechaun Lines, Inc.
2. Community Coach, Inc.	5. Peter Pan Bus Lines, Inc.
3. Greater Bridgeport Transit	6. White Plains Bus Company, Inc.

The chart below provides the respective vendors and their rates established for both emergency and scheduled bus services.

	Emergency Bus Services Hourly Rate	Scheduled Bus Services Hourly Rate
White Plains Bus Company, Inc.	\$120/hr.	\$100/hr.
Community Coach, Inc.	\$134.95/hr.	\$134.95/hr.
Greater Bridgeport Transit	\$135/hr.	\$135/hr.
Peter Pan Bus Lines, Inc.	\$160/hr.	\$139/hr.
Leprechaun Lines, Inc.	\$189/hr.	\$109/hr.
A Yankee Line, Inc.	\$192/hr.	\$192/hr.

The hourly rates negotiated are comparable to the current contract and that of MTA Bus (\$175/hr.) and CT Transit (\$121/hr. plus mileage) for these services and are deemed fair and reasonable.

In connection with a previous contract awarded to Community Coach, Inc. (“Coach, USA”), 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 Agency President in consultation with the Metro-North Railroad General Counsel. No new SAI has been found relating to the Contractor and the Contractor has been found to be responsible.

Staff Summary

MNR completed a responsibility review of A Yankee Line, Inc., Greater Bridgeport Transit, Leprechaun Lines, Inc., Peter Pan Bus Lines, Inc., White Plains Bus Company, Inc. as defined in the All Agency Responsibility Guidelines in connection with this award recommendation, which yielded no significant adverse information (SAI).

III. D/M/WBE INFORMATION:

The MTA Department of Diversity and Civil Rights established a 0% DBE goal for this procurement.

IV. IMPACT ON FUNDING:

The total estimated five-year cost is not-to-exceed \$6,000,000. This procurement is to be funded by the State of Connecticut, MNR Operating and Capital Budgets, and FTA funds.

V. ALTERNATIVES:

The prequalification approach significantly reduces the procurement lead time for bus service demands, and reduces the overall cost and response times to service requests. This approach also allows MNR to foster relationships with bus companies to meet increasing bus service needs.

LONG ISLAND RAIL ROAD

PROCUREMENTS

FOR

BOARD ACTION

July 25, 2018

Staff Summary



Subject : Request for Authorization to Award Various Procurements						Date July 25, 2018			
Department Procurement and Logistics									
Department Head Name Dennis L. Mahon, Chief Procurement and Logistics Officer									
Department Head Signature 									
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LI Committee	7.23.18				2	President		
2	MTA Board	7.25.18				1	Executive VP		

PURPOSE:

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Long Island Rail Road Committee of these procurement actions.

DISCUSSION:

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

NONE

LIRR proposes to award Competitive Procurements in the following categories:

of Actions \$ Amount

Schedules Requiring Majority Vote

Schedule G:	Miscellaneous Service Contracts	1	\$ 6,000,000
Schedule I:	Modifications to Purchase and Public Works Contracts	1	\$ 1,404,427
SUBTOTAL:		2	\$ 7,404,427

LIRR proposes to award Ratifications in the following categories:

NONE

	<u># of Actions</u>	<u>\$ Amount</u>
TOTAL:	2	\$ 7,404,427

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.

JULY 2018

MTA LONG ISLAND RAIL ROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

Schedule G: Miscellaneous Service Contracts

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

1. **Nassau Intercounty Express (NICE)/ \$ 6,000,000** *Staff Summary Attached*
Transdev
Competitive RFP
Contract No. TBD

LIRR requests MTA Board approval to award a three-year (one-year base plus two, one-year options), estimated quantity contract in the amount of \$6,000,000 to Nassau Inter-County Express (NICE)/Transdev (“Transdev”) for Scheduled and Emergency Bus Services on an as-needed basis. Under this contract, Transdev will provide LIRR with bus services on an as-needed basis, with no minimum obligation or expenditures. This contract is based on a ride of the contract between Nassau County and Veolia Transportation Services, Inc. awarded on December 23, 2011 pursuant to a competitive procurement.

Schedule I: Modifications to Purchase Contracts and Public Work Contracts

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

2. **L. K. Comstock and Co., Inc.** **\$ 1,404,427** *Staff Summary Attached*
Contract No. 6257

LIRR requests MTA Board approval to award a contract modification to L.K. Comstock & Co., Inc. (Comstock) in the not-to-exceed amount of \$1,404,427 to furnish material for the new track and signal systems, including communication equipment, cable splice kits, cable terminations, 85’ wood poles, ballast mats and a switch tie. This modification also includes the installation of the wood poles, switch ties and cable splice kits. This change order is a modification to contract #6257 with Comstock for the Design-Build Track and Systems Installation for the New Second Track on the Main Line Ronkonkoma Branch Phase II.

Schedule G: Miscellaneous Service Contracts

Staff Summary



Item Number: 1

Vendor Name (& Location) Nassau Inter-County Express (NICE)/Transdev 700 Commercial Avenue Garden City, NY 11530
Description Supplemental Scheduled and Emergency Bus Service
Contract Term (including Options, if any) August 1, 2018 – July 31, 2021
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Ride of Nassau County Contract

Contact Number TBD	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$6,000,000 NTE (Includes \$2M Base plus two, one-year \$2M options)
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Charles McKiernan – General Manager, Service Planning Dept. James Compton – Chief Stations Officer, Stations Dept.	
Contract Manager: Daphne Pierre-Louis	

Discussion:

LIRR requests MTA Board approval to award a three-year (one-year base plus two, one-year options), estimated quantity contract in the amount of \$6,000,000 to Nassau Inter-County Express (NICE)/Transdev (“Transdev”) for Scheduled and Emergency Bus Services on an as-needed basis. Under this contract, Transdev will provide LIRR with bus services on an as-needed basis, with no minimum obligation or expenditures. This contract is based on a ride of the contract between Nassau County and Veolia Transportation Services, Inc. awarded on December 23, 2011 pursuant to a competitive procurement.

In March 2013, LIRR entered into estimated quantity contracts for Scheduled and Emergency Bus Services with thirteen third party bus service providers. Historically, LIRR supplemented its third-party bus providers with bus service from MTA sister agencies including MTA Long Island Bus (LI Bus). However, MTA LI Bus ceased operations in 2011 and Nassau County then contracted with a private company, Veolia Transportation Services, Inc. (“Veolia”) for management of its Fixed Route Bus and Paratransit Operation. During LIRR’s 2013 solicitation, LIRR sent a copy of its RFP to Veolia, however, as a new contractor to Nassau, they declined to bid on LIRR’s contract.

To date, the pool of providers has been drastically reduced due to firms departing the busing business due to safety deficiencies and performance issues, and consolidation, leaving LIRR with only three (3) bus providers to support assignments. Only one (1) provider out of the three (3) has the capacity to offer a significant fleet of coach buses (30 buses) for large assignments. Reliance on a single supplier is inadequate to address the extensive schedule of planned service outages required for upcoming events and projects such as the Annual Track Program and the LIRR Expansion Project, where LIRR will need to consistently provide alternate or supplemental bus service during scheduled track outages. This, combined with the increased off-peak and weekend travel, particularly during the summer season, could result in increased demand for substitute bus service over the next several years.

Transdev has obtained concurrence from Nassau County to assist LIRR with busing needs, when available (primarily nights and weekends, when LIRR most typically schedules outages). They have also been granted permission to service LIRR needs in both Nassau and Suffolk counties. With the renewal of LIRR’s five-year bus contracts about to be initiated via RFP, LIRR hopes to attract additional coach fleet providers to add to the list of qualified firms by the 1st quarter of 2019, at which time the new pool’s capacity to provide coach services will be assessed and a decision will be made as to the exercise of options for continued supplemental services from Transdev. Transdev’s rates for bus operators and dispatchers are the same offered to Nassau County for equivalent services,

Staff Summary



are within industry standards and have been approved by the Nassau County Legislature. They are, on average 63% less than those of the third-party providers currently on contract, and therefore fair and reasonable. Future rate increases based on collective bargaining agreements will be subject to Nassau County Legislature approval.

Busing needs will be funded from operating, capital or federal sources, depending on the project under which bus services will be required. Transdev is compliant with all federal requirements that apply to the operation of buses.

The M/WBE/DBE goals established under Nassau County's contract are achieved through the maintenance and administrative operations associated with the Nassau County contract. As these tasks do not apply to the work being undertaken by LIRR, there are no goals associated with this work.

Staff Summary



Item Number: 2
Vendor Name (& Location) L.K. Comstock and Co., Inc.
Description Main Line Second Track Ronkonkoma Branch Phase II
Contract Term (including Options, if any) 572 consecutive calendar days
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Change Order
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name Program Management, Paul Dietlin

SUMMARY INFORMATION	
Contact Number 6257	AWO/Modification # CR #16
Original Amount:	\$66,530,000
Prior Modifications:	\$5,575,860
Prior Budgetary Increases:	
Current Amount:	\$72,105,860
This Request:	Not to Exceed \$1,404,427
% of This Request to Current Amount:	1.9%
% of Modifications (including This Request) to Original Amount:	10.5%

I. PURPOSE/RECOMMENDATION

LIRR requests MTA Board approval to award a contract modification to L.K. Comstock & Co., Inc. (Comstock) in the not-to-exceed amount of \$1,404,427 to furnish material for the new track and signal systems, including communication equipment, cable splice kits, cable terminations, 85’ wood poles, ballast mats and a switch tie. This modification also includes the installation of the wood poles, switch ties and cable splice kits. This change order is a modification to contract #6257 with Comstock for the Design-Build Track and Systems Installation for the New Second Track on the Main Line Ronkonkoma Branch Phase II.

II. DISCUSSION

The new Second Track project calls for the LIRR to procure all the material necessary to complete the scope of work for both the third-party contractor and internal forces. However, due low inventory levels at the LIRR for certain stock and long lead times, and in order to maintain the project schedule, it is in the LIRR’s best interest to have Comstock procure the material included in this contract modification. The funding for this material was included in the original project estimate and is to be reallocated from LIRR Force Account Material to the third-party contract.

Comstock’s contract also requires them to install LIRR-supplied signal cable to connect newly installed signal huts and related equipment. The contract documents do not indicate specific wiring splice locations or quantities. Since LKC is both installing the cables and performing the testing, it is best practice to have them install the splices so only one party is responsible for the entire cable run.

The purchase and installation of the 85’ wood poles is necessary to raise existing LIRR power and signal cables above the structures at Wyandanch station. Originally LIRR forces were planning to relocate the cables to another location, but due to limited space and existing underground utilities, the best course of action is to raise the cables. The LIRR does not stock poles of this size nor have the equipment necessary to install these large poles. Further, to mitigate potential schedule delays caused by unforeseen material needs, Comstock should procure the required ballast mats, terminal ends and switch ties. These items will be installed by LIRR forces in support of Comstock’s contract work.

The requested amount for Comstock’s scope of work under this modification is not to exceed \$1,404,427 LIRR is continuing to negotiate a lower figure with the vendor, but this work must be authorized at this time to maintain the project schedule.

Staff Summary

In connection with a previous contract awarded to Comstock, the firm was found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by Thomas F. Prendergast, MTA Chairman and CEO, on February 26, 2016. No new SAI has been found relating to Comstock and Comstock has been found to be responsible.

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights has established MBE/WBE goals of 15%/15% for this contract.

IV. IMPACT ON FUNDING

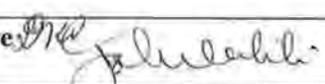
Funding for this change order is included in LIRR’s 2015-2019 Capital Budget.

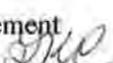
V. ALTERNATIVES

The alternative for materials procurement would be to have the LIRR procure directly by soliciting proposals from vendors. This would not be in the best interest of the LIRR as the long lead time of the material and the procurement process would have a significant impact on the project schedule and result in delay claims from the contractors.

The alternative to having Comstock install the cable splices and wood poles would be to have LIRR forces self-perform or solicit a new procurement for a third-party contractor to undertake this work. This would not be in the best interest of the LIRR because LIRR does not have the manpower available to self-perform this additional work while meeting the project schedule. Other projects would have to be delayed to reallocate resources to this project. Further, Comstock is performing other Contract work in the same area and has developed efficiencies performing such work.

**PROCUREMENT PACKAGE
JULY 2018**

Subject		Request for Authorization to Award Various Procurements			
Department		Law and Procurement			
Department Head Name		Evan M. Eisland			
Department Head Signature					
Board Action					
Order	To	Date	Approval	Info	Other
1	MNR and LIRR Joint Committee	7/23/18	X		
2	Board	7/25/18	X		

Date: July 17, 2018			
Vendor Name Various			
Contract Number Various			
Contract Manager Name Various			
Internal Approvals			
	Approval		Approval
3	Vice President, Program Controls 	5	President 
2	Vice President & Chief Financial Officer 	4	Executive Vice President 
1	Vice President & Chief Procurement Officer 		

PURPOSE

To obtain the approval of the Board to award various contracts and modifications 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:

	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Two-Thirds Vote</u>		
Schedule B Competitive Requests for Proposals (Solicitation)	1	\$ TBD
SUBTOTAL	1	\$ TBD
<u>Schedules Requiring Majority Vote</u>		
Schedule I Modifications to Purchase or Public Work Contracts	1	\$ 1,612,875
SUBTOTAL	1	\$ 1,612,875
MTA Capital Construction proposes to award Ratifications in the following category:		
Schedule K Ratification of Completed Procurement Actions	2	\$ 30,366,000
SUBTOTAL	2	\$ 30,366,000
TOTAL	4	\$ 31,978,875

Competitive Bidding Requirements

The procurement action in Schedule B is subject to the competitive bidding requirements of the Public Authorities Law 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 approval of the contract and modifications will obligate MTA Capital Construction capital funds in the amounts listed. Funds are available in the capital budget for this purpose.

Recommendation:

That the contracts and modifications 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.

July 2018

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two Third Vote

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

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

- | | | | |
|----|-------------------------------------------------------|------------------------------|--------------------------------------|
| 1. | Contractor To be Determined
Contract CH063 | Cost To Be Determined | <u>Staff Summary Attached</u> |
|----|-------------------------------------------------------|------------------------------|--------------------------------------|

To request and recommend that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate and that, pursuant to Subdivision 4(f) of Section 1265-a of the Public Authorities Law and Article IIIB (6) of the All Agency General Contract Procurement Guidelines, it is in the public interest to issue a competitive Request for Proposals for a contract entitled Harold Systems – Electric Catenary, for the East Side Access Project.

Procurements Requiring Majority Vote

Schedule I. Modification To Purchase and Public Work Contracts

(Staff Summaries required for individual change orders greater than \$750K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least \$250K)

- | | | | |
|----|----------------------------------------------------------------------------------------|---------------------|--------------------------------------|
| 2. | GCT Constructors Joint Venture
Contract No. CM014B
Modification No. 170 | \$ 1,612,875 | <u>Staff Summary Attached</u> |
|----|----------------------------------------------------------------------------------------|---------------------|--------------------------------------|

In accordance with Article VIII of the All Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a modification to the Contract for the installation of power cable, conduits and other infrastructure needed for the future installation of digital signage panels. This modification will also address minor revisions to the restrooms.

Item Number 1					
Dept & Dept Head Name: Law, Evan Eisland <i>Evan Eisland</i>					
Division & Division Head Name: Procurement, D. Cannon <i>Daniel & Cannon</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LIRR Committee	7/23/18	X		
2	Board	7/25/18	X		
Internal Approvals					
Order	Approval	Order	Approval		
1	Executive Vice President <i>AD</i>	2	President <i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name	Contract Number
RFP Authorizing Resolution	CH063
Description	
Harold Systems – Electric Traction Catenary	
Total Amount	
To Be Determined	
Contract Term	
To Be Determined	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

To request and recommend that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate and that, pursuant to Subdivision 4(f) of Section 1265-a of the Public Authorities Law and Article IIIB (6) of the All Agency General Contract Procurement Guidelines, it is in the public interest to issue a competitive Request for Proposals (“RFP”) for a contract entitled Harold Systems – Electric Catenary, for the East Side Access Project (“ESA”).

II. DISCUSSION

The proposed contract will be a design-build contract for the installation of the remaining Electric Traction Catenary in the Harold Interlocking in support of revenue service for the East Side Access project. To date, this type of work has been performed by Amtrak’s Electric Traction (ET) Linemen. However, because Amtrak does not have sufficient manpower to perform this work consistently to support the ESA schedule, MTACC will create a third-party contract package for this work. Amtrak will continue to provide protection support and participate in the inspection and acceptance of the work.

The General Engineering Consultant (“GEC”) for ESA has already prepared engineering drawings for Amtrak’s forces to perform this work. While these drawings are sufficient for Amtrak to proceed with the field work they are not detailed enough for third party contractors using the typical design-bid-build approach. To address this issue, avoid schedule risk, and realize the benefits on contractor input into this contract, MTACC intends to proceed with this contract using the design-build method. MTACC will utilize the existing engineering drawings developed for Amtrak, together with additional performance criteria as the basis of the design-build contract. This procurement will utilize the RFP process which will permit MTACC to evaluate the relative benefits of alternative technical proposals and weigh alternatives that are in the best interest of the MTA.

Item No. 1

The RFP process will require interested firms to submit technical and cost proposals, which will include their technical approach, qualifications, experience, schedule and overall costs. The technical and cost proposals will be evaluated against MTACC's established criteria and based on the results, negotiations on technical and commercial issues, schedule and costs will be held with one or more firms. At the conclusion of negotiations, a Best and Final Offer ("BAFO") will be requested. Award will be made to the responsible firm whose BAFO offers the best value to the MTA.

II. IMPACT ON FUNDING

Funding for this Contract will be from the Capital Program.

III. ALTERNATIVES

The use of a sealed bid process in which factors other than cost cannot be considered is not recommended as it does not provide a means to evaluate different technical approaches or to consider or negotiate alternative proposals to achieve the overall best value to the MTA.

Item Number 2

Vendor Name (& Location) GCT Constructors Joint Venture (Secaucus, NJ)
Description GCT Concourse and Facilities Fit-Out for the ESA Project
Contract Term (including Options, if any): 1,726 Days
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input checked="" type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: East Side Access/William Goodrich, P.E.

Contract Number CM014B	AWO/Modification # 170
Original Contract Amount:	\$ 404,622,096
Original Option Amounts:	\$ 24,277,904
Original Board Approved Amount:	\$ 428,900,000
Prior Modifications:	\$ 18,086,708
Exercised Options:	\$ 24,277,904
Prior Budgetary Increases:	\$ -0-
Current Amount:	\$ 446,986,708
This Request	\$ 1,612,875
% of This Request to Current Amount:	0.36%
% of Modifications (including This Request) to Original Amount:	4.9%

Discussion:

Contract CM014B is for the architectural, structural, electrical, plumbing, and mechanical fit-out of the new Long Island Railroad (“LIRR”) Concourse located in the former Madison Yard of Grand Central Terminal. In accordance with Article VIII of the All Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a modification to the Contract for the installation of power cable, conduits and other infrastructure needed for the future installation of digital signage panels. This modification will also address minor revisions to the restrooms.

The MTA is migrating from static to digital media and advertisements. A separate procurement is underway for a licensee who will provide the necessary digital panels and equipment and operate the digital media and advertising platform and concession which is expected to generate revenue for the MTA. Digital panels require data, power, and video feeds that were not originally included in CM014B’s Scope of Work. This modification will provide the infrastructure to support the digital media and advertising platform and includes the installation of the electrical conduits and cables; modifications to select communication and electrical system rooms; and revisions to architectural finishes.

This modification also adds electrical elements to support “Pop-Up” facilities for LIRR, sponsor or retail uses within the Concourse. In addition, revisions in the restrooms will be made to enlarge the stall partitions for security purposes; and install stainless steel wall panels and precast terrazzo tiles at the urinals for more effective maintenance.

The Contractor submitted a cost proposal of \$3,915,023 while the MTACC project estimate was for \$1,596,157. Negotiations were held and both parties agreed to a cost of \$1,612,875, which is considered fair and reasonable.

In connection with previous contracts awarded to the joint venture partners who form GCT Constructors Joint Venture, both John P. Picone Inc. (“JPP”) and Schiavone Construction Company, LLC (“Schiavone”) were found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines and such responsibility findings were approved by the MTA Chairman/CEO in consultation with the MTA General Counsel in December 2014. No new SAI has been found relating to JPP or Schiavone and they have both been found to be responsible.

Item Number 3

Page 1 of 2

Vendor Name (& Location) WSP USA/STV/Parsons Transportation Group (NY), JV	
Description East Side Access General Engineering Consultant Services	
Contract Term (including Options, if any) December 31, 2018	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Procurement Type	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type	<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, W. Goodrich	

Contract Number 98-0040-01R	AWO/Modification # 151
Original Amount:	\$ 140,000,000
Prior Modifications:	\$ 350,366,218
Prior Budgetary Increases:	\$ -0-
Current Amount:	\$ 490,366,218
This Request	\$ 28,000,000
% of This Request to Current Amount:	5.7%
% of Modifications (including This Request) to Original Amount:	270%

Discussion:

This Contract is for engineering, design and construction phase services for the East Side Access (“ESA”) project. In accordance with Article XI of the MTA All-Agency Service Contract Procurement Guidelines, MTACC requests that the Board ratify a modification to the Contract to increase the Contract amount allocated to Construction Phase Services (“CPS”) by \$28,000,000. This increase will provide sufficient funding to allow the Consultant to provide CPS through December of 2018.

CPS are provided in support of the ESA’s third party and force account construction contracts and packages and are essential to the ESA’s construction program. CPS include reviewing and responding to the construction contractor submittals, shop drawings and requests for information; performing site inspections; resolving technical issues; and preparing amplifying drawings.

In February of 2017 the Board approved a Modification increasing the Contract CPS amount by \$27,000,000 (from \$143,250,634 to \$170,250,634), to continue CPS through December of 2017. At the end of 2017, the ESA cost and budget were undergoing a thorough review, and in an effort to reduce program costs, the MTACC President directed that the MTA negotiate a new price structure with the GEC. While that effort was underway, the MTACC President approved a Retroactive Modification Memorandum and the Consultant was directed to continue to provide CPS services into 2018 up to the not-to-exceed amount of \$7,000,000. Subsequently, the MTACC President approved another Retroactive Modification Memorandum and the Consultant was directed to continue to provide CPS through July 2018 for an additional not-to-exceed amount of \$5,300,000.

The MTA has now concluded its negotiations on a new pricing structure for CPS. Instead of compensating the Consultant for the work expended on a given task, target pricing will be established for tasks, with incentives for the Consultant to complete tasks under budget through the sharing of savings, and by requiring the Consultant to absorb a portion of the cost for going over the target prices through a reduction in fees. This new pricing structure will be incorporated into the Contract through this modification. In addition, this modification will increase the budget and the not-to-exceed contract amount for CPS by \$28,000,000 which amount will provide for CPS through the end of 2018 and includes the \$12,300,000 previously authorized by the President.

MTACC expects to return to the Board at the end of 2018 to request additional CPS funding authorization for 2019 and beyond, but intends to continue to implement the new pricing structure, as well as seek additional opportunities to obtain

Item No. 3

Page 2 of 2

In connection with previous contracts awarded to WSP USA (formerly Parsons Brinckerhoff) a member of the Consultant joint venture, Parsons Brinckerhoff (WSP) was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines and such responsibility findings were approved by the MTA Chairman/CEO in consultation with the MTA General Counsel in March 2008. No new SAI has been found relating to WSP (Parsons Brinckerhoff) and they have been found to be responsible.

Schedule K Ratification of Completed Procurement Actions



Item No. 4

Vendor Name (& Location) Tutor Perini Corporation (Peekskill, New York)	Contract Number CS179	AWO/Modification # 85
Description Systems Facilities Package No. 1	Original Amount:	\$ 333,588,000
Contract Term (including Options, if any) 75 Months	Prior Modifications:	\$ 19,580,049
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Exercised Options:	\$ 216,800,001
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$ 569,968,050
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request	\$ 2,366,000
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	0.42%
Requesting Dept/Div & Dept/Div Head Name: East Side Access, W. Goodrich, P.E.	% of Modifications (including This Request) to Original Amount:	6.58%

Discussion:

This Contract provides the systems for the East Side Access (“ESA”) project, including the fire detection, tunnel ventilation, facility power, signal power, tunnel lighting and SCADA systems. In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a contract modification to upgrade electrical panels and circuits required for ESA operation.

During the review of the Contractor’s shop drawings, and while responding to several Contractor Requests for Information, the General Engineering Consultant (“GEC”) for the ESA project determined that electrical panels specified in the Contract Documents were not appropriately sized to handle the electrical loads for ESA operation and that certain required circuits had been omitted from the Contract Documents. The GEC determined that 180 panels required upgrade with larger circuit breakers and 11 of the panels required upgrade to a larger box. Additionally, certain cable required upgrade to a larger size cable to eliminate excessive voltage drop over the cable runs.

The MTACC’s final estimate for this work was in the amount of \$1,600,000. The Contractor’s revised proposal was in the amount of \$3,900,000. Negotiations were held and the parties agreed to a cost of \$2,366,000 for the direct costs, which is deemed to be fair and reasonable. Any time impacts associated with this changed work will be addressed in a subsequent modification. To avoid additional delay and rework, the President approved a Retroactive Memorandum and the Contractor was directed to proceed with the changed work on April 4, 2018, up to the not-to-exceed amount of \$660,000

This modification appears to be the result of design errors or omissions on the part of the GEC. Certain aspect of this issue was the subject of a previous settlement of claims with the GEC. Those aspects that were not previously addressed are being reviewed and, if appropriate will be addressed in a subsequent claim.

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 responsible.

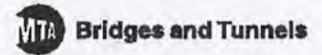


Bridges and Tunnels

Procurements July 2018



Staff Summary



Subject: Request for Authorization to Award Various Procurements

Department: Procurement

Department Head Name: M. Margaret Terry

Department Head Signature:

Project Manager Name: Various

Date: 07/16/2018

Vendor Name:

Contract Number:

Contract Manager Name:

Table of Contents Ref #:

Board Action					
Order	To	Date	Approval	Info	Other
1	President	07/16/2018			
2	MTA B&T Committee	07/23/2018			
3	MTA Board	07/25/2018			

Internal Approvals			
Order	Approval	Order	Approval
	President		VP Operations
	VP & Chief of Staff		VP & Chief Engineer
	SVP & General Counsel		VP & Chief Procurement Officer
	VP & Chief Financial Officer		

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 I: Modifications to Purchase and Public Works Contracts	1	\$1.422M
SUBTOTAL	1	\$1.422M

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

TOTAL	1	\$1.422M
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BUDGET IMPACT:
The purchases/contracts will result in obligating MTA B&T and Capital funds in the amount listed. Funds are available in the current MTA B&T operating/capital budgets for this purpose.

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

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

MTA BRIDGES & TUNNELS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2018

MTA BRIDGES & TUNNELS

I: Modifications to Purchase & Public Works Contracts

(Approvals/Staff Summaries required for individual change orders greater than \$750K. Approvals without Staff Summaries required for change orders greater than 15% of previous approved amount which are also at least \$250K)

- | | | |
|----------------------------------------------|-----------------------|--------------------------------------|
| 1. Tutor Perini Corp.
Contract No. VN-80B | \$1,421,870.56 | <i><u>Staff Summary Attached</u></i> |
|----------------------------------------------|-----------------------|--------------------------------------|

5yr. Contract-Competitive Bid

B&T is seeking the Board's approval under the All-Agency General Contract Procurement Guidelines to modify this public works contract with Tutor Perini Corp. (TPC) for work associated with: (i) replacement of coil springs at the Finger Joints of the Upper Level; (ii) repairing potholes between the existing Upper Level roadway deck and the newly installed steel orthotropic deck throughout the staged construction and (iii) quantity overruns of contract items.

Item Number: 1 (Final)

Vendor Name (& Location) Tutor Perini Corp.	Contract Number VN-80B	AWO/Modification #
Contract Title: Replacement of the Upper Level Roadway Deck Suspension Span at the Verrazano-Narrows Bridge	Original Amount:	\$235,728,000.00
Contract Term (including Options, if any) November 29, 2012 – November 28, 2017	Prior Modifications:	\$68,987,277.81
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	N/A
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$304,715,277.81
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$1,421,870.56
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	0.5%
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Joe Keane, P.E.	% of Modifications (including This Request) to Original Amount:	29.9%

Discussion:

B&T is seeking the Board’s approval under the All-Agency General Contract Procurement Guidelines to modify this public works contract with Tutor Perini Corp. (TPC) for work associated with: (i) replacement of coil springs at the Finger Joints of the Upper Level; (ii) repairing potholes between the existing Upper Level roadway deck and the newly installed steel orthotropic deck throughout the staged construction and (iii) quantity overruns of contract items in a negotiated amount of \$1,421,870.56.

Upper Level finger joint bolt assemblies exhibited signs of fatigue and deterioration with some assemblies fracturing under traffic load. The Engineer recommended new springs and bolts be installed improving durability and performance. TPC will replace 728 finger joint springs and bolt assemblies with the new springs per the Engineer’s specifications. TPC proposed to complete these repairs for \$1,045,681.49; and the negotiated amount of \$940,000 is 4.6% above the Engineer’s estimate of \$899,063.57 and is fair and reasonable based on comparison to that estimate. The Authority is pursuing an errors and omissions claim with the Designer and is evaluating the Designer’s liability that may have contributed to costs associated with this work.

During the staged construction TPC was directed by the Engineer to perform pothole repairs in order to maintain a serviceable roadway for the traveling public. Part of this Amendment includes reimbursement to TPC for these pothole repairs that were performed. TPC proposed \$130,203.09; and the negotiated amount of \$110,000 is 5.5% above the Engineer’s estimate of \$104,554.02 and is fair and reasonable based on comparison to that estimate.

Furthermore, there are items that exceeded contract quantities that require reconciliation which include: temporary protective shielding and field drill holes in structural steel. TPC proposed increases to these existing items that totaled \$371,870.56 which were deemed acceptable.

Overall, the proposed amendment results in a total increase of \$1,421,870.56 which is considered fair and reasonable.

Funding for this amendment is available in the 2010-2014 Capital Program under Project D602VN80 Construction, Phase II Deck (Task D02783).

In connection with a previous contract awarded to the Contractor, TPC (not their subsidiaries or affiliates) 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 on February 11, 2017. No new SAI has been found related to the Contractor and TPC has been found to be responsible.