



Metropolitan Transportation Authority

March 2019

MTA Board Action Items



MTA Board Meeting
2 Broadway, 20th Floor Board Room
New York, N.Y. 10004
Wednesday, 3/27/2019
9:00 AM - 12:00 PM ET

1. PUBLIC COMMENT PERIOD

2. APPROVAL OF MINUTES

MTA Regular Board Minutes - February 27, 2019

MTA Regular Board Minutes - February 27, 2019 - Page 5

NYCT/MaBSTOA/SIRTOA/Bus Company Regular Board Minutes - February 27, 2019

NYCT/MaBSTOA/SIRTOA/MTA Bus Company Regular Minutes - February 27, 2019 - Page 14

MTA Metro-North Railroad Regular Board Minutes - February 27, 2019

MTA Metro-North Railroad Regular Minutes - February 27, 2019 - Page 19

MTA Long Island Rail Road Regular Board Minutes - February 27, 2019

MTA LIRR Regular Minutes - February 27, 2019 - Page 27

MTA Bridges & Tunnels Regular Board Minutes - February 27, 2019

MTA B&T Regular Minutes - February 27, 2019 - Page 39

MTA Capital Construction Regular Board Minutes - February 27, 2019

MTACC Regular Minutes - February 27, 2019 - Page 44

3. COMMITTEE ON FINANCE

Action Item

i. All-Agency Annual Procurement Report, 2018 (Report Available in Director's Desk Document Center and mta.Info)

All-Agency Annual Procurement Report (Full report available in the Document Center and MTA.Info) - Page 47

Information Item

i. MTA Prompt Payment Annual Report 2018

MTA Prompt Payment Annual Report 2018 - Page 48

MTAHQ Procurements Report

MTAHQ Procurement Report - Page 55

i. Non-Competitive

MTAHQ Non-Competitive Procurements - Page 58

ii. Competitive

MTAHQ Competitive Procurements - Page 60

iii. Ratifications

MTAHQ Ratification - Page 78

Real Estate Items

i. Real Estate Agenda and Staff Summaries

Real Estate Agenda and Staff Summaries - Page 82

4. COMMITTEE ON NYCT & BUS

NYCT Procurements

Procurement Cover, Staff Summary, and Resolution - Page 95

i. Non-Competitive (no items)

ii. Competitive

NYCT Competitive Actions - Page 100

MTACC Competitive Actions - Page 102

iii. Ratifications

NYCT Ratifications - Page 104

5. COMMITTEE ON METRO-NORTH RAILROAD

Metro-North Procurements

MNR Procurements - Page 110

i. Non-Competitive

MNR Non-Competitive Procurements - Page 113

ii. Competitive

MNR Competitive Procurements - Page 115

iii. Ratifications (no items)

6. COMMITTEE ON LONG ISLAND RAIL ROAD

LIRR Procurements

LIRR Procurements - Page 122

i. Non-Competitive (no items)

ii. Competitive

Competitive - Page 126

iii. Ratifications (no items)

LIRR MTACC Procurements

MTA CC Procurements - Page 129

i. MTACC Non-Competitive (no items)

ii. MTACC Competitive

MTA CC Competitive - Page 133

iii. MTACC Ratifications

MTA CC Ratifications - Page 135

7. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS

B&T Procurements

B&T Procurement - Page 141

i. Non-Competitive (no items)

ii. Competitive

B&T Competitive - Page 144

iii. Ratifications (no items)

8. COMMITTEE ON CORPORATE GOVERNANCE

Action Items

i. Mission Statement, Measurements and Performance Indicators Report (Report Available in Director's Desk Document Center)

*Mission Statement, Measurements and Performance Ind. SS 3.2019
(00094405x7A901) - Page 148*

ii. Procurement Guidelines (Guidelines Available on mta.info)

Staff Summary All Agency Procurement Guidelines - Page 149

iii. Public Authorities Law Required Policies (Policies Available on mta.info)

Staff Summary PAL Policies 3.2019 (00094350x7A901) - Page 150

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

10. EXECUTIVE SESSION

Date of Next Meeting: Wednesday, April 17, 2019

**Metropolitan Transportation Authority
Minutes of
Regular Board Meeting
2 Broadway
New York, NY 10004
Wednesday, February 27, 2019
9:00 a.m.**

The following members were present:

**Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. David Mack
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

**Hon. Norman E. Brown
Hon. Randolph Glucksman
Hon. John Samuelsen**

The following members were absent:

**Hon. David Jones
Hon. Scott Rechler**

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer and President, MTACC, 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, Daniel Decrescenzo, Acting President, TBTA, Darryl Irick, President, MTA Bus and Senior V.P., NYCT Department of Buses, and Robert Marino, Acting Vice President, Government and Community Relations 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.

Robert Marino, Acting Vice President, Government and Community Relations reminded everyone of the safety procedures protocol in the event of an emergency. Mr. Marino asked all speakers to observe the two (2) minute limit and, he stated that each speaker would be notified thirty seconds before their two-minutes expired.

The following twenty (20) 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.

Seth Rosenberg, TWU Local 100
Ed Delgado, CIDNY
Tramell Thompson, TWU Local 100
Jason Pineiro, private citizen
Mary Parsen-Lavell, CURES
Christopher Grief, NYC Riders' Council
Jessica Murray, private citizen
H.P. Schroer, Director of "U and ME Become WE
Michael Howard, private citizen
Miriam Fischer, private citizen
Omar Vera, private citizen
Maria Henderson, representative for Council Member Ydanis Rodriquez
Deborah Elliott, private citizen
Lisa Daglian, Executive Director, PCAC
Sasha Blair-Goldenson, private citizen
Collin Wright, private citizen
Joseph G. Rappaport, Executive Director, BCID
Anthony Drummond, representative for Eric L. Adams, Brooklyn Borough President
Kevin Zeng, private citizen
Matt Shotkin, private citizen

2. ACTING CHAIRMAN FERRER'S REMARKS.

Acting Chairman Ferrer welcomed everyone to the February Board meeting, and thanked the public speakers for their comments.

On behalf of the Board and the MTA family, Acting Chairman Ferrer expressed deepest condolences to the families of the individuals who lost their lives in the collision that occurred at the School Street Crossing on the Long Island Rail Road. He stated that the accident was a terrible tragedy and he wished those injured in the accident a speedy recovery. Acting Chairman Ferrer asked for a moment of silence in remembrance of the victims who died as a result of this tragedy.

Acting Chairman Ferrer congratulated President Andy Byford on the progress made under the Subway Action Plan. He stated that the number of delayed trains has been reduced by 10,000 or more every month for the past five consecutive months. Weekday on-time performance has increased by 32% from January 2018 to January 2019. Acting Chairman Ferrer stated that thanks to President Byford and the hardworking men and women of New York City Transit, there have been huge improvements in the subway system over the past year.

Acting Chairman Ferrer announced the resignation of Board Member Scott Rechler and he thanked Mr. Rechler for his dedicated service. Acting Chairman Ferrer welcomed new Board Member Sarah Feinberg, former Administrator of the Federal Railroad Administration (“FRA”), and David Mack, a real estate executive and former MTA Board Member.

Acting Chairman Ferrer reported that the MTA is experiencing significant financial stress with a projected operating deficit of almost \$500 million, growing to nearly \$1 billion by the year 2022. He reported that today, the Board will vote on fare and toll increases which are critical to the MTA’s efforts to avoid service reductions and other negative consequences. Acting Chairman Ferrer stated that the recommended proposal before the Board will maintain base fares at \$2.75 and single ride tickets at \$3.00, eliminate the MetroCard bonus to increase the seven-day pass by 3.1% and the 30-day pass by 5%, and increase E-ZPass customer tolls by 6.3%. Comparable tolls and Express Bus fares are also proposed to be increased to \$6.75. Acting Chairman Ferrer reported that the proposed changes will bring in \$336 million per year of additional revenue; however, he stated that the additional revenue is not enough to fund the MTA’s Capital Program or close the MTA’s operating deficit.

Acting Chairman Ferrer stated that the MTA must undergo fundamental reforms and he outlined some of the major initiatives that MTA is taking toward that reform, some of which include a previously implemented hiring freeze for all non-essential and non-represented employees and the establishment of an executive committee to review the necessity of filling vacancies. Acting Chairman Ferrer stated that each of the MTA agencies has been asked to identify \$500 million in annual recurring savings and the same standards will be applied to outside consultants and vendors by reducing their hourly rates by 10% across the board. Acting Chairman Ferrer stated that the reforms also include consolidating back-office functions across all agencies, specifically within Long Island Rail Road and Metro-North Railroad. Acting Chairman Ferrer stated that he was thrilled with the recommendations from Cornell and Columbia Engineering School deans and faculty that allowed the MTA to avert a full 15-month shut down of the “L” Train’s tunnel. The Acting Chairman has asked these experts to look for innovative methods to improve construction on all major capital projects.

In addition, Acting Chairman Ferrer announced, as part of MTA’s accelerated pursuit of continuous improvement and in the spirit of full accountability and transparency, that the

Board will review and approve a series of performance standards for subways, buses, and commuter railroads that will measure progress and allow the MTA to hold itself accountable. The Board will receive progress reports on a quarterly basis. Acting Chairman Ferrer stated that MTA needs to be accountable for performance at the highest levels of management and the Board is doing their part to make the MTA as efficient and effective as possible by cutting administrative costs, implementing cost saving strategies, reaching out to union partners, and working with contractors to lower their costs. The reform work will be undertaken with the goal of helping the MTA's funding partners feel comfortable investing in the MTA and the indispensable transit network.

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

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the Special Board Meeting held on January 15, 2019 and the Regular Board Meeting held on January 24, 2019. Board Member Zuckerman expressed concern with respect to the inconsistencies in the agencies' minutes, noting that some agencies' minutes include Board Members' comments and other minutes include language that refers readers to the video recording of the meeting for details of Board members' comments. Board Member Zuckerman expressed a desire to see Board Members' comments in the Board Minutes. Acting Chairman Ferrer acknowledged Board Member Zuckerman's concerns and stated that he would look into the matter.

4. **COMMITTEE ON FINANCE.**

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

1. **Law Firm Panel Addition.** Approved the retention of the law firm of Sive, Paget & Riesel P.C., effective as of November 5, 2018, and the addition of the firm to the panel of Board approved outside counsel.
 2. **Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties.** Approved escalator payments to Dutchess, Orange and Rockland counties from available funds on deposit in the MRT-2 Corporate Transportation Account.
 3. **2018 TBTA Operating Surplus.** Approved resolutions which will certify and transfer operating surplus to the MTA and NYCTA pursuant to Section 1219-a(2)(b) of the Public Authorities Law ("PAL") of the State of New York; transfer funds representing 2018 investment income to the MTA pursuant to Section 569-c of PAL of NYS; and advance the 2019 TBTA Surplus in accordance with the resolution.

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, New York State Preferred Source Program (“NYSPSP”) – Purchase and Delivery of Various Safety Vests – No 400000000001903. Approved the award of a non-competitive contract for the purchase and delivery of various safety vests for LIRR to the National Industries for the Blind, NYSPSP vendor.
2. Choice Distribution, Inc. – Hardware and Fastener Program – Nos.: Various, Modification No. 5. Extend a non-competitive miscellaneous procurement contract with Choice Distribution, Inc. for the supply of hardware and fasteners for four (4) months ending July 31, 2019.

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.

Long Island Rail Road

1. Lease agreement with Inatome New York, Inc., the principal of which is Keiji Inatome for the operation of a restaurant located at 350 Sunrise Highway, Lynbrook, N.Y.
2. License agreement with Maple Drake Austell Owner, LLC for employee and visitor parking on LIRR property located at 47-37 Austell Place, Long Island City, N.Y.
3. Authorization to enter into a Memorandum of Understanding with One Penn Plaza LLC and approval of modifications to Long Island Rail Road contract GEC 6168A-02-01 with AECOM USA, Inc. in connection with Penn Station Concourse Improvements.

5. OTHER MTA BUSINESS.

A. Performance Metrics.

Managing Director Veronique Hakim presented proposed performance metrics to the Board for approval.

Acting Chairman Ferrer asked for a motion to approve the Performance Metrics.

Board Member Albert asked how extenuating circumstances will affect the metrics. Managing Director Hakim responded that those are the kinds of conversation that would take place at the quarterly review where the agency presidents would offer any context or remarks accordingly.

Board Member Zuckerman stated that the metrics are a step forward and he appreciates Mr. Schwartz promulgating it and management's support. Mr. Zuckerman further state that the AM peak on-time performance statistics are important and should be a point of focused. He suggested that there either be a replacement of the overall on-time performance or an addition of the AM peak performance metric item for Metro-North and Long Island Railroad.

Board Member Schwartz stated that he appreciates the additional input. He noted that the metrics are part of the overall reform and can always be expanded when relevant. Board Member Schwartz recommended that the Board implement the proposed metrics and he suggested that the Division Heads be included in the monthly performance metrics updates and that the AM peak performance metrics be added at the next Committee Meeting.

Upon motion duly made and seconded, the Board approved performance metrics for New York City Transit, Long Island Rail Road and Metro-North Railroad, as set forth in Attachment A of the staff summary.

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

6. FARE RESOLUTION.

Acting Chairman Ferrer stated that in January the Board voted to table any consideration of a motion to approve fare changes until the February Board meeting. Acting Chairman Ferrer stated that the recommended fare changes are the result of months of planning, eight public hearings, four video sessions and the review of written comments from members of the public.

Acting Chairman Ferrer asked Monica Murray, Deputy Chief Compliance Officer, to present the recommended proposals.

Monica Murry stated that the Board has before it a staff summary and resolution pertaining to fare increases and terms of sale, as applicable, to MTA, the New York Transit Authority, MaBSTOA, SIRTOA, MTA Bus, Metro-North Commuter Railroad Company, and Long Island Rail Road. Ms. Murray provided an overview of the fare changes and stated that, as indicated in the staff summary, implementation of the increases is planned for April 21st.

Acting Chairman Ferrer thanked Board Members and MTA staff for their hard work in reviewing and finalizing the proposed fare and toll increases and invited Board discussion with respect to the fare increase proposals.

Board Member Albert stated he understands that no one wants a fare increase, however in order to avoid reductions in services a fare increase is necessary. Board Member Albert further state that he is pleased that there will be no increase for Access-A-Ride users. Board Member Albert questioned the elimination of the Metro-Card bonus, and he recommended a two hours transfer grace period following the first swipe of Metro-Cards to allow commuters additional time to connect to other transportation networks without being penalized.

Board Member Vanterpool stated that today's vote is a vote to continue the day-to-day operations and to move forward with new initiatives, such as the E-hail pilot program, and not a referendum on reform. Board Member Vanterpool stated that she welcomes the discussion on reform and agrees with some of the proposals suggested by the Governor and the Mayor relating to consolidation of agency functions, among other suggestions. However, Board Member Vanterpool stated that she is concerned that the debate relating to reform has become a distraction from the true meaning of reform, and she proceeded to provide examples of reform.

Board Member Saul reminded the Board that the intent of the annual 2% fare increase was to create a consistent inflation rate fare increase annually, rather than have large fare increases over several years. Board Member Saul stated that the Board has discussed reforms for many years and a tremendous amount of time and money was spent working to create the Business Service Center, which was intended to do what the Governor and the Mayor are currently proposing, to consolidate major functions like procurement and technology, among other areas. However, Board Member Saul stated that he has not received any reports on the results of the consolidation of the Business Service Center. Board Member Saul further stated that he does not believe that the riders benefit from the current fare proposal and therefore he cannot support the proposed increases.

Board Member Pally, on behalf of the riders of Suffolk County, made and motion to defer the commuter rail portion of the toll and fare increase proposal to allow the Board and the public to consider the alternative option created by Board Member Schwartz two months ago that could not be considered at the public hearing due to the wording in the public hearing notice. Board Member Pally stated that he would like to give his constituents the opportunity to decide whether they would prefer an alternative plan, as it provides the same amount of revenue to the MTA. Board Member Pally made a motion to defer from consideration the commuter rail portion of the fare changes to provide for a full public hearing to consider the alternative options.

Acting Chairman Ferrer stated, having had ample discussion on this matter, he recommended a no vote on the motion.

Upon motion duly made and seconded, Board Member Pally's motion to defer the commuter rail portion of the proposed fare changes was defeated, with Board Members Pally, Zuckerman and Saul voting in favor and the remaining Board Members opposing the motion.

Board Member Mack expressed his support of the fare and toll proposal.

Board Member Metzger stated that although she voted against Mr. Pally's motion she believes that it has some merit. However, Board Member Metzger stated that she didn't think that it is appropriate to delay the vote because it will cost the agency money. Board Member Metzger asked that the Board have an opportunity to hear other alternatives and she stated that the process can be improved.

Board Member Schwartz stated that he wanted to explain why he voted no on his own proposal. Board Member Schwartz agreed that MTA needs the money now without any further delays. In addition, Board Member Schwartz stated that he believe that this situation could have been avoid had, as part of the agency reform efforts, an internal working group could have been formed to come up with other revenue alternatives. Board Member Schwartz suggested that going forward a work group be assembled to investigate all opportunities to create revenue so that a fare increase becomes the last alternative or to come up with more innovative ideas of how to structure future fare increases.

Board Members Ward and Zuckerman expressed their support for Board Member Schwartz' idea of a future working group to discuss fare options one year prior to fare increases. In addition, Board Member Zuckerman explained his support for Mr. Pally's motion, stating that riders from Putnam, Dutchess and Suffolk Counties are our best customers in terms of what they pay for MTA services.

Board Member Brown expressed his support of the fare increase, which he stated is necessary to maintain service.

Board Member Trottenberg agreed with Board Member Brown, stating that she believes the fare increase is important to maintain service and to keep the agency running.

Acting Chairman Ferrer acknowledged that the Board's deferral of the vote on the proposed fare changes during the January 2019 meeting deprived the MTA of \$30 million. Acting Chairman Ferrer stated that it is not easy to ask the riders to pay more for service. However, he stated that it is important that as part of a package MTA is doing its part. Acting Chairman Ferrer further stated that it is equally important that all funding partners, including the riders, contribute to maintain and creates a fair system.

1. 2019 Fare Increases. Upon motion duly made and seconded, the Board approved a resolution authorizing proposed fare changes set forth in Attachment A to the resolution, and authorizing the Presidents of each of MTA, NYCTA, MaBSTOA, SIRTOA, MTA Bus, Metro-North and LIRR and their designees to take all necessary and desirable steps to implement such fares and fare structures on the vehicles and facilities of their respective agencies. Board Members Pally and Saul voted in opposition.
2. 2019 Crossing Charge Increases: Environmental and "Just and Reasonable" Determination. Upon motion duly made and seconded the Board approved a resolution that (i) finds and determines that proposed increases to the Crossing Charge Schedule will not have a significant adverse effect on the environment within the meaning of the State Environmental Quality Review Act ("SEQRA"), (ii) adopts and approves the Negative Declaration in accordance with SEQRA and authorizes and directs the President of the Triborough Bridge and Tunnel Authority or his designee to execute it, and (iii) finds that the Crossing Charges as increased in the new Crossing Charge Schedule are "Just and Reasonable" within the meaning of the General Bridge Act of 1946. Board Member Saul voted in opposition.

3. 2019 Crossing Charge Increases. Upon motion duly made and seconded, the Board approved a resolution that (i) repeals the prior Crossing Charge Schedule and adopts a new Crossing Charge Schedule that increases Crossing Charges for use of the Triborough Bridge and Tunnel Authority facilities as set forth in Attachment 1 to the resolution, and (ii) authorizes the President of said Authority or his designee to take all such steps that may be necessary and desirable to establish, implement and permanently adopt, pursuant to law, the new Crossing Charge Schedule. Board Member Saul voted in opposition.

The specifics are set forth in the attached resolutions and staff summaries. The details of Board members' comments and questions with respect thereto are included in the video recording of the meeting produced by the MTA and maintained in MTA records.

7. ADJOURNMENT. Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:45 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 February 27, 2019
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The following members were present:

**Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. David Mack
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

**Hon. Norman E. Brown
Hon. Randolph Glucksman
Hon. John Samuelsen**

The following members were absent:

**Hon. David Jones
Hon. Scott Rechler**

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer and President, MTACC, 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, Daniel Decrescenzo, Acting President, TBTA, Darryl Irick, President, MTA Bus and Senior V.P., NYCT Department of Buses, and Robert Marino, Acting Vice President, Government and Community Relations also attended the meeting.

1. ACTING CHAIRMAN FERRER CALLED THE MEETING TO ORDER

2. PUBLIC COMMENT PERIOD

There were twenty (20) public speakers. The following speakers spoke on MTA NYC Transit/Staten Island Rapid Transit Operating Authority /MTA Bus Company matters during the public speakers session.

Seth Rosenberg, TWU Local 100
Ed Delgado, CIDNY
Tramell Thompson, TWU Local 100
Jason Pineiro, private citizen
Christopher Grief, NYC Riders' Council
Jessica Murray, private citizen
H.P. Schroer, private citizen
Michael Howard, private citizen
Miriam Fischer, private citizen
Omar Vera, private citizen
Maria Henderson, representative for Council Member Ydanis Rodriquez
Deborah Elliott, private citizen
Lisa Daglian, Executive Director, PCAC
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Anthony Drummond, representative for Eric L. Adams, Brooklyn Borough President
Kevin Zeng, private citizen
Matt Shotkin, 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. ACTING CHAIRMAN FERRER'S REMARKS

Acting Chairman Ferrer welcomed everyone to the February Board meeting, and thanked the public speakers for their comments.

On behalf of the Board and the MTA family, Acting Chairman Ferrer expressed his deepest condolences to the families of the individuals who lost their lives in the collision that occurred at the School Street Crossing on the Long Island Rail Road. He stated that the accident was a terrible tragedy and he wished those injured in the accident a speedy recovery. Acting Chairman Ferrer asked for a moment of silence in remembrance of the victims who died as a result of this tragedy.

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Acting Chairman Ferrer stated that the MTA must undergo fundamental reforms and he outlined some of the major initiatives that MTA is taking toward that reform, some of which include a previously implemented hiring freeze for all non-essential and non-represented employees and the establishment of an executive committee to review the necessity of filling vacancies. Acting Chairman Ferrer stated that each of the MTA agencies has been asked to identify \$500 million in annual recurring savings, and the same standards will be applied to outside consultants and vendors by reducing their hourly rates by 10% across the board. Acting Chairman Ferrer stated that the reforms also include consolidating back-office functions across all agencies, specifically within Long Island Rail Road and Metro-North Railroad. Acting Chairman Ferrer stated that he was thrilled with the recommendations from Cornell and Columbia Engineering School deans and faculty that allowed the MTA to avert a full 15-month shut down of the “L” Train’s tunnel. The Acting Chairman has asked these experts to look for innovative methods to improve construction on all major capital projects.

In addition, Acting Chairman Ferrer announced, as part of MTA’s accelerated pursuit of continuous improvement and in the spirit of full accountability and transparency, that the Board will review and approve a series of performance standards for subways, buses, and commuter railroads that will measure progress and allow the MTA to hold itself accountable. The Board will receive progress reports on a quarterly basis. Acting Chairman Ferrer stated that MTA needs to be accountable for performance at the highest levels of management and the Board is doing their part to make the MTA as efficient and effective as possible, by cutting administrative costs, implementing cost saving strategies, reaching out to union partners, and working with contractors to lower their costs. The reform work will be undertaken with the goal of helping the MTA’s funding partners feel comfortable investing in the MTA and the indispensable transit network.

Further details of Acting Chairman Ferrer’s comments 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 Special Board Meeting held on January 15, 2019 and the Regular Board Meeting held on January 24, 2019. Board Member Zuckerman expressed concern with respect to inconsistencies in the agencies' minutes, noting that some agencies' minutes include Board Members' comments and other minutes include language that refers readers to the video recording of the meeting for details of Board members' comments. Board Member Zuckerman expressed a desire to see Board Members' comments included in the Board Minutes. Acting Chairman Ferrer acknowledged Board Member Zuckerman's concerns and stated that he would look into the matter.

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

Procurements:

Non-Competitive Procurements: Upon motion duly made and seconded, the Board approved non-competitive procurements requiring a two-thirds vote (Schedule A in the Agenda) and a majority vote (Schedule G in the Agenda).

Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company.

Competitive Procurements: Upon motion duly made and seconded, the Board approved competitive procurements requiring a majority vote (Schedule F in the Agenda).

Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company.

Ratification: Upon motion duly made and seconded, the Board approved the ratifications requiring a majority vote (Schedule K in the Agenda). Board Member Weisbrod and Board Member Vanterpool voted in opposition.

Details of the above item are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company. Further, details of the discussion and Board Members' comments in regard to this item are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records.

6. **OTHER MTA BUSINESS.**

Performance Metrics: Upon motion duly made and seconded, the Board approved performance metrics for New York City Transit, Long Island Rail Road and Metro-North Railroad, as set forth in Attachment A of the staff summary.

Details of the discussion and Board Members' comments are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records.

7. PROPOSED FARE INCREASES.

Acting Chairman Ferrer stated that in January the Board voted to table any consideration of a motion to approve fare changes until the February Board meeting. Acting Chairman Ferrer stated that the recommended fare changes are the result of months of planning, eight public hearings, four video sessions and the review of written comments from members of the public.

Acting Chairman Ferrer asked Monica Murray, Deputy Chief Compliance Officer, to present the recommended proposals.

Monica Murry stated that the Board has before it a staff summary and resolution pertaining to fare increases and terms of sale, as applicable, to MTA, the New York Transit Authority, MaBSTOA, SIRTOA, MTA Bus, Metro-North Commuter Railroad Company, and Long Island Rail Road. Ms. Murray provided an overview of the fare changes and stated that, as indicated in the staff summary, implementation of the increases is planned for April 21st.

Acting Chairman Ferrer thanked Board Members and MTA staff for their hard work in reviewing and finalizing the proposed fare and toll increases and invited Board discussion with respect to the fare increase proposals. The details of Board members' comments and questions with respect thereto are included in the video recording of the meeting produced by the MTA and maintained in MTA records.

Upon motion duly made and seconded, the Board approved a resolution authorizing proposed fare changes set forth in Attachment A to the resolution, and authorizing the Presidents of each of MTA, NYCTA, MaBSTOA, SIRTOA, MTA Bus, Metro-North and LIRR and their designees to take all necessary and desirable steps to implement such fares and fare structures on the vehicles and facilities of their respective agencies. Board Members Pally and Saul voted in opposition.

The specifics are set forth in the attached resolutions and staff summaries. The details of Board members' comments and questions with respect thereto are included in the video recording of the meeting produced by the MTA and maintained in MTA records.

8. ADJOURNMENT.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:45 a.m.

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

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company
2 Broadway – 20th Floor
New York, NY 10004
Wednesday, February 27, 2019
9:00 a.m.

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. David Mack
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Norman E. Brown
Hon. Randolph Glucksman
Hon. John Samuelson

The following members were absent:

Hon. David Jones
Hon. Scott Rechler

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer and President, MTACC, 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, Daniel Decrescenzo, Acting President, TBTA, Darryl Irick, President, MTA Bus and Senior V.P., NYCT Department of Buses, and Robert Marino, Acting Vice President, Government and Community Relations also attended the meeting.

Unless otherwise indicated, these minutes reflect items on the agenda of the Metro-North Commuter Railroad Company Board. Refer to the other agencies' minutes of this date for items on the agendas of the Boards of the other agencies.

Acting Chairman Ferrer called the meeting to order.

1. **SAFETY PROCEDURES:**

Robert Marino, Acting Vice President, Government and Community Relations, reviewed the emergency safety procedures and introduced the public speakers.

2. **PUBLIC SPEAKERS:**

There were 20 registered public speakers. The following speakers spoke on Metro-North related matters:

Jason Pineiro commented that Metro-North must enforce the payment of fares.

H.P. Schroer, Director of "U and ME Become WE," requested a fare discount for veterans. Mr. Schroer requested the Board consider the "U and ME Become WE" proposal to dedicate two cents from every fare collected towards a discount for veterans. He also commented that there are two State bills in Committee that give all veterans a discount.

Omar Vera commented that he was against fare increases every two years and requested a discount for veterans. He noted that Amtrak uses Metro-North's Hudson Line and suggested inviting Amtrak to discuss faster service to places like Albany, Buffalo, Chicago, and Montreal.

Lisa Daglian, Executive Director of the Permanent Citizens Advisory Committee ("PCAC") commented on the proposed fare increases and remarked that fares for Metro-North and Long Island Rail Road customers are slated to increase with a cap of \$460 per month. She commented that there should be a discount for commuters who purchase a monthly pass and a MetroCard. She remarked that Metro-North and Long Island Rail Road customers seemingly do not have a seat on the newly proposed regional transit committee, which is a wrong that needs to be righted. She also stated that sustainable funding sources are critical.

Kevin Zeng requested free transfers from Metro-North and Long Island Rail Road to New York City Transit.

Additional details of the comments made by the public speakers are contained in the other agencies' minutes of this date. The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of the public comments.

3. **ACTING CHAIRMAN FERRER'S REMARKS:**

Acting Chairman Ferrer welcomed everyone to the February Board meeting and thanked the public speakers for their comments.

On behalf of the Board and the MTA family, Acting Chairman Ferrer expressed sorrow for the three individuals who lost their lives in the accident that occurred at the School Street Crossing on the Long Island Rail Road. He remarked that the accident was a terrible tragedy and wished those injured a speedy recovery. He stated that he will keep the families of those who lost their lives in his thoughts and asked for a moment of silence in remembrance of the victims. A moment of silence was held.

Acting Chairman Ferrer congratulated President Andy Byford on the progress made under the Subway Action Plan. He stated that the number of delayed trains has been reduced by 10,000 or more every month for the past five consecutive months. Weekday on-time

performance has increased by 32% from January 2018 to January 2019. Acting Chairman Ferrer stated that thanks to President Byford and the hardworking men and women of New York City Transit, there have been huge improvements in the subway system over the past year.

Acting Chairman Ferrer announced the resignation of Board Member Scott Rechler and he thanked Mr. Rechler for his dedicated service. Acting Chairman Ferrer welcomed new Board Member Sarah Feinberg, former Administrator of the Federal Railroad Administration ("FRA"), and David Mack, a real estate executive and former MTA Board Member.

Acting Chairman Ferrer reported that the MTA is experiencing significant financial stress with a projected operating deficit of almost \$500 million, growing to nearly \$1 billion by the year 2022. He reported that today, the Board will vote on fare and toll increases which are critical to the MTA's efforts to avoid service reductions and other negative consequences. Acting Chairman Ferrer stated that the recommended proposal before the Board will maintain base fares at \$2.75 and single ride tickets at \$3.00, eliminate the MetroCard bonus to increase the seven-day pass by 3.1% and the 30-day pass by 5%, and increase E-ZPass customer tolls by 6.3%. Comparable tolls and Express Bus fares are also proposed to be increased to \$6.75. Acting Chairman Ferrer reported that the proposed changes will bring in \$336 million per year of additional revenue; however, the additional revenue is not enough to fund the MTA's Capital Program or close the MTA's operating deficit.

Acting Chairman Ferrer stated that the MTA must undergo fundamental reforms and he outlined some of the major initiatives that the MTA is taking toward the reforms, some of which include a previously implemented hiring freeze for all non-essential and non-represented employees and the establishment of an executive committee to review the necessity of filling vacancies. Acting Chairman Ferrer stated that each of the MTA agencies has been asked to identify \$500 million in annual recurring savings and the same standards will be applied to outside consultants and vendors by reducing their hourly rates by 10% across the board. Acting Chairman Ferrer stated that reforms also include consolidating back-office functions across all agencies, specifically within Long Island Rail Road and Metro-North. Acting Chairman Ferrer stated that he was thrilled with the recommendations from Cornell and Columbia Engineering School deans and faculty that allowed the MTA to avert a full 15-month shut down of the "L" Train's tunnel. Acting Chairman Ferrer has asked these experts to look for innovative methods to improve construction on all major capital projects.

In addition, Acting Chairman Ferrer announced, as part of the MTA's accelerated pursuit of continuous improvement and in the spirit of full accountability and transparency, that the Board will review and approve a series of performance standards for subways, busses, and commuter railroads that will measure progress and allow the MTA to hold itself accountable. The Board will receive progress reports on a quarterly basis. Acting Chairman Ferrer remarked that the MTA needs to be accountable for performance at the highest levels of management and the Board is doing their part to make the MTA as efficient and effective as possible by cutting administrative costs, implementing cost saving strategies, reaching out to union partners, and working with contractors to lower their costs. The reform work will be undertaken with an eye towards the goal of helping the MTA's funding partners feel comfortable investing in the MTA and the indispensable transit network.

The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of Acting Chairman Ferrer's remarks.

4. APPROVAL OF MINUTES:

Upon motion duly made and seconded, the minutes of the Regular Board Meeting held on January 24, 2019 were unanimously approved.

Board Member Zuckerman expressed concern with respect to the inconsistencies in the agencies' minutes, where some agencies' minutes include Board Members' comments and other minutes include language that refers to the video recording of the meeting for details of Board members' comments. Board Member Zuckerman expressed a desire to include comments made by Board Members in the Board Minutes. Acting Chairman Ferrer acknowledged Board Member Zuckerman's concerns and stated that he would look into the matter.

The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of the comments made by Acting Chairman Ferrer and Board Member Zuckerman.

5. COMMITTEE ON FINANCE:

The Board was presented with the following Action Item by the Committee on Finance that relates to Metro-North:

- Approval to authorize MRT-2 escalator payments totaling \$4,395,989.19 to Dutchess, Orange, and Rockland counties. The MTA statute requires that certain "mass transportation operating assistance" payments be made by the MTA to Dutchess, Orange and Rockland counties from MTA's MRT-2 receipts. Under the statute, Dutchess and Orange Counties are each to receive no less than \$1.5 million annually, and Rockland County is to receive no less than \$2.0 million annually.

Upon motion duly made and seconded, the Board approved the foregoing Action Item. The details of the Action Item are contained in the records of this meeting. The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of Board Member Schwartz's comments on the Action Item.

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 extend a miscellaneous procurement contract with Choice Distribution, Inc. for the supply of hardware and fasteners for four months ending July 31, 2019 in the not-to-exceed amount of \$2,707,254. The contract was originally awarded by Metro-North for multi-agency use.

Upon motion duly made and seconded, the Board approved the foregoing procurement. The details of the approved procurement are contained in a staff summary filed with the records of this meeting. The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of Board Member Schwartz's comments on the procurement.

MTA Real Estate:

The Board was presented with the following real estate item by the Committee on Finance that relates to Metro-North.

- Authorization to enter into a Memorandum of Understanding (“MOU”) with One Penn Plaza LLC for Penn Station Concourse improvements. One Penn Plaza LLC controls much of the real estate in and around the Penn Station Concourse. Among a number of improvements, the existing premises will be reconfigured to accommodate the widened Concourse and back-of-house operating space for Long Island Rail Road and Metro-North.

The Committee on Finance presented the foregoing real estate item to the Board without recommendation. Board Member Weisbrod commented that his concerns were resolved because the State committed additional funds necessary for the project, subject to legislative approval. Upon motion duly made and seconded, the Board approved the foregoing real estate item.

The details of the real estate item are contained in a staff summary and documentation filed with the records of this meeting. The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of Board Members’ discussions of the above item.

6. JOINT LONG ISLAND RAIL ROAD AND METRO-NORTH COMMITTEE:

Mr. Pally, Chair of the Long Island Rail Road Committee, expressed his condolences for the lives lost in the accident that occurred at the School Street Crossing on the Long Island Rail Road. Board Members David Mack and Norman Brown also commented on the Long Island Rail Road School Street Crossing accident. The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of the Board Members’ comments.

Metro-North Procurements:

The Board was presented with the following procurements:

- Board approval to award a 22-month competitively solicited design-build contract in the not-to-exceed amount of \$9,826,216 to Powell Electrical Systems, Inc. to design and furnish DC traction power switchgear systems for nine Metro-North Hudson and New Haven Line substations.
- Board approval to award a three-year competitively-negotiated public works contract in the not-to-exceed amount of \$2,625,000 to Loram Maintenance of Way, Inc. to provide self-propelled rail grinding services (equipment and personnel) at various points along Metro-North’s right of way.

Upon motion duly made and seconded, the Board approved the foregoing procurements. The details of the procurements are contained in staff summaries and reports filed with the records of this meeting. The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of Board Member Pally’s comments on the above procurements.

7. PERFORMANCE METRICS:

Managing Director Veronique Hakim presented proposed performance metrics to the Board for approval.

Upon motion duly made and seconded, the Board approved the foregoing performance metrics. Board Member Albert asked how extenuating circumstances will affect the metrics. Managing Director Hakim responded that those are the kinds of conversations that would take place at the quarterly reviews where the agency presidents would offer any context or remarks accordingly.

Board Member Zuckerman commented that the AM peak On Time Performance ("OTP") statistics are important and should be focused on. He suggested that there either be a replacement of the overall OTP or an addition of an AM peak performance metric item for Metro-North and Long Island Rail Road. Board Member Schwartz stated that he appreciates the additional input. He noted that the metrics are part of the overall reform and can always be expanded when relevant. Board Member Schwartz recommended that the Board implement the proposed metrics and he suggested that the Division Heads be included in the monthly performance metrics updates, and that the AM peak performance metrics be added at the next Committee Meeting.

The details of the performance metrics are contained in a report filed with the records of this meeting. The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of Managing Director Hakim's presentation and Board Members' comments.

8. FARE RESOLUTION:

Acting Chairman Ferrer stated that in January, the Board voted to table any consideration of a motion to approve fare changes until the February Board meeting. Acting Chairman Ferrer stated that the recommended fare changes are the result of months of planning, eight public hearings, four video sessions, and the review of written comments from members of the public.

Acting Chairman Ferrer asked Monica Murray, Deputy Chief Compliance Officer, to present the recommended proposal.

Monica Murray stated that the Board has before it a staff summary and resolution pertaining to fare increases and terms of sale, as applicable, to MTA, the New York Transit Authority, MaBSTOA, SIRTOA, MTA Bus, Metro-North, and Long Island Rail Road. Ms. Murray provided an overview of the fare changes and stated that, as indicated in the staff summary, implementation of the increases is planned for April 21st.

Acting Chairman Ferrer thanked Board Members and MTA staff for their hard work in reviewing and finalizing the proposed fare and toll increases and invited Board discussion.

Board Member Albert stated that he understands no one wants a fare increase; however, in order to avoid reductions in services a fare increase is necessary. Board Member Albert further stated that he is pleased that there will be no increase for Access-A-Ride users. Board Member Albert questioned the elimination of the Metro-Card bonus, and he

recommended a two-hour transfer grace period following the first swipe of Metro-Cards to allow commuters additional time to connect to other transportation networks without being penalized.

Board Member Vanterpool stated that today's vote is a vote to continue the day-to-day operations and to move forward with new initiatives, such as the E-hail pilot program, and not a referendum on reform. Board Member Vanterpool stated that she welcomes the discussion on reform and agrees with some of the proposals suggested by the Governor and the Mayor relating to consolidation of agency functions, among other suggestions. However, Board Member Vanterpool stated that she is concerned that the debate relating to reform has become a distraction from the true meaning of reform. She proceeded to provide examples of reform.

Board Member Saul reminded the Board that the intent of the annual 2% fare increase was to create a consistent inflation fare increase annually, rather than have large fare increases over several years. Board Member Saul stated that the Board has discussed reforms for many years and a tremendous amount of time and money was spent working to create the Business Service Center, which was intended to do what the Governor and the Mayor are currently proposing, to consolidate major functions like procurement and technology, among other areas. However, Board Member Saul stated that he has not received any reports on the results of the Business Service Center consolidation. Board Member Saul further stated that he does not believe that the riders benefit from the current fare proposal and therefore he cannot support the proposed increases.

Board Member Pally, on behalf of the riders of Suffolk County, made a motion to defer the commuter rail portion of the toll and fare increase proposal to allow the Board and the public to consider the alternative option proposed by Board Member Schwartz two months ago that could not be considered at the public hearing due to the wording in the public hearing notice. Board Member Pally stated that he would like to give his constituents the opportunity to decide whether they would prefer the alternative plan, as it provides the same amount of revenue to the MTA.

Acting Chairman Ferrer stated that, having had ample discussion on the matter, he recommended a no vote on the motion.

Upon motion duly made and seconded, Board Member Pally's motion to defer the commuter rail portion of the proposed fare changes was defeated, with Board Members Pally, Zuckerman, and Saul voting in favor and the remaining Board Members voting in opposition.

Board Member Mack expressed his support for the fare and toll proposal.

Board Member Metzger stated that although she voted against Mr. Pally's motion she believes that it has some merit. However, Board Member Metzger stated that she did not think that it is appropriate to delay the vote because it will cost the MTA money. Board Member Metzger asked that the Board have an opportunity to hear other alternatives and she stated that the process can be improved.

Board Member Schwartz stated that he wanted to explain why he voted no on his own proposal. Board Member Schwartz agreed that the MTA needs the money now without any further delays. In addition, Board Member Schwartz stated that he believes this situation could have been avoided had, as part of the agency reform efforts, an internal working group been formed to come up with other revenue alternatives. Board Member Schwartz suggested that, going forward, a working group be assembled to investigate all opportunities to create revenue

so that a fare increase becomes the last alternative, or to come up with more innovative ideas of how to structure future fare increases.

Board Members Ward and Zuckerman expressed their support for the idea of a future working group to discuss fare options one year prior to fare increases. In addition, Board Member Zuckerman explained his support for Mr. Pally's motion, stating that riders from Putnam, Dutchess, and Suffolk Counties are the MTA's best customers in terms of what they pay for MTA services.

Board Member Brown expressed his support for the fare increases, which he stated are necessary to maintain service.

Board Member Trottenberg agreed with Board Member Brown, stating that she believes the fare increases are important to maintain service and to keep the agency running.

Acting Chairman Ferrer acknowledged that the Board's deferral of the vote on the proposed fare changes during the January 2019 meeting deprived the MTA of \$30 million. Acting Chairman Ferrer stated that it is not easy to ask the riders to pay more for service. However, he stated that it is important that the MTA is doing its part. Acting Chairman Ferrer further stated that it is equally important that all funding partners, including the riders, contribute to maintain a fair system.

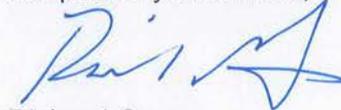
After the above discussions, upon motion duly made and seconded, the Board approved a resolution authorizing the proposed fare changes. Board Members Pally and Saul voted in opposition.

The details of the foregoing fare resolution are contained in documents filed with the records of this meeting. The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of the Board Members' comments.

9. **ADJOURNMENT:**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:45 a.m.

Respectfully submitted,



Richard Gans
Vice President, General Counsel
and Secretary

**Minutes of the Regular Board Meeting
Long Island Rail Road Company
2 Broadway
New York, NY 10004
Wednesday, February 27, 2019
9:00 a.m.**

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. David Mack
Hon. Susan Metzger
Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Norman E. Brown
Hon. Randolph Glucksman
Hon. John Samuelson

The following members were absent:

Hon. David Jones
Hon. Scott Rechler

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer and President, MTACC, 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, Daniel Decrescenzo, Acting President, TBTA, Daryl Irick, President, MTA Bus and Senior Vice President, NYCTA Bus Operations, and Robert Marino, Acting Vice President, Government and Community Relations, also attended the meeting.

Acting Chairman Fernando Ferrer called the meeting to order.

1. Public Speakers

Robert Marino, Acting Vice President, Government and Community Relations, indicated that twenty (20) public speakers had signed up to speak. After reviewing safety procedures for everyone attending the meeting, Mr. Marino asked all speakers to observe the two (2) minute limit in fairness to others and noted the clock up front and the fact that a warning light will come on with 30 seconds to go.

Several of the public speakers expressed opposition to the proposed MTA toll and fare increases, which include increases for Long Island Rail Road (“LIRR”) fares. In addition, four (4) public speakers commented on matters specifically relating to LIRR:

Mary Parisen-Lavelle, Chair of Civics United for Railroad Environmental Solutions (“CURES”), expressed her sorrow about the catastrophic incident on the LIRR yesterday. She commended the work of LIRR President Eng and his team in responding to the situation. She stated that at last month’s meeting, Board Member Scott Rechler had commented on how the current culture has engendered public distrust of the MTA. She also stated that LIRR’s current culture has resulted in costly failures, including the DM/DE locomotives, the Progress Rail PR20B prototypes, and the current freight locomotive request for proposals (“RFP”) 6263. Ms. Parisen stated that only a fair and open competition for the cleanest switcher locomotives will provide MTA with optimum product value and long-term cost effectiveness. She further stated that it is imperative that the RFP be restarted as an open, fair procurement for the cleanest Tier 4 switcher locomotives.

Ms. Parisen stated that our communities have been asking for clean locomotives since 2001, and that despite Queens legislators submitting requests for State funds, now totaling \$21 million, LIRR has not purchased even one Tier 4 locomotive. The only Tier 4 locomotive purchased thus far is the Knoxville Locomotive Works switcher locomotive that Waste Management purchased using its own money and a \$1 million federal United States Environmental Protection Agency (“EPA”) grant, which New York & Atlantic Railway reports is working well. Ms. Parisen further stated that more than a year has passed since LIRR’s mechanical and procurement departments released RFP 6263, which they prepared with an STV consultant who used to be LIRR’s Chief Mechanical Officer. She asked that the Board take action to stop needless harm to workers and families from freight rail emissions by restarting the LIRR’s locomotive procurement as an open, fair competition for the cleanest Tier 4 switcher locomotives.

Christopher Grief of the New York City Transit Riders Council, among other comments, stated that the LIRR Cares program appeared to be working well.

Lisa Daglian of the Permanent Citizens Advisory Committee to the MTA, among other comments, stated that Metro-North Railroad (“Metro North”) riders and LIRR riders need representation on the proposed new regional Metro Transit Committee.

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. Acting Chairman's Remarks

Acting Chairman Ferrer stated that the Board and MTA deeply mourn the loss of life stemming from the incident at LIRR's School Street grade crossing, and expressed the hope that those who were injured will have a speedy recovery. He asked for a moment of silence in remembrance of those who lost their lives.

Acting Chairman Ferrer congratulated New York City Transit ("NYCT") President Andrew Byford for progress on the Subway Action Plan, which has reduced the number of delayed trains by 10,000 or more each month for the past five consecutive months, and has improved On Time Performance ("OTP") by 32% from January 2018 to January 2019.

Acting Chairman Ferrer noted that Scott Rechler had resigned from the Board, and he thanked Mr. Rechler for all his work, especially his work on the Cost Containment working group. Mr. Ferrer welcomed two new Board members: Sarah Feinberg, former Administrator of the Federal Railroad Administration ("FRA"), and David Mack, a real estate executive.

Acting Chairman Ferrer stated that MTA faced severe financial challenges, including a projected operating deficit that would reach \$1 billion by 2022. He summarized the proposed fare and toll increases that would be presented to the Board for approval, noting that in the case of the commuter railroads, all weekly and monthly passes would increase 3.85% or less, and monthly tickets by no more than \$15 and weekly tickets by no more than \$5.75. There would be no increase on monthly tickets at or above \$460, or weekly tickets at or above \$147. Mr. Ferrer added that the fare and toll increases would add approximately \$336 million in revenue per year, which is not enough to fund the Capital Program or to eliminate the projected operating deficits.

Acting Chairman Ferrer also stated that we need to reform MTA. Mr. Ferrer noted that in keeping with that objective, MTA has imposed a company-wide hiring freeze; established a Vacancy Control Committee to review all proposed hiring and promotions, with the Acting Chairman overseeing the work of the Committee; asked all agencies to identify an additional \$500 million in annual recurring savings; asked our consultants to cut their fees by 10%; and is working to consolidate back-office functions. Mr. Ferrer added that the Board will be looking at restructuring the MTA and will be reviewing and approving aggressive performance targets for buses, subways, and the commuter railroads. He stated that we are doing all of this with an eye towards helping our funding partners be confident in MTA's ability to manage its affairs going forward.

3. Approval of Minutes

Acting Chairman Ferrer asked for a motion to approve the minutes of the Special Board Meeting of January 15, 2019 and the Regular Board Meeting of January 24, 2019.

Board Member Neal Zuckerman noted that the individual agencies were inconsistent in their approach to preparation of minutes: some simply referred to the tape of the meeting kept by MTA, while others summarized Board Member comments in detail. Acting Chairman Ferrer stated that MTA will look into this issue.

Upon motion duly made and seconded, the minutes of the Special Board Meeting of January 15, 2019 and the Regular Board Meeting of January 24, 2019 were approved.

4. Committee on Finance

Action Items

The Board was presented with three (3) action items recommended to it by the Committee on Finance, none of which related to the Long Island Rail Road.

Procurement Items

The Board was presented with two (2) procurement items recommended to it by the Committee on Finance, both of which related to Long Island Rail Road:

Non-Competitive Procurements:

- **National Industries for the Blind DBA NYSPSP – Purchase and Delivery of Various Safety Vests – Contract No. 40000000001903, Not to Exceed \$974,671** – Board approval is sought for the award of a noncompetitive contract for the purchase and delivery of various safety vests for LIRR to the National Industries for the Blind ((NSPSP – New York State Preferred Source Program for People who are Blind), a New York State Preferred Source Vendor. The proposed contract term is two (2) years for an estimated amount not-to-exceed \$974,671.
- **Choice Distribution, Inc. – Hardware and Fastener Program – Contracts Nos. Various, Modification No. 5; Base Amount = \$40,258,492, Current Contract Value = \$90,512,464, Proposed New Contract Value = \$93,219,718** – Board approval is sought to extend a miscellaneous procurement contract with Choice Distribution, Inc. (“Choice”) for the supply of hardware and fasteners for four (4) months ending July 31, 2019 in the not-to-exceed amount of \$2,707,254. This contract was originally awarded to Metro-North Railroad (MNR) for multi-agency use.

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.

Real Estate Items

The Board was presented with three (3) real estate items. Two (2) of the items were recommended to the Board by the Committee on Finance. One (1) item, related to Penn Station Concourse Improvements, was the subject of tie-vote among six (6) members of the Finance Committee, and was therefore presented to the Board without a recommendation.

- **Lease Agreement for a restaurant at 350 Sunrise Highway, Lynbrook, New York** – Agency: MTA Long Island Rail Road (“LIRR”); Lessee: Inatome New York, Inc., the principal of which is Keiji Inatome; Activity: Lease of space for restaurant; Action requested: Authorization to lease; Term: 10 years, with one 5-year option; Premises: 2,400 square feet, containing 1,968 square feet of parking and a 432-square foot building; Compensation: \$16,200 first year, with 3% annual increases.
- **License for Parking on LIRR Property in Long Island City** – Agency: MTA Long Island Rail Road (“LIRR”); Licensee: Maple Drake Austell Owner, LLC; Location: 3,790 square feet of decommissioned freight rail siding adjacent to 47-37 Austell Place, LIC; Activity: Granting Licensee, an adjacent property owner, the right to park on LIRR property for employee and visitor parking; Action requested: Authorization to enter into License Agreement; Term: 10 years, terminable at will by LIRR on 60 days’ notice, at no cost; Property: Former Degnon Terminal Sidings, p/o Queens Block 97, Lot 1; Compensation: Escalating from \$17,300 annual in Year 1 to \$22,572.58 annual in Year 10.
- **Penn Station Concourse Improvements** – Agencies: MTA Capital Construction (“MTACC”), Long Island Rail Road (“LIRR”); Location: The LIRR Main Concourse, running approximately beneath 33rd Street, between Seventh and Eighth Avenues (the “Concourse”) and connecting corridors located within a portion of Pennsylvania Station (the “Station”); Actions requested: (1) Authorization to enter into Memorandum of Understanding with One Penn Plaza LLC; and (2) Approval of a modification to Long Island Rail Road Contract No. GEC 6168A-02-01 with AECOM USA, Inc. in the amount of \$4.5 Million – This program will renovate and improve LIRR’s facilities on the lower level of the Station. It improves emergency egress and addresses pedestrian overcrowding and the aging and obsolescence of operational systems and architectural finishes. To accomplish this, MTACC and LIRR seek authorization to enter into a Memorandum of Understanding (“MOU”) with One Plaza LLC (“Vornado”), which controls much of the real estate in and around the Concourse, that will provide widening of the Concourse and adding egress. In addition, MTACC and LIRR seek approval to award a contract modification to LIRR Contract GEC 6168A-02-01 with AECOM USA, Inc. in the

amount of \$4.5 Million, to complete a 30% design and associated contract documents for a new entrance from street level into the Concourse on 33rd Street.

Board Member Carl Weisbrod stated that as one who had concerns about the item dealing with Penn Station Concourse Improvements, those concerns have been addressed thanks to the work of Janno Lieber. Board Member Weisbrod therefore stated that he will support this item.

Upon motion duly made and seconded, 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.

5. Joint Committee on Metro-North Railroad and Long Island Rail Road

Long Island Rail Road Committee Chair Mitchell Pally expressed, on behalf of the Joint Committee, its deepest condolences to the families of those who lost their lives as a result of the incident at the School Street grade crossing. He expressed his thanks to LIRR President Phillip Eng, LIRR staff, LIRR's unions, and first responders, for their efforts and for restoring even limited service as of this morning.

Procurement Items

The Board was presented with nine (9) procurement actions recommended to it by the Joint Committee on Metro-North Railroad and Long Island Rail Road. Of those procurement actions, seven (7) related to the Long Island Rail Road.

Competitive:

Procurements by MTA Capital Construction Company ("MTACC")

- **Sovereign Hydroseal LP – Contract No. MC881A, Contract Term Five Years, \$10,000,000** – 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, MTA Capital Construction is seeking Board approval to enter into a competitively solicited zero dollar based on-call contract to provide water infiltration mitigation services on an as-needed basis.
- **WSP USA/STV/Parsons Transportation Group, Joint Venture – Contract No. 98-0040-01R Mod No. 165 - \$2,523,169, and Contract No. 98-0040-01R, Mod No. 166 - \$23,000,000** – In accordance with Article XI of the MTA All-Agency Service Contract Guidelines, MTACC seeks Board approval to modify the Contract to provide staff and services for Project Management and Project Controls and the continuation of Construction Phase Services through December 2019.

- **Jacobs/LiRo Joint Venture – Contract No. PS819, Modification No. 21 - \$10,500,000** - In accordance with Article XI of the MTA All-Agency Service Contract Guidelines, MTACC seeks Board approval to extend the contract term through June 30, 2019.
- **Tutor Perini Corporation – Contract No CS179, Modification No. 142 - \$1,728,157** – In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a contract modification to implement changes in the locations and quantities of Closed Circuit Television system cameras, electronic access control card readers/keypads, and door contacts.
- **Tutor Perini Corporation – Contract No. CQO33, Modification No. 31 - \$1,130,000** - In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a contract modification for the installation of two catenary structures and associated installation and demolition work.

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.

Ratification:

Procurement by MTACC:

- **GCT Constructors Joint Venture – Contract No. CM014B, Modification No. 196 - \$1,320,058** – In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a contract modification for the addition of a cable tray support system throughout the new Concourse.

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.

Board Member David Mack, on behalf of the Nassau County Executive, thanked Chair Pally for his comments about the School Street incident, and stated that the preliminary report indicated that the vehicle involved in the incident tried to go around crossing gates that were down, resulting in a tragedy.

Board Member Neal Zuckerman joined in extending condolences, but noted that the entire cost of this tragedy will be borne by LIRR, including bad publicity, although the incident

was not LIRR's fault. Mr. Zuckerman stated that these types of incidents should be covered by the insurance carriers of the vehicle operators, and there is no reason why the expense of this incident should be borne entirely by MTA. Mr. Zuckerman added that perhaps legislation should be passed putting some of the weight of these incidents on vehicle operators.

6. Performance Metrics

MTA Managing Director Veronique Hakim presented proposed performance metrics for New York City Transit, Metro North, and LIRR to the Board, as reflected in the Staff Summary and Attachment A appearing at pages 128-130 of the Board Book.

Acting Chairman Ferrer asked for a motion to approve such metrics.

Board Member Andrew Albert noted that these metrics will apply to all divisions and asked how these will be affected in cases of extenuating circumstances, such as delays in the R-179 cars.

Managing Director Hakim stated that this will be discussed at the quarterly review of performance.

Board Member Zuckerman stated that these metrics are a step forward. He further stated that for the commuter railroads, the AM Peak Period is the moment of truth. He expressed his view that this was material enough so that the focus should be on the AM Peak. He suggested replacing overall On Time Performance with an assessment of the AM Peak.

Board Member Lawrence Schwartz stated that these metrics are intended to be a sign of our changing culture. He further stated that he felt strongly that these metrics were important in view of the MTA asking for a fare increase. He urged that the Board implement the proposed metrics and noted that we can always add metrics as things evolve. He stated that he would like to include the division heads in discussion of additional metrics.

Upon motion duly made and seconded, the Board approved the proposed performance metrics, 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.

7. Fare and Toll Increases

Acting Chairman Ferrer stated that the Board had deferred action on the proposed fare and toll increases last month. He introduced Monica Murray, MTA Deputy Chief Compliance Officer, to give a presentation on the proposed increases.

Deputy Chief Compliance Officer Murray summarized the proposed fare and toll increase and noted that for the commuter railroads

- All weekly and monthly passes would increase 3.85% or less, and monthly tickets no more than \$15, and weekly ticket no more than \$5.75; and
- No increase on monthly tickets at or above \$460 or weekly tickets at or above \$147.

Ms. Monica Murray also summarized the proposed fare and toll increases for NYCT and MTA Bridges and Tunnels.

Acting Chairman Ferrer thanked Board Members and MTA staff for their hard work in reviewing and finalizing the proposed fare and toll increases. He added that the Board Members made significant contributions and helped forge a fair plan that keeps MTA afloat.

Board Member Albert stated that the Board had heard from the public and that no one wants a fare increase; however, the system is in dire need and we want to avoid service cuts. He further stated that it was great the Access –A-Ride fare was held steady. Mr. Albert questioned doing away with the MetroCard bonus at a time when ridership is dropping. He asked why we would take a step that would discourage people from buying bonus MetroCards.

Board Member Albert also stated that, after attending various fare hearings, he supported a two-hour period of unlimited MetroCard use after the first swipe, to help people who are forced to make connections due to delay. He added that if you need to transfer, there was no need for a “three-legged” transfer. This idea would mitigate some of the sting of losing the bonus.

Board Member Veronica Vanterpool stated that this fare increase has become a referendum on MTA reform, a vote about our operating decisions, and a vote to keep the system running and keep people working. She added that if we do not support the proposed increases, there will be a hole in the budget and it will endanger new initiatives like the expansion of E-hail.

Board Member Vanterpool expressed concern that the debate about reform is a distraction from what is real reform. She added that, in her opinion, reform means

- Changing MTA’s fiscal year to match the State’s fiscal year. Today, we keep putting riders in a position to be hurt first, without knowing what New York State and New York City will do in terms of funding for the MTA.
- Ensuring that the seven (7) State entities charged with overseeing MTA do their jobs. These entities have not fully been doing their jobs, and we do not need another 6-person panel.
- Opening up more data to public disclosure; this will reduce Freedom of Information Law (“FOIL”) requests.
- Daylighting the Capital Program Review Board process. No one knows who they are or when they meet.
- Enhancing accessibility with significant funds.
- Having elected officials recommend more diverse candidates to go on the MTA Board.

Board Member Vanterpool stated that we cannot be two-faced about this. We cannot ask Andrew Byford for estimates of the funds needed to make his Fast Forward Plan work, and then not provide him with what is needed. She also stated that the Board should be given the authority to hire and fire the MTA Chair, and that reform is not an additional 6-member panel.

Board Member Andrew Saul stated that the history of the 2% fare increases started when he was Chair of the Finance Committee. The idea was to initiate consistent, inflation-based fare increases. Mr. Saul added that the Board has talked about all of these reforms for years, and that MTA spent a fortune on establishing the Business Service Center (“BSC”). After all of these years, Mr. Saul stated he had no idea of where BSC stands. He added that consolidation of the two commuter railroads has also been talked about for years.

Board Member Saul stated that MTA has a bloated bureaucracy and archaic work rules, hence the agency is full of waste. Riders are not getting a fair share here as the agency is not managed efficiently. For these reasons, he cannot vote in favor of the proposed increases.

Board Member Mitchell Pally stated that, on behalf of Suffolk County, he was making a motion to defer action on the commuter rail portion of the fare and toll increases, so that the Board could consider another option proposed by Board Member Lawrence Schwartz two months ago. He further stated that he wanted to find out from constituents how they felt about this option and that it would yield approximately the same amount of money. Board Member Zuckerman seconded Board Member Pally’s motion.

Board Member David Mack stated that he would support the fare and toll increases as proposed, as we need the money now.

Board Member Susan Metzger stated that she would vote against Board Member Pally’s motion. She added that his motion had some merit but that she didn’t think it was appropriate to put off the vote. Ms. Metzger stated that the proposals before the Board reflect many things that we have heard from the public and that she would vote yes, as we need the money now.

Board Member Schwartz stated that he wanted to explain why he voted no on his own proposal. First, MTA needs the money now. Second, this all could have been avoided if we had a working group set up a year ago to look at other revenue sources. Mr. Schwartz stated that he would ask, as part of reform, that such a working group be established a year before the next scheduled increase is to be considered.

Board Member Peter Ward stated that he would vote yes. He further stated that Board Member Schwartz’s idea is great, and that a working group should be established to discuss and identify other sources of revenue. He added that if service cuts, additional taxes, and increased fares are the only things considered, we will eventually cut service and we cannot cut our way out of this problem.

Board Member Zuckerman stated that he agreed with the last two speakers. He supports the fare increase, but it does not solve the problem of sustainable revenue. He added that riders from Putnam, Dutchess and Suffolk Counties are our best customers in terms of what they pay.

He further added that he appreciates the caps on increases to commuter rail fares, and the \$460 limit, but the increases are a material burden on his community. He stressed that this is not a fare “hike” --- a “hike” is something like a double-digit increase; and he added that MTA must have sustainable revenue.

Board Member Norman Brown stated that whether it is 5%, 4% or 2-1/2% increase, we are talking apples and oranges here. This increase is just to maintain service, not to create and sustain the world-class system that people want. The type of money you are talking about to do a world class system is a lot of money. It cannot be done in a painless way. It can be done in a way that is connected to MTA service. We want a painless solution, but a painless solution is not going to get us a world class system.

Board Member Polly Trottenberg stated that there are no painless solutions; that is why many of us support the increase. She contrasted MTA with NJT; the latter adopted what is truly a fare “hike.”

Acting Chairman Ferrer stated that because we deferred action on the proposed fare and toll increases last month, we lost millions of dollars of revenue. That is a fiscal fact. He added that it is never easy to ask people for more, but we step up, our riders step up, within the rate of inflation, and our partners step up, and this creates a fair system.

Board Member Pally’s motion to defer action on the commuter rail portion of the proposed fare and toll increases was defeated by vote of the Board.

Upon motion duly made and seconded, with Board Members Pally and Saul voting in the negative, the Board approved the proposed fare increases for NYCT, Manhattan and Bronx Surface Transit Operating Authority (“MaBSTOA”), Staten Island Railway, MTA Bus, and the MTA commuter railroads, 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.

Acting Chairman Ferrer then asked for a motion to approve the State Environmental Quality Review Act (“SEQRA”) and “Just and Reasonable” Determinations with respect to the proposed increases in Crossing Charges for MTA Bridges and Tunnels.

Upon motion duly made and seconded, with Board Member Saul voting in the negative, the Board approved the SEQRA and “Just and Reasonable” Determinations with respect to the proposed increases in Crossing Charges for MTA Bridges and Tunnels, 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.

Acting Chairman Ferrer asked for a motion to approve the new Crossing Charge schedule for MTA Bridges and Tunnels.

Upon motion duly made and seconded, with Board Member Saul voting in the negative, the Board approved the repeal of the existing Crossing Charge Schedule and the adoption of a new Crossing Charge Schedule for MTA Bridges and Tunnels, 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.

8. Adjournment

Acting Chairman Ferrer then asked for a motion to adjourn the meeting. Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:45 A.M.

Respectfully submitted,



Mark D. Hoffer,
Secretary

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

BOARD MINUTES

February 27, 2019

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
February 27, 2019

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

9:00 a.m.

Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. David Mack
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Norman E. Brown
Hon. Randolph Glucksman
Hon. John Samuelsen

The following members were absent:

Hon. David Jones
Hon. Scott Rechler

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer and President, MTA Capital Construction, 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, Daniel F. DeCrescenzo, Jr., Acting President, Triborough Bridge and Tunnel Authority, Darryl Irick, President, MTA Bus and Senior Vice President, New York City Transit Department of Buses, and Robert Marino, Acting Vice President, Government and Community Relations 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 twenty (20) public speakers. Jason Pinero, Omar Vera, and Anthony Drummond all stated that they opposed all fare and toll increases.

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

2. Acting Chairman Ferrer's Opening Remarks

Acting Chairman Ferrer opened his remarks by expressing his condolences and asked for a moment of silence for the lost lives of three occupants of a vehicle that was struck along the Long Island Rail Road's right-of-way in Westbury and he expressed his wishes for the speedy recoveries of those who were injured. He announced that Scott Rechler resigned from the Board and thanked him for his service especially as the Chairman of the Construction Costs Working Group. He introduced two new board members: Sarah Feinberg, former Federal Railroad Administration Administrator, and David Mack, real estate executive and former MTA Board Member. Acting Chairman Ferrer stated that the MTA is under significant financial stress and it is projecting an operating budget deficit of almost \$500 million next year, growing to nearly \$1 billion by 2022. He stated that the fare and toll increases would be voted on, which are critical to the MTA's efforts to avoid service reductions and other negative consequences, as they would bring in additional revenue of \$336 million annually but it is not enough to fund the Capital Program or close the operating deficit. With regard to MTA reform, Acting Chairman Ferrer stated that a company-wide hiring freeze was implemented for all non-essential and non-represented employees; an executive committee was established to ensure that every vacant MTA job is still absolutely necessary before hiring to fill that position; all operating agencies, including MTA headquarters and MTA Capital Construction, have been asked to identify \$500 million in annually recurring savings; the MTA is reducing the hourly rates of consultants and vendors by ten percent; and the MTA is working on consolidating back office functions within operations, between Long Island Rail Road and Metro-North in particular, and enterprise-wide.

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

3. Approval of Minutes of Regular Meeting January 24, 2019

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on January 24, 2019 were approved.

4. Committee on Finance

Upon a motion duly made and seconded, the Board approved the following recommended to it by the Committee on Finance that pertained to the Triborough Bridge and Tunnel Authority:

(a) Action Item:

- Transfer of the 2018 TBTA operating surplus as described in the Staff Summary and Resolution distributed at the Bridges and Tunnels and Finance Committee meetings.

5. Committee on MTA Bridges and Tunnels Operations

Procurements

Commissioner Moerdler stated that there are two (2) procurements totaling \$407,000.

Non-Competitive Procurements

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

Competitive Procurements

Commissioner Moerdler stated that there are two (2) competitive procurements totaling \$407,000.

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

Contractor to be determined	Contract No. VN-84 TBTA is seeking Board approval under the All-Agency General Contract Procurement Guidelines to declare competitive bidding to be inappropriate and hereby authorizing TBTA to enter into a competitive best value Request for Proposal (RFP) process for the award of a public works project, Contract VN-84, Replacement of the Upper Level Approach Decks at the Verrazzano-Narrows Bridge.	\$ Cost to be determined
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Modifications to Purchase and Public Works Contracts

V.I.V. Contracting Corp.	Contract No. HCM-374 TBTA is seeking Board approval under the All-Agency General Contract Procurement Guidelines to modify Contract No. HCM-374 with V.I.V. Contracting Corp. to include the labor, material and equipment necessary for additional work associated with the rehabilitation of the Battery Parking Garage.	\$406,975.16
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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. Crossing Charge Increases

After Monica Murray, Deputy Chief Compliance Officer and Corporate Secretary, presented the fare and toll increase proposals, Acting Chairman Ferrer presented two (2) Resolutions regarding the proposed increase in the crossing charges at TBTA's bridges and tunnels. The first Resolution concerned analyses and determinations under the State Environmental Quality Review Act (SEQRA) and the "just and reasonable" requirements of the General Bridge Act of 1946. The other Resolution was to repeal the prior Crossing Charge Schedule and adopt the proposed increase in the crossing charges.

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

Thereafter, upon a motion duly made and seconded, the Board adopted and approved a Resolution which repealed the prior crossing charges for use of the Authority's facilities; and authorized the Acting President of the Authority or his designee to take all such steps that may be necessary and desirable to establish, implement and permanently adopt, pursuant to the law, the new Crossing Charge Schedule. The new charges contained in the Schedule are planned for implementation on or about March 31, 2019. The Resolution passed by a vote of ten (10) in favor, including Commissioners Metzger and Zuckerman who collectively have one vote, and one (1) vote in opposition from Commissioner Saul.

The details of Ms. Murray's presentation and the discussions with regard to the toll increases 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. In addition, copies of the staff summaries and resolutions setting forth the details of the above items are filed with the minutes of the Triborough Bridge and Tunnel Authority held this day.

7. **Adjournment**

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 10:45 a.m.

Respectfully submitted,

Julia R. Christ
For: Adana Savery
Assistant Secretary

Regular Board Meeting
MTA Capital Construction Company
2 Broadway
New York, NY 10004
Wednesday, February 27, 2019
9:00 AM

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. David Mack
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Norman E. Brown
Hon. Randolph Glucksman
Hon. John Samuelsen

The following members were absent:

Hon. David Jones
Hon. Scott Rechler

Patrick Foye, President, MTA, Veronique Hakim, Managing Director, MTA, Helene Fromm, Chief of Staff, MTA, Janno Lieber, Chief Development Officer, MTA and President, MTACC, Robert Foran, Chief Financial Officer, MTA, Thomas J. Quigley, General Counsel, MTA, Andrew Byford, President, NYCT, Phillip Eng, President, LIRR, Catherine Rinaldi, President, MNR, Daniel Decrescenzo, Acting President, TBTA, Darryl Irick, President, MTA Bus and Senior V.P., NYCT Department of Buses, and Robert Marino, Acting Vice President, Government and Community Relations, NYCT, Evan Eisland, Executive Vice President, General Counsel and Secretary, MTACC, and David Cannon, Vice President, 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.

Acting Chairman Ferrer called the meeting to order.

Public Comment Period

There were twenty public speakers, one of whom spoke on MTA Capital Construction matters.

Anthony Drummond read a statement from Brooklyn Borough President Eric. L. Adams expressing surprise and concern about the change of plans for the Canarsie Tunnel rehabilitation project. The details of those remarks and those of the other public speakers are contained in the minutes of the Regular Meeting of the Metropolitan Transportation Authority and in the minutes of the other Agencies of this date.

Acting Chairman's Remarks

Acting Chairman Ferrer requested a moment of silence for those that recently lost their lives when their vehicle was stuck on LIRR Tracks.

Acting Chairman Ferrer noted the resignation of Board Member Scott Rechler and thanked him for his good work, particularly with regard to the Construction Cost Containment Working Group.

Acting Chairman Ferrer welcomed new Board Member Sarah Feinberg and returning Board Member David Mack.

Acting Chairman Ferrer discussed the significant financial challenges facing the MTA. The details of those remarks are contained in the minutes of the Regular Meeting 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 January 24, 2019.

Board Member Zuckerman expressed concern that sometimes Board minutes refer to the audio and video recordings of the meetings for Board Member comments and other times they provide details of those comments. He expressed his preference for consistency and that Board Member comments be reflected in the meeting minutes.

Finance Committee

Action Item

Board Member Weisbrod noted that the concerns he raised at the February 23, 2019 Finance Committee Meeting regarding the Memorandum of Understanding for the widening of the Long Island Rail Road Concourse in Penn Station had been resolved.

Upon motion duly made and seconded, the Board:

Authorized MTA Capital Construction and the Long Island Rail Road to enter into a Memorandum of Understanding with One Penn Plaza, that will provide for widening of the Long Island Rail Road Concourse in Penn Station and a new entrance.

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

Procurement

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

Award of a modification to the Long Island Rail Road Contract GEC 6168A-02-01 to deliver 30% design and associated contract documents for a new entrance to the Long Island Rail Road Concourse in Penn Station, in the amount of \$4,500,000.

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

Long Island Rail Road Committee

Procurements

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

1. Award of a publicly advertised, competitively solicited zero dollar based public work contract (MC881A) to Sovereign Hydroseal LP to provide water infiltration mitigation services on an as-needed basis up to a not-to-exceed amount of \$10,000,000 and for a five-year period.
2. A modification to Contract 98-0040-01R, General Engineering Consultant Contract for the East Side Access Project for the continuation of Project Control and Project Management Services through December 31, 2019, in the amount of \$2,523,169.
3. A modification to Contract 98-0040-01R, General Engineering Consultant Contract for the East Side Access Project for the continuation of Construction Phase Services through December 31, 2019, in the amount of \$23,000,000.
4. A modification to Contract PS819, Consultant Contract Management Services for the East Side Access Project to extend the contract term through June 30, 2019 in the amount of \$10,500,000.
5. A modification to Contract CS179, Systems Facility Package No. 1 for the East Side Access Project to implement changes in the locations and quantities of Closed-Circuit Television System cameras, electronic access control card readers/keypads, and door contacts in the amount of \$1,728,157.
6. A modification to Contract CQ033, Mid-Day Storage Yard for the East Side Access Project for the installation of two catenary structures and associated installation and demolition work in the amount of \$1,130,000.

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 item:

A modification to Contract CM014B, GCT Concourse and Facilities Fit-Out for the East Side Access Project for the addition of a cable tray support system in the amount of \$1,320,058.

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

Adjournment

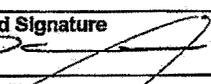
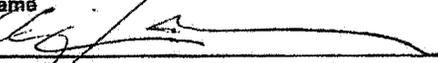
Upon motion duly made and seconded, the Board voted to adjourn the public meeting at 10:45 a.m.

Respectfully submitted,



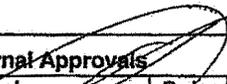
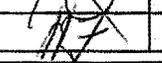
David K. Cannon
Assistant Secretary

Staff Summary

Subject 2018 Annual Procurement Report
Department MTA Business Service Center
Department Head Name Wael Hibri
Department Head Signature 
Division Head Name David N. Ross 

Date March 5, 2019
Vendor Name Various
Contract Number Various
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	3/25/19	X		
2	Board	3/27/19	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Chief Procurement Officer 	5	CFO 
2	Chief Compliance Officer 		
3	General Counsel 		
4	Chief of Staff 		

Purpose:

To authorize the filing with the State of New York of the annual MTA All-Agency Procurement report for the period January 1, 2018- December 31, 2018 as required under Section 2879 of the Public Authorities Law ("PAL").

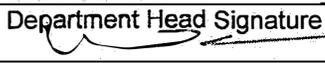
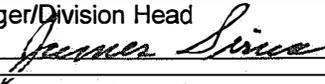
This report includes the following required material:

1. Contracts awarded with payments made in 2018 as prepared by each agency and
2. Contracts awarded prior to 2018 with payments made in 2018 as prepared by each agency.

The report, which is being submitted separately, conforms to the format/content requirements of both PAL Section 2879 as well as the Public Authorities Reporting Information System (PARIS) overseen by the New York State Independent Authorities Budget Office. Once approved by the Corporate Governance Committee, the All-Agency Procurement Guidelines will be attached to the report prior to filing, as required by PAL Section 2879.

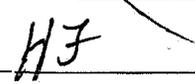
Many of the contracts on this list came before the Board during the course of the calendar year. The active contracts that were awarded prior to this calendar year were also included in the prior years' annual procurement reports, which have previously been reviewed by the Board.

Staff Summary

Subject MTA Prompt Payment Annual Report 2018
Department Business Service Center
Department Head Name Wael Hibri
Department Head Signature 
Project Manager/Division Head James Sirna 

Date February 14, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	3/25/19		X	
2	Board	3/27/19		X	

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

Purpose:

To report to the Board the compliance by the MTA Business Service Center with the New York State Prompt Payment Legislation.

Discussion:

The Prompt Payment Legislation, implemented in April, 1988 requires that the Authority must pay amounts due under its contracts within 30 days of the receipt of a proper invoice or the receipt of the goods or services, whichever is later. When payment of a proper invoice is delayed beyond the allotted time, the agency must pay interest at the rate set forth by the New York State Commission of Taxation and Finance which is currently at 10.0%, if such interest payment exceeds a ten dollars threshold.

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

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

For the current period, the total amount of prompt payment interest paid, Agency-wide is \$69,190 on a total invoice value paid of \$13,257,386,098. This is an increase in the amount of prompt payment interest compared to the 2017 amount paid of \$17,484. In 2018, the increased interest reflects a higher Prompt Payment Interest rate (9% in 2018 versus 8% in 2017) which is State mandated. The amount of interest paid relative to the gross amount of invoices paid remained constant.

The principal reason for the late payments is as follows:

- 1) Public works (Capital) related invoices are approved in a capital system outside of the PeopleSoft environment. On occasion (0.0855%) invoices are not remitted timely to PeopleSoft for payment.

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

Enclosed is a copy of the Annual Prompt Payment Report for 2018, which will be filed by the MTA in accordance with the legislation requirement.

**MTA AND CONSTITUENT AGENCIES
ANALYSIS OF 2018 TOTAL PAYMENTS**

AGENCY	TOTAL NUMBER OF INVOICES PAID	TOTAL VALUE OF INVOICES PAID	NUMBER OF INTEREST INVOICES PAID	VALUE OF INTEREST INVOICES PAID	PERCENTAGE FOR NUMBER OF INTEREST INVOICES PAID	PERCENTAGE FOR VALUE OF INTEREST INVOICES PAID
LIRR	68,240	727,033,886	-	-	0.0000%	0.0000%
MNR	51,850	668,560,391	-	-	0.0000%	0.0000%
MTA	47,938	7,830,844,705	41	69,190	0.0855%	0.0009%
LIB	1,072	7,289,751	-	-	0.0000%	0.0000%
NYCTA	236,787	3,582,838,744	-	-	0.0000%	0.0000%
SIRTOA	2,696	18,019,271	-	-	0.0000%	0.0000%
B & T	9,290	182,918,164	-	-	0.0000%	0.0000%
BUS	57,167	239,881,185	-	-	0.0000%	0.0000%
TOTALS	475,040	13,257,386,098	41	69,190	0.0086%	0.0005%

**MTA AND CONSTITUENT AGENCIES
ANALYSIS OF 2017 TOTAL PAYMENTS**

AGENCY	TOTAL NUMBER OF INVOICES PAID	TOTAL VALUE OF INVOICES PAID	NUMBER OF INTEREST INVOICES PAID	VALUE OF INTEREST INVOICES PAID	PERCENTAGE FOR NUMBER OF INTEREST INVOICES PAID	PERCENTAGE FOR VALUE OF INTEREST INVOICES PAID
LIRR	47,139	679,198,385	-	-	0.0000%	0.0000%
MNR	51,482	607,837,528	-	-	0.0000%	0.0000%
MTA	44,489	6,716,423,997	21	51,706	0.0472%	0.0008%
LIB	1,149	6,699,369	-	-	0.0000%	0.0000%
NYCTA	234,289	3,362,085,581	-	-	0.0000%	0.0000%
SIRTOA	2,579	27,589,397	-	-	0.0000%	0.0000%
B & T	10,144	168,201,620	-	-	0.0000%	0.0000%
BUS	59,890	237,990,118	-	-	0.0000%	0.0000%
TOTALS	451,161	11,806,025,995	21	51,706	0.0047%	0.0004%

**MTA AND CONSTITUENT AGENCIES
ANALYSIS OF 2016 TOTAL PAYMENTS**

AGENCY	TOTAL NUMBER OF INVOICES PAID	TOTAL VALUE OF INVOICES PAID	NUMBER OF INTEREST INVOICES PAID	VALUE OF INTEREST INVOICES PAID	PERCENTAGE FOR NUMBER OF INTEREST INVOICES PAID	PERCENTAGE FOR VALUE OF INTEREST INVOICES PAID
LIRR	67,488	614,110,700	-	-	0.0000%	0.0000%
MNR	55,411	627,515,338	-	-	0.0000%	0.0000%
MTA	41,985	5,869,943,547	21	57,514	0.0500%	0.0010%
LIB	1,463	9,282,799	-	-	0.0000%	0.0000%
NYCTA	445,629	3,254,522,929	-	-	0.0000%	0.0000%
SIRTOA	2,552	21,701,140	-	-	0.0000%	0.0000%
B & T	8,616	160,467,752	-	-	0.0000%	0.0000%
BUS	62,963	216,643,103	-	-	0.0000%	0.0000%
TOTALS	686,107	10,774,187,309	21	57,514	0.0031%	0.0005%

**MTA AND CONSTITUENT AGENCIES
ANALYSIS OF 2015 TOTAL PAYMENTS**

AGENCY	TOTAL NUMBER OF INVOICES PAID	TOTAL VALUE OF INVOICES PAID	NUMBER OF INTEREST INVOICES PAID	VALUE OF INTEREST INVOICES PAID	PERCENTAGE FOR NUMBER OF INTEREST INVOICES PAID	PERCENTAGE FOR VALUE OF INTEREST INVOICES PAID
LIRR	64,700	624,946,896	-	-	0.0000%	0.0000%
MNR	53,955	575,501,954	-	-	0.0000%	0.0000%
MTA	40,736	5,613,537,875	28	62,988	0.0687%	0.0011%
LIB	1,797	7,620,940	-	-	0.0000%	0.0000%
NYCTA	223,211	3,223,859,144	-	-	0.0000%	0.0000%
SIRTOA	2,623	14,587,833	-	-	0.0000%	0.0000%
B & T	8,917	156,970,014	-	-	0.0000%	0.0000%
BUS	69,024	195,617,416	-	-	0.0000%	0.0000%
TOTALS	464,963	10,412,642,072	28	62,988	0.0060%	0.0006%

**MTA AND CONSTITUENT AGENCIES
ANALYSIS OF 2014 TOTAL PAYMENTS**

	TOTAL	TOTAL	NUMBER OF	VALUE OF	PERCENTAGE	PERCENTAGE
	NUMBER OF	VALUE OF	INTEREST	INTEREST	FOR NUMBER	FOR VALUE
AGENCY	INVOICES PAID	INVOICES PAID	INVOICES PAID	INVOICES PAID	OF INTEREST	OF INTEREST
					INVOICES PAID	INVOICES PAID
LIRR	65,270	637,429,808	-	-	0.0000%	0.0000%
MNR	51,934	564,529,466	-	-	0.0000%	0.0000%
MTA	37,108	5,126,502,319	44	80,011	0.1186%	0.0016%
LIB	2,232	10,136,842	-	-	0.0000%	0.0000%
NYCTA	222,782	3,166,783,660	-	-	0.0000%	0.0000%
SIRTOA	2,903	13,704,655	-	-	0.0000%	0.0000%
B & T	9,400	159,047,875	-	-	0.0000%	0.0000%
BUS	62,233	182,398,455	-	-	0.0000%	0.0000%
TOTALS	453,862	9,860,533,080	44	80,011	0.0097%	0.0008%

**MTA AND CONSTITUENT AGENCIES
ANALYSIS OF 2013 TOTAL PAYMENTS**

	TOTAL	TOTAL	NUMBER OF	VALUE OF	PERCENTAGE	PERCENTAGE
	NUMBER OF	VALUE OF	INTEREST	INTEREST	FOR NUMBER	FOR VALUE
AGENCY	INVOICES PAID	INVOICES PAID	INVOICES PAID	INVOICES PAID	OF INTEREST	OF INTEREST
					INVOICES PAID	INVOICES PAID
LIRR	61,184	565,556,397	-	-	0.0000%	0.0000%
MNR	48,980	515,614,865	-	-	0.0000%	0.0000%
MTA	35,383	5,215,253,125	40	54,068	0.1130%	0.0010%
LIB	2,610	14,204,653	-	-	0.0000%	0.0000%
NYCTA	207,523	3,007,265,756	-	-	0.0000%	0.0000%
SIRTOA	2,793	15,391,092	-	-	0.0000%	0.0000%
B & T	8,548	101,980,089	-	-	0.0000%	0.0000%
BUS	53,481	172,748,169	-	-	0.0000%	0.0000%
TOTALS	420,502	9,608,014,147	40	54,068	0.0095%	0.0006%

**MTA AND CONSTITUENT AGENCIES
ANALYSIS OF 2012 TOTAL PAYMENTS**

AGENCY	TOTAL NUMBER OF INVOICES PAID	TOTAL VALUE OF INVOICES PAID	NUMBER OF INTEREST INVOICES PAID	VALUE OF INTEREST INVOICES PAID	PERCENTAGE FOR NUMBER OF INTEREST INVOICES PAID	PERCENTAGE FOR VALUE OF INTEREST INVOICES PAID
LIRR	58,585	545,055,919	-	-	0.0000%	0.0000%
MNR	50,241	516,797,806	-	-	0.0000%	0.0000%
MTA	34,096	5,337,984,957	106	103,204	0.3109%	0.0019%
LIB	4,333	15,885,627	-	-	0.0000%	0.0000%
NYCTA	192,630	2,792,783,178	1	11,106	0.0005%	0.0004%
SIRTOA	1,450	8,803,844	-	-	0.0000%	0.0000%
B & T	9,476	88,776,621	-	-	0.0000%	0.0000%
BUS	48,753	143,155,892	-	-	0.0000%	0.0000%
TOTALS	399,564	9,449,243,844	107	114,310	0.0268%	0.0012%

**MTA AND CONSTITUENT AGENCIES
ANALYSIS OF 2011 TOTAL PAYMENTS**

AGENCY	TOTAL NUMBER OF INVOICES PAID	TOTAL VALUE OF INVOICES PAID	NUMBER OF INTEREST INVOICES PAID	VALUE OF INTEREST INVOICES PAID	PERCENTAGE FOR NUMBER OF INTEREST INVOICES PAID	PERCENTAGE FOR VALUE OF INTEREST INVOICES PAID
LIRR	55,915	469,672,581	193	6,636	0.3452%	0.0014%
MNR	55,475	442,413,198	158	3,848	0.2848%	0.0009%
MTA	31,590	4,573,334,432	31	607	0.0981%	0.0000%
LIB	13,655	73,634,145	3	4.29	0.0220%	0.0000%
NYCTA	194,520	2,869,352,413	-	-	0.0000%	0.0000%
SIRTOA	455	581,052	-	-	0.0000%	0.0000%
B & T	9,238	95,215,104	57	1,650	0.6170%	0.0017%
BUS	49,284	115,563,716	28	18,424	0.0568%	0.0159%
TOTALS	410,132	8,639,766,641	470	31,170	0.1146%	0.0004%

**MTA AND CONSTITUENT AGENCIES
ANALYSIS OF 2010 TOTAL PAYMENTS**

AGENCY	TOTAL NUMBER OF INVOICES PAID	TOTAL VALUE OF INVOICES PAID	NUMBER OF INTEREST INVOICES PAID	VALUE OF INTEREST INVOICES PAID	PERCENTAGE FOR NUMBER OF INTEREST INVOICES PAID	PERCENTAGE FOR VALUE OF INTEREST INVOICES PAID
LIRR	52,031	1,057,285,548	56	5,970	0.1076%	0.0006%
MNR	65,880	359,061,186	-	-	0.0000%	0.0000%
MTA	35,209	5,371,540,551	6	369	0.0170%	0.0000%
LIB	13,475	52,716,872	71	2278	0.5269%	0.0043%
NYCTA	86,623	1,059,400,000	512	32,667	0.5911%	0.0031%
SIRTOA	2,147	15,334,580	-	-	0.0000%	0.0000%
B & T	12,776	466,311,223	1	1	0.0078%	0.0000%
TOTALS	268,141	8,381,649,960	646	41,285	0.2409%	0.0005%

PROCUREMENTS

The Procurement Agenda this month includes 11 actions for a proposed expenditure of \$1.3 B.

Staff Summary

Subject Request for Authorization to Award Various Procurements
Department MTA Business Service Center
Department Head Name Wael Hibri
Department Head Signature 
Division Head Name David N. Ross 

Date March 20, 2019
Vendor Name Various
Contract Number Various
Contract Manager Name Various
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	3/25/2019	X		
2	Board	3/27/2019	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 Majority Vote:

Schedule G: Miscellaneous Service Contracts

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule G: Miscellaneous Service Contracts	1	\$ 2,500,000
SUBTOTAL	1	\$ 2,500,000

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Two-Thirds Vote:

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

1 \$ 14,598,927

Schedules Requiring Majority Vote:

Schedule F: Personal Service Contracts

3 \$ 947,104,000

Schedule G: Miscellaneous Service Contracts

1 \$ 80,858,326

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

2 \$ 239,260,000

Schedule I: Modifications to Purchase and Public Works Contracts

2 \$ 4,910,805

SUBTOTAL 9 \$ 1,286,732,058

MTAHQ presents the following procurement actions for Ratifications

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions

1 \$ 17,900,000

SUBTOTAL 1 \$ 17,900,000

TOTAL 11 \$ 1,307,132,058

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 120 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 works 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.

MARCH 2019

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

G. Miscellaneous Service Contracts

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

- | | | | |
|----|---|--|---|
| 1. | <p>Cambridge Systematics, Inc.</p> <p>Development of Open Trip Planner Application</p> <p>Contract No. 90000000002960</p> <p>Non-competitively negotiated – 15 months</p> | <p>\$2,500,000</p> <p>(not-to-exceed)</p> | <p><u>Staff Summary Attached</u></p> |
|----|---|--|---|

Board approval is sought to award a non-competitive, miscellaneous service contract to Cambridge Systematics, Inc. (Cambridge) to continue the development of the Open Trip Planner (OTP) for the MyMTA application and for post-launch support efforts for the OTP. The total value of this 15-month contract is not-to-exceed \$2.5 million. This contract is being awarded on a sole-source basis because Cambridge has been involved in the development and enhancement of the new OTP since the inception of the project. Cambridge is uniquely qualified based upon work already completed with the launch of MyMTA. Cambridge has agreed to retain the rates as originally deemed fair and reasonable for the award of the Bus CIS contract. These rates are on average 13% lower than the current rates associated with Principal Engineers, Software Developers and QA Specialists for comparable services in other MTA HQ contracts. Based on the foregoing, the negotiated price not to exceed \$2,500,000 is considered fair and reasonable. A responsibility review of Cambridge conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Cambridge has been found to be responsible.

Staff Summary

Schedule G: Miscellaneous Service Contracts

Item Number: 1

Vendor Name (& Location): Cambridge Systematics, Inc.	Contract Number: 900000000002690	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description: Development of Open Trip Planner Application	Total Amount: \$2,500,000	
Contract Term (including Options, if any): 15 Months	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 IT/ Michael Moran	
Procurement Type: <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	Contract Manager: Nasir Ashfaq	
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other:		

DISCUSSION:

Board approval is sought to award a non-competitive, miscellaneous service contract to Cambridge Systematics, Inc. (Cambridge) to continue the development of the Open Trip Planner (OTP) for the MYmta application and for post-launch support efforts for the OTP. The total value of this 15-month (April 1, 2019 to June 30, 2020) contract is not-to-exceed \$2.5 million.

In September 2011, the Board approved a competitively negotiated, 76-month service agreement with Cambridge to provide a Bus customer information system (CIS). The CIS was to be comprised of hardware, Bus Time Software, networking and online services to support various applications used by customers via digital and mobile devices. Based on Cambridge’s successful implementation of the Bus Time Software, the same functionality was extended for use in the MYmta application, thus weaving Bus OTP, accessible trip planning, ADA station access, Elevator & Escalator Status, subway and commuter modes into a single application. OTP was successfully launched in the third quarter of 2018 and is used by nearly 1.1 million MTA customers daily to schedule trips based on live updates supported through CIS.

Cambridge has been involved in the development and enhancement of the new OTP since the inception of the project and is uniquely qualified based upon work already completed with the launch of MYmta, including MYmta application features used for trip planning by the Paratransit population. MYmta provides Paratransit trip planning that is especially complex due to the routing of vehicles to customer locations rather than the route basing trip planning associated with revenue service locations, including stations and bus stops. The lesser population, complexity and agency specific esoteric knowledge of ADA and accessible trip plan requirements and compliance explains why there is no other publicly available application that provides Paratransit information. Utilizing Cambridge for this phase of the project to provide accessible trip plans is the most cost-effective approach, reducing the cost and time needed for completion by eliminating knowledge transfer as compared to having another vendor complete and support a new application.

Cambridge rates were derived originally through a competitive process and are consistent with industry standards. They are comparable with or lower than current rates associated paid for comparable services on other MTAHQ contracts. Based on the foregoing, the negotiated price of \$2,500,000 (\$1.1 million for hosting and \$1.4 million for as needed professional services) is the same as the established rate under the previous Board-approved contract since early 2018 when the OTP was launched, and is therefore considered fair and reasonable.

The New York State established 0% MBE, 0% WBE and 0% SDVOB participation goals under this contract. The work under this contract will be funded from the MTAHQ operating budget.

A responsibility review of Cambridge conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Cambridge has been found to be responsible.

MARCH 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

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

- | | | | |
|----|---|--|--------------------------------------|
| 2. | IDSC Holdings LLC
d/b/a Snap-On Industrial
All-Agency Procurement of Maintenance,
Repair and Operating (MRO) Supplies &
Related Products and Services
Contract No. 11751-0200
Competitively negotiated – 3 proposals – 60 months | \$14,598,927
(not-to exceed) | <u>Staff Summary Attached</u> |
|----|---|--|--------------------------------------|

Board approval is sought to award the Proprietary Tools category of a competitively negotiated All-Agency Procurement of Maintenance, Repair and Operating Supplies to IDSC Holdings LLC. dba Snap-On Industrial (“Snap-On”) in the not-to-exceed amount of \$14,598,927, which includes a 10% contingency. The contract period is three years commencing May 1, 2019 with two one-year options to be exercised at MTA’s sole discretion. This action is the second category award being presented for approval. The first category was approved by the Board in December 2018. Additional category awards will be presented for Board approval following completion of negotiations. The MTA and its agencies have historically purchased Maintenance, Repair and Operating Supplies & Related Products and Services (collectively, MRO) products via a multitude of contracts. This all-agency RFP combines the volumes of the entire MTA and its agencies to achieve cost effective pricing, reduce administrative and overhead costs through the standardization of some commodities and through the use of e-commerce best practices for cataloguing, ordering and delivery systems. Following a competitive Request For Proposal process, The selection committee recommended award to Snap-On based on both price and their significant resources. Through negotiations, Snap-On’s original price of \$13,765,182 was reduced to \$13,271,752, for a savings of \$493,430 or about 3.6%. The contract provides pricing at levels provided for on a NY State OGS contract; these items account for over 99% of MTA expenditures in this category. Additionally, Snap-On guarantees that no client receives better pricing. Based on the above, the negotiated pricing is considered fair and reasonable. A responsibility review of Snap-On conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Snap-On has been found to be responsible.

MARCH 2019

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; \$250K Other Non-Competitive; \$1M Competitive.)

3. **A&D project at the MNR White Plains Station on the Harlem Line** – A&D to provide technical design, fabrication, crating, storage, delivery and oversight of installation of materials at the station specified below:

Competitively negotiated – 244 Proposals, 24 months.

- Barbara Takenaga, White Plains Station - MNR (Contract No. 900000000002984 - \$404,000)

4. **CaremarkPCS Health, LLC** **\$944,600,000** **Staff Summary Attached**
Pharmacy Benefits Manager (not-to-exceed)
Contract No. 0006000020
Competitively negotiated – 2 proposals – 36 months

Board approval is sought to award a contract to CaremarkPCS Health, LLC (CVS Health) for three years starting June 1, 2019. CVS Health will administer prescription drug benefits for eligible plan members from NYC Transit, MTA Bus, and SIRTOA. To award this contract, the Board is asked to declare the existence of an emergency, finding that formal competitive bidding is impractical and inappropriate for the award of this contract pursuant to Section 2879 of the New York Public Authorities Law, and is not required pursuant to Article III, Paragraph C of the All Agency Service Contract Procurement Guidelines. The emergency declaration is warranted because employee health and safety is vital to MTA operations and the public’s safety, and pharmaceutical benefits coverage is critical to meeting the workforce’s medical needs. The current provider of these benefits is Express Scripts, Inc. (ESI) through a contract that was awarded for three years with a one-year option beginning April 1, 2016. MTA has chosen not to exercise the full one-year option with ESI due to exceedingly high contract cost overruns. MTA’s dire financial condition makes avoiding such cost overruns critical, so immediate action was required. In order to have a replacement contract in place quickly, an emergency solicitation seeking an alternate provider of PBM services was issued to the two industry leading PBM providers, Optum Rx and CVS Health, both of which provided proposals. Following thorough review of the proposals, oral presentations and BAFO analysis, the Selection Committee ultimately recommended CVS Health for award. CVS Health was preferred technically based on the strength of its implementation plan, account management staff, and reporting capabilities. Given CVS Health’s technical preference and significant industry experience, coupled with its lower overall pricing for the combined plans, the Selection Committee unanimously recommended CVS Health for award. A responsibility review of CVS conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and CVS has been found to be responsible.

MARCH 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

- | | | | |
|-----------|--|--|--------------------------------------|
| 5. | Willdan Homeland Solutions
Security and Emergency
Management Training
Contract No. 15373
Competitively negotiated – 4 proposals – 36 months | \$2,100,000
(not-to-exceed) | <u>Staff Summary Attached</u> |
|-----------|--|--|--------------------------------------|

Board approval is sought to award a competitively negotiated personal service contract to Willdan Homeland Solutions (“Willdan”) for the design, development and delivery of security and emergency management training courses, workshops and exercises for MTA employees. The proposed contract term is thirty-six-months for a not to exceed amount of \$2,100,000. Following a competitive Request For Proposals process, Willdan was selected for award as the best qualified. Although Willdan was not the lowest cost proposer, their proposal was considered to be the best overall and, the pricing is found to be fair and reasonable. A responsibility review of Willdan conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Willdan has been found to be responsible.

MARCH 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

G. Miscellaneous Service Contracts

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

- | | | | |
|----|---|--|--------------------------------------|
| 6. | International Business Machines
Data Center Operations and
Maintenance Services
Contract No. 90000000002925
Competitively negotiated – 3 proposals – 84 months | \$80,858,326
(not-to-exceed) | <u>Staff Summary Attached</u> |
|----|---|--|--------------------------------------|

Board approval is sought to award a competitively negotiated miscellaneous service contract to International Business Machines (IBM) for Data Center Operations and Maintenance Services in the amount of \$80,858,326 for a period of seven (7) years (five-year base at \$62,970,008 and two one-year options for a combined \$17,888,318) starting on or about June 1, 2019. This new contract will provide continuous data center operations and maintenance services, provisions for the upgrade of existing processors, as well as maintenance and management of an additional third mainframe to support higher degree of availability for automated fare collection applications’ debit/credit functionality. Following a competitive Request For Proposal process, IBM was ultimately selected for award largely based on price. IBM’s proposal contained no transition costs and lower hourly labor rates. IBM’s BAFO is \$19.9 million or about 20% less than the internal estimate and about 22% less than the cost of 2018-2019 services. IBMs hourly labor rates average 22% lower than its competitor. The contract price is based on a fixed monthly fee in aggregate of service delivery components and account management, with the cost of mainframe processor and virtual tape system upgrades included. Based on the foregoing, the selection committee and the HQ Procurement consider IBM’s BAFO pricing to be fair and reasonable. A background check was performed on December 19, 2018 and IBM was found to be responsible notwithstanding Significant Adverse Information (SAI) pursuant to the All-agency Responsibility Guidelines. Such responsibility finding was approved by MTA Chairman/CEO in consultation with the MTA General Counsel on July 25, 2016. No new SAI has been found relating to IBM and IBM has been found to be responsible.

MARCH 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

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

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

7.	Express Scripts, Inc. Pharmacy Benefits Manager Contract No. 12057, Modification No. 2 Base Amount = \$728,490,000 Current Contract Value = \$728,490,000 Proposed New Contract Value = \$966,000,000	\$237,510,000 (not-to-exceed)	<u>Staff Summary Attached</u>
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Board approval is sought to extend a competitively negotiated contract with Express Scripts, Inc. (ESI) for two months, from April 1, 2019 through May 31, 2019. ESI will continue to administer prescription drug benefits for eligible plan members from NYC Transit, MTA Bus, SIRTOA and non-represented operating employees of NYCT. Transport Workers Union (TWU) Local 100 and Local 106, Amalgamated Transit Union (ATU) Local 726 and Local 1056, Subway Surface Supervisors Association (SSSA), represented employees of MTA Bus and SIRTOA, as well as NYC Transit non-represented operating employees are able to receive pharmacy benefits through this contract. In all, approximately 155,000 employees, retirees and their dependents are covered under this program. Annual market checks performed with the assistance of Aon assure that current market discounts and rebates are passed on to NYC Transit. The 2017 market check led to reductions in various pricing elements and fees, yielding \$28.1 million in avoided costs. Several factors contributed to an upward restatement of projected costs since the contract's inception. Most notably, compound drug spending exceeded what had been estimated in the base contract by \$83 million, the increase in covered employees and dependents raised costs by \$10 million, higher drug utilization drove costs up by \$64 million and the three-month deferment of the contract effective date raised expenditures by an additional \$25 million, which total \$182 million. The estimated cost of the two-month extension from April 1, 2019 through May 31, 2019 is an additional \$55.51 million. These factors increase the originally estimated amount of \$728.49 million to \$966 million. This two-month extension is requested to allow sufficient time for a transition of these services to a new PBM. In conjunction with this action, a separate request is being presented to the Board seeking approval of an award of a new PBM services contract starting June 1, 2019.

MARCH 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

8. **Eye-Med Vision Care LLC** **\$1,750,000** *Staff Summary Attached*
 Employee/Retiree Vision Benefits (not-to-exceed)
 Contract No. 11089-0100, Modification No. 5
 Base Amount = \$12,368,410
 Current Contract Value = \$18,603,410
 Proposed New Contract Value = \$20,353,410

Board approval is sought for an extension to a previously Board-approved, competitively negotiated, all-agency personal services contract with EyeMed Vision Care LLC (“EyeMed”) to provide vision benefits for non-represented employees and some represented employees and retirees. The modification extends the contract for a period of for six months ending September 30, 2019 for \$1,750,000 until a Request For Proposal (“RFP”) is completed for the replacement contract. The RFP will ensure the long-term price competitiveness of the plans while consolidating several vision contracts for represented employee plans that were previously negotiated separately. As part of the fair and reasonable determination, MTA asked Mercer to review the MTA vision plan’s emerging experience and, based on market trends and emerging experience, Mercer determined that the current contract rates are competitive when compared to the overall industry trends and projected increases of 2%. The estimated budget required for this extension is \$1,750,000, an amount necessary to cover the costs for employee and retiree vision benefits for the six-month extension. EyeMed agreed to keep the current rates unchanged for the duration of the extension. Based on the foregoing, MTA determined that the rates for the extension is fair and reasonable. A responsibility review of EyeMed conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and EyeMed has been found to be responsible.

MARCH 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

I. Modifications to Purchase and Public Work Contracts

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

9-10. Various	\$4,910,805	<u>Staff Summary Attached</u>
Furnish and Deliver Building		
	<small>(not-to-exceed)</small>	
Materials, Plumbing and Electrical Supplies		
Contract No. 08E9880, Modification No. 6		
Base Amount = \$40,317,831		
Current Contract Value = \$122,034,980		
Proposed New Contract Value = \$126,945,785		
a. Ozone Park Lumber		
b. Turtle & Hughes, Inc.		

To recommend that the Board: (i) approve an amendment to previous Board-approved, multi-agency, purchase contracts to add funding in the amount of \$2,821,209 for Ozone Park Lumber ('Ozone') to furnish building materials and plumbing supplies and \$2,089,596 for Turtle & Hughes, Inc. ('Turtle & Hughes'), a NYS certified Women-Owned Business Enterprise, to furnish and deliver electrical supplies, and; (ii) extend the contract period of performance for both contracts by four (4) months ending July 28, 2019. MTAHQ Procurement is currently conducting a new solicitation for Maintenance, Repair and Operations (MRO) supplies which includes general building materials, plumbing and electrical supplies categories. One category has already been awarded and an additional category is subject to Board approval this month. The proposed extension of 4 months will allow time to finalize negotiations in other categories that is taking longer than anticipated due to the addition of inventory items that were previously not included. The current unit prices, deemed fair and reasonable for award of the most recently approved contract modification, will remain unchanged for this extension. The total estimated cost of this extension is consistent with the rate of spend from previous years. Based on the foregoing, pricing for this extension is deemed fair and reasonable. A responsibility review of Ozone conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Ozone has been found to be responsible. In connection with the review of Turtle & Hughes' responsibility pursuant to the All-Agency Responsibility Guidelines, Turtle & Hughes was found to be responsible notwithstanding significant adverse information and the award of the modification is subject to the approval of such responsibility finding by the MTA Managing Director in consultation with the MTA General Counsel.

Staff Summary

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

Item Number: 2 Dept & Dept Head Name: Business Service Center – Wael Hibri Division & Division Head Name: Procurement – David N. Ross						SUMMARY INFORMATION Vendor Name: IDSC Holdings LLC. dba Snap-On Industrial Contract Number: 11751-0200 Description: All-Agency Procurement of Maintenance, Repair and Operating (MRO) Supplies & Related Products and Services Total Amount: \$14,598,927 Contract Term (including Options, if any): 36 months with two (2) 12 month options 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.	
Board Reviews							
Order	To	Date	Approval	Info	Other		
1	Finance	3/25/19	X				
2	Board	3/27/19	X				
Internal Approvals							
Order	Approval	Order	Approval				
1	Procurement <i>UB</i>	4	CFO <i>MS</i>				
2	DDCR <i>MS</i>						
3	Legal <i>TQ</i>						
Narrative							
<p>I. PURPOSE/RECOMMENDATION</p> <p>Board approval is sought to award the Proprietary Tools category of a competitively negotiated All-Agency Procurement of Maintenance, Repair and Operating Supplies to IDSC Holdings LLC. dba Snap-On Industrial (“Snap-On”) in the not-to-exceed amount of \$14,598,927, which includes a 10% contingency. The contract period is three years commencing May 1, 2019 with two one-year options to be exercised at MTA’s sole discretion. This action is the second category award being presented for approval. The first category was approved by the Board in December 2018. Additional category awards will be presented for Board approval following completion of negotiations.</p> <p>II. DISCUSSION</p> <p>The MTA and its agencies have historically purchased Maintenance, Repair and Operating Supplies & Related Products and Services (collectively, MRO) products via a multitude of contracts. This all-agency RFP combines the volumes of the entire MTA and its agencies to achieve cost effective pricing, reduce administrative and overhead costs through the standardization of some commodities and through the use of e-commerce best practices for cataloguing, ordering and delivery systems.</p> <p>A Request for Proposals (RFP) was publicly advertised and letters advising potential proposers of the RFP’s availability were sent to 127 firms including 23 M/WBE firms. Vendors were invited to submit proposals for any number of the following categories: Electrical, Material Handling, Building Supplies, Industrial Supplies, Security & Safety, Hand/Power Tools (subcategories: Hilti Proprietary Items and Snap-On Proprietary Items), Fluid Power, Hardware. Proposers were required to provide all product requirements, either with the same or functionally equivalent items within each category. In all, twelve proposals were received for the 11 categories with between 2 to 7 proposals in each. Three proposals were received for the category that is the subject of this Staff Summary, the Snap-On Proprietary Items category.</p> <p>A single selection committee was used for all categories and it included representatives from NYCT, LIRR, MTAHQ, MNR, and MTA Bus. The evaluation criteria included: capabilities, experience, cost, and diversity. Proposals for the Snap-On Proprietary Items category were received from Snap-On, Colonial Hardware Corp., and Fastenal Company. All three firms were considered technically qualified and proceeded to negotiations. Fastenal’s and Colonial’s cost proposals were 34% and 6% higher than the MTA’s estimate respectively, and both decided not to submit BAFOs because they could not provide competitive pricing. The selection committee recommended award to Snap-On based on both price and their significant resources.</p>							

Staff Summary

A responsibility review of Snap-On conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Snap-On has been found to be responsible.

MTA estimated the value of this category to be \$14,102,056 based on current usage. Through negotiations, Snap-On's original price of \$13,765,182 was reduced to \$13,271,752, for a savings of \$493,430 or about 3.6%. The contract provides pricing at levels provided for on a NY State OGS contract; these items account for over 99% of MTA expenditures in this category. Additionally, Snap-On guarantees that no client receives better pricing. Based on the above, the negotiated pricing is considered fair and reasonable.

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights (DDCR) has established 15%MBE and 15%WBE goals on this contract. IDSC Holdings LLC, dba Snap-On Industrial, Inc. has requested a total waiver of the M/WBE goals due to the lack of subcontracting opportunities, but has demonstrated good faith effort towards meeting these goals. Snap-On has not completed any MTA contracts with MWDBE 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 is \$14,598,927 for Snap-On and will be funded by various agencies' operating budgets.

V. ALTERNATIVES

Procure MRO supplies and services on an as-needed basis. This alternative is not recommended as it would result in an opportunity lost for the MTA to improve buying efficiencies and identify potential cost savings.

Staff Summary

Schedule F: Personal Service Contracts



Item Number: 4						SUMMARY INFORMATION	
Dept & Dept Head Name: NYC Transit, Human Resources, Patricia Lodge						Vendor Name: CaremarkPCS Health, LLC	
Division & Division Head Name: NYC Transit, Office of Employee Benefits, James Masella						Contract Number: 0006000020	
Board Reviews						Description: Pharmacy Benefits Manager (PBM)	
Order	To	Date	Approval	Info	Other	Total Amount: \$944,600,000	
1	Finance	3/25/19	X			Contract Term (including Options, if any): Thirty-Six (36) months	
2	Board	3/27/19	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 type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Order	Approval	Order	Approval	Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Informal Competition			
1	Procurement	4	DDCR <i>on MB</i>	Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:			
2	Human Resources	5	Legal <i>7Q</i>				
3	CFO						

Narrative

I. PURPOSE/RECOMMENDATION

Board approval is sought to award a contract to CaremarkPCS Health, LLC (CVS Health) for three years starting June 1, 2019. CVS Health will administer prescription drug benefits for eligible plan members from NYC Transit, MTA Bus, and SIRTOA. To award this contract, the Board is asked to declare the existence of an emergency, finding that formal competitive bidding is impractical and inappropriate for the award of this contract pursuant to Section 2879 of the New York Public Authorities Law, and is not required pursuant to Article III, Paragraph C of the All Agency Service Contract Procurement Guidelines.

II. DISCUSSION

Pharmacy Benefit Managers (PBMs) are third party administrators of prescription drug programs and are primarily responsible for processing and paying prescription drug claims. By aggregating prescription drug purchases, PBMs can negotiate favorable rebates and discounts on behalf of their clients. Transport Workers Union (TWU) Local 100 and Local 106, Amalgamated Transit Union (ATU) Local 726 and Local 1056, Subway Surface Supervisors Association (SSSA), represented employees of MTA Bus and SIRTOA, as well as NYC Transit operating employees are able to receive pharmacy benefits through this contract. In all, approximately 155,000 employees, retirees and their dependents are covered under this program.

The current provider of these benefits is Express Scripts, Inc. (ESI) through a contract that was awarded for three years with a one-year option beginning April 1, 2016. MTA has chosen not to exercise the full one-year option with ESI due to exceedingly high contract cost overruns. MTA's dire financial condition makes avoiding such cost overruns critical, so immediate action was required.

In order to have a replacement contract in place quickly, an emergency solicitation seeking an alternate provider of PBM services was issued pursuant to the All Agency General Contract Procurement Guidelines Article III. Section B 1. Emergency. The emergency declaration is warranted because employee health and safety is vital to MTA operations and the public's safety, and pharmaceutical benefits coverage is critical to meeting the workforce's medical needs.

In conjunction with this action, a separate request is being presented to the Board seeking approval of a 2-month extension of the ESI agreement until May 31, 2019. The extension is necessary to allow for an orderly transition to CVS Health.

The proposed contract consists of two plans. A commercial plan serves primarily members who are not eligible for Medicare and an Employer Group Waiver Plan (EGWP) serves Medicare-eligible members, taking advantage of financial incentives for employers that are made available through the Affordable Care Act.

A solicitation seeking a continuation of these services for three years was issued to the two industry leading PBM providers, Optum Rx and CVS Health, both of which provided proposals. A selection committee was assembled with personnel from NYC Transit Human Resources Office of Employee Benefits, NYC Transit Office of Management and Budget and the MTA Business Service Center (Selection Committee). The proposers were evaluated based on the proposer's experience with similar accounts; experience and expertise in maintaining a large network of retail pharmacies; mail order program and specialty pharmacy program; ability to match currently utilized pharmacies and plan design; administrative and reporting capabilities; network access; customer services programs and clinical programs; strength of the implementation plan; proposed account management resources; and cost.

MTA was assisted by AON. AON prepared solicitation documents, financial modeling and pricing analysis, as well as other support services. AON additionally performed an analysis of disruption to plan members under each proposal due to: (1) changes in co-pays associated with difference in formularies; and (2) members geographic proximity to network pharmacies. In support of the review and analysis of the proposals, AON utilized its proprietary financial model to evaluate the detailed pricing provided by the proposers and to project the net plan costs over three years.

Using its proprietary financial model, AON evaluated BAFO pricing of both proposers for the commercial and EGWP plans. The total three year estimated costs, net of guaranteed rebates and EGWP revenue, are \$944.6 million for CVS Health and \$967.6 million for Optum RX. AON's analysis projects that the net plan cost for the first year under the new contract will be about \$28 million or 11.4% less than costs net of guaranteed rebates and EGWP revenue under the current PBM contract's remaining option year. Accordingly, the final price has been found to be fair and reasonable based on both price competition and comparison with current contract pricing. We also note that direct administrative fees account for less than 1% of the cost of the new PBM contract.

Following thorough review of the proposals, oral presentations and BAFO analysis, the Selection Committee ultimately recommended CVS Health for award. CVS Health was preferred technically based on the strength of its implementation plan, account management staff, and reporting capabilities. Given CVS Health's technical preference and significant industry experience, coupled with its lower overall pricing for the combined plans, the Selection Committee unanimously recommended CVS Health for award.

A responsibility review of CVS Health conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and CVS Health has been found to be responsible.

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights (DDCR) did not assign MWBE goals to this contract. Employee medical benefits are exempted from goals per the 2018-2019 All Agency Goal Plan contract due to confidentiality and lack MWBE availability.

IV. IMPACT ON FUNDING

Funding is included in NYC Transit's Operating Budget.

V. ALTERNATIVES

None recommended.

Staff Summary

Schedule F: Personal Service Contracts



Item Number: 5						SUMMARY INFORMATION	
Dept & Dept Head Name: Department of Police/Security -Owen Monaghan						Vendor Name: Willdan Homeland Solutions	
Division & Division Head Name: Security Division - Anthony Mercogliano						Contract Number: 15373	
Board Reviews						Description: Security and Emergency Management Training	
Order	To	Date	Approval	Info	Other	Total Amount: \$2,100,000	
1	Finance	3/25/19	x			Contract Term (including Options, if any): Thirty-Six (36) months	
2	Board	3/27/19	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 <i>MB</i>	Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:			
2	Security	5	Legal <i>7Q</i>				
3	CFO						

Narrative

I. PURPOSE/RECOMMENDATION

Board approval is sought to award a competitively negotiated personal service contract to Willdan Homeland Solutions ("Willdan") for the design, development and delivery of security and emergency management training courses, workshops and exercises for MTA employees. The proposed contract term is thirty-six-months for a not to exceed amount of \$2,100,000.

II. DISCUSSION

Since 2007, the MTA has engaged an external service provider for terrorism and emergency response training for employees of NYC Transit, MTA Bus, Long Island Rail Road, Metro-North Railroad, and the Staten Island Railway. This "First Line of Defense" training prepares employees to prevent or mitigate the impact of a terrorist attack from occurring by recognizing behaviors and situations that may be components of attack planning, and to react to those situations. The training has been done in phases with Phase V of the counterterrorism training beginning in September of 2017. Each phase takes up to two years to deliver to 36,000 front line personnel, including train operators, bus operators, conductors, station personnel, cleaners, Maintenance-Of-Way personnel, Rail Control Center personnel, dispatchers, and supervisors. The most recent contract for these services expired February 28, 2019.

A request for proposals ("RFP") seeking a continuation of these services for three years was publicly advertised and letters advising potential proposers of the RFP's availability were distributed to twenty-five (25) firms, including four certified DBE firms. The selection committee was comprised of personnel from MTAHQ Office of Security; LIRR - Safety Training; NYCT - Office of the President. The evaluation criteria were program design, program delivery, project scheduling, responsiveness to requirements of the RFP and cost.

Four proposals were received but only two were deemed to be technically qualified (Willdan Homeland Solutions and Kenjya Trusant Group, "KTG"). The other two were not fully responsive to the RFP requirements; one provider would not fulfill the required half day schedule specified in the RFP and the other relied too heavily on computer based training vis-à-vis live/interactive training.

The committee ultimately found Willdan, the incumbent, to be the best qualified. Willdan demonstrated a greater understanding of the MTA's needs by submitting a complete Phase VI curriculum that included modules on observational skills, behavioral analysis, active shooter, and responding to both single event and complex coordinated terrorist attacks. The lesson plan aligns with the MTA's ongoing "First Line of Defense" training, and offered experienced NYC NYPD instructors who have responded to emergencies in the MTA systems during their careers. Willdan will provide a full-time delivery coordinator and requires no ramp-up period, thus allowing for a seamless transition to Phase VI of MTA's training program. KTG did not offer immediate full time presence in the metropolitan area.

Two types of pricing were provided: fixed cost for training (approximately 85% of total contract costs) and time and material rates for design and development of the new Phase VI training module. Willdan originally proposed half-day training classes at \$870 but negotiations reduced that to \$610. The cost for a full-day training classes was similarly reduced from \$1,540 to \$1,140. These fees are 23% and 18% lower than prices under the previous contract respectively. Although KTG class fixed fees were 35% lower than Willdan, Willdan proposed a full time "delivery coordinator" who would attend all class scheduling meetings with MTA agencies, an included service that is necessary to manage the over 120 course deliveries per month. In contrast, KTG made no provision for scheduling classes and offered no full-time presence in the metropolitan area. Willdan's estimate for design and development of the next/new phase is \$300,000, 11% less than MTA's in-house estimate. Although Willdan was not the lowest cost proposer, their proposal was considered to be the best overall and, based on the foregoing, the pricing is found to be fair and reasonable.

A responsibility review of Willdan conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Willdan has been found to be responsible.

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights (DDCR) has established a DBE goal of 20% for this contract. Willdan has submitted a utilization plan achieving DBE participation of 30%. Willdan exceeded the goal of 17% on the previous contract.

IV. IMPACT ON FUNDING

Funding will be provided through MTA Office of Security Near Term funding. This contract was federalized to reserve the ability use federal funding if a financial assistance contract is approved by the US Department of Homeland Security.

V. ALTERNATIVES

Use of in-house staff. This alternative is not feasible. The MTA does not have the available staff to deliver this technical information and training to over 36,000 personnel.

Do not provide services. This is not a recommended alternative. MTA employees must be trained in these areas to protect themselves, our customers, and the system infrastructure. Additionally, in response to recommendations of the 9/11 Commission Report, the Transit Security Administration is in the process of promulgating training standards that will make this training mandatory.

Staff Summary

Schedule G: Miscellaneous Service Contracts

Item Number: 6

Vendor Name (& Location): International Business Machines (IBM)	Contract Number: 90000000002925	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description: Data Center Operations and Maintenance Services	Total Amount:	\$80,858,326
Contract Term (including Options, if any): June 1, 2019 – May 31, 2026	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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Requesting Dept/Div & Dept/Div Head Name: MTA IT/Data Center Operations & Mike Moran/Russell Entin	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Contract Manager: Danny Yong	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		

PURPOSE

Board approval is sought to award a competitively negotiated miscellaneous service contract to International Business Machines (IBM) for Data Center Operations and Maintenance Services in the amount of \$80,858,326 for a period of seven (7) years (five-year base at \$62,970,008 and two one-year options for a combined \$17,888,318) starting on or about June 1, 2019.

BACKGROUND

In February 2005, the MTA Board approved a contract with IBM for Data Center services and said contract ends May 31, 2019. The current Data Center services include mainframe and midrange server processing for NYCT, Business Service Center (BSC), Headquarters, Bridges and Tunnels, Long Island Rail Road (LIRR) and Metro-North Railroad (MNR). The production mainframe environment runs NYCT's Automated Fare Collection (AFC) MetroCard application, TALON logistics application, MaBSTOA Pension Payroll Administration and Loan applications, MaBSTOA Family Court applications, and its Capital Program Management CPICS application. The same production environment also run the LIRR Safety System application and MNRs Crew Management application. The Data Center also houses MTA's midrange environment for BSC PeopleSoft applications including payroll, financial, and human resource applications that serve all MTA Agencies. The MTA's mainframe disaster recovery environment is hosted by IBM at its Sterling Forest, NY Data Center, and IBM currently maintains MTA-owned midrange disaster recovery environment co-located at the Albany Nanoscale Science and Engineering Center.

This new contract will provide continuous data center operations and maintenance services, provisions for the upgrade of existing processors, as well as maintenance and management of an additional third mainframe to support higher degree of availability for automated fare collection applications' debit/credit functionality.

PROCUREMENT PROCESS

A Request for Proposal (RFP) was publicly advertised and sent to 76 firms, 14 of which were MWBE firms. Selection criteria included 1) evaluation of a proposer's technical expertise and qualifications of key personnel to meet RFP requirements such as but not limited to Service Level Agreement; 2) solution flexibility to scale for Data Center environment changes; 3) successful demonstration of prior relevant experience; 4) transition and implementation timeline and approach; 5) cost; and 6) diversity practices. The Selection Committee was comprised of representatives from MTA IT Data Center Operations, Infrastructure and Enterprise Application Technology. Proposals were received from IBM, Ensono and CenturyLink.

CenturyLink was removed from consideration prior to negotiations because it was determined that they do not have in-house mainframe expertise and, instead, they rely on a subcontractor to fulfill mainframe support. CenturyLink also failed to demonstrate how data center infrastructure management fits within their overall business and/or how it is a core competency. Since these responsibilities represent most of the RFP requirements, this was viewed as unacceptable. Additionally, CenturyLink's proposed changes to the contract terms and conditions and Service Level Agreement (SLA) were problematic.

The Selection Committee determined Ensono and IBM to be technically qualified and negotiations were conducted with each firm. In both cases, negotiations sought to assure compliance to SLAs and comparability of staffing models, transition plans, urgent support capabilities, software management, mainframe upgrades and reliability. Pricing forms were also adjusted, assuring that comparisons were based on similarly viable proposals and to reflect MTA’s expected service delivery and performance.

	Original Proposal (with 3rd mainframe)	BAFO (with 3rd mainframe)
CenturyLink	\$ 60,770,693.00	N/A
Ensono	\$ 90,102,077.00	\$ 82,408,015.00
IBM	\$ 102,985,448.00	\$ 80,858,326.00

The Selection Committee recommended IBM for award, finding that both IBM and Ensono were considered technically competent and, hence, the selection was largely based on price. IBM’s proposal contained no transition costs and lower hourly labor rates. Moreover, while IBM was able to provide a labor cost breakdown on the cost categories in the RFP Price Schedule, Ensono would not provide a similar breakdown because of how its pricing model is constructed.

IBM’s BAFO is \$19.9 million or about 20% less than the internal estimate and about 22% less than the cost of 2018-2019 services. IBMs hourly labor rates average 22% lower than Ensono’s. The contract price is based on a fixed monthly fee in aggregate of service delivery components and account management, with the cost of mainframe processor and virtual tape system upgrades included. Based on the foregoing, the selection committee and the HQ Procurement consider IBM’s BAFO pricing to be fair and reasonable.

In connection with a previous contract awarded to the Contractor, the Contractor was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines, and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel on July 25, 2016. No new SAI has been found relating to the Contractor and the Contractor has been found to be responsible.

M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights (DDCR) established 15% MBE, 15% WBE and 6% SDVOB goals on this contract. In the past, MTA DDCR assigned zero goals for Data Center Services however, as an effort to expand opportunities for M/WBEs and SDVOBs in this category, goals were assigned. In lieu of a waiver, IBM agreed to exercise good faith efforts to incorporate the utilization of NYS certified firms during the course of the contract for non-core incidental services, staff augmentation, consulting services and/or OEM infrastructure and software procurements, as needed. DDCR will work closely with IBM to monitor its M/WBE subcontracting participation.

IMPACT OF FUNDING

The total cost of this contract over seven years is \$80,858,326. It will be funded by MTA IT Operating budget.

ALTERNATIVES

1. Do not approve the Award of the Contract. This alternative is not feasible and will put in jeopardy the critical applications that run on the mainframe and midrange data center environments. Additionally, the only option is to further extend the current contract with IBM which does not capitalize on the cost and other efficiencies of this new contract.
2. Perform the Services In-house. This is not feasible as MTA does not possess the requisite staff or expertise to perform the full scope of operating and maintaining the data center.

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: 7

Page 1 of 1

Vendor Name (& Location): Express Scripts, Inc. (St. Louis, MO)	Contract Number: 12057	AWO/Modification # 2
Description: Pharmacy Benefits Manager (PBM)	Original Amount:	\$728,490,000
Contract Term (including Options, if any): Three years, with a one-year option	Prior Modifications:	\$0
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	\$0
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$728,490,000
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request:	\$237,510,000
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	33%
Requesting Dept/Div & Dept/Div Head Name: NYCT Employee Benefits, Asst. Vice President/James Masella	% of Modifications (including This Request) to Original Amount:	33%

PURPOSE:

Board approval is sought to extend a competitively negotiated contract with Express Scripts, Inc. (ESI) for two months, from April 1, 2019 through May 31, 2019. ESI will continue to administer prescription drug benefits for eligible plan members from NYC Transit, MTA Bus, SIRTOA and non-represented operating employees of NYCT.

DISCUSSION:

In September 2015, the Board approved a three-year contract with ESI in the estimated amount of \$728.49 million. While the Board approved the award of this contract effective January 1, 2016, project management elected to defer its use by three months to ensure a smooth transition from the previous prescription benefits manager (PBM).

PBMs such as ESI are third party administrators of prescription drug programs, which includes the responsibility for processing and paying prescription drug claims. By aggregating prescription drug purchases, PBMs negotiate rebates and discounts on behalf of their clients. Transport Workers Union (TWU) Local 100 and Local 106, Amalgamated Transit Union (ATU) Local 726 and Local 1056, Subway Surface Supervisors Association (SSSA), represented employees of MTA Bus and SIRTOA, as well as NYC Transit non-represented operating employees are able to receive pharmacy benefits through this contract. In all, approximately 155,000 employees, retirees and their dependents are covered under this program.

Annual market checks performed with the assistance of Aon assure that current market discounts and rebates are passed on to NYC Transit. The 2017 market check led to reductions in various pricing elements and fees, yielding \$28.1 million in avoided costs.

The abovementioned reductions notwithstanding, several factors contributed to an upward restatement of projected costs since the contract's inception. Most notably, compound drug spending exceeded what had been estimated in the base contract by \$83 million, the increase in covered employees and dependents raised costs by \$10 million, higher drug utilization drove costs up by \$64 million and the three-month deferment of the contract effective date raised expenditures by an additional \$25 million, which total \$182 million. The estimated cost of the two-month extension from April 1, 2019 through May 31, 2019 is an additional \$55.51 million. These factors increase the originally estimated amount of \$728.49 million to \$966 million.

This two-month extension is requested to allow sufficient time for a transition of these services to a new PBM.

In conjunction with this action, a separate request is being presented to the Board seeking approval of an award of a new PBM services contract starting June 1, 2019.

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: **8**

Page 1 of 1

Vendor Name (& Location): EyeMed Vision Care LLC	Contract Number: 11089-0100	AWO/Modification # 5
Description: Employee/Retiree vision benefits	Original Amount:	\$12,368,410
Contract Term (including Options, if any): 84 months	Prior Modifications:	Not Applicable
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Prior Budgetary Increases:	\$6,235,000
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$18,603,410
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request:	\$1,750,000
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	9.4%
Requesting Dept./Div. & Dept./Div. Head Name: MTAHQ Human Resources Benefits, Helen Duddy	% of Modifications (including This Request) to Original Amount:	64.5%

DISCUSSION:

Board approval is sought for an extension to a previously Board-approved, competitively negotiated, all-agency personal services contract with EyeMed Vision Care LLC (“EyeMed”) to provide vision benefits for non-represented employees and some represented employees and retirees. The modification amends the contract to extend it for a period of for six months ending September 30, 2019. During this period additional funding in the amount of \$1,750,000 is needed to continue to provide vision benefits until a Request For Proposal is completed for the replacement contract.

Currently, EyeMed Vision Care LLC provides vision benefits to non-represented employees, retirees and certain represented employees and eligible dependents. Over 40,000 employees and retirees participate and coverage extends to eligible dependents of active employees and retirees. The MTA subsidizes the full cost of vision plans but participants are responsible for co-payments, non-participating provider charges and for services that are not covered by the insurance programs.

The MTA is conducting a Vision Benefits RFP for a replacement contract. The RFP will ensure the long-term price competitiveness of the plans while consolidating of several vision contracts for represented employee plans that were previously negotiated separately. Due to the complexity of the plans and the consolidation of contracts and vendors, the completion of the RFP process and transition is expected to require an additional six (6) months.

As part of the fair and reasonable determination, MTA has asked Mercer to review the MTA vision plan’s emerging experience and, based on market trends and emerging experience, Mercer determined that the current contract rates are competitive when compared to the overall industry trends and projected increases of 2%.

The estimated budget requirements for this extension will be \$1,750,000, an amount necessary to cover cost for employee and retiree vision benefits for the requested six-month extension. EyeMed agreed to keep the current rates unchanged for the duration of the extension. Based on Mercer Consulting’s estimated industry-wide increase of 2%, and the review of MTA’s emerging claims experience, MTA determined that the current rates are fair and reasonable.

A responsibility review of EyeMed conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and EyeMed has been found to be responsible.

Staff Summary

Schedule I: Modifications to Purchase and Public Work Contracts

Item Number: **9-10**

Page 1 of 1

Vendor Name (& Location): Ozone Park Lumber (South Ozone Park, NY) Turtle & Hughes, Inc. (Commack, NY)	Contract Number: 08E9880	AWO/Modification # 6
Description: Furnish and deliver building materials, plumbing and electrical supplies	Original Amount: \$40,317,831 \$20,451,536 (Ozone) \$19,866,295 (T&H)	
Contract Term (including Options, if any): September 1, 2011 – July 28, 2019	Prior Modifications: \$81,717,149 \$47,274,531 (Ozone) \$34,442,618 (Turtle & Hughes)	
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: \$122,034,980	
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request: \$4,910,805	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount: 4.02%	
Requesting Dept/Div & Dept/Div Head Name: MTAHQ Procurement, Wael Hibri, Sr. Director, MTA BSC	% of Modifications (including This Request) to Original Amount: 214.86%	

DISCUSSION:

To recommend that the Board: (i) approve an amendment to previous Board-approved, multi-agency, purchase contracts to add funding in the amount of \$2,821,209 for Ozone Park Lumber ('Ozone') to furnish building materials and plumbing supplies and \$2,089,596 for Turtle & Hughes, Inc. ('Turtle & Hughes'), a NYS certified Women-Owned Business Enterprise, to furnish and deliver electrical supplies, and; (ii) extend the contract period of performance for both contracts by four (4) months ending July 28, 2019.

The Board approved award of two multi-agency competitively procured as-needed contracts in June 2011 for general building materials, plumbing and electrical supplies, obviating the need for storing and handling of these materials as inventory items by providing direct delivery to work locations. These contracts support NYCT, MTA Bus, SIRTOA, Metro North Railroad and B&T worksites.

Two subsequent modifications updated the Producer Price Index, added funding for a series of unforeseen Infrastructure/Capital Construction projects and emergencies, such as the installation of the Public Address Customer Information Systems at 43 subway stations after storms such as Irene and Sandy, and reduced the contract's mark up to a lower percentage. Three modifications were issued to extend the contracts a total of 31 months.

MTAHQ Procurement is currently conducting a new solicitation for Maintenance, Repair and Operations (MRO) supplies which includes general building materials, plumbing and electrical supplies categories. One category has already been awarded and an additional category is subject to Board approval this month. The proposed extension of 4 months will allow time to finalize negotiations in other categories that is taking longer than anticipated due to the addition of inventory items that were previously not included.

The current unit prices, deemed fair and reasonable for award of the most recently approved contract modification, will remain unchanged for this extension. The total estimated cost of this extension is consistent with the rate of spend from previous years. Based on the foregoing, pricing for this extension is deemed fair and reasonable.

A responsibility review of Ozone conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Ozone has been found to be responsible. In connection with the review of Turtle & Hughes' responsibility pursuant to the All-Agency Responsibility Guidelines, Turtle & Hughes was found to be responsible notwithstanding significant adverse information and the award of the modification is subject to the approval of such responsibility finding by the MTA Managing Director in consultation with the MTA General Counsel.

MARCH 2019

LIST OF RATIFICATIONS FOR BOARD APPROVAL

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.)

- | | | | |
|------------|--|---|--------------------------------------|
| 11. | LK Comstock & Company, Inc.
Executive Order 168 | \$17,900,000
(not-to-exceed) | <u>Staff Summary Attached</u> |
|------------|--|---|--------------------------------------|

This is a request that the Board ratify one procurement action awarded pursuant to Executive Order 168 (EO 168) and its extensions. The total estimated value for this action is \$17,900,000. This action is for NYC Transit. The action was found to be fair and reasonable.

Staff Summary

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

Vendor Name (& Location): LK Comstock & Co., Inc. (East Farmingdale, NY)
Description: Ratification of Executive Order 168 Action
Contract Term (including Options, if any): 12 months
Option(s) included in Total <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive <input type="checkbox"/> Various
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Informal Competition
Approval
Office of the Chairman

Contract Number: S-32463	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$ 17,900,000
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: Senior Director, Wael Hibri	
Contract Manager: Chief Procurement Officer, David N. Ross	

PURPOSE:

This is a request that the Board ratify a procurement action 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 action listed below was 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 action listed below is being submitted to the Board for ratification. The total estimated value for the action is \$17,900,000. The action is for NYC Transit; it was found to be fair and reasonable.

Agency	Award Date	Contractor	Description	Contract Number	Contract Amount	Solicitation Method
NYC Transit	03/1/2019	L.K. Comstock & Company, Inc. (East Farmingdale, NY)	Modernization of Signal Stops, Airlines and Cable Replacement – Various locations in the Boroughs of the Bronx, Manhattan, Brooklyn and Queens	S-32463	\$17,900,000 (Est)	Informal-Competition

Discussion:

This procurement advances the Subway Action Plan's Signal Maintenance Initiative by improving subway signal reliability. As part of the Subway Action Plan's on-going efforts to improve subway service, Maintenance of Way Subways, Signals Department outlined a series of locations requiring replacement of the Signal Stops, Signal Airlines

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

and Signal Cables. This project involves the replacement of 135 signal stops, replacement of 103 signal airlines and replacement of 78 signal cables at various locations throughout the subway system over a twelve (12) month duration. Disruptions due to worn signal cables, airline ruptures, and aging signal stops often result in service delays because of the impact on switches and signals.

In early December 2018, an outreach conference and a site tour were held for contractors who have performed work on similar projects. Subsequently, interested firms were invited to submit proposals and make recommendations on their best approach to facilitate the work. Proposals were received from L.K. Comstock, Inc. (“Comstock”); TC Electric, LLC (“TC”); and Haugland Energy, LLC (“Haugland”). Other experienced firms decided against submitting a proposal due to other factors including their own workloads. The selection committee performed the ranking of each proposer utilizing the established evaluation criteria. Comstock and TC were identified as meeting or exceeding the evaluation criteria and were unanimously recommended for further consideration. Haugland was not considered for further consideration as they lacked the relevant experience on similar projects. Negotiations were held with both Comstock and TC. Best and Final proposals were received from Comstock in the amount of \$17.9M and from TC in the amount of \$18.8M. Comstock and TC were both technically strong with Comstock ranked slightly higher. The decision to award to Comstock was based on the technical evaluation and more favorable pricing, which was 5% lower than TC’s. Accordingly, the overall cost is considered fair and reasonable. The work is forecast to be completed by March 2020.

In connection with a previous contract awarded to Comstock, Comstock was found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in February 2016. No new SAI has been found relating to Comstock and Comstock has been found to be responsible.

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MARCH 2019
MTA REAL ESTATE
LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

MTA METRO-NORTH RAILROAD

Lease with The Good Witch LLC for a coffee bar and bakery/café at the Hastings-on-Hudson station building in Hastings-on-Hudson, NY

License with Hayfields LLC for the operation of a café at the Purdy's Station in Purdy's, NY

METROPOLITAN TRANSPORTATION AUTHORITY

All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines required by Public Authorities Law Sections 2895-2897
(Available on Director's Desk Exhibit Book & MTA.INFO)

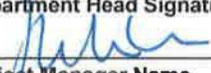
MTA LONG ISLAND RAIL ROAD

Amendment to Memorandum of Understanding with Vornado Realty covering Penn Station improvements

MTA CAPITAL CONSTRUCTION

MOU with JPMorgan Chase to facilitate construction at 270 Park Avenue

Staff Summary

Subject LEASE AGREEMENT FOR HASTINGS STATION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ALICIA BIGGS

Date MARCH 25, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	3/25/19		X	
2	Finance Committee	3/25/19	X		
3	Board	3/27/19	X		

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

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

LESSEE: The Good Witch LLC

LOCATION: Hastings-on-Hudson Station, Hudson Line, Westchester County

ACTIVITY: Lease for a coffee bar and bakery/café

ACTION REQUESTED: Authority to enter into lease agreement

TERM: Ten years, plus approximately a 255 day build out period

SPACE: 1,650 sq. ft. (±) station building, plus a license for dedicated parking adjacent to the station building

COMPENSATION: \$42,000 for lease year 1 with 3% annual increases through lease year 10

COMMENTS:

Pursuant to Metro-North and MTA Real Estate's station leasing program, a request for proposals ("RFP") was issued seeking offers to utilize and maintain the Hastings Station Building (the "Building"), consisting of a kitchen/prep area, office space, waiting room and restrooms.

In response to the RFP, one proposal was received from The Good Witch LLC for \$42,000 in the first lease year with 3% annual increases over the term of the lease for use of the Building as generally described below. The proposed rent is equivalent to a present value of \$335,305.45 using a 7% discount rate. An independent appraisal estimated an annual market rent of \$43,000 per year.

The principal for The Good Witch LLC, Joanna Prisco, has been a food writer and recipe developer for the past 15 years. She has operated a roaming pop-up shop around the river towns of the Lower Hudson Valley for the past year and a half, appearing at farmers markets, kids concerts and flea markets. She proposes to operate a family-friendly coffee shop that serves internationally inspired pastries and sandwiches. The Lessee seeks to become a community gathering place by offering a rotating calendar of events that will attract both children and adults. Metro-North will reserve rights for use of the waiting area and restrooms for its customers during the minimum hours of 6:00am to 10:00am and at any other time that the café is open.

The Lessee proposed improvements to the Building that will provide a modern, airy feel. Ms. Prisco will provide a limited, personal guaranty for project completion and rent payment and will assume responsibility for the day-to-day operation and

Staff Summary

FINANCE COMMITTEE MEETING LEASE AGREEMENT FOR HASTINGS STATION (Cont'd.)

maintenance of the Building, including any non-structural repairs required in the Building and the designated parking adjacent to the station building.

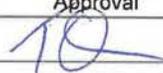
Based on the foregoing, MTA Real Estate requests authorization for MTA and Metro-North to enter into a lease agreement with The Good Witch LLC on the above-described terms and conditions.

Staff Summary

Subject LICENSE AGREEMENT FOR PURDY'S STATION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ALICIA BIGGS

Date MARCH 25, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	3/25/19		X	
1	Finance Committee	3/25/19	X		
2	Board	3/27/19	X		

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

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

LICENSEE: Hayfields LLC

LOCATION: Purdy's Station, Hudson Line, Westchester County

ACTIVITY: Retail sale of coffee, pastries, take-out dinners, gift items, and flowers in addition to concierge services such as shoe repair, dry cleaning, etc.

ACTION REQUESTED: Authority to enter into license agreement

TERM: Five years (plus approximately a 135 day build out period), with one five-year extension option, subject to at will revocation on 60 days' notice, at no cost

SPACE: 240 sq. ft.± free-standing building plus a license to use a single designated parking space adjacent to the station building and a designated area for an exterior storage cabinet

COMPENSATION: \$4,113.18 for license year 1 with 3% annual increases throughout the term

COMMENTS:

In response to a 2018 request for proposals ("RFP") to license the stand-alone building at Metro-North's Purdy's station, one response was received. Hayfields LLC has proposed an annual fixed license fee compensation of \$4,113.18 for the first license year with 3% annual increases over the term of the license. Such rent exceeds the projected market value of the space as determined by MTA Real Estate's independent consultant. Over the initial five-year term, the present value of the proposed fixed license fee compensation, using a 7% discount rate, is \$17,836.11.

Hayfields LLC, who operates as Hayfields Market, is a well-known staple in the North Salem area which offers fresh produce, dry goods, high-quality baked goods, coffee and smoothies. They are also known for their wide array of floral arrangements as well as garden accents and decor. They host several local events on a weekly basis including live music events, trivia nights and various foodie events. They plan on using the Location as an annex for their main location serving beverage and bakery items in addition to a sit down/take-out café. The services offered at this location will center around the needs of Metro-North's customers.

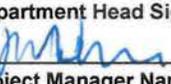
In lieu of providing a personal guarantee, Hayfields has agreed to post a 12-month security deposit based on the 5th license year's proposed fixed license fee compensation. A review of their financials indicate that they have the capability to complete the improvements and operate a successful location. Hayfields will assume responsibility for the day to day operation and maintenance of the building, including the non-structural repairs to the building.

Staff Summary

FINANCE COMMITTEE MEETING LICENSE AGREEMENT FOR PURDY'S STATION (Cont'd.)

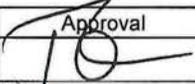
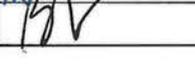
Based on the foregoing, MTA Real Estate requests authorization for MTA and Metro-North to enter into a license agreement with Hayfields LLC on the above-described terms and conditions

Staff Summary

Subject PROPERTY DISPOSITION GUIDELINES
Department REAL ESTATE / CORPORATE COMPLIANCE
Department Head Name JOHN N. LIEBER / LAMOND KEARSE
Department Head Signature 
Project Manager Name SELINA STORZ / NICOLE HOWARD

Date MARCH 25, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	3/25/19	X		
2	Board	3/27/19	X		

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

Purpose:

To obtain MTA Board approval of (i) revised and updated MTA Real Estate Department's Real Property Disposition Guidelines (the "2019 Real Property Disposition Guidelines") and the appointment of the Chief Development Officer of MTA as the Real Property Disposition Contracting Officer responsible for compliance with and enforcement of such Guidelines, and (ii) updated MTA's All-Agency Guidelines for the Disposal of Personal Property (the "2019 Personal Property Disposition Guidelines") and the appointment of the MTA staff persons designated as the Personal Property Disposition Contracting Officers listed on Attachment C, each promulgated in accordance with Sections 2895-2897 of the Public Authorities Law.

Discussion:

Section 2896 of the Public Authorities Law, enacted in 2005, requires that public authorities annually review and approve "comprehensive guidelines" adopted by resolution that detail its "operative policy and instructions" regarding disposals of real and personal property, and designate a contracting officer responsible for complying with and enforcing the guidelines. Each year the statute requires each public authority's governing board to review and approve its guidelines by March 31st and to file a copy of the Guidelines with the State Comptroller. The proposed 2019 Real Property Disposition Guidelines, prepared by the MTA Real Estate Department, and designating the Chief Development Officer of MTA as the Real Property Disposition Contracting Officer are annexed as Attachment A to this staff summary. The proposed 2019 Personal Property Disposition Guidelines, prepared by MTA Corporate Compliance in consultation with MTA Agency procurement departments, are annexed as Attachment B to this staff summary. A list of the MTA staff persons designated as the Personal Property Disposition Contracting Officers is annexed as Attachment C to this staff summary. The attachments are available for review by MTA Board members in the Director's Desk Exhibit Book and on MTA.INFO.

Real Property Disposition Guidelines:

In March 2018, the MTA Board approved the MTA Real Estate Department's current real property disposition guidelines, which (i) detailed MTA Real Estate's policies and procedures for the disposal of real property, and (ii) designated the Chief Development Officer of MTA as the Real Property Disposition Contracting Officer for the MTA and the MTA agencies.

The proposed 2019 Real Property Disposition Guidelines (see Attachment A) are substantially the same as those approved last year, but with several notable changes to reflect organizational changes, implementation of new procedures for preparation of formal lease agreements and conform to updated leasing forms.

Staff Summary

FINANCE COMMITTEE MEETING PROPERTY DISPOSITION GUIDELINES (Cont'd.)

Personal Property Disposition Guidelines:

In March 2018, the MTA Board approved the current All-Agency Guidelines for the Disposal of Personal Property to provide a consistent set of personal property disposal policies and practice, across the MTA agencies.

The proposed 2019 Personal Property Disposition Guidelines (see Attachment B) have a nonsubstance title change; therefore, are substantially the same as the 2018 guidelines.

Recommendation:

It is recommended that the Board adopt the resolution attached to this Staff Summary approving the 2019 Real Property Guidelines and the 2019 Personal Property Guidelines, designating the Chief Development Officer as the Real Property Disposition Contracting Officer for the MTA and MTA Agencies, and designating the MTA and MTA agency staff members listed on Attachment C of the Real Property Disposition Guidelines as the Contracting Officers for the MTA and MTA Agencies as the officers responsible for disposition of real property.

RESOLUTION

WHEREAS, the Public Authorities Law in Section 2896 requires annual review and approval of guidelines detailing a public authority's operative policy and instructions regarding the disposition of property and designating a contracting officer responsible for complying with and enforcing such disposition guidelines;

WHEREAS, the Boards of the Metropolitan Transportation Authority and its subsidiaries and affiliates (collectively, the "MTA Agencies"), have reviewed and by this resolution wish to approve the MTA Real Estate Department's Real Property Disposition Guidelines (the "2019 Real Property Disposition Guidelines") and the MTA All-Agency Guidelines for the Disposal of Personal Property (the "2019 Personal Property Guidelines") referred to in the Staff Summary to which this Resolution is attached (the "Staff Summary") and to designate the MTA Chief Development Officer as the Real Property Disposition Contracting Officer, and to designate the MTA Agency staff persons listed in Attachment C to the Staff Summary as Personal Property Disposition Contracting Officers;

NOW THEREFORE, BE IT:

RESOLVED, that the 2019 Real Property Disposition Guidelines annexed to the Staff Summary as Attachment A are hereby approved; and

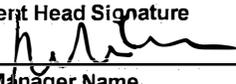
RESOLVED, that the 2019 Personal Property Guidelines annexed to the Staff Summary as Attachment B are hereby approved; and

RESOLVED, that the MTA Chief Development Officer is hereby designated as the Real Property Disposition Contracting Officer for the MTA; and

RESOLVED, that the persons listed on Attachment C to the Staff Summary are hereby designated as Personal Property Disposition Contracting Officers.

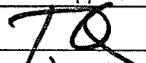
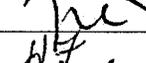
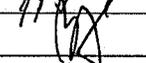
Dated: March 25, 2019

Staff Summary

Subject PENN STATION CONCOURSE IMPROVEMENTS
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name Mark Roche

Date MARCH 25, 2019
Vendor Name
Contract Number LIRR CONTRACT GEC 6168A-02-01
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	3/25/19	X		
2	Board	3/27/19	X		
3	LIRR	3/25/19		X	

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

AGENCIES: MTA Capital Construction ("MTACC")
Long Island Rail Road ("LIRR")

LOCATION: The LIRR Main Concourse, running approximately beneath 33rd Street, between Seventh and Eighth Avenues (the "Concourse") and connecting corridors located within a portion of Pennsylvania Station (the "Station").

- ACTIONS REQUESTED:
- (1) Authorization to enter into Memorandum of Understanding with One Penn Plaza LLC, as modified.
 - (2) Approval of a modification to Long Island Rail Road Contract GEC 6168A-02-01 with AECOM USA, Inc. in the amount of \$6 Million

COMMENTS:

In February, the Board authorized MTACC and LIRR to enter into a Memorandum of Understanding (the "MOU") with One Penn Plaza LLC ("Vornado") that will provide for, among other things, widening of and improvements to the Concourse and a new entrance from street level into the Concourse on 33rd Street. Subsequently, Vornado agreed to certain changes to the program that will allow for a better process and earlier completion. Consequently, MTACC and LIRR seek authorization to enter the previously authorized MOU, with the modification set forth below. In addition, and as further described below, MTACC and LIRR seek approval to award a further contract modification to LIRR Contract GEC 6168A-02-01 with AECOM USA, Inc. in the amount of \$6 Million, to prepare a design-build contract package for the Concourse work.

A. Concourse Improvements

The MOU presented to the Board in February contemplated delivery to Vornado by MTACC of a complete (100%) design for the Concourse before Vornado would solicit proposals from prospective contractors. Vornado has now agreed to undertake a design-build project based on a preliminary (30%) design. This change to a design-build approach based on a 30% design provides the advantage of reducing the project duration by up to nine months without increasing the cost of the improvements.

B. Modification to AECOM's Contract

Contract GEC 6168A-02-01 with AECOM was awarded in December 2016 to provide for a 30% design for the Concourse program. In February, the Board approved a modification to that contract to add the 30% design-build package for the new entrance, escalator specifications that will allow the early procurement of long-lead material and equipment, and developing a preliminary layout of certain spaces that MTA will lease from Vornado. Because the MOU contemplated that Vornado would be delivered a 100% design of the Concourse improvements, the Board was advised at that time that the design for the remainder of the Concourse improvements would be procured separately by the MTA through a competitive Request for Proposals.

Staff Summary

FINANCE COMMITTEE MEETING

Penn Station Concourse Improvements

Now that Vornado has agreed to the design-build approach for the Concourse as well as the entrance, it is no longer necessary to provide the 100% design. Rather, MTA must deliver a design-build contract package for the Concourse work based on a 30% design. In addition, to meet the accelerated program schedule, which contemplates full concourse completion in the first quarter of 2022, the design-build contract package must be delivered by May 31, 2019.

Accordingly, MTACC and LIRR seek authorization to modify the AECOM contract to address design elements not contemplated in the original scope of work for the Concourse and to bring the 30% design for the Concourse to a design-build contract package by April 11, 2019. Modifying the AECOM contract is the only way to achieve this program in the desired timeframe.

In accordance with terms of the MOU, MTACC and LIRR intend to return to the Board in the next couple of months to seek approval to enter into a more definitive contract(s) with Vornado for the construction of the New Entrance and Concourse Improvements.

FUNDING:

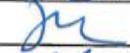
LIRR has a \$170 Million project in the capital program to support this effort. The balance will be funded by the State of New York, as reflected in the written commitment of the Budget Director last month.

Staff Summary

Subject 270 PARK AVENUE
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name JANNO LIEBER

Date MARCH 25, 2019
Vendor Name JPMorgan Chase Bank, N.A. ("JPMC")
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	3/25/19	X		
2	Board	3/27/19	X		

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

AGENCIES: MTA Capital Construction ("MTACC")
 Metro-North Railroad ("MNR")
 Long Island Rail Road ("LIRR")

LOCATION: 270 Park Avenue, located between Park Avenue and Madison Avenue and 47th Street and 48th Street, including the below-grade areas beneath the footprint of same which are part of the retained property owned/controlled by MTA and in which Grand Central Terminal Express Level and train shed are located and a portion of the East Side Access ("ESA") LIRR Concourse is currently being constructed

ACTION REQUESTED: Approval of terms of and to enter into a Memorandum of Understanding with JPMorgan Chase Bank, N.A. ("JPMC") relating to the redevelopment by JPMC of its headquarters building at 270 Park Avenue, New York, NY, and authorization to negotiate a Construction Agreement and other related agreements with JPMC

COMMENTS:

JPMC has announced its intention to redevelop its global headquarters at 270 Park Avenue (the "JPMC Project"), which will involve the demolition of its existing 50-story, 1,350,000 gross square feet ("gsf") commercial office building and the construction of a new 1,400-foot tall building totaling approximately 2,400,000 gsf. The JPMC Project will constitute a significant enhancement to the East-Midtown area, involving substantial additional construction and permanent employment, as well as preserving and enhancing the long-term viability of the area as a prime location for corporate headquarters and other business enterprises to be served by MNR and, soon, LIRR service to Grand Central Terminal ("GCT").

Under a long-term lease (the "Harlem-Hudson Lease") which is scheduled to expire in February, 2274 and contains an option to purchase (the exercise of which was authorized by the MTA Board in November, 2018), MTA leases property including areas beneath the footprint of 270 Park Avenue (the "GCT Retained Property"). A portion of the 270 Park Avenue building (and the JPMC Project) basement, foundation walls and structural support facilities and systems elements (all of which will be demolished and re-developed) are within the MNR Express Level Tracks and a portion of the ESA LIRR concourse level, which is currently under construction. Therefore, unless mitigated, the proposed project will have significant impacts on MNR operations and on MTACC's construction and fit out of the new ESA LIRR concourse and its systems as well as on critical systems testing activities.

Pursuant to a 1976 deed by The Penn Central Company and a 1976 easement agreement covering the 270 Park Avenue property, JPMC's predecessor-in-interest was granted rights to locate structural support facilities for its existing building down into the GCT Retained Property. In addition, the easement granted the right to right to relocate and/or construct new structural support facilities within the GCT Retained Property, subject to the requirement that JPMC obtain the reasonable approval of

Staff Summary

FINANCE COMMITTEE MEETING
270 Park Avenue

the MTA for critical aspects of demolition and construction activities affecting the MTA, and to pay all costs and expenses of the MTA directly attributable to such activities. To compensate MTA for (i) the extensive intrusion into the MNR Express Level and the ESA LIRR concourse construction and testing activities that the JPMC Project will impose beyond what was contemplated by the easement and (ii) the enlarged volume of the structural support facilities and other structural and systems elements within the GCT Retained Property required for the new JPMC building not contemplated by the easement, JPMC has agreed to contribute to the costs of certain improvements to MTA and MNR facilities and of a new ESA entrance in the vicinity of 48th Street and Madison Avenue.

To accomplish this, MTA, MTACC, MNR and LIRR seek (i) to enter into a Memorandum of Understanding (the "MOU") with JPMC, outlining the basic terms, under which JPMC will carry out the work for the JPMC Project that impacts both MNR operations and the construction and testing of the ESA concourse. The MOU explicitly limits disruption to MNR service and prohibits impact to the MTA's commitment to open the ESA project for revenue service in 2022. It also requires JPMC to contribute to the costs of the MTA and MNR facilities, including the new ESA 48th Street entrance and (ii) authorization to negotiate a Construction Agreement and related agreements to be entered into with JPMC which will be brought back to the MTA Board for further approval.¹

Pursuant to the MOU, immediately upon execution thereof, the parties will commence negotiations to arrive at a definitive and binding Construction Agreement and other related agreements that will detail precisely how the general terms agreed to in the MOU will be carried out and will include, among other things, the following details:

a. Design and Construction

- JPMC will design and construct shear walls and footings required for the JPMC Project, which will run through portions of the ESA project and MNR train shed and will require a re-design of that portion of the ESA concourse and the subsequent deconstruction and then reconstruction of the ESA concourse to its redesigned, finished state. All work is to be performed by contractors engaged and/or paid for by JPMC. MTA intends to modify the CM014B contract for build out of the concourse to delete work (or otherwise sever such work into a separate change order contract that can be assigned to and assumed by JPMC), within the footprint of the JPMC Project not yet completed, which will then be completed by JPMC following construction of the shear walls and footings. In accounting for JPMC's obligation to pay for the work, MTA will give JPMC "credit" equal to the net savings realized by any deletion of scope from the CM014B contract.
- MTA will develop a review standard for the JPMC work and the ESA LIRR concourse buildout work to be performed by JPMC that will require, at a minimum: no delay in substantial completion of ESA; limited service impact to MNR or GCT; disposition of real property only for fair consideration; no increase of costs to the ESA project or MNR operations; no adverse impact to security or safety; and, compliance with all government requirements, including NYS Building Code, and those of the Federal Transit Administration and Federal Railroad Administration.
- ESA's General Engineering Consultant ("GEC") shall provide document and review support to JPMC, except that GEC shall retain design responsibility for specified communications, life safety and other critical systems affected by the JPMC work. MTA and JPMC will agree on a construction phasing plan and schedule and track outage schedule for JPMC work.
- MTA expects to turn over the affected work areas to JPMC by September 30, 2019, with JPMC permitted to undertake certain early work at MTA's discretion. Upon completion of JPMC work within the ESA concourse and turnover to MTA, MTA will start up, test and commission all ESA integrated systems, with negotiated cost-sharing with JPMC such that JPMC will be responsible for all cost impacts of the JPMC Project.

b. Metro North Work

- Facilities: JPMC to (i) maintain current facilities; (ii) reconstruct the 48th Street emergency exit (if necessary); and (iii) construct and maintain an emergency exit from the ESA/LIRR Concourse.
- Structural Repairs: JPMC to (i) reconstruct portions of the viaduct on 47th and 48th Streets; and (ii) perform certain viaduct steel repairs. Those repairs required for the completion of the JPMC project will be paid for by JPMC. Further, the substantial work to be progressed by JPMC creates a unique opportunity to address the

¹ The parties previously entered into an expense reimbursement agreement pursuant to which JPMC is responsible for all costs and expenses incurred by the MTA as a result of the JPMC project.

Staff Summary

FINANCE COMMITTEE MEETING
270 Park Avenue

deterioration of viaduct steel in the area of the JPMC Project that remains an MNR responsibility. JPMC has agreed to perform that work and to contribute to the cost thereof.

c. New Passenger Entrance

- JPMC will assist MTA in identification of a suitable location for a new LIRR ESA Entrance in the vicinity of 48th Street and Madison Avenue and contribute to the cost of such entrance.

FUNDING:

There are no impacts on funding associated with this MOU. Pursuant to the existing expense reimbursement agreement and as contemplated by the MOU, the JPMC project will be cost neutral to the MTA.

Based on the foregoing, MTA, MTACC, MNR and LIRR request approval to enter into the MOU, and subject to further Board review, authorization to negotiate the Construction Agreement and other related agreements described above, on the terms and conditions described above. Final execution of the Construction Agreement and related agreements and consummation of the transactions contemplated by this staff summary will be subject to future MTA Board approval.

Procurement

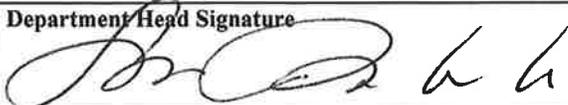
Steve Plochochi, Senior Vice President

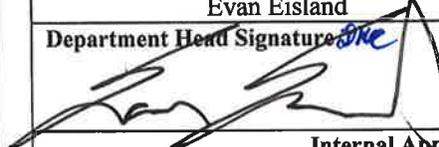


Mobile automated bus lane enforcement (ABLE) systems will be installed on 123 NYCT buses like the one depicted above. This ABLE system will automatically issue violation notices to vehicle owners who obstruct bus lanes during enforcement periods. NYCT will evaluate the impact that the deployment of this system will have on overall bus speeds and travel times.

PROCUREMENTS

The Procurement Agenda this month includes 8 actions for a proposed expenditure of \$52.9M.

Subject	Request for Authorization to Award Various Procurements
Department	Procurement & Supply Chain – NYCT
Department Head Name	Stephen M. Plochochi
Department Head Signature	
Project Manager Name	Rose Davis

March 19, 2019	
Department	Law and Procurement – MTACC
Department Head Name	Evan Eisland
Department Head Signature	
Internal Approvals	

Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	3/25/19			
2	Board	3/27/19			

Approval		Approval	
	President NYCT		President MTACC
	SVP Operations Support	X	Pres.MTA Bus/SVP DOB
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: NONE

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

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

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

Schedules Requiring Majority Vote:

Schedule H: Modifications to Personal/Miscellaneous Service Contracts	3	\$ 10.0 M
SUBTOTAL	3	\$ 10.0 M

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

Schedules Requiring Majority Vote:

Schedule I: Modifications to Purchase and Public Work Contracts	1	\$ 11.5 M
SUBTOTAL	1	\$ 11.5 M

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

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

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

NYC Transit proposes to award Ratifications in the following categories:

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions	4	\$ 31.4 M
SUBTOTAL	4	\$ 31.4 M
TOTAL	8	\$ 52.9 M

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

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

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

BOARD RESOLUTION

WHEREAS, in accordance with Sections 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.

MARCH 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

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

<p>Core Environmental Consultants, Inc.</p> <p>Environmental Planning & Management, Inc.</p> <p>WSP USA, Inc.</p> <p>1. Contract# CM-1515.6</p> <p>2. Contract# CM-1516.5</p> <p>3. Contract# CM-1517A.5</p> <p>Modifications to three Indefinite Quantity service contracts for asbestos/lead monitoring and design services for miscellaneous construction projects; in order to extend each contract up to nine months.</p>	<p>\$10,000,000</p>	<p><u>Staff Summary Attached</u></p> <p>↓</p> <p>↓</p> <p>↓</p> <p>↓</p> <p>↓</p>
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Item Number: 1–3

Vendor Names (Locations) Core Environmental Consultants, Inc. (College Point, New York); Environmental Planning & Management, Inc. (Lake Success, New York); WSP USA, Inc (New York, New York)
Description: Indefinite Quantity Asbestos and Lead Monitoring, and Design Services for Miscellaneous Construction Projects
Contract Term (including Options, if any) September 24, 2013–April 30, 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, Alok Saha

Contract Numbers: CM-1515 CM-1516 CM-1517A	AWO/Mod # Mod. 6 Mod. 5 Mod. 5
Original Amount:	\$ 30,000,000
Prior Modifications:	\$ 750,000
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 30,750,000
This Request:	\$ 10,000,000
% of This Request to Current Amount:	32.5%
% of Modifications (including This Request) to Original Amount:	35.8%

Discussion

These modifications will extend three state-funded Indefinite Quantity (“IQ”) service contracts for asbestos/lead monitoring, and design by up to nine months, from May 1, 2019 to January 31, 2020. The estimated aggregate funding across these contracts will increase by \$10 million (from \$30,750,000 to \$40,750,000) for NYC Transit Department of Capital Program Management’s monitoring and design needs.

In September 2013, the Board approved the award of three competitively negotiated IQ contracts to provide asbestos/lead monitoring and design services for miscellaneous construction projects on an as-needed basis for a period of 60 months for an estimated aggregate pool of \$30M. The three awardees were: Core Environmental Consultant, Inc. (CM-1515); Environmental Planning and Management, Inc. (CM-1516); and WSP USA, Inc. (WSP), formerly Parsons Brinkerhoff, Inc. (CM-1517). Prior modifications have extended these contracts by a total of seven months and have added aggregate funding in the amount of \$750,000.

Under these contracts, the firms compete with one another through a competitive task order process to provide the required monitoring and design work, which may include performing site surveys, investigating and identifying lead and asbestos containing materials, performing project and air monitoring services for third-party contractors performing the actual abatement, taking air samples of contaminated areas, developing abatement plans, and monitoring removal of contaminants. Some task orders may be assigned based on consultant availability, workload, past performance, and cost.

The funding for these contracts has been depleted. These modifications will extend services while new replacement contracts are being solicited. The additional \$10M across the three contracts will provide the funding capacity necessary to support the required asbestos/lead monitoring and design services through the extension period.

In connection with a previous contract awarded to The Louis Berger Group, Inc. (LBG)¹, LBG was found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in November 2015. No new SAI has been found relating to LBG or WSP. WSP has no SAI except that stemming from its acquisition of LBG. WSP has been found to be responsible.

¹LBG was acquired by WSP in December 2018 and that acquisition carries with it LBG’s SAI.

Item Number: 1

Vendor Name (Location) 86th Street Constructors Joint Venture (New York, New York)
Description Second Avenue Subway Route 132A – 86th Street Station Finishes, Mechanical, Electrical, and Plumbing
Contract Term (including Options, if any) June 12, 2013–December 24, 2016
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, Janno Lieber

Contract Number C-26012	AWO/Mod. # 304
Original Amount:	\$ 208,376,000
Prior Modifications:	\$ 45,975,537
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 254,351,537
This Request	\$ 11,500,000
% of This Request to Current Amount:	4.5%
% of Modifications (including This Request) to Original Amount:	27.6%

Discussion

To recommend that the MTA Board approve an amendment to Contract C-26012, Construction of Part of the 2nd Avenue Subway, 86th Street Station Finishes, Mechanical, Electrical and Plumbing Systems, Ancillary Building and Entrances in the Borough of Manhattan with Schiavone Construction Co. LLC and John P. Picone Inc., Joint Venture (“the Contractor”). This amendment will: (1) extend the Substantial Completion Date of the contract to September 29, 2017, and (2) resolve claims asserted by the Contractor, including claims for associated impact costs.

The work under this contract includes (1) furnishing and installing elevators, escalators, HVAC systems, tunnel ventilation, fire protection, plumbing, electrical power and lighting, instrumentation and controls, signal systems, communication systems, and (2) restoration of the surface of Second Avenue and adjacent streets impacted by construction of the 86th Street station along the Second Avenue Subway line. The contract was awarded on June 12, 2013, with a duration of 35½ months and a Substantial Completion Date of May 31, 2016. A revised Substantial Completion Date of December 24, 2016 was established by the Acceleration Agreement dated April 11, 2016, as Modification 147. Substantial Completion was declared on September 29, 2017.

The Contractor has asserted that many unforeseen and unexpected circumstances beyond its control resulted in schedule impacts, additional work, extended third-party commissioning costs, software modifications, and additional permanent power costs for which the Contractor is entitled to compensation. The Contractor submitted its claim for all of these issues, totaling \$105,464,075.

MTA Capital Construction (“MTACC”) legal reviewed and analyzed the Contractor’s claim together with MTACC’s estimators, schedulers and consultants. Based on that analysis, MTACC prepared an independent time impact analysis which established a new Substantial Completion Date of September 29, 2017 and an independent estimate of compensable impact costs and claims with a reasonable likelihood of success. MTACC then met with the Contractor to negotiate a resolution and the parties agreed, subject to Board approval, to settle these claims with a revised Substantial Completion date of September 29, 2017, which the Contractor has achieved, and at a total cost of \$11,500,000. MTACC believes this result to be fair and reasonable. Funding is available in Program Reserve as approved by the Board in October 2017.

This is MTACC’s most advantageous alternative as it provides a favorable result and will facilitate close out of the contract. The alternative would be to permit the Contractor to proceed with its claims under the contract’s dispute resolution process, which would be time consuming and could result in a less favorable result.

In connection with previous contracts awarded to the joint venture partners who form 86th Street 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 and Chief Executive Officer 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.

MARCH 2019

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. **Siemens Mobility, Inc.** **\$6,233,382 (Est.)** *Staff Summary Attached*
Contract# B-87070
Immediate Operating Need
Purchase, installation, and maintenance of an Automated Bus Lane Enforcement System on 123 buses.

2. **El Sol Contracting/ ES II** **\$23,040,000** *Staff Summary Attached*
Enterprises, JV
Contract# C-33835.4
Modification to the contract for subway tunnel structural rehabilitation, 39th–60th Streets, 4th Avenue line, in order to provide additional steel repair/replacement of roof beams and columns.

3. **JMT of New York, Inc.** **\$1,234,425** *Staff Summary Attached*
Contract# CM-1432
Immediate Operating Need
Consultant services to provide an independent review of specific aspects of the Canarsie Tunnel rehabilitation.

4. **Schiavone Construction Co. Inc.** **\$937,000** *Staff Summary Attached*
Contract# C-48702.48
Modification to the contract for viaduct and bridge replacement on the Myrtle Avenue line, in order to provide for the installation of a new permanent electrical feed from Fresh Pond Bus Depot to the new Car Inspection Facility located in Fresh Pond Yard.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (Location) Siemens Mobility Inc. (Austin, Texas)
Description Purchase, Installation and Maintenance of an Automated Bus Lane Enforcement System on 123 buses
Contract Term (including Options, if any) February 28, 2019–December 31, 2022
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Noncompetitive

Contract Number B-87070	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$6,233,382 (Est.)
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept./Div., Dept./Div. Head Name: Department of Buses, Darryl C. Irick	

Discussion

Improving the enforcement of bus lane traffic restrictions is a critical element to ensuring the success of both bus lanes and Select Bus Service (“SBS”). NYC Transit is developing aggressive and sustainable strategies, while also researching best practices around the country and outside the United States for approaches to bus lane enforcement. Implementation of an ABLE system will automate the enforcement process by issuing violation notices to owners of vehicles observed obstructing bus lanes during enforcement periods.

In 2010, NYC Transit conducted limited ABLE proof-of-concept testing on buses and nonrevenue vehicles with the assistance of the NYC Department of Transportation (“DOT”) to determine if an ABLE system could effectively capture sufficient evidence to enforce bus lane traffic restrictions. The ABLE system was provided by Zenco Systems, Ltd.¹ (“Zenco”) and utilized Zenco’s proprietary software to record photos and video as well as location and timestamp information when a vehicle was observed obstructing a bus lane. Footage of each vehicle while in the bus lane and a photo of its license plate formed a record constituting an evidence pack designed to provide a case clearly indicating that a violation occurred. The evidence packs were collected by the ABLE system and reviewed by NYC Transit staff to eliminate any occurrences that did not constitute a violation. The proof-of-concept proved that the Zenco ABLE system was well suited to work with NYC enforcement laws and the NYC operating environment.

Given the growing challenges of slow bus speeds, NYC Transit is prioritizing a pilot project to evaluate the potential travel time savings and bus speed impacts of deploying an ABLE system. The pilot will initially equip new buses slated to operate on the B44 and M15 SBS routes. Equipping buses running on these specific SBS routes will allow for clear before-and-after comparisons of bus speeds and travel times. Rapid deployment of the pilot will provide the updated background knowledge and experience necessary to prepare for the expedited procurement of a system-wide solution. DOT and NYC Department of Finance (“DOF”) have agreed to partner with NYC Transit on this pilot.

Department of Buses requested the declaration of an ION, as the immediate deployment of an ABLE system is a mission-critical portion of NYC Transit’s Fast Forward Plan to increase bus travel speeds and a strategy to address declining bus ridership. NYC Transit performed a comprehensive market survey of the capabilities of 20 companies in the ticket issuance and license plate recognition industry for this pilot. Companies were carefully considered but ultimately eliminated because their existing systems did not meet NYC Transit’s current business needs; several companies indicated that they will have mobile ABLE systems with comparable functionality ready for testing in the next couple of years. As a result, the ABLE system offered by Siemens (formerly a

¹Zenco was acquired by Siemens in 2015.

product of Zenco), which can automatically determine the amount of time a vehicle has been blocking a bus lane and whether it constitutes a violation, was selected for this pilot as it provides NYC Transit the best opportunity for success. Additionally, the product has been demonstrated to meet the encryption and data security requirements of both DOT and DOF.

The total contract award of \$6,233,382 will consist of \$4,640,156 for the setup of the system and installation on 123 buses (\$37,725/bus); \$827,626 for software maintenance of the ABLE system (\$6,729/bus); and \$765,600 for processing up to 120,000 Notices of Liability (\$6.38/NOL). The final prices were reviewed by NYC Transit's Cost Price Analysis Unit and found to be fair and reasonable; Procurement and DOB concur with this finding.

Installation of the ABLE systems will occur on each of the 123 buses shortly after each bus is delivered; delivery of the buses is scheduled to begin in Q1 2019 and be completed in Q1 2020.

In connection with a previous contract awarded to Siemens, Siemens was found to be responsible notwithstanding significant adverse information ("SAI") pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in August 2016. No new SAI has been found relating to Siemens and Siemens has been found to be responsible. A Contractor Compliance Program was put in place for Siemens in April 2018.

Item Number: 2

Vendor Name (Location) El Sol Contracting/ES II Enterprises, JV (Maspeth, New York)	
Description Subway Tunnel Structural Rehabilitation, 39th Street to 60th Street, 4th Avenue Line, B Division (BMT) in Brooklyn	
Contract Term (including Options, if any) May 18, 2017–March 17, 2020	
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, Alok Saha	

Contract Number C-33835	AWO/Mod. # 4
Original Amount:	\$ 61,400,000
Prior Modifications:	\$ 230,550
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 61,630,550
This Request:	\$23,040,000
% of This Request to Current Amount:	37.4%
% of Modifications (including This Request) to Original Amount:	37.5%

Discussion

This retroactive modification, which was the subject of a notification memo to Board members in February, is for additional steel repair/replacement as part of the ongoing 4th Avenue Line Subway Tunnel Structural Rehabilitation project from 39th Street to 60th Street in the borough of Brooklyn.

The project scope, which was based on visual noninvasive inspections, includes removing and replacing 312 corroded steel columns and connection elements; repairing approximately 325 roof beams; painting of all structural steel; repairing/rebuilding cracked concrete floors; and sealing of all active water leaks with chemical grout. The work also includes raising the level of the street ventilation gratings, providing them with a more robust and better drainage system; and reconstructing the roadway curbs along 4th Avenue to accommodate the new drainage system.

This section of the 4th Avenue line was constructed between 1909 and 1915 and consists of four tracks. Ventilator gratings located above the express tracks along the median of 4th Avenue allow air to flow between street level and the subway system. Because the gratings sit flush with the median, just a few inches above street level, the tunnel is often exposed to rain and snow runoff which is often laden with corrosive roadway deicing salts. The ventilators include a drip pan system to prevent the runoff as well as dirt and debris from reaching the subway tracks. This drip pan system has been rehabilitated several times over the life of the tunnel; it is often clogged, allowing accumulated salt-laden water to pour into the tunnel structure. More than a century of exposure to these elements has taken a toll on the tunnel’s structural elements in the immediate vicinity of the ventilator gratings.

Post-award surveys of the roof beams that involved removal of concrete encasement immediately adjacent to the ventilators showed that the steel deterioration was more severe and pervasive beneath the concrete than anticipated. As a result, contractual quantities for steel repair are insufficient to address the extent of repairs required within the contract limits. This state-of-good-repair modification is for more of the same repairs specified by the base contract, and includes replacement of an additional 44 columns and repairs to 401 additional roof beams, all within the contract limits.

In order to complete this additional work within the existing express track shutdown, the acting SVP, Capital Program Management approved a retroactive waiver on February 15, 2019, authorizing the immediate commencement of work. Additionally, this modification requires that the additional work be performed during two 12-hour shifts, seven days a week.

The contractor’s revised proposal was \$32,954,750. The revised in-house estimate is \$21,100,000. Negotiations resulted in the agreed-upon lump-sum price of \$23,040,000 and no impact to the project schedule. Savings of \$9,914,750 were achieved. This price is found to be fair and reasonable.

Item Number: 3

Vendor Name (Location) JMT of New York, Inc. (New York, New York)
Description Canarsie Tunnel Independent Consultant
Contract Term (including Options, if any) Up to 24 Months
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

Contract Number CM-1432	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$1,234,425
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept./Div., Dept./Div. Head Name: MTA Office of Construction Oversight, Tom Savio	

Discussion

It is requested that the Board ratify the contract award made pursuant to the declaration of an Immediate Operating Need (“ION”) for an independent consultant on the Canarsie “L” Train Tunnel project to JMT of New York, Inc. (“JMT”).

This procurement is for a consultant who will review and report on several components of the L train reconstruction project. Namely, the coordination of the L Train reconstruction efforts with the ongoing train passenger operation to help the MTA ensure the smooth and efficient transition from construction activities to passenger operation is best managed. Consultant will review and report on the schedule compliance for construction and progress to provide updates to allow the MTA to monitor timely progress and adjust activities if necessary. The consultant will also review safety and environmental considerations on benchwall demolition and debris management and removal.

An ION was declared to secure the services of an independent consultant on an expedited basis so as to provide feedback to the Board while not impacting the schedule of construction. The repair of the Canarsie Tunnel must commence and be completed to minimize any continued or additional impact to service along this critical subway corridor and the community it serves.

A mini-RFP was issued to the following six firms: Bechtel Infrastructure; Egis Rail Inc.; Greenman-Pedersen, Inc.; JMT; McCormick Taylor; and Sener Group. Three proposals were received: Egis Rail Inc.; JMT; and Sener/Grappone JV. The Selection Committee reviewed the three proposals in accordance with the evaluation criteria and determined that JMT had a very clear understanding of the work scope, provided the best overall technical proposal, and also proposed the lowest price of all three proposers. JMT’s proposal also included two subcontractors, Brinkerhoff Environmental Services, Inc. (no relation to Parsons Brinckerhoff, now WSP); and Clifton, Weiss & Associates, Inc., both certified WBE firms.

In order to provide for a fair and equitable comparative analysis between the proposers, the total number of hours and out-of-pocket expenses were provided. JMT’s initial cost proposal was \$1,616,585. The in-house estimate was \$2,025,830. Negotiations were conducted and a Best and Final Offer (“BAFO”) was requested. JMT’s BAFO was \$1,234,425. Accordingly, the overall cost is considered fair and reasonable.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 4

Vendor Name (Location) Schiavone Construction Co. LLC (Secaucus, New Jersey)
Description Viaduct and bridge replacement on the Myrtle Avenue Line
Contract Term (including Options, if any) December 30, 2016–December 30, 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: Capital Program Management, Alok Saha

Contract Number C-48702	AWO/Mod. # 48
Original Amount:	\$ 80,680,000
Prior Modifications:	\$ 3,869,826
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 84,549,826
This Request:	\$937,000
% of This Request to Current Amount:	1.1%
% of Modifications (including This Request) to Original Amount:	6.0%

Discussion

This retroactive modification is for the installation of a new permanent electrical feed from Fresh Pond Bus Depot to the new Car Inspection Facility (“CIF”) located in Fresh Pond Yard. This is one of three modifications to upgrade the natural gas and electric service for the CIF.

The base contract is for the replacement of the Myrtle Viaduct and Bridge over the New York and Atlantic Railway (“Atlantic Railroad”) and the construction of a CIF at Fresh Pond Yard. The contract includes shutdowns of sections of the line, totaling 10 months, to accomplish the replacement of the century-old concrete viaduct between the Myrtle Avenue and Central Avenue stations (the Bushwick Viaduct), and the reconstruction of the Fresh Pond Bridge. The CIF in the Fresh Pond Yard was used during the eight-month shutdown for the Bushwick Viaduct replacement as a temporary inspection and service facility for the 24 captive R32 railcars designated for M train shuttle service from the Myrtle-Wyckoff Avenues station to the Metropolitan Avenue station. The CIF is a one-track inspection facility with a car lift system and two trailers for employee facilities. It was equipped with a temporary AC power generator and temporary oil-fueled heaters. After the shutdowns and upon restoration of normal service on April 30, 2018, car inspection and maintenance functions reverted to their regularly assigned shop at East New York. NYC Transit has since determined to maintain the facility to support the inspection and maintenance of the diesel locomotive fleet, as well as other miscellaneous work car equipment. This added maintenance capacity will improve the overall availability and reliability of locomotives and other work car equipment.

This modification extends a permanent electrical feed from the nearby Fresh Pond Bus Depot to the CIF. Modification 35 provided a permanent natural gas line from the Fresh Pond Bus Depot to the CIF at a cost of \$705,500. Modification 47 provided for long lead electrical materials in support of the electrical feed work at a cost of \$234,505. By providing the new gas and electric lines to the CIF, the facility will have continuous and reliable electric and gas service that will eliminate the need for bimonthly generator maintenance and daily fuel oil deliveries.

The SVP, Capital Program Management approved a retroactive waiver on December 6, 2018, and the contractor commenced work immediately. Approval was also obtained from the VP, Materiel, authorizing payment up to 50 percent of the agreed-upon amount for work performed prior to approval of the modification.

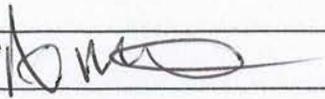
The contractor’s proposal was for \$1,150,408; the revised in-house estimate was for \$898,000. Negotiations resulted in the agreed-upon lump-sum price of \$937,000. Savings of \$213,409 were achieved. This price is found to be fair and reasonable.

In connection with a previous contract awarded to Schiavone, Schiavone was found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in April 2014. No new SAI has been found relating to Schiavone and Schiavone has been found to be responsible.

Subject Request for Authorization to Award Various Procurements

Department Procurement and Material Management

Department Head Name
Al Muir, Sr. Director

Department Head Signature 

Project Manager Name

Date
March 19, 2019

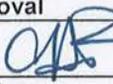
Vendor Name
Various

Contract Number
Various

Contract Manager Name
Various

Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm. Mtg.	3-25-19	x		
2	MTA Board Mtg.	3-27-19	x		

Internal Approvals			
	Approval		Approval
X	President 	X	V.P. & General Counsel 
X	Executive Vice President 	X	V.P. Capital Programs 
X	Sr. V.P. Operations 	X	Executive Director Management & Budget 

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

PURPOSE:

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

DISCUSSION:

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

	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	NONE	
<u>Schedules Requiring Majority Vote</u>		
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$1,300,000
• Swisslog Logistics, Inc. \$1,300,000		
	<hr/> 1	<hr/> \$1,300,000

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 C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	1	\$33,622,070
• Arch Associates, LLC \$33,622,070		
 <u>Schedules Requiring Majority Vote</u>		
Schedule I: Modifications to Purchase and Public Work Contracts	1	\$8,856,286
• Judlau-TC Electric Joint Venture \$8,856,286		
SUB TOTAL:	2	\$42,478,356

MNR presents the following procurement actions for Ratification:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	NONE
<u>Schedules Requiring Majority Vote</u>	NONE
SUB TOTAL:	3
TOTAL:	3 \$43,778,356

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

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

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

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical or inappropriate to utilize a procurement process inviting sealed bids with award to the lowest responsive/responsible bidder.

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

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

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

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

MARCH 2019

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

H. Modifications to Personal /Miscellaneous Service Contracts

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

1. **Swisslog Logistics, Inc. \$1,300,000 (not-to-exceed) Staff Summary Attached**
On-site Electro-Mechanical Technician

Approval is requested for a contract modification in the not-to-exceed amount of \$1,300,000 to the firm Swisslog Logistics Inc. (Swisslog) for an on-site electro-mechanical technician to maintain Metro-North's industrial Automated Storage and Retrieval System (ASRS), located in the Metro-North New Haven Central Distribution Warehouse Facility.

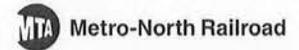
In 2016, CDOT procured and funded, a new Central Distribution Facility to house an industrial Automated Storage and Retrieval System (ASRS) at a cost of \$21,000,000. The firm Swisslog Logistics, Inc. (Swisslog) was selected by CDOT to furnish and install the state of the art industrial ASRS. The ASRS which encompasses the entire 155,000 sq. ft. facility, requires the addition of an on-site electro-mechanical technician. The technician is trained and qualified on this system and will provide on-going / day-to-day technical maintenance services to the systems' numerous conveyors, lifts, shuttle cars custom loader / fork truck. Through the commissioning of the ASRS, and as part of the purchase, CDOT provided for the on-site technician. At this time, Metro-North and CDOT seek to maintain the high level of service to ensure limited down time and high system availability by continuing to maintain an on-site technician.

Metro-North negotiated with Swisslog, the Original Equipment Manufacturer (OEM) and sole provider of service to the system an average annual cost of \$130,000 per year which included an overall reduction of \$210,000 for the 10-year period. Additionally, a review of the base scope of the preventive maintenance services was conducted and confirmed no redundant scope of work existed.

Metro-North completed a responsibility review of Swisslog Logistics as defined in the All Agency Responsibility Guidelines in connection with this award recommendation, which yielded no significant adverse information (SAI).

The total not-to exceed amount of \$1,300,000 includes a negotiated credit of \$210,000 for the cost of the original contract and is to be funded by the MNR Operating Budget (\$455,000) and by CDOT (\$845,000).

Schedule H: Modifications to Personal Service and Miscellaneous Service Contracts



Item Number: H

Vendor Name (& Location) Swisslog Logistics, Inc., Newport News, Virginia	Contract Number 76514	AWO/Modification # 1
Description On-site electro-mechanical technician to support the Swisslog Automated Storage and Retrieval System (ASRS)	Original Amount:	\$2,750,000
Contract Term (including Options, if any) Five years with a five-year option	Prior Modifications:	\$ 0
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Prior Budgetary Increases:	\$ 0
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive: Sole Source	Current Amount:	\$2,750,000
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request:	\$1,300,000 (not-to-exceed)
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current	47%
Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr. Director	% of Modifications (including This Request) to Original Amount:	47%

Discussion:

Approval is requested for a contract modification in the not-to-exceed amount of \$1,300,000 to the firm Swisslog Logistics Inc. (Swisslog) for an on-site electro-mechanical technician to maintain Metro-North's industrial Automated Storage and Retrieval System (ASRS), located in the Metro-North New Haven Central Distribution Warehouse Facility.

In 2016, CDOT procured and funded, a new Central Distribution Facility to house an industrial Automated Storage and Retrieval System (ASRS) at a cost of \$21,000,000. The firm Swisslog Logistics, Inc. (Swisslog) was selected by CDOT to furnish and install the state of the art industrial ASRS. The ASRS which encompasses the entire 155,000 sq. ft. facility, requires the addition of an on-site electro-mechanical technician. The technician is trained and qualified on this system and will provide on-going / day-to-day technical maintenance services to the systems' numerous conveyors, lifts, shuttle cars custom loader / fork truck. Through the commissioning of the ASRS, and as part of the purchase, CDOT provided for the on-site technician. At this time, Metro-North and CDOT seek to maintain the high level of service to ensure limited down time and high system availability by continuing to maintain an on-site technician.

Metro-North negotiated with Swisslog, the Original Equipment Manufacturer (OEM) and sole provider of service to the system an average annual cost of \$130,000 per year which included an overall reduction of \$210,000 for the 10-year period. Additionally, a review of the base scope of the preventive maintenance services was conducted and confirmed no redundant scope of work existed.

Metro-North completed a responsibility review of Swisslog Logistics as defined in the All Agency Responsibility Guidelines in connection with this award recommendation, which yielded no significant adverse information (SAI).

The total not-to exceed amount of \$1,300,000 includes a negotiated credit of \$210,000 for the cost of the original contract and is to be funded by the MNR Operating Budget (\$455,000) and by CDOT (\$845,000).

MARCH 2019

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

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

**1. Arch Associates, LLC \$33,622,070 (not-to-exceed) Staff Summary Attached
Design-Build Construction of the Empire State Trail Maybrook Trailway Section**

Approval is requested to award a 26-month competitively solicited and negotiated Design-Build contract (RFP process, eleven proposals received; four shortlisted) to Arch Associates, LLC in the not-to-exceed amount of \$33,622,070 to design and construct the Maybrook Trailway section of the Empire Trail Initiative, from Brewster to Hopewell Junction in Putnam and Dutchess Counties, NY, adjacent to Metro-North's Beacon Line. In accordance with MTA policy regarding the use of Design-Build, Metro-North also seeks approval of the payment of stipends to shortlisted firms who were not selected to receive the award.

The Maybrook Trailway is a planned 23-mile segment of Empire State Trail, which will span from the New York Harbor to the Canadian border and from Albany to Buffalo. Designed for hikers and bikers, the Trailway will connect the Putnam County Trailway at Brewster with the Dutchess Rail Trail at Hopewell Junction, providing a direct link to the Walkway over the Hudson at Poughkeepsie. The Trailway will utilize part of the right-of-way of Metro-North's dormant Beacon Line, while preserving the existing underground fiber optic cable installations and the rail line for potential future use.

The major elements of this Design-Build (DB) Project include design documentation, drainage improvements, excavation and construction of retaining walls, repair or replacement of multiple bridges and culverts, re-routing of utilities, installation of asphalt pavement, and signage and fencing. Additionally, accessible trailhead parking areas will be constructed and security improvements made to an adjacent MTA Police facility.

Board approval is requested in the not-to-exceed amount of \$33,622,070 in addition to a stipend of \$150,000 to be paid to shortlisted firms who were not selected to receive the award. This procurement is to be funded by the State of New York.

Schedules Requiring Majority Vote:

I. Modifications to Purchase and Public Work Contracts

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

**2. Judlau-TC Electric Joint Venture \$8,856,286 (not-to-exceed) Staff Summary Attached
Design/Build Power/C&S Infrastructure Improvements CP-5-CP-35**

Approval is requested for a contract modification in the not-to-exceed amount of \$8,856,286 to the firm Judlau-TC Electric Joint Venture for the federally-funded Design/Build Power/C&S Infrastructure Improvements from Mott Haven (CP-5) to Croton-Harmon (CP-35).

As a result of Superstorm Sandy, a significant portion of Metro-North's Hudson Line was completely submerged and Power and Communication & Signal (C&S) infrastructure systems were inundated with salt water and significantly damaged. As part of that infrastructure restoration program, a design/build contract was competitively solicited and awarded in May 2015 to the firm Judlau-TC Electric Joint Venture. Phase 1 of the project from Greystone to Croton-Harmon totaled \$105,521,300, and is approaching conclusion; Phase 2 was included in the original competitive solicitation, involves the area between Mott Haven to Greystone, and was elected in November 2016 in the amount of \$86,898,700. The key contract work for both phases includes hardening of C&S and power infrastructure components via installation of elevated equipment platforms and installation of new power and C&S cabling in conduits and cable troughs for protection against future water damage.

Approval is requested at this time for a contract modification in the not-to-exceed amount of \$8,856,286 for additional and adjusted quantities of various unit bid items to complete Phase 2, due to plan revisions to reduce risk to the railroad and unknown field conditions. It was not feasible or desirable to fully investigate all field conditions existing on the 35-mile Hudson Line prior to solicitation and award of this contract. A full investigation of all subsurface conditions would have greatly extended the pre-solicitation design period such that the availability of federal funds would have been jeopardized. Accordingly, the contract was bid as a combination of lump sum items and estimated unit price quantities, which provided a reasonable allocation of risk between Metro-North and the contractor. Placing the risk of subsurface conditions on the contractor, where neither Metro-North nor the contractor had the ability to fully investigate those conditions before the start of the contractor, would have resulted in a higher initial contract price based on the contractor's need to include a very high level of contingency in its price.

In fact, field conditions have dictated that alternate design considerations and construction means & methods be implemented, and unit prices adjusted or renegotiated, in order to reduce or eliminate conflicts with existing buried utilities to lessen service impacts by reducing the need for track outages and to minimize interference with existing signal power or communication cable/fiber installations.

It is recommended at this time that a contract modification be approved in the not-to-exceed amount of \$8,856,286. Funding is included in the MTA Capital Program through the FTA funded Sandy Emergency Relief Program.

Staff Summary

Item Number C					
Dept. & Dept. Head Name: Procurement and Material Management, Al Muir, Sr. Director					
Division & Division Head Name: Executive Vice President, Susan Doering					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	3-25-19	x		
2	MTA Board Mtg.	3-27-19	x		
Internal Approvals					
Order	Approval	Order	Approval		
x	President	x	Executive Director Mgmt. & Budget		
x	Sr. V.P. Operations	x	V.P. Capital Programs		
x	V.P. & General Counsel	x			

SUMMARY INFORMATION	
Vendor Name Arch Associates, LLC	Contract Number 10000442201
Description Design-Build Construction of the Empire State Trail Maybrook Trailway Section	
Total Amount \$33,622,070 (not-to-exceed)	
Contract Term (including Options, if any) 26 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"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION:

Approval is requested to award a 26-month competitively solicited and negotiated Design-Build contract (RFP process, eleven proposals received; four shortlisted) to Arch Associates, LLC in the not-to-exceed amount of \$33,622,070 to design and construct the Maybrook Trailway section of the Empire Trail Initiative, from Brewster to Hopewell Junction in Putnam and Dutchess Counties, NY, adjacent to Metro-North's Beacon Line. In accordance with MTA policy regarding the use of Design-Build, Metro-North also seeks approval of the payment of stipends to shortlisted firms who were not selected to receive the award.

II. DISCUSSION:

The Maybrook Trailway is a planned 23-mile segment of Empire State Trail, which will span from the New York Harbor to the Canadian border and from Albany to Buffalo. Designed for hikers and bikers, the Trailway will connect the Putnam County Trailway at Brewster with the Dutchess Rail Trail at Hopewell Junction, providing a direct link to the Walkway over the Hudson at Poughkeepsie. The Trailway will utilize part of the right-of-way of Metro-North's dormant Beacon Line, while preserving the existing underground fiber optic cable installations and the rail line for potential future use.

The major elements of this Design-Build (DB) Project include design documentation, drainage improvements, excavation and construction of retaining walls, repair or replacement of multiple bridges and culverts, re-routing of utilities, installation of asphalt pavement, and signage and fencing. Additionally, accessible trailhead parking areas will be constructed and security improvements made to an adjacent MTA Police facility.

On May 24, 2017, the Board approved use of the Request for Proposal (RFP) process for this project. The RFP, dated August 16, 2018, was advertised in the New York State Contract Reporter, New York Post, El Dario, Daily Challenge, Engineering News Record, The Poughkeepsie Journal and posted on Metro-North's website. On September 13, 2018, eleven Phase 1 qualification proposals from DB teams were received. These proposals were reviewed against the Phase 1 criteria, which emphasized past experience and performance on

Staff Summary

projects of similar type and scope (including DB experience); the qualifications of vendor personnel; the financial resources of the proposers as well as their diversity practices.

The Selection Committee, representing Metro-North's Procurement and Material Management, Capital Engineering, and Capital Construction Management departments, selected four teams to be advanced to Phase 2: (1) Grace Industries; 2) A. Servidone/B. Anthony JV; 3) L&T Construction; 4) Arch Associates, LLC (Arch).

To ensure that each of the shortlisted firms had a complete understanding of the scope of work, one-on-one meetings were held on October 22, 2018. Cost and technical proposals were requested and received on November 6, 2018, which were evaluated against the Phase 2 criteria. Phase 2 criteria emphasized project cost; confidence in the proposer's ability to complete the project on time and within budget; the proposer's understanding of the work scope and their technical approach; and design innovation and proposed cost savings alternatives.

Gross sum proposal prices were received in the following amounts: 1) Grace Industries \$62,779,600; 2) A. Servidone/B. Anthony JV \$53,929,780; 3) L&T Construction \$48,772,278; 4) Arch \$36,995,370. Arch's lower cost (almost \$12M below their closest competitor) was attributed to their innovativeness in design by re-profiling grades to minimize the need to import and dispose of soils, while reducing the number of retaining walls through the corridor.

While all four shortlisted firms were deemed qualified to design and construct this project, the Selection Committee elected to negotiate with Arch based upon their excellent technical approach, cost saving measures and overall best value for this project. McLaren, Arch's design partner, has extensive experience in major trailway construction near, or in place of, many railroads, including the Walkway over the Hudson, Albany Riverwalk, Putnam Trailway, Shore Parkway Greenway Trail, and Fjord Trail Breakneck Connector. Arch proposed viable design alternatives and construction concepts that were deemed to be well-engineered, time and labor efficient, and compliant with the preliminary design. To align project costs with the NYS Empire State Trial funding available, Metro-North was able to reduce Arch's price to \$33,622,070 through negotiations and scope reduction.

Metro-North completed a responsibility review of Arch Associates LLC as defined in the All Agency Responsibility Guidelines in connection with this award recommendation, which yielded no significant adverse information (SAI).

Finally, in accordance with MTA policy regarding the use of DB, which seeks to enhance competition and defray proposal costs, Metro-North also seeks approval of the payment of stipends to the other short-listed firms. As provided in the contract documents, each of these three firms will receive \$50,000.

III. D/M/WBE INFORMATION:

The MTA Department of Diversity and Civil Rights (DDCR) established 15% MBE, 15% WBE, and 6% SDVOB goals for this project. Arch's pre-award submittal package is currently under review by DDCR and the contract will not be awarded until DDCR requirements have been satisfied.

IV. IMPACT ON FUNDING:

Board approval is requested in the not-to-exceed amount of \$33,622,070 in addition to a stipend of \$150,000 to be paid to shortlisted firms who were not selected to receive the award. This procurement is to be funded by the State of New York.

V. ALTERNATIVES:

Metro-North does not have the expertise and capability to perform the required design and construction services as specified.

Schedule I: Modifications to Purchase and Public Works Contracts

Item Number: I

Vendor Name (& Location) Judlau-TC Electric Joint Venture 26-15 Ulmer St. College Point, NY 11354		Contract Number 39881	AWO/Modification # 50-63
Description Design/Build Power/C&S Infrastructure Improvements CP-5 to CP-35		Original Phase 1	\$105,521,300
Contract Term (including Options, if any) 50 Months		Prior Modifications:	\$16,046,986
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Option – Phase 2	\$86,898,700
Procurement <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Prior Budgetary Increases:	\$0.00
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		Current Amount:	\$ 208,656,943
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:		This Request:	\$8,856,286 (not-to-exceed)
Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr. Director		% of This Request to Current Amount:	4.2 %
		% of Modifications (including This Request) to Original Amount:	23.6%

Discussion and Background:

Approval is requested for a contract modification in the not-to-exceed amount of \$8,856,286 to the firm Judlau-TC Electric Joint Venture for the federally-funded Design/Build Power/C&S Infrastructure Improvements from Mott Haven (CP-5) to Croton-Harmon (CP-35).

As a result of Superstorm Sandy, a significant portion of Metro-North's Hudson Line was completely submerged and Power and Communication & Signal (C&S) infrastructure systems were inundated with salt water and significantly damaged. As part of that infrastructure restoration program, a design/build contract was competitively solicited and awarded in May 2015 to the firm Judlau-TC Electric Joint Venture. Phase 1 of the project from Greystone to Croton-Harmon totaled \$105,521,300, and is approaching conclusion; Phase 2 was included in the original competitive solicitation, involves the area between Mott Haven to Greystone, and was elected in November 2016 in the amount of \$86,898,700. The key contract work for both phases includes hardening of C&S and power infrastructure components via installation of elevated equipment platforms and installation of new power and C&S cabling in conduits and cable troughs for protection against future water damage.

Approval is requested at this time for a contract modification in the not-to-exceed amount of \$8,856,286 for additional and adjusted quantities of various unit bid items to complete Phase 2, due to plan revisions to reduce risk to the railroad and unknown field conditions. It was not feasible or desirable to fully investigate all field conditions existing on the 35-mile Hudson Line prior to solicitation and award of this contract. A full investigation of all subsurface conditions would have greatly extended the pre-solicitation design period such that the availability of federal funds would have been jeopardized. Accordingly, the contract was bid as a combination of lump sum items and estimated unit price quantities, which provided a reasonable allocation of risk between Metro-North and the contractor. Placing the risk of subsurface conditions on the contractor, where neither Metro-North nor the contractor had the ability to fully investigate those conditions before the start of the contractor, would have resulted in a higher initial contract price based on the contractor's need to include a very high level of contingency in its price.

In fact, field conditions have dictated that alternate design considerations and construction means & methods be implemented, and unit prices adjusted or renegotiated, in order to reduce or eliminate conflicts with existing buried utilities to lessen service impacts by reducing the need for track outages and to minimize interference with existing signal power or communication cable/fiber installations.

**Schedule I: Modifications to Purchase and
Public Works Contracts**

The specific contract changes are as follows:

- 1) Based on pre-solicitation assumptions made by the railroad, it was anticipated that installing C&S cable trough above signal power conduits in an over/under configuration would be the most advantageous methodology for efficient installation. However, this over/under configuration requires an approximate excavation depth of 6'. It became apparent during the construction that this configuration was causing actual interference with existing railroad utilities and increased the potential to encounter substantial quantities of subsurface rock. The implementation of this configuration would be made more expensive by the requirement for OSHA-approved safety sheeting to protect workers and any adjoining facilities. It was determined that an alternate configuration would allow a significantly shallower, thus safer excavation that would encounter less rock. This revised methodology while increasing certain contractor costs benefits Metro-North by allowing a less obtrusive installation adjacent to the track structure, reducing the potential for negative effect on train operations. The project cost directly related to this field change, after the reduction of certain unit items along with the increase of previously defined units yielded a net not-to-exceed amount of \$3,166,000.
- 2) The railroad had initially specified a minimum offset of the installation of cable troughs and other infrastructure of 12" from the edge of tie. However, it was determined during the construction phase that this specified offset would negatively impact the future maintenance of the track structure, and therefore the railroad determined to increase the infrastructure distance from edge of tie to 30". In connection with this design change, the railroad allowed for the installation of eight-4" diameter C&S conduits in lieu of trough reducing interfaces with adjacent property owners, existing wetlands, slopes, rock outcroppings, and the Hudson River. This change allows for the installation of hardened cable conduits to be used above ground where field conditions dictate, increasing resiliency and protecting the railroad's critical infrastructure. These alternate designs necessitated the creation of new contract unit items for this installation method that were not originally envisioned in the contract documents. The project cost related to this field change, after the reduction of certain unit items along with the increase of other units yielded a net not-to-exceed amount of \$6,821,286.00.
- 3) The remaining adjustment and the addition of a new contract item represent the installation of 20" trough in lieu of the 40" trough, which is a contract item. Contract documents called for precast concrete cable trough to be installed throughout the project limits to house new communication and fiber optic signal cables. The contractor received approval to use 40"-wide cable through interlocking areas to accommodate the additional communication and fiber optic cable in these areas. However, the revised installation parameters made it impossible to install 40" wide trough in some locations. The contractor was then given approval to install 20"-wide trough in lieu of 40"-wide trough within interlockings. These adjustments yielded a not-to-exceed credit amount of (\$1,131,000).

The result of these additions and deletions will be a net not-to-exceed amount of \$8,856,286 to complete Phase 2. The design changes and revised unit bid items have been negotiated by Metro-North and the contractor and are deemed fair and reasonable. Similar unit adjustments for Phase 1 were approved by the Board in April 2018.

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

**Schedule I: Modifications to Purchase and
Public Works Contracts**

It is recommended at this time that a contract modification be approved in the not-to-exceed amount of \$8,856,286. Funding is included in the MTA Capital Program through the FTA funded Sandy Emergency Relief Program.

LONG ISLAND RAIL ROAD

PROCUREMENTS

FOR

BOARD ACTION

March 27, 2019

Staff Summary



Subject: Request for Authorization to Award Various Procurements						Date March 27, 2019			
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	3.20.19				X	President		
2	MTA Board	3.27.19							

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	<u># of Actions</u>	<u>\$ Amount</u>
	NONE	

LIRR proposes to award Competitive Procurements in the following	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Two-Thirds Vote</u>		
Schedule B: Competitive Purchases and Public Works	1	\$TBD
SUBTOTAL:	1	\$TBD

LIRR proposes to award Ratifications in the following categories:	<u># of Actions</u>	<u>\$ Amount</u>
	NONE	
TOTAL:	<u>1</u>	<u>\$TBD</u>

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.

MARCH 2019

MTA LONG ISLAND RAIL ROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

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

(Staff Summaries only required for items estimated to be greater than \$1 million)

- | | | | |
|-----------|---|--------------|-------------------------------|
| 1. | TBD
Competitive RFP
Contract No. TBD | \$TBD | <u>Staff Summary Attached</u> |
|-----------|---|--------------|-------------------------------|

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public's best interest to use the Request for Proposal (RFP) alternative procurement method for best value pursuant to Section 1265-a of the Public Authorities Law to award the construction contract for the Wreck Lead Bridge Rehabilitation Project.

Wreck Lead Bridge is a single leaf rolling lift thru-truss bascule bridge that carries passenger rail traffic on the Long Beach Branch over Reynolds Channel. It is part of the viaduct structure between Island Park and Long Beach, New York. The movable span is 108 feet long and was originally constructed in 1970. The purpose of this project is to provide for a mechanical rehabilitation and associated electrical upgrades of the movable bridge components to improve bridge reliability by rehabilitating the lower span locks and installing a new centering device with appropriate capacity. The LIRR will seek a contractor specializing in marine bridges for this project.

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

Staff Summary



Item Number:					
Dept. Head Name: Procurement & Logistics, Dennis Mahon					
Department Head Signature & Date <i>[Signature]</i> 7/20/19					
Division Head Name: Program Management, Paul Dietlin					
Division Head Signature & Date <i>[Signature]</i> 3/20/18					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LI Committee	3.25.19			
2	MTA Board	3.27.19			
Internal Approvals					
Order	Approval	Order	Approval		
1	President <i>[Signature]</i>	4	VP & CFO <i>[Signature]</i>		
2	Sr. VP/Operations <i>[Signature]</i>	5	VP, Gen'l Counsel & Sec'y <i>[Signature]</i>		
3	Sr. VP/Engineering	6	<i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name	Contract Number
TBD	TBD
Description Wreck Lead Bridge Rehabilitation Project	
Total Amount	
\$ TBD	
Contract Term (including Options, if any)	
TBD	
Options(s) included in Total Amount: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public's best interest to use the Request for Proposal (RFP) alternative procurement method for best value pursuant to Section 1265-a of the Public Authorities Law to award the construction contract for the Wreck Lead Bridge Rehabilitation Project.

II. DISCUSSION

Wreck Lead Bridge is a single leaf rolling lift thru-truss bascule bridge that carries passenger rail traffic on the Long Beach Branch over Reynolds Channel. It is part of the viaduct structure between Island Park and Long Beach, New York. The movable span is 108 feet long and was originally constructed in 1970 and served the Charlotte Harbor and Northern Railway in Florida. In 1986, the bascule bridge was relocated from Florida and installed in the current location.

The span hinges up out of the way so that boats can pass under the bridge. The bridge has experienced operational reliability issues such as limit switch failures and shows signs of misalignment as evidenced by the deformation of the centering device. In recent years, the instances of the bridge not being able to fully close due to these reliability issues have been increasing, causing greater negative impacts to railroad operations.

The purpose of this project is to provide for a mechanical rehabilitation and associated electrical upgrades of the movable bridge components to improve bridge reliability by rehabilitating the lower span locks and installing a new centering device with appropriate capacity. The LIRR will seek a contractor specializing in marine bridges for this project.

The utilization of the RFP process will help ensure that the LIRR selects a specialty Contractor based upon considerations of technical capability, experience, and completion schedule, and afford the LIRR the ability to evaluate the specialty contractor's approach to key components of the project such as site constraints, construction schedule, force account support and outage requirements, access issues, sequence of operation, and minimizing impact to rail road operation and navigational use of the channel. Additionally, the RFP process gives LIRR the ability to negotiate and evaluate terms other than price alone, such as past performance, and work experience in a railroad environment, qualifications of key personnel, and safety records.

Staff Summary



III. D/M/WBE INFORMATION

Goals for this Contract are to be determined by the MTA Department of Diversity and Civil Rights.

IV. IMPACT ON FUNDING

This contract will be funded by the MTA's 2015 to 2019 Capital Program Budget.

V. ALTERNATIVES

The alternative is to use the Invitation for Bid (IFB) procurement method. The IFB procurement method does not allow the LIRR to negotiate costs or select a specialty Contractor based upon best experience, technical capability and/or proposed work completion schedule. In addition, an IFB would delay meaningful dialogue with the specialty Contractor until after award, thereby preventing the LIRR from being able to negotiate improvements to the construction schedule and incorporate more efficient means and methods for construction. Also, IFB will not allow the LIRR to review and compare bidders in order to select the very unique mechanical rehabilitation experience and technology that is optimal for the railroad operation and long term maintenance.

**PROCUREMENT PACKAGE
March 2019**

PROCUREMENTS

The Procurement Agenda this month includes five actions for a proposed expenditure of \$7,018,745.

Staff Summary

Subject		Request for Authorization to Award Various Procurements			
Department		Procurement			
Department Head Name		David K. Cannon			
Department Head Signature		<i>David K. Cannon</i>			
Board Action					
Order	To	Date	Approval	Info	Other
1	LIRR Committee	3/25/19	X		
2	Board	3/27/19	X		

Date: March 21, 2019			
Vendor Name Various			
Contract Number Various			
Contract Manager Name Various			
Internal Approvals			
	Approval		Approval
2	Vice President & Chief Financial Officer <i>ABZ</i>	4	President <i>[Signature]</i>
1 <i>[Signature]</i>	Vice President, Program Controls	3	Executive Vice President & General Counsel <i>[Signature]</i>

PURPOSE

To obtain the approval of the Board to award various 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 Majority Vote</u>		
Schedule I Modifications to Purchase and Public Work Contracts	1	\$ 1,485,135
SUBTOTAL	1	\$ 1,485,135
MTA Capital Construction proposes to award a Ratification in the following category:		
Schedule K Ratification of Completed Procurement Actions	4	\$ 5,533,610
SUBTOTAL	4	\$ 5,533,610
TOTAL	5	\$ 7,018,745

Budget Impact:

The approval of the contracts 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 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.

MARCH 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**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)

- | | | | |
|-----------|---------------------------------|---------------------|--------------------------------------|
| 1. | Tutor Perini Corporation | \$ 1,485,135 | <u>Staff Summary Attached</u> |
| | Contract No. CQ033 | | |
| | Modification No. 32 | | |

In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a contract requests that the Board approve a Modification to furnish and install a new lighting scheme for the Mid-Day Storage Yard including fixtures, additional steel support members, brackets, channels, and angle plates.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number 1

Vendor Name (& Location) Tutor Perini Corporation
Description Mid-Day Storage Yard for the East Side Access Project
Contract Term (including Options, if any) 1,217 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 <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, Rob Troup, SVP & Sr. Program Executive

Contract Number	AWO/Modification #
CQ033	32
Original Amount:	\$ 291,503,430
Prior Modifications:	\$ 19,588,347
Options:	\$ 1, 873,570
Current Amount:	\$ 312,965,347
This Request	\$ 1,485,135
% of This Request to Current Amount:	.4%
% of Modifications (including This Request) to Original Amount:	7%

Discussion:

This Contract is for the demolition and removal of the existing catenary structures, railroad buildings and Montauk Cutoff Bridge and Ramp and the construction of the Mid-Day Storage Yard (“Yard”) in the Harold Interlocking. In accordance with Article VIII of the All Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a Modification to furnish and install a new lighting scheme for the Yard including fixtures, additional steel support members, brackets, channels, and angle plates.

The metal halide fixtures originally specified in the design for CQ33 are no longer available. To achieve comparable lighting with LED lighting fixtures will require an additional one hundred and fifty-nine fixtures. In addition, in locations where New York City Department of Transportation (“NYCDOT”) bridges pass through the Yard, the CQ033 lighting design specifies attaching the fixtures to the underside of the bridge. In light of the revised lighting requirements, additional steel support members, brackets, channels, and angle plates are required. This issue has been marked as a potential design error or omission and is being pursued with the designer of record.

The Contractor’s proposal was in the amount of \$2,007,402. Negotiations were held and the parties agreed to \$1,485,135 which is deemed to be fair and reasonable.

In connection with previous contracts awarded, the Tutor Perini Corporation 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 in February 2016. No new significant adverse information has been found relating to Tutor Perini Corporation. Therefore, Tutor Perini Corporation has been determined to be responsible.

MARCH 2019

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

2 & 3.	Tutor Perini Corporation Contract No. CS179 Mod No. 193 Contract No. CS179 Mod No. 194	\$ 1,568,357 \$ 766,312	<u>Staff Summary Attached</u> ↓ ↓
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In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify two contract modifications for the Contractor to furnish and install cable trays, radio antenna cable, antennas and cable bracket supports, and to provide associated wall penetrations, fire stopping and bonding.

4.	Tutor Perini Corporation Contract No. CS179 Modification No. 175	\$ 2,163,594	<u>Staff Summary Attached</u>
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In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a contract modification to provide network and critical circuit redundancy with respect to the Public Address and Visual Message Sign (PA/VMS) system throughout the ESA premises, including Grand Central Terminal (GCT) and the ESA Tunnels.

5.	GCT Constructors Joint Venture Contract No. CM014B Modification No. 222	\$ 1,035,347	<u>Staff Summary Attached</u>
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In accordance with Article VIII of the All Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a contract modification for the re-orientation of four chilled water pumps within the Pump Room of the 50th Street Ventilation Facility and the reconfiguration of associated supply and return pipes.

Schedule K: Ratification of Completed Procurement Actions

Item Numbers 2 and 3

Vendor Name (& Location) Tutor Perini Corporation (Peekskill, New York)	
Description Systems Facilities Package No. 1	
Contract Term (including Options, if any) 75 Months	
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 <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, Rob Troup, SVP & Sr. Program Executive	

Contract Number CS179	AWO/Modification # 193 & 194
Original Contract Amount:	\$ 333,588,000
Original Option Amounts:	\$ 216,800,000
Original Board Approved Amount:	\$ 550,388,000
Prior Modifications:	\$ 45,644,747
Exercised Options:	\$ 216,800,001
Current Amount:	\$ 595,814,486
This Request	\$ 2,334,669
% of This Request to Current Amount:	.4%
% of Modifications (including This Request) to Original Amount:	14%

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 two contract modifications for the Contractor to furnish and install cable trays, radio antenna cable, antennas and cable bracket supports, and to provide associated wall penetrations, fire stopping and bonding.

The Contractor is required to design a two-way radio system to meet parameters specified in Contract CS179. The radio system in the GCT Concourse and Caverns includes discrete ceiling mounted radio antennas to transmit and receive radio frequencies designated for LIRR Operations, the New York City Fire Department and the MTA Police Department. The Contract Documents require the CS179 Contractor to install radio antenna cables in rigid conduits installed under Contracts CM014B in the GCT Concourse and CM007 in the GCT Caverns. The conduit layouts were based on the ESA General Engineering Consultant’s (GEC) rough approximation for the number and location of antennas needed to provide the radio coverage.

The CS179 Contractor performed a radio frequency (RF) study and determined that the optimal number and location of the antennas was different from what was specified on the Contract Documents. Consequently, a new layout for the radio antenna cable is required. In addition, the conduit specified was not sized properly to hold the radio antenna cable determined to be necessary through the RF study and, with the introduction of a wifi network to the project after this Contract was awarded, additional and/or larger conduit would have been required for that cable in any event. Therefore, cable trays will be used to support both the radio antenna cable and the wifi cable, rather than the originally specified conduits.

Under separate modifications, CM007 will be deleting the conduit work in the caverns and CM014B will be deleting the conduits and installing cable trays in the concourse. The Modifications addressed here provide for the CS179 Contractor to install cable trays and the radio antenna cable in the caverns (MOD #193) and to install radio antenna cable in the cable trays provided by CM014B in the Concourse (MOD #194). In both instances, the Contractor must install additional antennas and cable bracket supports, as well as providing associated wall penetrations, fire stopping and bonding. This issue has been marked as the result in part of a potential design error and omission and is being pursued with the designer of record.

To avoid potential delay to the Contractor's Recovery Schedule, the President authorized a retroactive modification and on March 1, 2019, the Contractor was directed to proceed with the full scope of work associated with this change up to a Not-To-Exceed value of \$1,450,000.

The Contractor's proposal was in the amount of \$2,935,560 for Modification No. 193 and \$1,461,478 for Modification No. 194. The parties agreed to \$1,568,357 and \$766,312, respectively, for the direct costs of Modifications 193 and 194, which is deemed to be fair and reasonable. The Contractor has also asserted claims for time impacts and has sought \$243,332 and \$128,956, respectively, in additional overhead costs for Modifications 193 and 194. MTACC has not agreed to pay any compensation in connection with these claims. In order to advance the Work without delay, MTACC seeks approval to issue this Modification to provide for the payment of the negotiated Direct Costs, and to address time impacts and additional overhead separately, without prejudice to MTACC's defenses to such claims.

In connection with a previous contract award 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.

Schedule K: Ratification of Completed Procurement Actions

Item Number 4

Vendor Name (& Location) Tutor Perini Corporation (Peekskill, New York)	
Description Systems Facilities Package No. 1	
Contract Term (including Options, if any) 75 Months	
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 <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, Rob Troup, SVP & Sr. Program Executive	

Contract Number CS179	AWO/Modification # 175
Original Contract Amount:	\$ 333,588,000
Original Option Amounts:	\$ 216,800,000
Original Board Approved Amount:	\$ 550,388,000
Prior Modifications:	\$ 45,644,747
Exercised Options:	\$ 216,800,001
Current Amount:	\$ 595,814,486
This Request	\$ 2,163,594
% of This Request to Current Amount:	.4%
% of Modifications (including This Request) to Original Amount:	14%

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 provide network and critical circuit redundancy with respect to the Public Address and Visual Message Sign (PA/VMS) system throughout the ESA premises, including Grand Central Terminal (GCT) and the ESA Tunnels.

The Contract Documents did not provide for complete redundancy in the PA/VMS network design, as required by the ESA Design Criteria. The Contract Documents provided for a star network configuration between the PA/VMS headend equipment and the field devices located throughout the GCT Concourse and Caverns. Consequently, a single failure to either the networking equipment or the physical interface that connects the PA/VMS headend to each communication room would disable all PA/VMS devices that are fed from that communication room and the loss of PA/VMS announcements in large areas within GCT.

This Modification will implement a redundant ring network architecture for the PA/VMS system so that, if the primary interface to the communication room were to fail, traffic will continue unobstructed via a secondary interface. The Change Work includes revising the design of the GCT PA/VMS network architecture, furnishing and installing additional cable between tunnel speakers to support dual “A” and “B” circuits, and relocating connectivity of the PA/VMS servers and workstation from the Backbone Communication System (BCS) to the ESA Support Network.

This modification appears to be the result of design errors or omissions on the part of the GEC. Certain of the issues with the PA/VMS design were the subject of a previous settlement of claims with, and recovery against, the GEC. Those issues that were not the subject of the previous settlement are being reviewed and if appropriate, will be addressed in a subsequent E&O claim against the GEC.

Schedule K: Ratification of Completed Procurement Actions

Item Number 4

The Contractor's proposal for this work was in the amount of \$5,235,160. After negotiations, the parties agreed to \$2,163,594 for direct costs, which is deemed to be fair and reasonable. The Contractor has also asserted a claim for time impacts and has sought \$341,367 in overhead costs in excess of the negotiated direct costs. MTACC has not agreed to pay any compensation in connection with these claims. In order to advance the Work without delay, MTACC seeks approval to issue this Modification to provide for the payment of the negotiated Direct Costs, and to address time impacts and additional overhead separately, without prejudice to MTACC's defenses to such claims.

To avoid impact to the progress of the Project's Integrated Systems Testing, the MTACC President authorized a retroactive modification and on September 19, 2018, the Contractor was directed to proceed with the early engineering work associated with this change up to a Not-To-Exceed value of \$200,000.

In connection with a previous contract award 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.

Schedule K: Ratification of Completed Procurement Actions

Item Number 5

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): 1,826 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 type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input checked="" type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: East Side Access, Rob Troup, SVP & Senior Program Executive

Contract Number	AWO/Modification #
CM014B	222
Original Contract Amount:	\$ 404,622,096
Original Option Amounts:	\$ 24,277,904
Original Board Approved Amount:	\$ 428,900,000
Prior Modifications:	\$ 41,485,608
Exercised Options:	\$ 24,277,904
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 470,385,608
This Request	\$ 1,035,347
% of This Request to Current Amount:	.2%
% of Modifications (including This Request) to Original Amount:	10%

Discussion:

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 ratify a contract modification for the re-orientation of four chilled water pumps within the Pump Room of the 50th Street Ventilation Facility and the reconfiguration of associated supply and return pipes.

The layout for these pumps and the related piping in the contract documents did not provide the clearances mandated by the New York State Building Code nor sufficient access for maintenance. As a result, the orientation of the pumps must be changed and the associated supply and return pipes reconfigured. This will require demolition and reinstallation of pipes that were installed under a predecessor contract before this issue was identified. This issue has been marked as a potential design error and omission and is being pursued with the designer of record.

The chilled water system must operate to provide the environmental controls necessary to protect finishes within the new concourse as those finishes are installed. Due to the critical nature of this work, the President approved a Retroactive Memorandum and, on January 9, 2019, MTACC directed the Contractor to commence with coordination, submittals, procurement of materials, demolition of existing piping, and commencement of work up to a not-to-exceed amount of \$600,000.

The Contractor submitted a cost proposal of \$3,662,829. The parties agreed to a cost of \$1,035,347, which is deemed to be fair and reasonable. There is no impact to the schedule.

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.



Bridges and Tunnels

Procurements March 2019



Staff Summary



Subject: Request for Authorization to Award Various Procurements

Department: Procurement

Department Head Name: M. Margaret Terry

Department Head Signature:

Project Manager Name:

Date: 03/07/19

Vendor Name:

Contract Number:

Contract Manager Name:

Table of Contents Ref #:

Board Action					
Order	To	Date	Approval	Info	Other
1	President	3/07/2019			
2	MTA B&T Committee	03/25/2019			
3	MTA Board	03/27/2019			

Internal Approvals			
Order	Approval	Order	Approval
	President <i>[Signature]</i>		VP & Chief Financial Officer <i>ALCCjr DA</i>
	Executive Vice President		VP Operations
	VP & Chief of Staff <i>[Signature]</i>	<i>[Signature]</i>	VP & Chief Engineer
	SVP & General Counsel <i>[Signature]</i>		VP & Chief Procurement Officer <i>BB</i>

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

PURPOSE:

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

DISCUSSION:

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

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

Schedules Requiring Majority Vote:

Schedule F: Personal Service Contracts (Staff Summaries required for Items greater than: \$100K Sole Source; \$250K Other non-Competitive; \$1M Competitive)

of Actions

1

\$ Amount

\$ 8.24M

SUBTOTAL

1

\$ 8.24M

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

TOTAL

1

\$ 8.24M

BUDGET IMPACT:

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

RECOMMENDATION:

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

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

MTA BRIDGES & TUNNELS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
MARCH 2019

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

F: Personal Service Contracts

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

1. HNTB New York Engineering and Architecture, P.C.	\$ 2,418,861.00	<u>Staff Summary Attached</u>
2. Thornton Tomasetti, Inc.	\$ 1,892,774.00	
3. WSP USA, Inc.	\$ 1,899,387.00	
4. Hardesty & Hanover, LLC	<u>\$ 2,031,288.00</u>	
	<u>\$ 8,242,310.00</u>	

Contracts No. (s). PSC-18-3017A
PSC-18-3017B
PSC-18-3017C
PSC-18-3017D

2yr. 9 months Contract- Competitive RFP

B&T is seeking Board approval under the All-Agency Service Procurement Guidelines to award four personal service contracts for the 2019 Biennial Bridge Inspections at the: (i) Throgs Neck Bridge, (ii) Bronx-Whitestone Bridge, (iii) Marine Parkway/Cross Bay Bridges, and (iv) Henry Hudson & Queens-Midtown Tunnel and Hugh L. Carey Tunnel Approach Bridges.

Staff Summary

Item Number 1 (Final)					
Dept & Dept Head Name: Engineering and Construction, Joe Keane, P.E. <i>Joe Keane</i>					
Division & Division Head Name: Engineering and Construction, Philip Swanton, P.E. <i>Philip Swanton</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	3/7/19			
2	MTA B&T Committee	3/25/19			
3	MTA Board	3/27/19			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>[Signature]</i>	4	Chief of Staff <i>[Signature]</i>		
2	General Counsel <i>[Signature]</i>	5	President <i>[Signature]</i>		
3	Chief Procurement Officer				

SUMMARY INFORMATION	
Vendor Name	Contract No.
A) HNTB New York Engineering and Architecture, P.C.	PSC-18-3017A
B) Thornton Tomasetti, Inc	PSC-18-3017B
C) WSP USA, Inc	PSC-18-3017C
D) Hardesty & Hanover, LLC	PSC-18-3017D
Description 2019 Biennial Bridge Inspection & Design of Miscellaneous Structural Repairs at the Throgs Neck, Bronx-Whitestone, Marine Parkway, Cross Bay, Henry Hudson & Queens-Midtown Tunnel and Hugh L. Carey Tunnel Approach Bridges	
Total Amount PSC-18-3017A, \$2,418,861.00; PSC-18-3017B, \$1,892,774.00; PSC-18-3017C, \$1,899,387.00; PSC-18-3017D, \$2,031,288.00	
Contract Term (including Options, if any) Two years, nine months (through 12/31/21)	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All-Agency Service Procurement Guidelines to award four personal service contracts for the 2019 Biennial Bridge Inspections at the: (i) Throgs Neck Bridge (Contract PSC-18-3017A) to HNTB New York Engineering and Architecture, P.C. (HNTB), (ii) Bronx-Whitestone Bridge (Contract PSC-18-3017B) to Thornton Tomasetti, Inc. (TT), (iii) Marine Parkway/Cross Bay Bridges (Contract PSC-18-3017C) to WSP USA, Inc. (WSP), and (iv) Henry Hudson & Queens-Midtown Tunnel and Hugh L. Carey Tunnel Approach Bridges (Contract PSC-18-3017D) to Hardesty & Hanover, LLC (H&H). The negotiated contract amounts (inclusive of allowance) are: (A)\$2,418,861.00 (B) \$1,892,774.00 (C) \$1,899,387.00 and (D) \$2,031,288.00. Each contract will be for a duration of approximately two years, nine months through December 31, 2021.

II DISCUSSION

B&T requires the services of four consultant firms to provide biennial bridge inspection and miscellaneous design services at the: Throgs Neck, Bronx Whitestone, Marine Parkway, Cross Bay, Henry Hudson & Queens-Midtown Tunnel and Hugh L. Carey Tunnel Approach Bridges. These inspections assist in our mission to keep B&T's assets in a state of good repair, and are required by the New York State Department of Transportation.

The requirements were publicly advertised. Nine firms submitted qualification information for review and evaluation by the selection committee. Six firms were chosen to receive the RFP based on a review of those qualifications: B&H Engineering, P.C. (B&H), Hardesty & Hanover, LLC (H&H), HNTB New York Engineering and Architecture, P.C. (HNTB),

Staff Summary

Stantec Consulting Services, Inc. (Stantec), Thornton Tomasetti, Inc. (TT), and WSP USA, Inc. (WSP). Each of those firms submitted proposals. The proposals were evaluated against established criteria set forth in the RFP including technical work proposed, depth of understanding of the project, qualifications of the firm for specific personnel proposed and cost. Based on the committee's review of all submittals and its consideration of proposed costs, the committee selected HNTB for Group A (Throgs Neck Bridge), TT for Group B (Bronx-Whitestone Bridge), WSP for Group C (Cross Bay/Marine Parkway Bridges) and H&H for Group D (Henry Hudson and QMT & HLCT Approach Bridges).

The Committee's selections were based on the following:

- HNTB submitted a comprehensive technical proposal for Group A and provided additional supporting details during its oral presentation. The firm also displayed a clear understanding of the unique needs at the Throgs Neck Bridge.
- TT proposed a Project Manager who has extensive experience performing Biennials for various area facilities, a large staff to complete inspection in a timely manner and demonstrated a clear understanding of the needs at the Bronx-Whitestone Bridge. The Consultant also displayed familiarity with the structure obtained during recent design projects.
- WSP proposed a strong mechanical/electrical team for inspecting the lift span and mechanical drive system as required for Group C and has a proactive management history on previous biennial inspections.
- H&H submitted a solid technical proposal and meets the Authority's inspection requirements. In addition, their past responsiveness, along with their in-depth knowledge of the Authority's requirements will be beneficial assets.
- While the other two firms were technically qualified, their proposed manhours were consistently above the Engineer's Estimates, resulting in higher proposed costs and indicating a lack of full understanding of the required level of effort.

The overall cost of the four recommended 2019 Biennial Contracts is an increase of 2.79% compared with the preceding 2017 Biennial Contracts (PSC-16-3000). This is generally due to increased labor and inspection equipment costs since the prior contracts' (PSC-16-3000A-D) award, but is also due to a reduction in the scope of Group B for this cycle being offset by a comparable increase in scope for Group D. The following represents a summary of costs for the 2017 Biennial Contracts, and the costs proposed, estimated and negotiated for the recommended 2019 Biennial Contracts (all excluding allowances).

Group	2017 Contracts	2019 Contracts			Comparisons	
	Amount	B&T Estimate	Proposed	Negotiated	2019 Negotiated vs. 2017	2019 Negotiated vs. Estimate
A	\$1,669,045.00	\$2,208,000.00	\$1,784,937.00	\$1,718,861.00	+2.9%	-28.4%
B	\$1,538,963.00	\$1,680,000.00	\$1,695,070.00	\$1,392,774.00	-10.5%	-20.6%
C	\$1,670,622.67	\$1,710,000.00	\$1,687,507.00	\$1,599,387.00	-4.4%	-6.9%
D	\$1,388,689.71	\$1,795,000.00	\$2,132,728.00	\$1,731,288.00	+24.67%	-3.55%

* All costs above exclude allowances.

HNTB's negotiated cost for Group A (TNB) is 2.9% higher than the previous contract cycle. This is attributable to an increase in wage rates since the prior contract. The negotiated price is 28.4% less than the Estimate. This is because the Estimate assumed expenses for more lane closures than are currently anticipated.

TT's negotiated cost for Group B (BWB) is 10.5% lower than the previous cycle. This is attributable to fathometric surveying and underwater diving inspection tasks being removed from the scope, as they are periodic requirements which are not mandated in this cycle. The negotiated cost is 20.6% below the Estimate. This is because the Estimate assumed expenses for more lane closures than are currently anticipated.

WSP's negotiated cost for Group C (CBB & MPB) is 4.4% lower than the previous cycle. This is attributable to lower wage rates than the prior consultant used and the fact that one ramp on the CBB will be inspected by in-house staff. The

Staff Summary

negotiated price is 6.9% less than the Estimate. This is attributable to efficiencies the Consultant anticipates as a result of increased familiarity due to prior work at the Facility.

H&H's negotiated cost for Group D (HHB & QMT Approaches) is 24.6% more than what was negotiated in the previous cycle. This is primarily due to an increase in scope in the current cycle to include: 1.) A seismic vulnerability assessment of the Queens-Midtown Tunnel Approach Bridges and 2.) Inspection of the Hugh L. Carey Tunnel Approach Bridges and ancillary structures, both of which were not a part of the previous cycle. The negotiated cost is 3.55% below the Estimate. This is due to efficiencies the Consultant anticipates as a result of increased familiarity due to prior work at the Facility. Note that there is a slight reduction in scope at the HHB as the two pedestrian underpasses will be inspected by in-house staff.

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

Summary of 2019 Proposed Contracts			
Group	<u>Negotiated Amount</u>	<u>Allowance</u>	<u>Contract Amount with Allowance</u>
A	\$1,718,861.00	\$700,000.00	\$2,418,861.00
B	\$1,392,774.00	\$500,000.00	\$1,892,774.00
C	\$1,599,387.00	\$300,000.00	\$1,899,387.00
D	\$1,731,288.00	\$300,000.00	\$2,031,288.00

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

In connection with a previous contract awarded to The Louis Berger Group, Inc. (LBG)¹, LBG was found to be responsible notwithstanding significant adverse information ("SAI") pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in November 2015. No new SAI has been found relating to LBG or WSP. WSP has no SAI except that stemming from its acquisition of LBG. WSP has been found to be responsible.

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights has established goals of 15% MBE, 15% WBE and 6% SDVOB for each of these contracts. HNTB, TT, WSP and H&H have each achieved their MWDBE goals on previous MTA contracts.

IV. IMPACT ON FUNDING

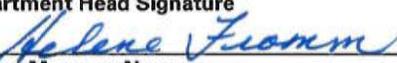
Funding in the amount of \$8,242,310.00 is available in the Operating Budget under GFM-529, General Ledger #711101.

V. ALTERNATIVES

There are no recommended alternatives. B&T does not have the resources required to perform these New York State inspection requirements, apart from those noted above.

¹ LBG was acquired by WSP in December 2018 and that acquisition carries with it LBG's SAI.

Staff Summary

Subject Mission Statement, Measurements, and Performance Indicators Report
Department Chief of Staff
Department Head Name Helene Fromm
Department Head Signature 
Project Manager Name Lamond W. Kearse

Date March 27, 2019
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
	Corporate Governance	3/25/19			
	Board	3/27/19			

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

Purpose:

To obtain Board approval of the MTA’s Mission Statement and to authorize submission of the annexed 2018 Mission Statement, Measurements, and Performance Indicators Report (the “Report”) to the Independent Authorities Budget Office (“ABO”).

Discussion:

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

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

The Report compiles the MTA Mission Statement, Stakeholder Assessment and the performance measurements from 2018. The operating agencies have each submitted, within the Report, a summary that evaluates agency performance on the applicable indicators in the past year.

Recommendation:

It is recommended that the MTA Board approve the annexed Report and authorize submission of such Report as required by Section 1269-f and Section 2824-a of the Public Authorities Law to the ABO.

Staff Summary

Subject All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services
Department Corporate Compliance
Department Head Name Lamond W. Kears, Chief Compliance Officer
Department Head Signature
Project Manager Name Monica Murray

Date March 27, 2019
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref # N/A

Board Action					
Order	To	Date	Approval	Info	Other
	Corporate Governance	03/25/19			
	Board	03/27/19			

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

Purpose:

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

Discussion:

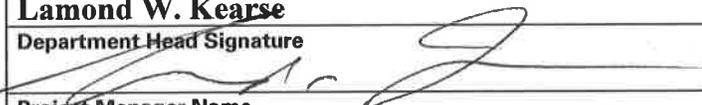
Public Authorities Law Section 2879 requires the MTA to annually review and approve its All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services. These guidelines were last approved by the Board at its March 21, 2018 meeting.

There are no proposed revisions to either guidelines.

Recommendation:

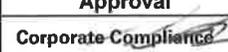
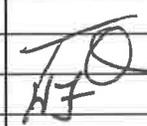
It is recommended that the MTA Board approve the annexed All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services.

Staff Summary

Subject Public Authorities Law Required Policies
Department Corporate Compliance
Department Head Name Lamond W. Kears
Department Head Signature 
Project Manager Name Monica A. Murray

Date March 27, 2019
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref # N/A

Board Action					
Order	To	Date	Approval	Info	Other
1	Governance	3/25/19	X		
2	Board	3/27/19	X		

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

Purpose:

To obtain Board approval for revisions to certain existing policies of the MTA and its Agencies, in order to comply with Public Authorities Law Section 2824 (“PAL 2824”).

Discussion:

PAL 2824 requires formal Board adoption of certain policies. Corporate Compliance has provided an exhibit book that includes the relevant policies for your review. The policies in the exhibit book are new or revisions to existing policies which have been approved by their respective Agencies.

Recommendation:

It is recommended that the Board approve the policies contained in the exhibit book.