



Metropolitan Transportation Authority

May 2019

MTA Board Action Items



MTA Board Meeting

2 Broadway, 20th Floor Board Room, New York, N.Y. 10004

Wednesday, 5/22/2019

9:00 AM - 12:00 PM ET

1. PUBLIC COMMENT PERIOD

2. APPROVAL OF MINUTES

MTA Regular Board Minutes - April 17, 2019

MTA Regular Board Minutes - April 17, 2019 - Page 5

NYCT/MaBSTOA/SIRTOA/MTA Bus Company Regular Board Minutes - April 17, 2019

NYCT/MaBSTOA/SIRTOA/MTA Bus Regular Minutes - April 17, 2019 - Page 14

MTA Metro-North Railroad Regular Board Minutes - April 17, 2019

Metro-North Regular Minutes - April 17, 2019 - Page 22

MTA Long Island Rail Road Regular Board Minutes - April 17, 2019

LIRR Regular Minutes - April 17, 2019 - Page 31

Triborough Bridges & Tunnels Regular Board Minutes - April 17, 2019

TBTA Regular Minutes - April 17, 2019 - Page 42

MTA Capital Construction Regular Board Minutes - April 17, 2019

MTAC CC Regular Minutes - April 17, 2019 - Page 47

3. COMMITTEE ON FINANCE

MTAHQ Procurements Report

MTAHQ Procurement Report - Page 52

i. Non-Competitive

MTAHQ Non-Competitive Procurements - Page 55

ii. Competitive

MTAHQ Competitive Procurements - Page 57

iii. Ratifications (no items)

Information Item

i. 2018 - 2019 Station Maintenance Billing

Station Maintenance Billing - Page 61

Real Estate Items

i. Real Estate Agenda and Staff Summaries

Real Estate Agenda and Staff Summaries - Page 66

4. COMMITTEE ON NYCT & BUS

NYCT Action Item

i. Tariff Revision: Elimination of Half Fare Student MetroCard

Elimination of Half Fare Student MetroCard - Page 87

NYCT & Bus Procurements Report

Procurement Cover, Staff Summary, and Resolution - Page 94

i. Non-Competitive

NYCT Non-Competitive Actions - Page 99

ii. Competitive

NYCT Competitive Actions - Page 102

iii. Ratifications

NYCT Ratifications - Page 105

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

Action Item

i. MTA Capital Construction

East Side Access & Regional Investments Budget Transfer - Page 114

MNR Procurements Report

MNR Procurements - Page 117

i. Non-Competitive (no items)

ii. Competitive

MNR Competitive - Page 120

iii. Ratification (no items)

LIRR Procurements Report (no items)

MTACC Procurements Report

MTA CC Procurements - Page 124

i. Non-Competitive (no items)

ii. Competitive

MTA CC Competitive - Page 128

iii. Ratification

MTA CC Ratifications - Page 133

6. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS

B&T Procurements Report

B&T Procurements - Page 136

i. Non-Competitive

B&T Non-Competitive - Page 139

ii. Competitive (no items)

iii. Ratifications (no items)

7. AUDIT COMMITTEE

8. FIRST MUTUAL TRANSPORTATION ASSURANCE CO (FMTAC)

FMTAC Annual Meeting Report

i. FMTAC Staff Summary

FMTAC Staff Summary - Page 143

ii. FMTAC Relating Materials (Available in the Exhibit Book and MTA.Info)

9. EXECUTIVE SESSION

Next Board Meeting: Wednesday, June 26, 2019

**Metropolitan Transportation Authority
Minutes of
Regular Board Meeting
2 Broadway
New York, NY 10004
Wednesday, April 17, 2019
9:00 a.m.**

The following members were present:

**Hon. Patrick Foye, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Kevin Law
Hon. Michael Lynton
Hon. David Mack
Hon. Susan Metzger
Hon. Haeda B. Mihaltses
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg**

The following alternate non-voting members were also present:

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

The following members were absent:

**Hon. Veronica Vanterpool
Hon. Neal Zuckerman**

Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Susan J. Doering, Executive Vice President, Metro-North Railroad, Daniel Decrescenzo, Acting President, TBTA, Craig Cipriano, Executive Vice President, Business Strategies and Operations Support, and Cate Contino, Assistant Director, Government Affairs, 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. CHAIRMAN FOYE'S REMARKS.

Prior to Chairman Foye's remarks, the Chairman introduced Alan Putre, Project Executive, OMNY Fare Payment Program, who provided an overview of the new OMNY Fare Payment System. Mr. Putre explained that New York City Transit ("NYCT") will begin accepting contactless credit cards, debit cards, and mobile devices and OMNY cards.

Chairman Foye thanked Governor Cuomo for the opportunity to serve as Chairman and CEO of the MTA and thanked the New York State Senate for his confirmation. Chairman Foye stated that he grew up riding the subways in Jackson Heights, Queens and currently rides the subways and the Long Island Rail Road every day during his commute. Chairman Foye also stated that it is an incredible opportunity to serve with the over 70,000 hard-working MTA employees who keep the region moving. Chairman Foye thanked Vice Chairman Ferrer and former Chairman Joseph Lhota for their guidance and leadership.

Chairman Foye welcomed and introduced new Board Members Rhonda Herman, Kevin Law, Michael Lynton, Haeda Mihaltses, Sarah Feinberg, and David Mack. Chairman Foye thanked the new Board Members for volunteering their time and energy to serve the people of New York and noted that Board Members, with the exception of the Chairman and CEO, are uncompensated. Chairman Foye also thanked former Board Members Charles Moerdler, Mitchell Pally, Andrew Saul, and Peter Ward for their service and commitment.

Chairman Foye acknowledged the MTA senior management team including Veronique Hakim, Managing Director, Robert Foran, CFO, Janno Lieber, Chief Development Officer, Thomas Quigley, General Counsel, and agency presidents Andrew Byford, Catherine Rinaldi, Phillip Eng, Darryl Irick, and Daniel DeCrescenzo. Chairman Foye also acknowledged the hard-work and dedication of the MTA employees and union partners. Chairman Foye stated that he looks forward to working with all employees to transform the MTA into the premier public agency in the region.

Chairman Foye reported that Central Business District Tolling was included in this year's State budget and will support critical investments in the transit system, improve air quality, increase mobility, create safer streets for cyclists and pedestrians, bolster New York State's economy, and improve the lives of all New Yorkers. Chairman Foye reported that the upcoming 2020 Capital Plan will now have \$32 billion of funding. Central Business District Tolling will provide \$15 billion, \$5 billion will come from the real estate transfer tax, \$5 billion will come from the internet sales tax in New York City, and approximately \$7 billion will come from the federal government. Chairman Foye stated that Governor Cuomo and the New York State Legislature deserve tremendous credit for their support of a fully funded 2020 Capital Plan. The 2020 Capital Plan includes priority projects for NYCT, Long Island Rail Road, and Metro-North, including critical investments in system-wide accessibility such as the commitment to deliver 50 ADA accessible

subway stations within the next five years. Chairman Foye stated that he is counting on the timely passage of the 2020 to 2024 Capital Plan because any delay will result in increased costs and project delays.

Chairman Foye also stated that despite the passage of Central Business District Tolling, the MTA still faces major challenges such as significant operating deficits and gaps in public trust and credibility. Chairman Foye reported the following as MTA priorities:

First, the MTA must continue to improve safety, service, and the customer experience. In furtherance of these goals, Chairman Foye reported on continued progress in subway customer service due to the Subway Action Plan, in addition to smart and effective management from President Byford, Sally Librera, and the entire NYCT Team. Chairman Foye commented that in March at the Long Island Rail Road, President Eng and his team delivered the single best on time performance (“OTP”) at 94.6% in nearly three years. At Metro-North, President Rinaldi and her team continue to provide stellar service, coming in three percent higher than their OTP goal at 95.8% for the first quarter of 2019. Despite these successes, Chairman Foye stated that he recognizes the MTA has a tremendous amount of work to do and has a large credibility deficit to overcome.

Second, the MTA must transform the way it works and fundamentally rethink how it does business to create a more streamlined, efficient, and effective organization. Chairman Foye stated that a personnel and reorganization plan will soon be delivered to the Board and the MTA will undergo an independent forensic audit and efficiency review to be delivered to the Board and subsequently made public.

Third, the MTA must rebuild its credibility. Chairman Foye stated that many customers and elected officials do not trust the MTA. He stated that for too long, they have heard the MTA make commitments only to miss deadlines or not follow through. He also stated that the MTA must work together tirelessly and steadily to earn back the trust of customers and elected officials.

Fourth, the MTA must increase accountability and transparency. Chairman Foye stated that gaining back trust will take time, responsible management, and improved performance. He also stated that the MTA must hold itself accountable to its goals and provide honest communication. Chairman Foye commented that the MTA is revamping its Freedom of Information Law and open data process to make it easier to access and understand the information the MTA already provides.

Chairman Foye reported that he will be sharing updates with the Board as the MTA works on each of these areas. He also reported on the following specific issues he intends to focus on in the near term:

Chairman Foye reiterated the MTA’s commitment to safety and reported that safety is the MTA’s number one priority. He stated that he would like to reexamine the MTA’s safety protocols and processes, especially around acceptance testing, and inviting expert reviewers from inside and outside. Chairman Foye reported that he asked Pat Warren, Chief Safety Officer, to take the lead on these initiatives. Chairman Foye also stated that there have been recent and shocking failures by the MTA’s Positive Train Control (“PTC”) suppliers, which are concerning to the MTA. The suppliers have been notified that their recent performance has been unacceptable. Chairman Foye reported that PTC and supplier performance will continue to be discussed at the Joint Railroad Committee

Meetings and the full Board Meetings. Chairman Foye also remarked that Siemens executives were in attendance at today's meeting and were expected to appear before the Board in May.

Chairman Foye also reported that although the MTA has worked with almost every leading company in the transit industry, it must still ensure that it works with the best vendors and consultants available. The MTA must also hold vendors and consultants accountable to the highest quality and safety standards and ensure they deliver the best in-class products.

Chairman Foye reported that the MTA will be reviewing its third-party construction oversight programs. The MTA is engaged in significant capital projects from East Side Access, Phase II of the Second Avenue Subway Project, and the Canarsie Tunnel Rehabilitation Project. Chairman Foye stated that it is critically important to stay on time and on budget. Regarding the Canarsie Tunnel Rehabilitation Project, Chairman Foye reported that recent experience shows ample opportunity for improvement. He stated that the old "L" Train plan represented a colossal, collective failure of imagination on the part of three large firms and the MTA. Thanks to the creativity of the MTA's academic partners at Columbia and Cornell, the MTA was able to develop a new plan that accomplishes the same goals with less cost and time.

Chairman Foye reported that the State budget included a provision for the creation of a major construction review unit at the MTA to review projects before implementation. Chairman Foye stated that he wants to change and challenge the way the MTA has always done things and bring in creativity and new ideas. Chairman Foye commented that the State budget also requires any MTA Capital Project over \$25 million to use the design-build process and he stated that the MTA will continue to focus on its cost containment efforts.

Regarding public-private partnerships, Chairman Foye reported that the MTA can effectively leverage outside expertise to bring innovation and efficiency into the way the MTA constructs projects, especially through the use of private capital. Public-private partnerships have been used to great effect in Canada, Australia, the United Kingdom, Chili, and the United States. Chairman Foye stated that the Port Authority has used public-private partnerships with great success at LaGuardia Airport and the Goethals Bridge. Chairman Foye also stated that public-private partnerships are not a panacea but can be very effective when executed well. He stated that the MTA has hired a public-private partnership outside counsel and will be exploring the use of public-private partnerships on projects that make the most sense.

Chairman Foye stated that as the MTA moves forward, he is grateful for the guidance and leadership of the Board and MTA management. He also stated that New York City is a key partner in many projects, including Central Business District tolling, and the MTA looks forward to building its relationship with the City, including the New York City Department of Transportation. With funding for a robust capital plan and support of the State, the City, and the MTA's new leadership team, the MTA will be transformed.

The details of the Chairman's and Mr. Putre's remarks are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

2. PUBLIC SPEAKERS SESSION.

Cate Contino, Assistant Director, Government Affairs, reviewed the safety procedures protocol in the event of an emergency. Ms. Contino asked all speakers to observe the two (2) minute limit and, she stated that each speaker would be notified thirty seconds before their two-minutes expired.

The following twenty-nine (29) 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.

Jason Pinerio, private citizen
HP Schroer, Veteran/UMewe
Pedro Valdez Rivera, Riders Alliance
Tramell Thompson, Progress Action, NYCT Subways
Deborah Baldwin, Riders Alliance
Ashley Price, Transit Center Bus Turnaround Center
Christopher McLain, Straphanger Campaign
Rebecca Garcia, student at Hunter College, Straphanger Campaign
Mary Parisen Lavell, Citizen United Railroad Environmental Solutions
Colin Wright, Transit Center
Michael Howard, private citizen
Seth Rosenberg, NYCT Subway Operator, Local 100
Johanna Climenko, private citizen
Suman Ganguli, Riders Alliance
Liam Blank, Tri State Transportation Campaign
John Cherretti, NYCT Train Conductor/TWU Local 100
Ruth Lowenkron, Director of Disability Justice NYLPI/AARRG
Kevin Zeng, private citizen
Olivia Brady, Riders Alliance/CUNY student
Tony Murphy, People's MTA
Sasha Blair-Goldenshon, Elevator Action Group/Rise and Resist
Maria Roca, Friends of Sunset Park
Lisa Daglian, Executive Director, MTA PCAC
Miriam Fisher, private citizen
Kerry Hurlihy, Riders Alliance
Ed Delgado, private citizen
Deborah Elliott-Bloodman, private citizen
Valerie Joseph, BCID

3. UPDATE ON MTA BUS PLAN AND ELEVATORS AND L TRAIN PROJECT.

Chairman Foye, in response to the public comments, invited Andrew Byford, NYCT President, to discuss progress made towards improving the NYCT bus network. President Byford reported on some of the progress made in improving bus service, including the implementation of the Staten Island Express network redesign, the Bronx bus redesign and launching of the Queens bus redesign. In addition, President Byford stated that NYCT is working closely with its partners in law enforcement to ensure buses are moving as they

should in specific corridors and continuing to work with MTA's legislative partners to advocate for onboard camera enforcement of bus lanes.

Chairman Foye thanked President Byford and noted that following Mr. Lieber's presentation on the Cost Containment Working Group, President Byford will provide an update on the E-Hail program, including growth in trips and costs, which was requested by the Board in March.

With respect to elevator design, Chairman Foye asked President Byford to solicit the best academics in building elevator design in urban environments and explore whether a public-private partnership in which the MTA or NYCT would continue to own the elevators is feasible, and he asked President Byford to determine a schedule to report back to the Board.

Chairman Foye updated the Board on the engagement of JMT, an independent safety consultant on the L Train Project. The Chairman provided an overview of the scope of work provided by JMT, and stated that JMT will appear before the Board at the June Board meeting.

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

4. **PRESENTATIONS.**

Chairman Foye invited Janno Lieber to provide an update on the Cost Containment Working Group and efforts underway at three agencies. The Chairman stated that a second presentation will take place at the May Board meeting on the remaining agencies.

Cost Containment Update:

Mr. Lieber provided an update on the Cost Containment Working Group. Mr. Lieber reported on the need to rebalance risk, cut red tape, and improve project management. In response to a request from Board Member Schwartz, Mr. Lieber updated the Board on the status of cost containment recommendations. Mr. Schwartz stated that the goal of the cost containment working group was to find ways to lower costs and increase competition. Phil Eng, Long Island Rail Road President, Craig Cipriano, MTA Bus Executive Vice President, and Daniel DeCrescenzo, MTA Bridges and Tunnels Acting President, also reported on their agency cost containment efforts.

Board Member Schwartz also asked representatives from Siemens in attendance to deliver a message to the Siemens Global CEO about the consequences of debarment. Board Member Schwartz stated that the Governor and the State Legislature included language about debarment in the State budget. Board Member Schwartz stated that in the event contractors fail to perform, the MTA has the legal right to debar them from future MTA work. Board Member Schwartz also stated that the Board has requested the Global CEO of Siemens to come before the Board in May to answer questions and assure the Board that PTC work will be done on time and the quality of the work will be impeccable. In response to a request from Chairman Foye, the Board Members signaled agreement with Board Member Schwartz' sentiments as it relates to this matter.

Paratransit Program Update

Andrew Byford, NYCT President, provided a comprehensive update on the paratransit services on NYCT

Chairman Foye commended Board Member Jones who suggested at the December 2017 Board meeting that on-time performance and other data be included in the NYCT Committee books.

Board Member Schwartz stated that the MTA needs to explore better methods of providing paratransit services.

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

5. MINUTES.

Upon motion duly made and seconded, the Board approved the minutes of the Regular Board Meeting held on March 27, 2019. Board Member Law abstained from the vote.

6. 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 summary and documentation filed with the meeting materials.

1. 2018 Annual Investment Report and MTA All-Agency Investment Guidelines. Adopted the MTA All-Agency Investment Guidelines and approved the MTA's submission of the 2018 Annual Investment Report, pursuant to Public Authorities Law Section 2925.
2. Business Continuity Plan and Disaster Response Plan for First Mutual Transportation Assurance Company ("FMTAC"). Approved the Business Continuity Plan and Disaster Recovery Plan for FMTAC, the MTA's captive insurance company.

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. AlixPartners - Restructuring Consultant Services. Approved the retention of AlixPartners to fulfill the statutory mandate of section 1279-f of the New York Public Authorities Law, which requires the MTA, among other things, to contract with a financial advisory firm to submit a report that contains a review of (a) fraud, waste, abuse or conflicts of interest occurring within any department, division, or

office of the authority, its subsidiaries, affiliates, and subsidiaries of affiliates; (b) any duplication of functions or duties between the departments, divisions or office of the authority, its subsidiaries, affiliates, and subsidiaries of affiliates; (c) options for potential cost efficiencies and savings that could be achieved through changes in internal controls and management reforms, functional and process streamlining, internal procurement process reforms; (d) the two thousand fifteen to two thousand nineteen capital plan for cost overages and duplication; (e) the development of standardized performance metrics for planning, design, approvals, change orders, project management and delivery; and (f) cash flow and accounting of expenditures of the authority, its subsidiaries, affiliates, and subsidiaries of affiliates for the preceding three fiscal years. In addition, AlixPartners will prepare, in coordination with senior management, a reorganization that includes a personnel evaluation that is due to be submitted to the Board by June 30, 2019 pursuant to Section 1279-e of the NY PAL. AlixPartners, in coordination with senior management, also will incorporate the review's findings into the reorganization plan within 90 days, as also required Section 279-e.

2. Various Contractors – As-needed Counterterrorist Drills and Exercises – No 15451. Approved the award of Master Agreements for the as-needed formulation and delivery of complex counterterrorist table-top drills and exercises to Ascentra, Inc. and Willdan Homeland Solutions, for a period of performance of three (3) years commencing April 2019, plus two (2) one-year options to be exercised at MTA's sole discretion.
 3. JP Morgan Chase – Trust/Custodial, Administrative Services for MTA Defined Plans – No. 15335. Approved the award of a competitive negotiated, all-agency personal services contract to JP Morgan Chase to provide trust, custodial, and related administrative services for three Defined Benefit Pension Plans for a period of five (5) years beginning May 1, 2019 with an option to renew for an additional two (2) years.
 4. Various Contractors – Transportation Planning Research Services – No. 15099, Modification No. 1. Approved the extension of competitive contracts with AECOM USA, Inc., WSP USA Inc. (f/k/a Parsons Brinckerhoff, Inc.), Sam Schwartz Engineering, D.P.C., STV Incorporated, and VHB Engineering Surveying and Landscape Architecture, P.C. for twelve (12) months from November 30, 2019 to November 30, 2020, and increase the aggregate amount of the contracts.
 5. CorVel Healthcare Corporation – All-Agency Medical Bill Review and Payment Services – No. C908341-0100, Modification No. 11. Approved the extension of a competitively negotiated, all-agency, personal service contract with CorVel Healthcare Corporation for an additional eight (8) months ending December 31, 2019, and the increase in the contract value.
- 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 Railroad

1. License agreement with Jamaica News Plus Inc., the principal of which is Usman Zafar, for retail space located at Jamaica Station Terminal Building, Jamaica, N.Y.
2. License agreement with Golden Fountain Realty Inc., the principal of which is Hoagy Chen, for property for parking located at 131-02 Jamaica Avenue, Jamaica, N.Y.

Board Member Schwartz suggested that MTA make a public statement on behalf of the Board Members to the German Press regarding Board Members' comments and actions relating to Siemens. Chairman Foye agreed with Mr. Schwartz' suggestion.

Chairman Foye announced the schedule and locations for the Bus Redesign meetings in Queens, which he indicated is available on the MTA's website at www.mta.info.

7. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board convened an executive session pursuant to Section 105(1)(f) of the New York State Public Officers Law, to discuss matters relating to the appointment, employment, or promotion of a particular person or corporation.

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

Vice Chairman Ferrer announced that, upon motion duly made and seconded, the Board approved the salary and other terms of employment for Patrick Foye as MTA Chairman and Chief Executive Officer.

8. **ADJOURNMENT.** Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:27 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**

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1. CHAIRMAN FOYE CALLED THE MEETING TO ORDER

2. CHAIRMAN FOYE'S REMARKS

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Chairman Foye also reported that although the MTA has worked with almost every leading company in the transit industry, it must ensure that it works with the best vendors and consultants available.

The MTA must also hold vendors and consultants accountable to the highest quality and safety standards and ensure they deliver the best in-class products.

Chairman Foye reported that the MTA will be reviewing its third-party construction oversight programs. The MTA is engaged in significant capital projects from East Side Access, Phase II of the Second Avenue Subway Project, and the Canarsie Tunnel Rehabilitation Project. Chairman Foye stated that it is critically important to stay on time and on budget. Regarding the Canarsie Tunnel Rehabilitation Project, Chairman Foye reported that recent experience shows ample opportunity for improvement. He stated that the old "L" Train plan represented a colossal, collective failure of imagination on the part of three large firms and the MTA. Thanks to the creativity of the MTA's academic partners at Columbia and Cornell, the MTA was able to develop a new plan that accomplishes the same goals with less cost and time.

Chairman Foye reported that the State budget included a provision for the creation of a major construction review unit at the MTA to review projects before implementation. Chairman Foye stated that he wants to change and challenge the way the MTA has always done things and bring in creativity and new ideas. Chairman Foye commented that the State budget also requires any MTA capital project over \$25 million to use the design-build process and he stated that the MTA will continue to focus on its cost containment efforts.

Regarding public-private partnerships, Chairman Foye reported that the MTA can effectively leverage outside expertise to bring innovation and efficiency into the way the MTA constructs projects, especially through the use of private capital. Public-private partnerships have been used to great effect in Canada, Australia, the United Kingdom, Chile, and the United States. Chairman Foye stated that the Port Authority has used public-private partnerships with great success at LaGuardia Airport and the Goethals Bridge. Chairman Foye also stated that public-private partnerships are not a panacea but can be very effective when executed well. He stated that the MTA has hired a public-private partnership outside counsel and will be exploring the use of public-private partnerships on projects that make the most sense.

Chairman Foye stated that as the MTA moves forward, he is grateful for the guidance and leadership of the Board and MTA management. He also stated that New York City is a key partner in many projects, including Central Business District tolling, and the MTA looks forward to building its relationship with the City, including the New York City Department of Transportation. With funding for a robust capital plan and support of the State, the City, and the MTA's new leadership team, the MTA will be transformed.

The details of the Chairman's and Mr. Putre's remarks are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

3. PUBLIC COMMENT PERIOD

There were twenty-nine (29) 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.

Jason Pineiro, private citizen
HP Schroer, private citizen

Pedro Valdez Rivera, Riders Alliance
Tramell Thompson, Progress Action, NYCT Subways
Deborah Baldwin, Riders Alliance
Ashley Price, Transit Center Bus Turnaround Center
Christopher McLain, Straphanger Campaign
Rebecca Garcia, student at Hunter College, Straphanger Campaign
Colin Wright, Transit Center
Michael Howard, private citizen
Seth Rosenberg, TWU Local 100
Johanna Climenko, private citizen
Suman Ganguli, Riders Alliance
Liam Blank, Tri State Transportation Campaign
John Cherretti, TWU Local 100
Ruth Lowenkron, Director of Disability Justice, NYLPI/AARRG
Kevin Zeng, private citizen
Olivia Brady, Riders Alliance/CUNY student
Tony Murphy, People's MTA
Sasha Blair-Goldenshon, Elevator Action Group/Rise and Resist
Maria Roca, Friends of Sunset Park
Lisa Daglian, Executive Director, PCAC
Miriam Fisher, private citizen
Kerry Hurlihy, Riders Alliance
Ed Delgado, private citizen
Deborah Elliott-Bloodman, private citizen
Valerie Joseph, BCID

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.

4. UPDATE ON MTA BUS PLAN AND ELEVATORS AND L TRAIN PROJECT

Chairman Foye, in response to the public comments, invited Andy Byford, NYCT President, to discuss progress made towards improving the NYCT bus network. President Byford reported on some of the progress made in improving bus service, including the implementation of the Staten Island Express network redesign, the Bronx bus redesign and launching of the Queens bus redesign. In addition, President Byford stated that NYCT is working closely with its partners in law enforcement to ensure buses are moving as they should in specific corridors and that continued work is being done with MTA's legislative partners to advocate for onboard camera enforcement of bus lanes.

Chairman Foye thanked President Byford and noted that following Mr. Lieber's presentation on the Cost Containment Working Group, President Byford will provide an update on the E-Hail program, including growth in trips and costs, which was requested by the Board in March.

With respect to elevator design, Chairman Foye asked President Byford to solicit the best academics in building elevator design in urban environments, and to explore whether a public-private partnership

in which the MTA or NYCT would continue to own the elevators is feasible. Chairman Foye asked President Byford to determine a schedule to report back to the Board.

Chairman Foye updated the Board on the engagement of JMT, an independent safety consultant on the L Train Project. The Chairman provided an overview of the scope of work provided by JMT, and stated that JMT will appear before the Board at the June Board meeting.

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

5. PRESENTATIONS.

Chairman Foye invited Janno Lieber, Chief Development Officer, to provide an update on the Cost Containment Working Group and efforts underway at three agencies. The Chairman stated that a second presentation will take place at the May Board meeting on the remaining agencies.

Cost Containment Update:

Mr. Lieber provided an update on the Cost Containment Working Group. Mr. Lieber reported on the need to rebalance risk, cut red tape, and improve project management. In response to a request from Board Member Schwartz, Mr. Lieber updated the Board on the status of cost containment recommendations. Mr. Schwartz stated that the goal of the cost containment working group was to find ways to lower costs and increase competition. Phil Eng, Long Island Rail Road President, Craig Cipriano, MTA Bus Executive Vice President, and Daniel DeCrescenzo, MTA Bridges and Tunnels Acting President, also reported on their agency cost containment efforts.

Board Member Schwartz also asked representatives from Siemens in attendance to deliver a message to the Siemens Global CEO about the consequences of debarment. Board Member Schwartz stated that the Governor and the State Legislature included language about debarment in the State budget. Board Member Schwartz stated that in the event contractors fail to perform, the MTA has the legal right to debar them from future MTA work. Board Member Schwartz also stated that the Board has requested the Global CEO of Siemens to come before the Board in May to answer questions and assure the Board that PTC work will be done on time and the quality of the work will be impeccable. In response to a request from Chairman Foye, the Board Members signaled agreement with Board Member Schwartz' sentiments as it relates to this matter.

Paratransit Program Update

NYCT President Byford provided a comprehensive update on paratransit services, including discussing the overall program, and, specifically, ridership and costs associated with E-Hail. President Byford presented some data on how NYCT has seen increased customer demand, and he discussed the impact of this new demand on the overall program.

President Byford identified several key takeaways, including the following: (i) Given high demand in the current pilot, which is continuing to grow, expanding on-demand E-Hail to the entire customer base would potentially cost hundreds of millions of dollars, and will require a new recurring funding source; (ii) in rightsizing the carrier fleet, we must consider taxi/FHV customer service and reliability, wheelchair capacity, and the zero denial mandate; and (iii) On-demand E-

Hail services have been offered as a supplement to ADA mandated services in other cities as a subsidized model.

President Byford stated that they will continue to examine not only the program they are offering but will look to best practices and lessons learned from sister agencies as they think about what is next.

Chairman Foye commended Board Member Jones who suggested at the December 2017 Board meeting that on-time performance and other data be included in the NYCT Committee books.

Board Member Schwartz stated that the MTA needs to explore better methods of providing paratransit services.

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

6. MINUTES

Upon motion duly made and seconded, the Board approved the minutes of the Board Meeting held on March 27, 2019.

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

Procurements:

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.

8. EXECUTIVE SESSION

Upon motion duly made and seconded, the Board convened an executive session pursuant to Section 105(1)(f) of the New York State Public Officers Law to discuss matters relating to the appointment, employment, or promotion of a particular person or corporation. Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.

Vice Chairman Ferrer announced that, upon motion duly made and seconded, the Board approved the salary and other terms of employment for Patrick Foye as MTA Chairman and Chief Executive Officer.

9. ADJOURNMENT

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:27 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, April 17, 2019
9:00 a.m.

The following members were present:

Hon. Patrick Foye, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Kevin Law
Hon. Michael Lynton
Hon. David Mack
Hon. Susan Metzger
Hon. Haeda Mihaltses
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg

The following alternate non-voting members were also present:

Hon. Norman E. Brown
Hon. Randolph Glucksman

The following members were absent:

Hon. Veronica Vanterpool
Hon. Neal Zuckerman

Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Susan J. Doering, Executive Vice President, Metro-North Railroad, Daniel Decrescenzo, Acting President, TBTA, Craig Cipriano, Executive V.P., Business Strategies and Operations Support, NYCT Department of Buses, and Cate Contino, Assistant Director, Government Affairs also attended the meeting.

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

Chairman Foye called the meeting to order.

1. **CHAIRMAN FOYE'S REMARKS:**

Prior to giving his remarks, Chairman Foye introduced Al Putre who provided an overview of the new OMNY Fare Payment System. Mr. Putre explained that New York City Transit ("NYCT") will begin accepting contactless credit cards, debit cards, and mobile devices and OMNY cards.

Chairman Foye thanked Governor Cuomo for the opportunity to serve as Chairman and CEO of the MTA and thanked the New York State Senate for his confirmation. Chairman Foye stated that he grew up riding the subways in Jackson Heights, Queens and currently rides the subways and the Long Island Rail Road every day during his commute. Chairman Foye also stated that it is an incredible opportunity to serve with the over 70,000 hard-working MTA employees who keep the region moving. Chairman Foye thanked Vice Chairman Fernando Ferrer and former Chairman Joseph Lhota for their guidance and leadership.

Chairman Foye welcomed and introduced new Board Members Rhonda Herman, Kevin Law, Michael Lynton, Haeda Mihaltses, Sarah Feinberg, and David Mack. Chairman Foye thanked the new Board Members for volunteering their time and energy to serve the people of New York and remarked that Board Members, with the exception of the Chairman and CEO, are uncompensated. Chairman Foye also thanked former Board Members Charles Moerdler, Mitchell Pally, Andrew Saul, and Peter Ward for their service and commitment.

Chairman Foye acknowledged the MTA senior management team including Veronique Hakim, Managing Director, Robert Foran, CFO, Janno Lieber, Chief Development Officer, Thomas Quigley, General Counsel, and agency presidents Andrew Byford, Catherine Rinaldi, Phillip Eng, Darryl Irick, and Daniel DeCrescenzo. Chairman Foye also acknowledged the hard-work and dedication of the MTA employees and union partners. Chairman Foye stated that he looks forward to working with all employees to transform the MTA into the premier public agency in the region.

Chairman Foye reported that Central Business District Tolling was included in this year's State budget and will support critical investments in the transit system, improve air quality, increase mobility, create safer streets for cyclists and pedestrians, bolster New York State's economy, and improve the lives of all New Yorkers. Chairman Foye reported that the upcoming 2020 Capital Plan will now have \$32 billion of funding. Central Business District Tolling will provide \$15 billion, \$5 billion will come from the real estate transfer tax, \$5 billion will come from the internet sales tax in New York City, and approximately \$7 billion will come from the federal government. Chairman Foye stated that Governor Cuomo and the New York State Legislature deserve tremendous credit for their support of a fully funded 2020 Capital Plan. The 2020 Capital Plan includes priority projects for NYCT, Long Island Rail Road, and Metro-North, including critical investments in system-wide accessibility such as the commitment to deliver 50 ADA accessible subway stations within the next five years. Chairman Foye stated that he is

counting on the timely passage of the 2020 to 2024 Capital Plan because any delay will result in increased costs and project delays.

Chairman Foye also stated that despite the passage of Central Business District Tolling, the MTA still faces major challenges such as significant operating deficits and gaps in public trust and credibility. Chairman Foye reported the following four priorities for the MTA:

First, the MTA must continue to improve safety, service, and the customer experience. In furtherance of these goals, Chairman Foye reported on continued progress in subway customer service due to the Subway Action Plan, in addition to smart and effective management from President Byford, Sally Librera, and the entire NYCT Team. Chairman Foye commented that in March at the Long Island Rail Road, President Eng and his team delivered the single best on time performance (“OTP”) at 94.6% in nearly three years. At Metro-North, President Rinaldi and her team continue to provide stellar service, coming in three percent higher than their OTP goal at 95.8% for the first quarter of 2019. Despite these successes, Chairman Foye stated that he recognizes the MTA has a tremendous amount of work to do and has a large credibility deficit to overcome.

Second, the MTA must transform the way it works and fundamentally rethink how it does business to create a more streamlined, efficient, and effective organization. Chairman Foye stated that a personnel and reorganization plan will soon be delivered to the Board and the MTA will undergo an independent forensic audit and efficiency review to be delivered to the Board and subsequently made public.

Third, the MTA must rebuild its credibility. Chairman Foye stated that many customers and elected officials do not trust the MTA. He stated that for too long, they have heard the MTA make commitments only to miss deadlines or not follow through. He also stated that the MTA must work together tirelessly and steadily to earn back the trust of customers and elected officials.

Fourth, the MTA must increase accountability and transparency. Chairman Foye stated that gaining back trust will take time, responsible management, and improved performance. He also stated that the MTA must hold itself accountable to its goals and provide honest communication. Chairman Foye commented that the MTA is revamping its Freedom of Information Law and open data process to make it easier to access and understand the information the MTA already provides.

Chairman Foye reported that he will be sharing updates with the Board as the MTA works on each of these areas. He also reported on the following specific issues he intends to focus on in the near term:

Chairman Foye reiterated the MTA’s commitment to safety and reported that safety is the MTA’s number one priority. He stated that he would like to reexamine the MTA’s safety protocols and processes, especially around acceptance testing, and inviting expert reviewers from inside and outside. Chairman Foye reported that he asked Pat Warren, Chief Safety Officer, to take the lead on these initiatives. Chairman Foye also stated that there have been recent and shocking failures by the MTA’s Positive Train Control (“PTC”) suppliers, which are concerning to the MTA. The suppliers have been notified that their recent performance has been unacceptable. Chairman Foye reported

that PTC and supplier performance will continue to be discussed at the Joint Railroad Committee Meetings and the full Board Meetings. Chairman Foye also remarked that Siemens executives were in attendance at today's meeting and were expected to appear before the Board in May.

Chairman Foye also reported that although the MTA has worked with almost every leading company in the transit industry, it must still ensure that it works with the best vendors and consultants available. The MTA must also hold vendors and consultants accountable to the highest quality and safety standards and ensure they deliver the best in-class products.

Chairman Foye reported that the MTA will be reviewing its third-party construction oversight programs. The MTA is engaged in significant capital projects from East Side Access, Phase II of the Second Avenue Subway Project, and the Canarsie Tunnel Rehabilitation Project. Chairman Foye stated that it is critically important to stay on time and on budget. Regarding the Canarsie Tunnel Rehabilitation Project, Chairman Foye reported that recent experience shows ample opportunity for improvement. He stated that the old "L" Train plan represented a colossal, collective failure of imagination on the part of three large firms and the MTA. Thanks to the creativity of the MTA's academic partners at Columbia and Cornell, the MTA was able to develop a new plan that accomplishes the same goals with less cost and time.

Chairman Foye reported that the State budget included a provision for the creation of a major construction review unit at the MTA to review projects before implementation. Chairman Foye stated that he wants to change and challenge the way the MTA has always done things and bring in creativity and new ideas. Chairman Foye commented that the State budget also requires any MTA Capital Project over \$25 million use the design-build process and stated that the MTA will continue to focus on its cost containment efforts.

Regarding public-private partnerships, Chairman Foye reported that the MTA can effectively leverage outside expertise to bring innovation and efficiency into the way the MTA constructs projects, especially through the use of private capital. Public-private partnerships have been used to great effect in Canada, Australia, the United Kingdom, Chile, and the United States. Chairman Foye stated that the Port Authority has used public-private partnerships with great success at LaGuardia Airport and the Goethals Bridge. Chairman Foye also stated that public-private partnerships are not a panacea but can be very effective when executed well. He stated that the MTA has hired a public-private partnership outside counsel and will be exploring the use of public-private partnerships on projects that make the most sense.

Chairman Foye stated that as the MTA moves forward, he is grateful for the guidance and leadership of the Board and MTA management. He also stated that New York City is a key partner in many projects, including Central Business District tolling, and the MTA looks forward to building its relationship with the City, including the New York City Department of Transportation. With funding for a robust capital plan and support of the State, the City, and the MTA's new leadership team, the MTA will be transformed.

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

2. **SAFETY PROCEDURES:**

Cate Contino, Assistant Director, Government Affairs, reviewed the emergency safety procedures and introduced the public speakers.

3. **PUBLIC SPEAKERS:**

There were 29 registered public speakers. The following speakers spoke on Metro-North related matters:

H.P. Schroer, Director of “U and ME Become WE,” congratulated Chairman Foye and the newly appointed Board Members. Mr. Schroer requested the Board dedicate two cents from every fare collected towards a discount for veterans. He also stated that there are two State bills that will provide funding for a veterans’ discount. He stated that numerous veterans in New York City live below the poverty line, are homeless, or suffer from Post-Traumatic Stress Disorder (“PTSD”).

Tramell Thompson, with Progressive Action, commented on light-duty positions for pregnant women. He also stated that NYCT employees are treated differently than Metro-North and Long Island Rail Road employees.

Kevin Zeng commented on the use of OMNY fare payment tap and go cards for the Long Island Rail Road and Metro-North and requested free transfers to NYCT. He stated that Long Island Rail Road and Metro-North tickets are too expensive and transfers are not free.

Lisa Daglian, Executive Director of the Permanent Citizens Advisory Committee (“PCAC”) congratulated Chairman Foye and the new Board Members. She explained the organization and purpose of the PCAC. She stated that the mission of the PCAC is to advise the MTA on behalf of subway, bus, and commuter railroad users in the formulation and implementation of policies and to hold the MTA and the Board accountable. She asked for the MTA to provide earlier access to Board materials prior to the meetings. She also thanked Chairman Foye for his commitment to transparency.

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.

4. **BOARD PRESENTATIONS**

Upon a request from Chairman Foye in response to the public comments, Andrew Byford, NYCT President, discussed progress made towards improving the NYCT bus network. Chairman Foye also discussed elevator improvements and the “L” Train Project.

- **Cost Containment Update:**

Janno Lieber, Chief Development Officer, provided an update on the Cost Containment Working Group. Mr. Lieber reported on the need to rebalance risk, cut red tape, and improve project management. In response to a request from Board Member Schwartz, Mr. Lieber updated the Board on the status of cost containment recommendations. Mr. Schwartz stated that the goal of the cost containment working group was to find ways to lower costs and increase competition. Phil Eng, Long Island Rail Road President, Craig Cipriano, MTA Bus Executive Vice President, and Daniel DeCrescenzo, MTA Bridges and Tunnels Acting President, also reported on their agency cost containment efforts.

Board Member Schwartz also asked representatives from Siemens in attendance to deliver a message to the Siemens Global CEO about the consequences of debarment. Board Member Schwartz stated that the Governor and the State Legislature included language about debarment in the State budget. Board Member Schwartz stated that in the event contractors fail to perform, the MTA has the legal right to debar them from future MTA work. Board Member Schwartz also stated that the Board has requested the Global CEO of Siemens to come before the Board in May to answer questions and assure the Board that PTC work will be done on time and the quality of the work will be impeccable. In response to a request from Chairman Foye, the other Board Members signaled agreement with Board Member Swartz.

- **Paratransit Update**

Andrew Byford, NYCT President, provided a comprehensive update on the paratransit services on NYCT. Board Member Schwartz stated that the MTA needs to explore better methods of providing paratransit services.

5. **APPROVAL OF MINUTES:**

Upon motion duly made and seconded, the minutes of the Regular Board Meeting held on March 27, 2019 were approved. Board Member Law abstained.

6. **COMMITTEE ON FINANCE:**

Action Items:

The Board was presented with the following action items by the Committee on Finance that relate to Metro-North:

- Board approval of the MTA 2018 Annual Investment Report and MTA All Agency Investment Guidelines pursuant to the requirements of Public Authorities Law Section 2925.
- Board approval of the Business Continuity Plan and Disaster Response Plan for the First Mutual Transportation Assurance Company (“FMTAC”), the MTA’s captive insurance company.

Upon motion duly made and seconded, the Board approved the foregoing action items. The details of the action items are contained in the staff summary and documentation filed with the records of this meeting.

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:

- Board approval to retain AlixPartners to fulfill the statutory mandate of section 1279-f of the New York Public Authorities Law to submit a report that contains a review of (a) fraud, waste, abuse or conflicts of interest occurring within any department, division, or office of the authority, its subsidiaries, affiliates, and subsidiaries of affiliates; (b) any duplication of functions or duties between the departments, divisions or office of the authority, its subsidiaries, affiliates, and subsidiaries of affiliates; (c) options for potential cost efficiencies and savings that could be achieved through changes in internal controls and management reforms, functional and process streamlining, internal procurement process reforms; (d) the two thousand fifteen to two thousand nineteen capital plan for cost overages and duplication; (e) the development of standardized performance metrics for planning, design, approvals, change orders, project management and delivery; and (f) cash flow and accounting of expenditures of the authority, its subsidiaries, affiliates, and subsidiaries of affiliates for the preceding three fiscal years. This action seeks approval of a not-to-exceed amount of \$4,145,000.

The Board was presented with the following competitive procurements recommended to it by the Committee on Finance that relate to Metro-North:

- Board approval to award Master Agreements for the as-needed formulation and delivery of complex counterterrorist table-top drills and exercises to two vendors: Ascentra, Inc. and Willdan Homeland Solutions. The Master Agreements will be issued for an aggregate budget not-to-exceed amount of \$450,000 with a period of performance of three years commencing April 2019, plus two one-year options to be exercised at MTA's sole discretion.
- Board approval to award a competitively negotiated, all-agency personal services contract with JP Morgan Chase to provide trust, custodial, and related administrative services for three Defined Benefit Pension Plans for a period of five years starting May 1, 2019 with an option to renew for an additional two years. The base contract amount is \$4,085,290, paid from funds managed by the pension plans.
- Board approval to (1) extend five competitively solicited all-agency personal services contracts for twelve months from November 30, 2019 to November 30, 2020 to AECOM USA Inc., WSP USA, Inc. (f/k/a Persons Brinckerhoff, Inc.), Sam Schwartz Engineering D.P.C., STV Incorporated and VHB Engineering

Surveying and Landscape Architecture, P.C., and (2) increase the aggregate amount of these contracts by an amount not-to-exceed \$17,400,000.

- Board approval to extend a competitively negotiated, all-agency, personal service contract with CorVel Healthcare Corporation (CorVel) for an additional eight months ending December 31, 2019. The extension will require an increase in the contract value in an amount not-to-exceed \$2,750,000.

Upon motion duly made and seconded, the Board approved the foregoing procurements. The details of the approved procurements are contained in staff summaries and documentation filed with the records of this meeting. After the presentation of the procurements, Board Member Schwartz asked Chairman Foye to issue a press release to the German press about his comments to the Siemens representatives in attendance.

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

Chair Metzger thanked the Board for supporting the railroad's efforts to meet the PTC deadline and reiterated the railroads' intent to meet their PTC deadline.

The Board was presented with the following non-competitive procurement:

- Board approval to award a five-year (three-year base with two one-year options) non-competitive, negotiated miscellaneous service contract in the not-to-exceed amount of \$7,944,232 to Mitsubishi Electric Power Products, Inc. for the service, repair and overhaul of the M-8 railcar heating ventilation and air conditioning ("HVAC") units.

The Board was presented with the following competitive procurements:

- Board adoption of a resolution declaring that competitive, sealed bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal ("RFP") process, pursuant to Public Authorities Law Section 1265-a, to solicit proposals for the design, construction, and delivery of a Wayside Energy Storage System.
- Board approval to award an 18-month competitively solicited CDOT federally-funded contract in the not-to-exceed-amount of \$23,552,259 to the firm Ansaldo STS USA, Inc., now doing business as Hitachi Rail STS USA, Inc., to perform application engineering (design) prior to fabricating and delivering 39 new pre-wired communications and signal houses and 25 signal cases to be located on the Waterbury Branch from Devon, CT to Waterbury, CT. The period of performance is an accelerated schedule to meet the FRA requirement to install PTC by December 31, 2020.
- Board approval to award a 12-month competitively solicited miscellaneous service contract in the not-to-exceed amount of \$249,734 to the firm GPI/Greenman

Pedersen Engineering (“GPI”). GPI will provide services related to the review of Metro-North’s customer data received from various sources, and design and configure a web-based Geographic Information System (“GIS”) for Metro-North.

Upon motion duly made and seconded, the Board approved the foregoing procurements. The details of the foregoing procurements are contained in staff summaries and reports filed with the records of this meeting.

8. **EXECUTIVE SESSION:**

Upon motion duly made and seconded, the Board convened an executive session pursuant to Section 105(1)(f) of the New York State Public Officers Law, to discuss matters relating to the appointment, employment, or promotion of a particular person or corporation. In Executive Session, the Board approved the salary and other terms of employment for Patrick Foye as the MTA Chairman and Chief Executive Officer. Upon motion duly made and seconded, the Board voted to reconvene in public session.

9. **ADJOURNMENT:**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:27AM.

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, April 17, 2019
9:00 a.m.**

The following members were present:

Hon. Patrick Foye, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Sarah Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Kevin Law
Hon. Michael Lynton
Hon. David Mack
Hon. Susan Metzger
Hon. Haeda Mihaltses
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg

The following alternate non-voting members were also present:

Hon. Norman E. Brown
Hon. Randolph Glucksman

The following members were absent:

Hon. Veronica Vanterpool
Hon. Neal Zuckerman

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, Susan J. Doering, Executive Vice President, Metro-North Railroad, Daniel Decrescenzo, Acting President, TBTA, Craig Cipriano, Executive Vice President, Business Strategies and Operations Support, NYCT Department of Buses, and Cate Contino, Assistant Director, Government Affairs, also attended the meeting.

Chairman & CEO Patrick Foye called the meeting to order.

1. Chairman's Remarks

Chairman Foye introduced Al Patre, a "transit legend", who is heading up the effort to introduce the OMNY fare payment system. MTA has entered into a \$750 million design build contract with Cubic Transportation Systems to introduce OMNY. Chairman Foye said the OMNY team is excellent and the project is on schedule and on budget, and will be introduced in 43 days. OMNY will utilize contactless bank-issued credit and debit cards, and mobile device applications such as Apple Pay and Google Pay. Customers can also pay in cash, as MTA will be introducing its own OMNY Card, much like a gift card. MTA will also be introducing CVMs --- Configurable Vending Machines --- which will be interoperable across the system. The first roll out will be on the 4, 5, and 6 lines between Grand Central Terminal and Barclays Center, and all buses to Staten Island. By December, additional stations will be turned on. The MTA gift card should be in place by 2021 and CVMs internally by 2022.

Chairman Foye thanked the Governor for the opportunity to serve as MTA Chairman and CEO. He noted that he grew up riding the subways in Jackson Heights. He also thanked Vice Chairman Fernando Ferrer and former Chairman Joseph Lhota for their past guidance.

Chairman Foye welcomed new Board Members Rhoda Herman, a senior executive with the Internal Revenue Service, who has served on the Metro North Railroad Commuter Council; Kevin Law, President & CEO of the Long Island Association; Michael Lynton, CEO of Snap and Warner Music and former CEO of SONY Entertainment; Haeda Mihaltses, Vice President of External Affairs for the New York Mets, who has had a distinguished career in New York City government; Sarah Feinberg, former Administrator of the Federal Railroad Administration; and David Mack, a real estate executive and former MTA Board Member.

Chairman Foye thanked Charles Moerdler, Mitchell Pally, Andrew Saul, and Peter Ward for their past service as Board members.

Chairman Foye thanked the first-rate executive team at the MTA, including Veronique Hakim, Thomas Quigley, Robert Foran, Andrew Byford, Catherine Rinaldi, Phillip Eng, and Janno Lieber. He also thanked all MTA employees for their contributions in helping to create the best transit system.

Chairman Foye stated that Central Business District Tolling ("CBDT") is a historic initiative, which will increase mobility, provide for safer streets, and bolster the economy. As a result of this initiative, we went from \$0 two weeks ago to \$32 billion for the upcoming Capital Plan. Chairman Foye added that Governor Cuomo deserves great credit, as does the Legislature, for getting this done and getting to a fully-funded 2020 Capital Plan.

Chairman Foye stated that despite CBDT, MTA faces significant operating deficits and gaps in public trust and credibility. He added that he sees four (4) priorities for the MTA:

- MTA must improve safety and service.
- MTA must transform the way it works, and become more streamlined. This effort will be advanced by an independent forensic audit.

- MTA must rebuild its credibility, and work to earn back trust in Albany, New York City and Washington, DC.
- MTA must increase accountability and transparency such as revamping its Freedom of Information Law (“FOIL”) and data processes.

Chairman Foye reiterated MTA’s commitment to safety as the #1 priority, and that, as Chair of the Safety Committee, he would like to re-examine protocols and processes especially for acceptance testing and inviting expert reviewers for input. He added that with respect to Positive Train Control (“PTC”), it was critical to address PTC shortcomings and that he expects representatives of the Systems Integrators to be here today and to appear before the Board in May, where we will hold them accountable for their work.

Chairman Foye stated that it was critical to provide vigorous oversight over 3rd party construction contracts, reflecting the need for these projects to stay on time and on budget. He further stated that the former L train shutdown plan was a remarkable failure by MTA and three independent engineering firms. The new plan will reduce demolition of the bench walls.

Chairman Foye commented on the recently enacted budget bill, stating that while the bill established a review panel to review major MTA projects, we will look to improve on our own. The budget bill also calls for use of design-build on construction projects over \$25 million.

Chairman Foye stated that MTA can use Public Private Partnerships (“P3s”) more effectively, mirroring the success of the Port Authority on projects such as LaGuardia Airport and Goethals Bridge. He also stated that New York City is a key partner going forward and that he looked forward to growing that relationship.

2. Public Speakers.

Cate Contino, Assistant Director, Government Affairs, indicated that twenty-nine (29) public speakers had signed up to speak. After reviewing safety procedures for everyone attending the meeting, Ms. Contino asked all speakers to observe the two (2) minute limit.

Two (2) public speakers commented on matters specifically relating to LIRR:

Mary Parisen-Lavelle, Chair of Civics United for Railroad Environmental Solutions (“CURES”), congratulated Chairman Foye on his appointment as MTA Chairman & CEO. Ms. Parisen stated that for the 7th year in a row, community and elected officials successfully advocated for another \$3 million in appropriations so that LIRR has a funded mandate to buy Tier 4 switcher locomotives for use by New York & Atlantic Railway (“NYAR”).

Ms. Parisen claimed that MTA staff breaks the law and refuses to follow the Chairman’s direction. She further claimed that staff failed to conduct a real and fair competition in LIRR’s Request for Proposal (“RFP”) 6263; used favoritism and restrictive specifications to eliminate a competitor; sold four (4) old locomotives to NYAR, to the detriment of the community and despite there being funding to replace those units; and after spending thousands of dollars on consultants, has still not purchased a single Tier 4 locomotive.

Ms. Parisen asked the MTA Board and LIRR President Phillip Eng to rework RFP 6263 as a real and fair competition for the cleanest locomotives now – saving money and changing the culture of the LIRR in the process.

Kevin Zeng, a private citizen, stated that LIRR and Metro North railroad fares should include a free transfer to and from MTA New York City Transit.

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.

3. Reports on Bus Service and Elevators: L Train

At the request of Chairman Foye, NYCT President Andrew Byford gave a report on progress in improving bus service and installing elevators at additional NYCT stations. Chairman Foye requested that Mr. Byford consult with the best academic authorities on elevators in an urban environment, and to explore whether the use of P3s would be a better approach to getting more elevators built.

Chairman Foye then reported briefly about the engagement of an independent safety consultant on the L train project.

4. Reports on Cost Containment

At the request of Chairman Foye, MTA Chief Development Officer Janno Lieber gave a report on the work of the Cost Containment working group. This group was formed ten months ago and included Board Members Polly Trottenberg and Larry Schwartz, and former Board Members Mitchell Pally and Scott Rechler.

Mr. Lieber gave a two-part update on how each of the agencies implemented the recommendations of the working group and the progress that has been made. Mr. Lieber recapped the areas of improvement for the new Board Members: Rebalance Risk – greater use of design-build, utilizing a third party dispute resolution procedure; use of incentives and penalties to improve contractor performance; and steps to expand competition; Cut Red Tape – cut change order processing time, cut submittal processing time and simplify specifications; and Project Management – appoint project CEOs and aggressively manage scope expansion.

Mr. Lieber reported on MTA's progress after six (6) months. He discussed expanded use of design-build; sharing risk in contracts to lower bid prices, significant improvements in paperwork processing, better management of support resources, and a project "CEO" piloted on projects across all agencies.

The details of Mr. Lieber's report 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.

LIRR President Phillip Eng reported on the work of LIRR to contain the costs of capital construction projects. Mr. Eng stated that LIRR has been transforming the way it does business and doubling down on cost containment.

President Eng stated that LIRR has been working more closely with MTA Capital Construction, as a team; has been a more proactive owner, communicating its priorities; has been relaxing antiquated scope requirements and increasing the use of new technologies; has increased the use of design-build, such as the Second Track project, which finished 15 months ahead of schedule, and the Third Track project, which is modeled on the Tappan Zee and K Bridge projects; has held itself more accountable by naming dedicated project leads; has introduced a dashboard to monitor change orders; and identified high risk projects so that contractual language, schedules, and budget can be adjusted accordingly. He also noted that LIRR successfully delivered 97% of the scheduled track outages on the Third Track project to date.

The details of Mr. Eng's report 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.

Craig Cipriano, Executive Vice President, Business Strategies and Operations Support, NYCT Department of Buses, and Daniel Decrescenzo, Acting President, TBTA, each gave a report on cost containment progress at their respective agencies.

Board Member Lawrence Schwartz stated that Vice Chairman Fernando Ferrer had sent a letter to all agencies, directing them to implement the Cost Containment working group's recommendations by April 1, 2019. He asked about the status of that directive.

MTA Chief Development Officer Janno Lieber stated that on design-build, great progress had been made; that on dedicated project leads, this was more in process; and that on contract changes, many have been implemented but with the advent of the call for a uniform Statewide construction contract, we want to be aligned that initiative as well.

Board Member Schwartz stated that the goal of this exercise was to save money but also to increase competition. He stated that he would appreciate the recommendations being implemented and requested that Mr. Lieber provide the Board with a report on each agency's results on implementation when he next reports to the Board on this matter.

5. Discussion of Positive Train Control: Report on Paratransit

Board Member Schwartz addressed the representatives of the Positive Train Control ("PTC") Systems Integrators ("SIs") in the room, and asked them to convey a message to Siemens Global Chairman & CEO, Joe Kaeser, from the MTA. Mr. Schwartz stated that the Governor and the State Legislature included debarment language in the budget bill.

Mr. Schwartz further stated that if the SIs do not do a good job on PTC, on time and on budget, Mr. Schwartz, as Chairman of the Finance Committee, will work to implement the debarment language. He asked for Mr. Kaeser to come before the Board in May and assure the Board as to the timeliness and quality of the SIs' work, and its reliability and safety. He added that Mr. Kaeser should not miss the May meeting because if he does, the SIs will be fired.

Chairman Foye asked the Board for a non-binding expression of support for the sentiments conveyed by Board Member Schwartz. Upon motion duly made and seconded, the Board approved such a non-binding expression of support.

At the request of Chairman Foye, NYCT President Byford gave a report on progress in improving the paratransit system.

6. Approval of Minutes

Chairman Foye asked for a motion to approve the minutes of the Regular Board Meeting of March 27, 2019.

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of March 27, 2019 were approved.

7. Committee on Finance

Action Items

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

- **2018 Annual Investment Report and MTA All Agency Investment Guidelines** – Pursuant to the requirements of Public Authorities Law Section 2925, provide the MTA Board information on the MTA portfolio investment performance for the period 1/1/2018 to 12/31/2018, obtain Board approval of the MTA 2018 Investment Report and obtain Board approval of the MTA All Agency Investment Guidelines.
- **Business Continuity Plan and Disaster Response Plan for First Mutual Transportation Assurance Company** – To obtain Board approval of the attached Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) for First Mutual Transportation Assurance Company (FMTAC), the MTA's captive insurance company.

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

Procurement Items

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

Non-Competitive Procurement:

- **Alix Partners – Restructuring Consultant Services – Competitively negotiated – 4 proposals – 12 months- Not to Exceed \$4,145,000** – Board approval is sought to retain Alix Partners to fulfill the statutory mandate of section 1279-f of the new York Public Authorities Law (“NY PAL”), which requires the MTA, among other things, to contract with a financial advisory firm to submit a report that contains a review of (a) fraud, waste, abuse or conflicts of interest occurring within any department, division or office of the authority, its subsidiaries, affiliates, and subsidiaries of affiliates; (b) any duplication of functions or duties between the departments, divisions or office of the authority, its subsidiaries, affiliates, and subsidiaries of affiliates; (c) options for potential cost efficiencies and savings that could be achieved through changes in internal controls and management reforms, functional and process streamlining, and internal procurement process reforms; (d) the two thousand fifteen to two thousand nineteen capital plan for cost overages and duplication; (e) the development of standardized performance metrics for planning, design, approvals, change orders, project management and delivery; and (f) cash flow and accounting of expenditures of the authority, its subsidiaries, affiliates, and subsidiaries of affiliates for the preceding three fiscal years.

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

Competitive Procurements:

- **Various-As Needed Counterterrorist Drills and exercises – Contract No. 15451 – Competitively negotiated – 8 proposals – 36 months with 2 one year options – Not to Exceed \$450,000 –**
 - a. Ascenttra, Inc.**
 - b. Willdan Homeland Solutions**Board approval is sought to award Master Agreements for the as-needed formulation and delivery of complex counterterrorist table-top drills and exercises to two (2) vendors: Ascenttra, Inc. (‘Ascenttra’) and Willdan Homeland Solution (‘Willdan’). The Master Agreements will be issued for an aggregate budget not to exceed \$450,000 with a period of performance of three (3) years commencing April 2019, plus two (2) one-year options to be exercised at MTA’s sole discretion.

- **JP Morgan Chase – Trust/Custodial, Administrative Services for MTA Defined Plans – Contract No. 15335 – Competitively negotiated – 2 proposals – 60 months plus one two-year option – Not to Exceed \$5,719,406** – Board approval is sought to award a competitively negotiated, all-agency personal services contract to JP Morgan Chase to provide trust, custodial and related administrative services for three Defined Benefit Pension Plans (the “Plans”) for a period of five (5) years starting May 1, 2019 with an option to renew for an additional two (2) years.
- **Various – Transportation Planning Research Services –Contract No. 15099, Modification No. 1 – Base Amount = \$20,000,000 – Current Contract Value = \$20,000,000 – Proposed New Contract Value = \$37,400,000 – Not to Exceed \$17,400,000**

- a. **AECOM USA, Inc.**
- b. **WSP USA Inc. (f/k/a Parsons Brinckerhoff, Inc.)**
- c. **Sam Schwartz Engineering, D.P.C.**
- d. **STV Incorporated**
- e. **VHB Engineering Surveying and Landscape Architecture, P.C.**

Board approval is sought to (1) extend five competitively solicited all-agency personal services contracts for twelve months from November 30, 2019 to November 30, 2020 to AECOM USA Inc., WSP USA Inc. (f/k/a Parsons Brinckerhoff, Inc.), Sam Schwartz Engineering D.P.C., STV Incorporated, and VHB Engineering Surveying and Landscape Architecture P.C., and (2) increase the aggregate amount of these contracts by an amount not-to-exceed \$17,400,000.

Corvel Healthcare Corporation – All-Agency Medical Bill Review and Payment Services – Contract No. C908341-0100, Modification No. 11 – Base Amount = \$6,419,982 – Current Contract Value = \$19,511,567 – Proposed New Contract Value = \$22,261,567 – Not to Exceed \$2,750,000 – Board approval is sought to extend a competitively-negotiated, all-agency, personal service contract with Corvel Healthcare Corporation (Corvel) for an additional eight (8) months ending December 31, 2019.

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 two (2) real estate items, both of which related to Long Island Rail Road:

- **License Agreement for a Newsstand, Jamaica Terminal Building, Jamaica, New York** – Agency: MTA Long Island Rail Road (“LIRR”) – Licensee: Jamaica Newsstand Plus, Inc., the principal of which is Usman Zafar – Location: Jamaica Station Terminal Building, Jamaica, New York – Activity: License of property for

convenience retail – Action requested: Authorization to enter into a license agreement for retail space – Term: 5 years, subject to at will revocation on 60 days’ notice, at no cost – Licensed Area: Concession area at Location comprising approximately 100 square feet of space - Compensation: \$127,000 for license year 1, with 3% annual increases throughout the Term.

- **License Agreement for Parking Lot at 131-02 Jamaica Avenue, Jamaica, New York** - Agency: MTA Long Island Rail Road (“LIRR”) – Licensee: Golden Fountain Realty, Inc., the principal of which is Hoagy Chen – Location: 131-02 Jamaica Avenue, Jamaica, New York – Activity: License of property for parking – Action requested: Authorization to enter into license agreement for vacant land – Term: 5 years, subject to at will revocation on 60 days’ notice, at no cost – Licensed Area: 19,250 square feet of vacant land adjacent to LIRR’s right of way at the Location – Compensation: \$76,000 first year, with 3% annual increases throughout the term.

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.

Board Member Schwartz, Chairman of the Finance Committee, asked Chairman Foye to forward a copy of the Board’s non-binding resolution regarding PTC to the German media. Chairman Foye stated he would do so.

8. Long Island Rail Road Committee

Metro North Railroad Committee Chair Susan Metzger thanked the other Board Members for their support for meeting the December 31, 2020 PTC deadline. Ms. Metzger stated that we promised our riders we would meet that deadline and we intend to do so.

Procurement Items

The Board was presented with five (5) procurement actions recommended to it by the Long Island Rail Road Committee, all five (5) of which related to MTA Capital Construction (“MTACC”).

Competitive:

- **Skanska USA Civil Northeast Inc. – Contract No. CH058A, Modification No. 2 - \$1,083,840** - In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a Modification to the Contract to relocate catenary wire from existing catenary structures to new poles along the Amtrak North Runner Track.

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.

Ratifications:

- **Tutor Perini Corporation – Contract No. CS179, Modification No. 197 - \$67,000,000** – In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a modification to the Contract to (i) resolve with the CS179 Contractor all outstanding claims of delays and associated impact costs, and claims for added costs associated with implementing the new schedule approach, and (ii) implement the new accelerated schedule for work going forward.
- **GCT Constructors Joint Venture – Contract No. CM014B, Modification No. 210 - \$54,124,210** - In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a modification to the Contract to (i) resolve with the CM014B Contractor all pending disputes over added work, delay and associated impact costs, (ii) provide a new schedule for work going forward reflecting the resolution of outstanding claims and delays, and, where necessary to timely support the installation and testing of systems under the adjacent CS179 Contract, to accelerate the work, and (iii) delete from the Contract work associated with the North Transfer Station.
- **Tutor Perini Corporation – Contract No. CQ033, Modification No. 35 - \$5,082,000** - In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a modification to the Contract to enhance reliability and allow for the more efficient operation of trains within the Yard.
- **Tutor Perini Corporation – Contract No. CQ033, Modification No. 36 - \$1,550,000** - In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a modification to the Contract to furnish and install the infrastructure (structural, communication, and low voltage electrical) for closed-circuit television (“CCTV”) cameras in the area between the western limits of the Mid-Day Storage Yard at Thomson Avenue and the Arch Street Rail Maintenance Facility.

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.

9. Executive Session

Vice Chairman Ferrer asked for a motion to move the meeting into Executive Session to discuss matters relating to the appointment of Patrick Foye as MTA Chairman & CEO, pursuant to Section 105(1)(f) of the Public Officers Law.

Upon motion duly made and seconded, the Board voted to move the meeting into Executive Session for such purposes.

10. Adjournment

Upon coming out of Executive Session and resuming the public session of the meeting, Chairman Foye asked for a motion to adjourn the meeting. Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:27 a.m.

Respectfully submitted,



Mark D. Hoffer,
Secretary

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

BOARD MINUTES

April 17, 2019

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
April 17, 2019

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

9:00 a.m.

Hon. Patrick Foye, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Kevin Law
Hon. Michael Lynton
Hon. David Mack
Hon. Susan Metzger
Hon. Haeda Mihaltses
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg

The following alternate non-voting members were also present:

Hon. Norman E. Brown
Hon. Randolph Glucksman

The following members were absent:

Hon. Veronica Vanterpool
Hon. Neal Zuckerman

Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, New York City Transit Authority, Phillip Eng, President, Long Island Rail Road, Susan J. Doering, Executive Vice President, Metro-North Railroad, Daniel F. DeCrescenzo, Jr., Acting President, Triborough Bridge and Tunnel Authority, Craig Cipriano, Executive Vice President, Business Strategies and Operations Support, New York City Transit Department of Buses, and Cate Contino, Assistant Director, Government Affairs 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. Chairman and Chief Executive Officer Foye's Opening Remarks

Chairman and CEO Foye opened his remarks by thanking Governor Cuomo for appointing him as MTA Chairman and CEO and the State Senate for their confirmation; he thanked Vice Chairman Fernando Ferrer and former Chairman Joseph Lhota for their past guidance and leadership; he welcomed new Board Members Rhonda Herman, Kevin Law, Michael Lynton, Haeda Mihaltses, Sarah Feinberg and David Mack; he thanked former Board Members Charles Moerdler, Mitchell Pally, Andrew Saul and Peter Ward for their service; he expressed his gratitude for his senior management team; and he acknowledged the hard work and dedication of every employee. Chairman and CEO Foye stated that the State budget includes Central Business District Tolling that will support critical investments in the transit system, improve air quality, increase mobility, create safer streets for cyclists and pedestrians, and bolster New York State's economy. The 2020 Capital Program includes: \$15 billion from Central Business District Tolling; \$5 billion from the real estate transfer tax; \$5 billion from the New York City Internet sales tax; and roughly \$7 billion from the Federal Government assuming a similar commitment to the 2015-2019 Capital Program. Despite the progress of passing Central Business District Tolling, Chairman and CEO Foye stated that the MTA still faces major challenges including significant operating deficits in the coming years and even larger gaps in public trust and credibility. He identified the following four priorities necessary to rebuild the system and the MTA: 1) continuing to improve safety, service and the customer experience; 2) transforming the way work is performed and rethinking how business gets done to create a far more streamlined, efficient and effective organization, including a personnel and reorganization plan and undergoing an independent forensic audit and efficiency review; 3) rebuilding credibility; and 4) increasing accountability and transparency. He also discussed safety, construction oversight and public private partnerships to leverage outside expertise to promote innovation and efficiencies.

The details of Chairman Foye'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.

2. Public Speakers

There were twenty-nine (29) public speakers. Miriam Fischer commented that she is an advocate of congestion pricing.

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.

3. Approval of Minutes of Regular Meeting March 27, 2019

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on February 27, 2019 were approved.

4. Cost Containment Working Group Presentation

Janno Lieber, MTA Chief Development Officer, stated that the working group has focused on three areas: unbalanced risk, cutting red tape and weak project management. The working group developed plans to rebalance risk by utilizing more design-build contracts, third party dispute resolution, using incentives and penalties, and expanding competition by reducing bonding requirements so that more contractors will bid and compete for MTA projects. The working group has developed procedures to cut red tape by shortening the change order process time, cutting the submittal process time and simplifying specifications. With regard to project management, the working group determined it necessary to appoint project CEOs and aggressively manage scope expansion. Mr. Lieber acknowledged TBTA for having started seven design-build projects before the State Legislature mandated that all projects over \$25 million be design-build.

Daniel F. DeCrescenzo, Jr., TBTA Acting President, stated that TBTA is fully committed to cost containment, which has become standard operating procedure. Through empowered leadership, TBTA

uses the project lead concept with Deputy Chief Engineers expediting decisions, resolving scope issues and enhancing partnering with the contracting community to ensure close management of cost and schedule. Through integrated management, TBTA has updated its processes across departments, tracks change orders in each key step, and has reduced change order processing time by 25%. TBTA is focused on having master plans for its facilities that are developed in consideration of detailed regional planning studies, operational issues, and analysis of long-term structural needs identified from mandated bridge and tunnel inspections to maintain its facilities in a state of good repair, improving roadway safety while enhancing regional mobility and customer satisfaction in a cost-effective manner. TBTA use of alternative project delivery that includes design-build, cost plus time bidding and best value requests for proposals. Over the past six months, TBTA has increased the use of alternate project delivery for projects in the current Capital Plan from 24% to 57% and is streamlining design-build specifications. TBTA will continue to successfully manage its Capital Program while improving its internal processes in alignment with cost containment initiatives.

5. Committee on Finance

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

(a) Action Item:

- Approval of the MTA 2018 Annual Investment Report and the MTA All Agency Investment Guidelines as required by Public Authorities Law §2925.

6. Committee on MTA Bridges and Tunnels Operations

Procurements

Commissioner Lynton stated that there are two (2) procurements totaling \$4.07 million.

Non-Competitive Procurements

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

Competitive Procurements

Commissioner Lynton stated that there are two (2) competitive procurements totaling \$4.07 million.

Personal Service Contracts

HNTB New York Engineering and Architecture, P.C.	Contract No. PSC-18-3018 TBTA is seeking Board approval under the All Agency Service Procurement Guidelines to award a personal service contract for 2019 Routine Tunnel Inspection at the Queens Midtown Tunnel and the Hugh L. Carey Tunnel to HNTB New York Engineering and Architecture, P.C. in the negotiated contract amount of \$2,438,460.29 and for a duration of approximately two years, seven months through December 31, 2021.	\$2,438,460.29
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Modifications to Purchase and Public Works Contracts

Restani Construction Corp.	Contract No. HH-88B/HH13A	\$1,636,227.00
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TBTA is seeking Board approval under the All Agency General Contract Procurement Guidelines to modify this public works contract with Restani Construction Corp. for work associated with: (i) catwalk removal; (ii) demolition of the pedestrian underpass barriers; (iii) quantity revisions to existing contract items; and (iv) additional micropile installations at the Henry Hudson Bridge in the negotiated amount of \$1,636,227.00

Ratifications

Commissioner Lynton 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.

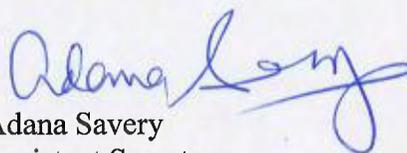
7. Executive Session

Upon a motion duly made and seconded, the Board unanimously voted to convene in Executive Session pursuant to Public Officers Law §105(1)(f) to discuss matters regarding the appointment, employment or promotion of a particular person or corporation.

8. Adjournment

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 11:27 a.m.

Respectfully submitted,


Adana Savery
Assistant Secretary

Regular Board Meeting
MTA Capital Construction Company
2 Broadway
New York, NY 10004
Wednesday, April 17, 2019
9:00 AM

The following members were present:

Hon. Patrick Foye, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Kevin Law
Hon. Michael Lynton
Hon. David Mack
Hon. Susan Metzger
Hon. Haeda Mihaltses
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Polly Trottenberg

The following alternate non-voting members were also present:

Hon. Norman E. Brown
Hon. Randolph Glucksman

The following members were absent:

Hon. Veronica Vanterpool
Hon. Neal Zuckerman

Veronique Hakim, Managing Director, MTA, Helene Fromm, Chief of Staff, MTA, Janno Lieber, Chief Development Officer MTA/President, MTACC, Robert Foran, Chief Financial Officer, MTA, Thomas J. Quigley, General Counsel, MTA, Cate Contino, Assistant Director, Government Affairs, MTA, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Susan J. Doering, Executive Vice President, Metro-North Railroad, Daniel Decrescenzo, Acting President, TBTA, Craig Cipriano, Executive V.P., Business Strategies and Operations Support, NYCT Department of Buses, 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.

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

Chairman's Remarks

Chairman Foye thanked Governor Cuomo for the opportunity to serve as Chairman and CEO of the MTA and thanked the New York State Senate for his confirmation. Chairman Foye stated that he grew up riding the subways in Jackson Heights, Queens and currently rides the subways and the Long Island Rail Road every day during his commute. Chairman Foye also stated that it is an incredible opportunity to serve with the over 70,000 hard-working MTA employees who keep the region moving. Chairman Foye thanked Vice Chairman Fernando Ferrer and former Chairman Joseph Lhota for their guidance and leadership.

Chairman Foye welcomed and introduced new Board Members Rhonda Herman, Kevin Law, Michael Lynton, Haeda Mihaltses, Sarah Feinberg, and David Mack. Chairman Foye thanked the new Board Members for volunteering their time and energy to serve the people of New York and noted that Board Members, with the exception of the Chairman and CEO, are uncompensated. Chairman Foye also thanked former Board Members Charles Moerder, Mitchell Pally, Andrew Saul, and Peter Ward for their service and commitment.

Chairman Foye acknowledged the MTA senior management team including Veronique Hakim, Managing Director, Robert Foran, CFO, Janno Lieber, Chief Development Officer, Thomas Quigley, General Counsel, and agency presidents Andrew Byford, Catherine Rinaldi, Phillip Eng, Darryl Irick, and Daniel DeCrescenzo. Chairman Foye also acknowledged the hard-work and dedication of the MTA employees and union partners. Chairman Foye stated that he looks forward to working with all employees to transform the MTA into the premier public agency in the region.

To rebuild not only our system but our Agency, Chairman Foye laid out four priorities.

We must continue to improve safety service and the customer experience as we continue to turn our system around for the millions who depend on it.

We must transform the way we work and fundamentally rethink how we do business to create a more streamlined, efficient, and effective organization. We will soon be delivering a personnel and reorganization plan to the Board and will undergo an independent forensic audit and efficiency review with the results being delivered to the Board and the public.

We must rebuild our credibility. Many of our customers and elected officials don't trust the MTA. For too long they have heard the MTA make commitments only to miss deadlines or not follow through. We must work together tirelessly and steadily to earn back the trust of our customers, elected officials and funding partners.

We must increase accountability and transparency. Gaining back trust will take time, responsible management and improved performance. We must hold ourselves accountable for our goals and honestly communicate what and how we're doing, including the challenges that we face and the steps we're taking to tackle them.

In the near term there are three areas the Chairman wants to focus on:

The Chairman reiterated the MTA's commitment in every Agency and everything we do is that safety is the absolute number one priority of this organization. As the new Chair of the Safety Committee, Chairman Foye will re-examine our safety protocols and processes, especially around acceptance testing and inviting expert reviewers for input.

Chairman Foye stated that although the MTA has worked with almost every leading company in the transit industry, we must still assure that:

We're working with the best vendors and consultants identified from a Broad competitive pool.
We're holding them accountable to the highest quality and safety standards.
That we ensure they are delivering best in class products our customers deserve.

We will be taking another look at our third-party construction oversight program. The MTA under Janno Lieber's leadership is currently engaged in signature capital projects from East Side Access to Phase II of the Second Avenue Subway Project (where Tim Gianfresco at the April 15th CPOC Committee meeting reported that we are literally taking a billion dollars out of the cost of Phase II) and the Canarsie Tunnel Rehab. It is critically important we stay on time and on budget. Our recent experience with the Canarsie Tunnel projects shows that we have ample opportunity to improve. The old plan represented

a colossal collective failure of imagination on the part of three large internationally publicly traded billion dollar plus capital engineering and construction firms and on the part of the MTA. Thanks to the creativity and fresh perspective from our academic partners at Columbia and Cornell, we're able to a new plan that accomplishes the same goals, but with less cost and time. The new plan will significantly reduce demolition of the bench wall by 99%, an extraordinary reduction and change.

Chairman Foye stated that the State budget also included a provision for creation of a major construction review unit at the MTA made up of outside experts to review MTA projects before implementation, but we would pursue this even without the Legislation. We want to change and challenge the way we've always done things and, bring in creativity and new ideas.

Chairman Foye thanked Dean Boyce at Columbia and Dean Collins along with their colleagues at the Columbia and Cornell Engineering School who have done an incredible public service on the Canarsie Tunnel Rehab Pro Bono.

Chairman Foye mentioned the State budget also requires that any Capital Project over \$25M use Design/Build, saving the MTA time and money. We will continue to focus on our capital cost containment efforts lead by Janno Lieber and former Board Member Scott Rechler to streamline and expedite major capital construction.

The details Chairman Foye's remaining remarks are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Public Comment Period

There were twenty-nine (29) public speakers, two (2) of whom spoke on MTA Capital Construction matters.

Seth Rosenberg, NYCT Subway Operator requested that all work on the Canarsie Tunnel Rehabilitation Project be stopped until an independent safety review is completed and released.

John Cherretti, NYCT Train Conductor/TWU Local 100, commented on the Canarsie Tunnel Rehabilitation Project and expressed concern of the safety of the workers and riders.

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

Chairman's Remarks on the Canarsie Tunnel Rehabilitation Project

Chairman Foye updated the Board on the engagement of JMT, an independent safety consultant on the L Train Project. The Chairman provided an overview of the scope of work provided by JMT and stated that JMT will appear before the Board at the June Board meeting.

Cost Containment Presentation

Janno Lieber, Chief Development Officer, provided an update on the Cost Containment Working Group. Mr. Lieber reported on the need to rebalance risk, cut red tape, and improve project management. In response to a request from Board Member Schwartz, Mr. Lieber updated the Board on the status of cost containment recommendations. Mr. Schwartz stated that the goal of the cost containment working group was to find ways to lower costs and increase competition. Phil Eng, Long Island Rail Road President, Craig Cipriano, MTA Bus Executive Vice President, and Daniel DeCrescenzo, MTA Bridges and Tunnels Acting President, also reported on their agency cost containment efforts.

The details of the presentation along with Board Member Schwartz and MTA Chief Development Officer/MTACC Janno Lieber comments are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on this date.

Approval of Minutes

Upon motion duly made and seconded, the Board approved the minutes of the Regular Board Meeting of the Metropolitan Transportation Authority and the MTA Capital Construction Company held on March 27, 2019. Board Member Law abstained from the vote.

Finance Committee

Procurement

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

1. Extension of five competitively solicited all-agency personal services contracts (Contracts Numbers 15099-0100 through 15099-0600) from November 30, 2019 to November 30, 2020 for an aggregate amount not-to-exceed \$17,400,000.
2. Extension of competitively negotiated all-agency personal service Contract C908341-0100 for an additional eight months ending December 31, 2019 for an amount not-to-exceed \$2,750,000.

A copy of 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.

Metro-North and the Long Island Rail Road Joint Committee

Procurements

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

A modification to Contract CQ033, Mid-Day Storage Yard for the East Side Access (“ESA”) Project to relocate catenary wire from existing catenary structures to new poles along the Amtrak North Runner Track in the amount of \$1,083,840.

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.

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

1. A modification to Contract CS179, Systems Facility Package No. 1 for the East Side Access Project to i) resolve with the CS179 Contractor outstanding claims of delays and associated impact costs and claims for added costs associated with implementing the new schedule approach, and (ii) implement the new schedule for work going forward for the amount of \$67,000,000.
2. A modification to Contract CM014B, GCT Concourse and Facilities Fit-Out for the East Side Access Project to (i) resolve with the CM014B Contractor all pending disputes over added work, delay and associated impact costs, (ii) provide a new schedule for work going forward reflecting the resolution of outstanding claims and delays, and, where necessary to timely support the installation and testing of systems under the adjacent CS179 Contract, and (iii) delete from the Contract work associated with the North Transfer Station for the amount of \$54,124,210.
3. A modification to Contract CQ033, Mid-Day Storage Yard for the East Side Access Project to enhance reliability and allow for the more efficient operation of trains within the Yard for the amount of \$5,082,000.
4. A modification to Contract CQ033, Mid-Day Storage Yard for the East Side Access Project Contract to furnish and install the infrastructure (structural, communication, and low voltage electrical) for closed-circuit television cameras in the area between the western limits of the Mid-Day Storage Yard at Thomson Avenue and the Arch Street Rail Maintenance Facility for the amount of \$1,550,000.

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.

Executive Session

Upon motion duly made and second, the Board convened an executive session pursuant to Section 105(1)(f) of the New York State Public Officers Law, to discuss matters relating to the appointment, employment, or promotion of a particular person or corporation.

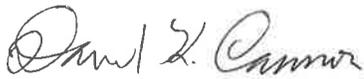
Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.

Acting Chairman Ferrer announced that, upon motion duly made and seconded, the Board approved the salary and other terms of employment for Patrick Foye as MTA Chairman and Chief Executive Officer.

Adjournment

Upon motion duly made and seconded, the Board voted to adjourn the public meeting at 11:27 a.m.

Respectfully submitted,



David K. Cannon
Assistant Secretary

PROCUREMENTS

The Procurement Agenda this month includes 5 actions for a proposed expenditure of \$61.7 M.

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 May 10, 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	5/20/2019	X		
2	Board	5/22/2019	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 Two-Thirds Vote:

Schedule A: Non-competitive Purchases and Public Works Contracts

	<u># of Actions</u>	<u>\$ Amount</u>
	1	\$ 300,000
SUBTOTAL	1	\$ 300,000

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote:

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

Schedule F: Personal Service Contracts

	2	\$ 60,413,647
	2	\$ 942,959
SUBTOTAL	5	\$ 61,356,606
TOTAL	5	\$ 61,656,606

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.

MAY 2019

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

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

- | | | | |
|----|---|-------------------------------------|--------------------------------------|
| 1. | National Industries for the Blind
Purchase and Delivery of Various
Safety Vests
Contract No. 10000000080519
Preferred Source – 12 months | \$300,000
(not-to-exceed) | <u>Staff Summary Attached</u> |
|----|---|-------------------------------------|--------------------------------------|

Board approval is sought for the award of a non-competitive contract for the purchase and delivery of various safety vests for Metro North Railroad to the National Industries for the Blind (d/b/a NYSPSP – New York State Preferred Source Program for People who are Blind), a New York State Preferred Source Vendor. The proposed contract term is one (1) year for an estimated not-to-exceed amount of \$300,000. This contract is being awarded to NYSPSP on a non-competitive basis in accordance with Section 162 of the New York State Finance Law which provides that preferred sources may provide goods and services to New York State Agencies to advance social and economic goals. NYSPSP utilized a price grid deemed fair and reasonable by the New York State Office of General Services (OGS) as a guide to providing pricing. The prices offered for the proposed vests are 18% to 23% lower than OGS pricing. Additionally, a market survey of a potential non-preferred source was conducted comparing NYSPSP’s pricing with prevailing market prices. The survey indicated that National Industries for the Blind’s pricing ranged from 51% to 59% lower than prevailing market prices for a comparable “basic” safety vest, not including MNR’s customizations. Accordingly, pricing is considered fair and reasonable.

Staff Summary

Schedule A: Non-Competitive Purchases and Public Work Contracts

Item Number: **1**

Vendor Name (& Location): National Industries for the Blind DBA NYSPSP	<table border="1" style="width: 100%;"> <tr> <td style="width: 70%;">Contract Number: 100000000080519</td> <td style="width: 30%;">Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td colspan="2">Total Amount: Estimated \$300,000</td> </tr> <tr> <td colspan="2">Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:</td> </tr> <tr> <td colspan="2">Requesting Dept/Div & Dept/Div Head Name: MNCRR -INVENTORY- Irene Gallante</td> </tr> <tr> <td colspan="2">Contract Manager: Shahidah Reynolds</td> </tr> </table>	Contract Number: 100000000080519	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Total Amount: Estimated \$300,000		Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		Requesting Dept/Div & Dept/Div Head Name: MNCRR -INVENTORY- Irene Gallante		Contract Manager: Shahidah Reynolds	
Contract Number: 100000000080519	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No										
Total Amount: Estimated \$300,000											
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:											
Requesting Dept/Div & Dept/Div Head Name: MNCRR -INVENTORY- Irene Gallante											
Contract Manager: Shahidah Reynolds											
Description: Purchase and Delivery of Various Safety Vest											
Contract Term (including Options, if any): One (1) Year											
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No											
Procurement Type: <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive											
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Preferred Source											

DISCUSSION:

Board approval is sought for the award of a non-competitive contract for the purchase and delivery of various safety vests for MNCRR to the National Industries for the Blind (NYSPSP – New York State Preferred Source Program for People who are Blind), a New York State Preferred Source Vendor. The proposed contract term is one (1) year commencing June 1, 2019 for an estimated amount not-to-exceed \$300,000.

This contract is being awarded to NYSPSP on a non-competitive basis in accordance with Section 162 of the New York State Finance Law which provides that preferred sources may provide goods and services to New York State Agencies to advance social and economic goals. The State Finance Law provides that a contract awarded to a preferred source provider is exempt from statutory competitive procurement requirements provided they are (i) capable of providing the service in the form, function and utility required and (ii) the price offered is as close to the prevailing market prices as is practicable. NYSPSP meets these requirements.

NYSPSP utilized a price grid deemed fair and reasonable by the New York State Office of General Services (OGS) as a guide to providing pricing. The prices offered for the proposed vests are 18% to 23% lower than OGS pricing. Additionally, a market survey of a potential non-preferred source was conducted comparing NYSPSP’s pricing with prevailing market prices. The survey indicated that National Industries for the Blind’s pricing ranged from 51% to 59% lower than prevailing market prices for a comparable “basic” safety vest, not including MNR’s customizations. Accordingly, pricing is considered fair and reasonable.

NYSPSP has prior experience providing these items to the MNCRR and LIRR, thus, both LIRR and MNR consider the company to be technically sound and qualified to provide these safety vests.

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

MAY 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.)

<p>2-3. Various All-Agency Procurement of Maintenance, Repair and Operating Supplies & Related Products and Services Contract No. 11751 Competitively negotiated – 12 proposals – 36 months with 2 one-year options</p> <p>a. Choice Distribution, Inc. b. W. W. Grainger, Inc.</p>	<p>\$60,413,647 (not-to-exceed)</p>	<p><u>Staff Summary Attached</u></p>
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Board approval is sought to award the Hardware and Fasteners and Material Handling categories of a competitively negotiated All-Agency Procurement of Maintenance, Repair and Operating Supplies as follows: i) Choice Distribution, Inc. (Choice) in the not-to-exceed amount of \$ 49,179,795 for the Hardware and Fasteners category; and ii) W. W. Grainger, Inc. (Grainger) in the not-to-exceed amount of \$11,233,852 for the Material Handling Fasteners category; all awards includes a 10% contingency. The contract period for Choice is seven years and for Grainger is five years with two one-year options to be exercised at MTA’s sole discretion, both commencing on or about July 1, 2019. This action presents the third and fourth category awards for approval. The first and second categories were approved by the Board in December 2018 and March 2019 respectively. Additional category awards will be presented for Board approval following completion of negotiations. Following a competitive Request For Proposal process, Choice and Grainger were selected as the most technically qualified. Negotiations yielded best and final offers from the selected awardees that achieved cost savings ranging from 16% to 37%. Based on the foregoing, pricing is considered fair and reasonable. Responsibility reviews of Choice and Grainger conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Choice and Grainger have been found to be responsible.

MAY 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

F. Personal Service Contracts

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

4-5. Various \$942,959
Environmental Compliance Services (not-to-exceed)
Contract No. 93672
Competitively negotiated – 3 proposals – 36 months with 2 one-year options

- a. Phoenix Environmental Laboratories, Inc.**
- b. York Analytical Laboratories, Inc.**

Board approval is sought for the award of competitively negotiated personal service contracts to Phoenix Environmental Laboratories, Inc (“Phoenix”) for an amount not-to-exceed \$274,164 and York Analytical Laboratories, Inc (“York”) for an amount not-to-exceed \$668,795 to provide environmental compliance services, including field and laboratory services, flow measurement, pH measurement, sample collection, sample analysis/testing and reporting for monitoring and environment purposes, on liquids, process wastewater, process sludge, industrial wastewater, oil/water separator effluent, solids, etc., generated at LIRR and MNR facilities. These efforts are necessary to comply with federal, State and local environmental requirements as administered by the United States Environmental Protection Agency (EPA), New York State Department of Environmental Conservation (NYSDEC) and City of New York Department of Environmental Protection (NYCDEP). The proposed contract terms are three (3) years, with options to extend for two (2), one (1) year periods. Following a competitive Request for Proposal process that allowed vendors to propose services covering LIRR facilities, MNR facilities or both, proposals were received from three companies, each offering to cover both LIRR and MNR. The proposers were York, Phoenix and Hampton-Clarke. The selection committee recommended Phoenix to support Long Island Railroad facilities and York for the Metro North facilities based on the overall evaluation results inclusive of pricing. Through negotiations, Phoenix original price of \$281,036 for LIRR facilities was reduced to \$274,164, for a cost savings of \$6,872 or 2.5%. York’s original price of \$672,785 for MNR was reduced to \$668,795, for a negotiated savings of \$3,990 or .6%. Each contractor offered the lowest cost option for the specific agency. Based on the foregoing, the final prices for Phoenix and York are considered fair and reasonable. The Department of Diversity and Civil Right (DDCR) has established 15% MBE and 15% WBE goals on this contract. Both Phoenix and York have requested a partial waiver of MWBE goals due to the lack of certified firms in the marketplace qualified to provide these services. DDCR is currently reviewing their submissions and contracts will not be awarded without DDCR approval. Both Phoenix and York have not completed any MTA contracts; therefore, no assessment of the firm’s MWDBE performance can be determined at this time. Responsibility reviews of Phoenix and York conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Phoenix and York have been found to be responsible.

Staff Summary

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

Item Number: 2-3					
Dept & Dept Head Name: MTAHQ Procurement - David Ross					
Division & Division Head Name: BSC - Wael Hibri					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Finance	5/20/19	X		
2	Board	5/22/19	X		
Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement <i>OB</i>	4	CFO <i>HT</i>		
2	DDCR <i>or MG</i>				
3	Legal <i>PK</i>				

SUMMARY INFORMATION	
Vendor Name: Choice Distribution, Inc & W.W.Grainger, Inc	Contract Number: 11751-0300 and 0400
Description: All-Agency Procurement of Maintenance, Repair and Operating (MRO) Supplies & Related Products and Services	
Total Amount: \$60,413,647 (Choice - \$49,179,795; Grainger - \$11,233,852)	
Contract Term (including Options, if any): Choice-84 months; Grainger-60 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:	

Narrative

I. PURPOSE/RECOMMENDATION

Board approval is sought to award two of eleven categories of a competitively negotiated All-Agency Procurement of Maintenance, Repair and Operating Supplies as follows:

- i) Choice Distribution, Inc. (Choice) in the not-to-exceed amount of \$49,179,795 for the Hardware and Fasteners category, and
- ii) W.W.Grainger, Inc. (Grainger) in the not-to-exceed amount of \$11,233,852 for the Material Handling Fasteners category.

Both awards include a 10% contingency. The contract period is for Choice is seven years. The contract period for Grainger is five years with two one-year options to be exercised at MTA's sole discretion. Both contracts will commence on or about July 1, 2019. These are the third and fourth categories presented for approval pursuant to this request for proposals (RFP). The first and second categories were approved by the Board in December 2018 and March 2019 respectively. Additional category awards will be presented for Board approval following completion of negotiations.

II. DISCUSSION

The MTA and its agencies have historically purchased maintenance, repair and operating supplies & related products and services (collectively, MRO) through a multitude of contracts. This all-agency RFP combined 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 cataloging, ordering and delivery systems.

An RFP was publicly advertised and letters advising potential proposers of its availability were sent to 127 firms including 23 M/WBEs. Vendors were invited to submit proposals for any number of the following 11 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 and Fasteners. 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 two to seven proposals in each. Three to five proposals were received for the categories that are the subject of this Staff Summary.

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 Hardware and Fasteners category were received from Choice Distribution, Fastenal Company and Tanner Bolt and Nut, Inc., but the latter proposal was submitted with large quantities of category items that weren't priced and was thus deemed non-responsive; for example, less than 10% of hardware items were priced.

Staff Summary

Proposals for the Material Handling category were received from Grainger, Fastenal, Global Packaging Solutions, MSC Industrial Supply and Tanner Bolt and Nut, Inc. but the latter was deemed non-responsive due to providing only 7.4% of the required items. Global Packaging Solutions and MSC Industrial Supply were eventually deemed not in the competitive range. The committee had concerns about Global's lack of experience with similarly large and complex contracts and their pricing was significantly higher than the other proposers. MSC did not offer a warehouse in the NY area, could not comply with the required delivery time frame and included relatively restrictive return policies.

Choice and Grainger submitted BAFO's that include the most competitive pricing of all responsive firms that remained in the competitive range. The committee considered the offerings provided by the firms that remained in the competitive range to be largely similar and, hence, the awardees recommended for both categories offered the lowest overall prices.

Responsibility reviews of Choice and Grainger conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Choice and Grainger have been found to be responsible.

The estimated value of the Hardware and Fasteners category was \$53,527,061 based on current usage. Through negotiations, Choice's original price of \$45,790,737 was reduced to \$44,708,905, for a savings of \$1,081,832 or about 2.3%. Choice's best and final offer is 30% or \$19,871,995 less than Fastenal's best and final offer and 16% or \$8,818,156 less than MTA's estimate. The contract provides for vendor managed inventory whereby Choice will replenish the material on site. Pricing is firm for first 30 months after which there will be PPI-based price adjustments for the remaining 54 months. The RFP terms are five years with two one-year option, in exchange for a straight 7-year contract, Choice will provide an additional \$1 million total savings over the course of the contract, each invoice will receive a 1.5% discount until the \$1 million savings is realized.

The estimated value for the Material Handling category is \$16,338,073 based on current usage. Through negotiations, Grainger's original price of \$13,838,269 was reduced to \$10,212,593, for a savings of \$3,625,676 or about 26%. Grainger's best and final offer is 22% or \$2,831,572 less than Fastenal's best and final offer and 37% or \$6,125,480 less than MTA's estimate. Pricing is firm for first 24 months, after which there will be annual adjustments based on the Producer Price Index for remaining 60 months.

Based on the above, all 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 for the Hardware and Fasteners category and 0% goals for the Material Handling category. Choice Distribution is being awarded the Hardware and Fasteners category and has requested a total waiver of the M/WBE goals. DDCR will work closely with Choice Distribution to ensure that a continuous effort is made to expand opportunities for MWBEs during the contract term. Choice Distributions good faith effort to attain the goals will be evaluated over the course of the contract.

IV. IMPACT ON FUNDING

The total cost for the Hardware and Fasteners contract is \$49,179,795 for Choice; and the Material Handling contract is \$11,233,852 for Grainger; 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

Subject 2018 – 2019 Station Maintenance Billing	Date May 1, 2019
Department Chief Financial Officer	Vendor Name
Department Head Name Robert E. Foran	Contract Number
Department Head Signature 	Contract Manager Name
Project Manager Name Patrick Kane 	Table of Contents Ref #

Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Finance	5/20		x		2	Chief of Staff <i>HF</i>	1	Legal <i>TD</i>
2	Board	5/22		x					

Narrative

Purpose:
To advise the Board of submission of the station maintenance billings to New York City and the counties for the period April 1, 2018 to March 31, 2019.

Discussion:
The attached schedule provides the summary of the station maintenance use and operations billing to the counties and New York City for the period April 1, 2018 through March 31, 2019.

Current legislation provides that on or before June first of each year the MTA shall determine and certify to New York City and the counties the cost for station maintenance use and operations for the twelve month period ending the preceding March thirty-first for the stations within the municipality. The MTA bills New York City and the counties each fiscal year based on a statutorily established formula adjusted annually by the CPI-W for the New York, Northwestern New Jersey and Long Island Region. The net increase in the CPI factor for the twelve month period ending March 31, 2019 was 1.515% which results in a \$2,563,917 increase over the prior year's billed amount.

Metropolitan Transportation Authority Station Maintenance, Use and Operations March 31, 2019
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COUNTY BILLED	AMOUNT BILLED 2017 - 2018	% CHANGE IN CPI	\$ INCREASE	AMOUNT BILLED 2018 - 2019
DUTCHESS	\$ 2,472,035	1.515%	\$ 37,449	\$ 2,509,484
NASSAU	30,004,211	1.515%	454,539	30,458,751
NEW YORK CITY	96,006,177	1.515%	1,454,416	97,460,592
ORANGE	511,395	1.515%	7,747	519,142
PUTNAM	966,727	1.515%	14,645	981,372
ROCKLAND	54,370	1.515%	824	55,194
SUFFOLK	18,493,361	1.515%	280,159	18,773,521
WESTCHESTER	20,736,207	1.515%	314,137	21,050,344
	\$ 169,244,483		\$ 2,563,917	\$ 171,808,400

**CPI-Urban Wage Earners and Clerical Workers (Current Series)
Original Data Value**

Series Id: CWURS12ASA0,CWUSS12ASA0
Not Seasonally Adjusted
Series Title: All items in New York-Newark-Jersey City, NY-NJ-PA,
Area: New York-Newark-Jersey City, NY-NJ-PA
Item: All items
Base Period: 1982-84=100
Years: 2009 to 2019

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Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2009	227.503	228.653	229.064	229.639	230.307	231.916	232.177	232.841	233.502	233.084	233.893	233.448	231.336	229.514	233.158
2010	234.067	234.153	235.240	235.750	236.144	235.916	236.330	236.820	236.725	237.483	237.606	237.575	236.151	235.212	237.090
2011	238.396	239.750	241.667	242.697	244.316	244.601	245.265	246.025	246.877	246.297	245.546	244.586	243.835	241.905	245.766
2012	245.541	246.539	248.152	248.706	248.955	248.488	248.162	249.734	250.980	250.539	250.586	249.535	248.826	247.730	249.923
2013	250.849	252.317	252.739	252.024	252.259	252.862	253.277	253.633	254.434	252.917	253.013	253.088	252.784	252.175	253.394
2014	255.477	254.782	255.933	255.937	257.145	257.147	257.309	256.691	256.945	256.022	254.638	253.224	255.938	256.070	255.805
2015	253.159	254.044	254.358	254.699	255.946	256.383	256.054	256.038	256.386	255.932	255.385	254.441	255.235	254.765	255.706
2016	254.968	255.246	256.012	257.289	257.721	258.269	258.065	258.374	259.059	258.995	259.348	259.789	257.761	256.584	258.938
2017	261.409	262.086	262.165	262.486	262.825	263.205	262.577	263.489	265.291	264.578	264.185	264.436	263.228	262.363	264.093
2018	265.660	267.153	267.077	267.945	268.986	269.348	269.123	269.304	270.298	269.879	269.154	268.369	268.525	267.695	269.355
2019	269.659	270.250	271.123												

**STATION MAINTENANCE
FOR THE YEAR 4/1/18 - 3/31/19**

	BILLED AMOUNT 2017-2018	CHANGE IN CPI	INCREASED AMOUNT	BILL AMOUNT 2018-2019
DUTCHESS	2,472,035	0.01515	37,449	2,509,484
NASSAU	30,004,211	0.01515	454,539	30,458,751
NEW YORK CITY	96,006,177	0.01515	1,454,416	97,460,592
ORANGE	511,395	0.01515	7,747	519,142
PUTNAM	966,727	0.01515	14,645	981,372
ROCKLAND	54,370	0.01515	824	55,194
SUFFOLK	18,493,361	0.01515	280,159	18,773,521
WESTCHESTER	20,736,207	0.01515	314,137	21,050,344
GRAND TOTAL	\$ 169,244,483		2,563,917	\$ 171,808,400

MARCH 2018 CPI	267.077
MARCH 2019 CPI	271.123
CHANGE	4.046
	4.046/267.077
% INCREASE	0.015149189

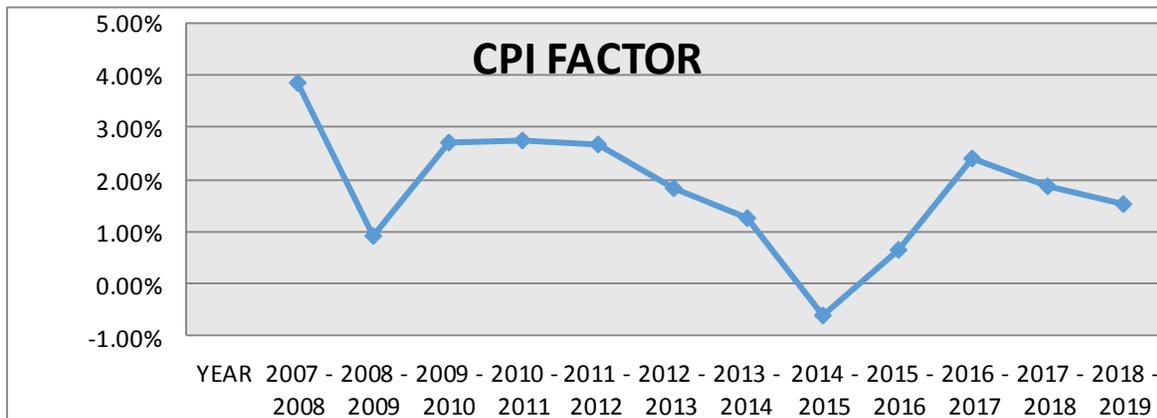
2018 – 2019 STATION MAINTENANCE

- CPI factor used is the Consumer Price Index for Wage Earners and Clerical Workers for the New York, Northeastern New Jersey for twelve month period
All monies due the MTA for 2017-2018 was received

- **CPI FACTOR**

YEAR	CPI FACTOR		YEAR	CPI FACTOR		YEAR	CPI FACTOR
2018 - 2019	1.51%	*	2014 - 2015	-0.62%		2010 - 2011	2.73%
2017 - 2018	1.87%		2013 - 2014	1.26%		2009 - 2010	2.70%
2016 - 2017	2.40%		2012 - 2013	1.85%		2008 - 2009	0.93%
2015 - 2016	0.65%		2011 - 2012	2.68%		2007 - 2008	3.86%

* Current Year



- **BILLING**

YEAR	TOTAL AMOUNT	ANNUAL INCREASE (DECREASE)		YEAR	TOTAL AMOUNT	ANNUAL INCREASE (DECREASE)
2018 - 2019	171,808,400	2,563,917	*	2012 - 2013	160,165,193	2,909,352
2017 - 2018	169,244,483	3,112,694		2011 - 2012	157,255,958	4,104,460
2016 - 2017	166,131,790	3,898,467		2010 - 2011	153,151,498	4,069,927
2015 - 2016	162,233,323	1,048,123		2009 - 2010	149,081,571	3,919,379
2014 - 2015	161,185,200	-998,076		2008 - 2009	145,162,191	1,337,569
2013 - 2014	162,183,274	2,081,081		2007 - 2008	143,824,622	5,345,302

* Current Year

- 1998 was the last year New York City was billed on actual cost for both the LIRR and Metro North
- Legislation was enacted in 1995, and renewed in 1999 and 2004, for station maintenance billing using the CPI factor and bringing NYC onboard with this method for the second time
- Station Maintenance is billed in June and payment is due by September 1st.

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

MTA METRO-NORTH RAILROAD

Lease with Xarupa LLC for a café and bar/lounge at the Bronxville Station building in Bronxville, NY

Lease with The Coiffure Clique LLC for a hair salon at the Bronxville Station building in Bronxville, NY

Acquisition of permanent easements at 20 and 10 Ferris Avenue from the City of White Plains in support of Metro-North's Enhanced Station Initiative Project at the White Plains Station

Acquisition of permanent easement at 3 Hamilton Avenue from the White Plains Urban Renewal Agency in support of Metro-North's Enhanced Station Initiative Project at the White Plains Station

Lease agreement with Cipriani for a restaurant in the southwest balcony of Grand Central Terminal

MTA LONG ISLAND RAIL ROAD

Lease with Off the Diet LLC for a kosher restaurant at the Lawrence Station building in Lawrence, NY

Disposition of air rights from LIRR property located at block 3457, lot 39 in Brooklyn, New York

Development agreement with Vornado Realty to facilitate the redevelopment of the LIRR Concourse at Penn Station

MTA NEW YORK CITY TRANSIT

Lease with CAI Foods LLC for the operation of nine retail units in Stillwell Avenue Terminal in Coney Island, NY

Staff Summary

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

Date MAY 20, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	5/20/19		X	
2	Finance Committee	5/20/19	X		
3	Board	5/22/19	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: Xarupa LLC

LOCATION: Bronxville Station, Harlem Line, Westchester County

ACTIVITY: Lease for a café and bar/lounge

ACTION REQUESTED: Authorization to enter into a lease agreement

TERM: Eight years from rent commencement date plus two consecutive five-year options

SPACE: 2,595 sq. ft. (±) portion of the station building, together with a license to use 6 dedicated parking spaces adjacent to the station building

COMPENSATION: \$58,704 for lease year 1 with 3% annual increases through lease year 8

COMMENTS:

Pursuant to Metro-North and MTA Real Estate's station leasing program, a request for proposals ("RFP") was issued in October 2018 seeking proposals to utilize and maintain the Bronxville Station Building (the "Building"), consisting of a café area, vacant retail space, waiting room and restrooms.

In response to the RFP, two proposals were received. One from Xarupa LLC for a café and bar/lounge and the second from Winfield Street Concessions for a coffee shop/café. Xarupa proposed a base term of 8 years with two consecutive 5-year options. Xarupa proposed to pay \$58,704 (\$22.62 per square foot) in the first year with 3% annual increases. At a 7% discount rate, Xarupa's proposal yields a net present value of \$385,580.10 over the 8-year term. Winfield Street Concessions proposed a 10-year term with rent starting at \$36,000 (\$14.72 per square foot) and 3% annual increases over the term. At a 7% discount rate, the Winfield Street Concessions proposal yields a net present value of \$285,138.87 over the 10-year term.

While the fair market rental value estimated by an independent appraisal for the entire station building was 2 dollars higher than the base rent proposed by both proposers, the MTARED has determined that Xarupa's proposal will yield to the MTA and Metro-North the fair market value when taking into account the residual value of certain permanent improvements, including electrical upgrades, recognizing that the proposals were the result of a competitive process between two or more willing potential tenants and are more likely to reflect the actual fair market value of the leased premises.

Staff Summary

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

Xarupa plans to utilize the existing waiting area and newsstand for morning coffee service and to transform the vacant unit at the north end of the station into a bar/lounge in the evenings. Xarupa's improvements will be done in two phases. Phase 1 will include the renovation of the newsstand and waiting area for the morning coffee service, while renovation work for the bar/lounge will be part of Phase 2 and commence after the Phase 1 renovation work is completed. The renovation work for Phase 2 is projected to take approximately 6 months after Phase 1 is complete. The MTA will have the right to terminate the lease upon 180 days' notice for corporate or transportation purposes. Metro-North will reserve rights for use of the waiting area and restrooms for its customers during the hours of 6:00am to 2:00pm on business days and at any other time that the café is open. Xarupa will maintain the interior of the station building, with the exception of the ticket office and the retail space on the west side of the station building that has its own direct exterior entrance. Xarupa will take possession of the space subject to an existing tenancy of Answer Vending Machines which expires on December 31, 2019.

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

Staff Summary

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

Date MAY 20, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	5/20/19		X	
2	Finance Committee	5/20/19	X		
3	Board	5/22/19	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 Coiffure Clique LLC

LOCATION: Bronxville Station, Harlem Line, Westchester County

ACTIVITY: Lease of vacant retail space for a hair salon

ACTION REQUESTED: Authorization to enter into lease agreement

TERM: Ten years from rent commencement date

SPACE: 239± sq. ft. retail space, together with a license to use 2 dedicated parking spaces adjacent to the station building

COMPENSATION: \$13,580 for lease year 1 with 3% annual increases through lease year 10

COMMENTS:

In response to a request for proposals ("RFP") in January 2019 for vacant retail space on the west side of the Bronxville station building, two proposals were received: one from The Coiffure Clique LLC for the operation of a high-end hair salon, and the other from Green Grass Realty for the operation of a real estate office.

The Coiffure Clique LLC proposed a base term of 10 years with a starting rent of \$13,580 (\$56.82 per square foot) with 3% annual increases. At a 7% discount rate, The Coiffure Clique LLC proposal yields a net present value of \$107,560.22 over the 10-year term. Green Grass Realty proposed a term of 5 years with a 5-year extension option at a proposed base annual rent starting at \$8,365 (\$35.00 per square foot) with 3% annual increases. The Green Grass Realty proposal would yield a net present value of \$66,255.20 over the 10-year term. The proposed rent equals or exceeds the estimated annual fair market rental value as determined by an independent appraisal for the entire station building.

Carmine Gargano, the owner of The Coiffure Clique, has been a hair stylist for 25 years and has developed a substantial clientele. His plan is to provide high quality haircuts, blowouts and hair coloring, and to offer midrange retail products for sale. His proposal includes a plan to raise the ceiling, upgrade the restroom while keeping the existing fixtures, cover the floors with laminate flooring and install custom shelving. Mr. Gargano will have the exclusive use of 2 parking spaces south of the building as part of his lease agreement. Mr. Gargano will provide a limited personal guaranty of the tenant's

Staff Summary

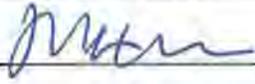
FINANCE COMMITTEE MEETING

LEASE AGREEMENT FOR BRONXVILLE STATION (Cont'd.)

lease obligations. MTA will have the right to terminate the lease upon 180 days' notice for corporate or transportation purposes.

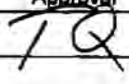
Based on the foregoing, MTA Real Estate requests authorization for MTA and Metro-North to enter into a lease agreement with The Coiffure Clique LLC on the above-described terms and conditions.

Staff Summary

Subject PERMANENT EASEMENT IN WHITE PLAINS, NY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER 
Department Head Signature
Project Manager Name ANTHONY CAMPBELL

Date MAY 20, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	5/20/19	X		
2	Board	5/22/19	X		

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

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

GRANTOR: City of White Plains ("Grantor" or the "City")

LOCATIONS: 20 Ferris Avenue, White Plains, NY (Easement Area 1)
10 Ferris Avenue, White Plains, NY (Easement Area 2)
Trans Center/Parking Garage adjacent to the White Plains Station (Easement Area 3).

ACTIVITY: Acquisition of permanent easements covering three separate areas as described below in support of the construction of improvements and operations for the Enhanced Station Initiative for the White Plains Metro-North Station ("the Project")

ACTION REQUESTED: Authorization to acquire easement

TERM: Perpetual

EASEMENT AREAS: Easement Area 1: 3,200± square feet for a gas line
Easement Area 2: 2,422± square feet for construction and maintenance of a sidewalk at the Station Entrance Property
Easement Area 3: 2 parking spaces

COMPENSATION: \$1.00 payment waived

COMMENTS:

Metro-North Capital Programs is implementing the Enhanced Station Initiative for the White Plains Metro-North Station (the "Station"). The work for the Project commenced in March 2018 and is expected to take approximately 36 months. Certain of the improvements being constructed as part of the Project Metro-North will be partially located on property owned by the City of White Plains. As such MTA and/or Metro-North seek authority to acquire certain permanent easement rights on City of White Plains property as described below.

Easement Area 1 - Heated platforms are being constructed at the Station as part of the Project and gas boilers will be installed to provide the heat. The heaters will be connected to ConEd's power source by way of a subsurface gas line running across the City's property, and therefore the MTA/Metro-North requires a permanent easement across the City's property for the gas line. The City has agreed to grant the permanent easement for the gas line on the condition that Metro-North maintain the line and assume any future costs of relocation of the gas line if required for future development.

Staff Summary

FINANCE COMMITTEE MEETING PERMANENT EASEMENT IN WHITE PLAINS, NY (Cont'd.)

Easement Area 2 - The existing sidewalk is being expanded to improve the flow of pedestrian traffic at the Station. The expansion requires the use of approximately 2,422 square feet of the City's property, and therefore the MTA/Metro-North requires a permanent easement from the City for such area. Metro-North will construct, operate and maintain the expanded sidewalk in the easement area.

Easement Area 3 - Metro-North's Customer Service & Stations Department has historically used two city owned parking spaces located at the White Plains TransCenter. As part of the easement agreement for Easement Area 1 and Easement Area 2, the City will formalize the use of the parking spaces comprising Easement Area 3 in support of MTA's/Metro-North's continued operations at the Station.

Based on the foregoing, MTA Real Estate requests authorization to enter into a permanent easement agreement with City for Easement Area 1, Easement Area 2 and Easement Area 3, on the above-described terms and conditions above.

Staff Summary

Subject PERMANENT EASEMENT IN WHITE PLAINS, NY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ANTHONY CAMPBELL

Date MAY 20, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	5/20/19	X		
2	Board	5/22/19	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")

GRANTOR: White Plains Urban Renewal Agency ("WPURA")

LOCATION: 3 Hamilton Avenue, White Plains NY (the "Property")

ACTIVITY: Acquisition of a permanent easement covering two separate areas as described below in support of the construction of improvements for the Enhanced Station Initiative for the White Plains Metro-North Station ("the Project")

ACTION REQUESTED: Authorization to acquire easement

TERM: Perpetual

EASEMENT AREAS: Easement Area 1: 507± square feet for a gas line
Easement Area 2: 121± square feet for the platform stairway

COMPENSATION: \$1.00 Payment Waived

COMMENTS:

Metro-North Capital Programs is implementing the Enhanced Station Initiative for the White Plains Metro-North Station (the "Station"). The work for the Project commenced in March 2018 and is expected to take approximately 36 months. Certain of the improvements being constructed as part of the Project Metro-North will be partially located on property owned by WPURA adjacent to the portion of the Station property that is owned or controlled by MTA under the Harlem-Hudson Midtown Trackage lease. As such MTA and/or Metro-North seek authority to acquire certain permanent easement rights on WPURA's property as described below.

Platform Stairway - Metro-North will construct, operate and maintain a new stairway that will be connected to the north bound platform at the Station. The new stairway will be mostly on MTA's property, however, the design provides that approximately 121 square feet of space that is part of the WPURA's land is needed for a portion of the stairway that will be located on WPURA's property.

Gas Service Line Easement - Heated platforms are being constructed at the Station as part of the Project and gas boilers will be installed to provide the heat. The heaters will be connected to ConEd's power source by way of a subsurface gas line running across the City's property, and therefore the MTA/Metro-North requires a permanent easement across WPURA's property for the gas line. WPURA has agreed to grant the permanent easement for the gas line on the

Staff Summary

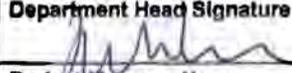
FINANCE COMMITTEE MEETING PERMANENT EASEMENT IN WHITE PLAINS, NY (Cont'd.)

Page 2 of 2

condition that MTA and/or Metro-North maintains the line and assumes any future costs of relocation of the gas line if ever required by future development of the Property.

Based on the foregoing, MTA Real Estate requests authorization for MTA and/or Metro-North to enter into a permanent easement agreement with WPURA for the platform stairway easement and the gas service line easement, subject to the above-described terms and conditions above.

Staff Summary

Subject LEASE FOR RESTAURANT IN GRAND CENTRAL
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name LEAH BASSKNIGHT

Date MAY 20, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	5/20/19	X		
2	Board	5/20/19	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 ("MNR")

LESSEE: GC Alpha, LLC d/b/a Cipriani

LOCATION: Retail Space R-01 located in the Southwest Balcony in the Main Concourse of Grand Central Terminal ("GCT")

ACTIVITY: Lease for the operation of a sit-down restaurant and bar

ACTION REQUESTED: Authorization to enter into a lease agreement

TERM: 10 years with a 5-year option

SPACE: 2,525 sq. ft. (±) of restaurant space and 822 sq. ft. (±) of storage

COMPENSATION: Annual Base Rent of \$500,036 increasing 2% annually, plus 8% of gross sales over a breakpoint of \$6,500,000 increasing 2% annually

COMPENSATION FOR 5 YEAR OPTION: Annual Base Rent of \$609,541 increasing 2% annually plus, 8% of gross sales over a breakpoint of \$7,923,464 increasing 2% annually

COMMENTS:

Pursuant to MTA Real Estate's merchandising plan for Grand Central Terminal, a request for proposals ("RFP") was recently issued seeking offers to operate a sit-down restaurant and bar in the southwest balcony of the main concourse. In response to the RFP, proposals were received from Cipriani, the incumbent, and Il Mulino.

Pursuant to the Guidelines for Selection of Tenants for Grand Central Terminal approved by the MTA Board in March 2019, the proposals were independently evaluated by MTA's technical consultant Newmark Grubb Knight Frank and Jones Lang LaSalle and were subsequently evaluated by the Director of Retail Leasing and Management for GCT. When evaluating the proposals, two criteria were utilized. Selection Criterion A, which accounts for 70% of the score, is designed to reflect the direct economic value of a proposal. Selection Criterion B, which accounts for 30% of the score, is the evaluators' determination of a proposal's indirect economic benefit to the MTA. The Director of Retail Leasing and Management's evaluation assigned Cipriani the highest Total Criterion Score, but because Il Mulino offered higher guaranteed minimum rent a selection committee was convened.

Staff Summary

FINANCE COMMITTEE MEETING LEASE AGREEMENT IN GRAND CENTRAL (Cont'd.)

The three-person selection committee reviewed and scored the two proposals, and assigned Cipriani both the highest Selection Criterion A and B Scores and the highest Total Criterion Score. Their averaged scoring is reflected on the chart below. The rent to be paid by Cipriani is consistent with the estimated fair market value as determined by an independent appraiser.

Although Il Mulino proposed more guaranteed minimum rent, the selection committee considered Il Mulino's ability to maintain positive cash flows over the lease term based on its technical consultant's assessment of the viability of Il Mulino's business plan for the location. To adjust for this risk, the selection committee discounted Il Mulino's proposed guaranteed rent, as indicated on the chart below. When comparing the two proposers, Cipriani's financials were stronger and demonstrated positive cash flows and lower debt service.

Cipriani has been a tenant in good standing at this location or over 15 years and has shown consistent growth in sales. In addition, Cipriani proposed to invest \$2,450,000 in improvements to the space including renovations to the kitchen and back of house areas. By comparison, Il Mulino proposed \$1,000,000 in improvements. Overall, Cipriani's proposal offers the highest economic value to the MTA.

Cipriani proposes to update their menu to include breakfast. They have successfully operated within a challenging transit hub environment and their proposed alterations to the space and menu will be a positive change to the GCT.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with GC Alpha, LLC, doing business as Cipriani on the above-described terms and conditions.

Grand Central Terminal Retail Leasing Evaluation Sheet
Evaluator: Selection Committee

Space: R-01 (currently Cipriani)
Date: 3-29-19

	A	B	C	D	E	F	G	H	I	J
PROPOSER	Unadjusted Guaranteed Rent Amount *	Guaranteed Rent Adjustment Factor**	Adjusted Guaranteed Rent Amount (A x B)	Unadjusted Percentage Rent Amount	Percentage Rent Adjustment Factor***	Adjusted Percentage Rent Amount (D x E)	Adjusted Total Rent Amount (C + F)	Selection Criterion A Score **** (0-70)	Selection Criterion B Score (0-30)	Total Selection Criterion Score (H + I)
Il Mulino	\$4,197,879	.84	\$3,537,214	\$0	-	\$0	\$3,537,214	65.1	24.3	89.4
Cipriani	\$3,803,524	1.0	\$3,803,524	\$0	-	\$0	\$3,803,524	70	25.6	95.6

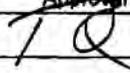
*Unadjusted Guaranteed Rent Amount is the present value of the total proposed rent for the 10-year term using a 7% discount rate
 **Guaranteed Rent Adjustment Factor: from 1.00 (no uncertainty) to as low as 0.50 (great uncertainty); however, may be as low as 0.00 per guidelines
 ***Percentage Rent Adjustment Factor: As high as .50 (no uncertainty) to as low as 0.00 (great uncertainty)
 ****Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from Column G)

Staff Summary

Subject LEASE AGREEMENT FOR LAWRENCE STATION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name RAYMOND SMYTH

Date MAY 20, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	5/20/19	X		
2	Board	5/22/19	X		

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

AGENCY: MTA Long Island Rail Road ("LIRR")
 LESSEE: Off the Diet LLC
 LOCATION: Lawrence Station, Far Rockaway Branch, Nassau County
 ACTIVITY: Lease of station building for a restaurant
 ACTION REQUESTED: Authorization to enter into lease agreement
 TERM: Ten years
 SPACE: 1,280± square feet
 COMPENSATION: \$21,600 for lease year 1 with 3% annual increases through lease year 10

COMMENTS:

On July 27th, 2018, a Request for Proposals (RFP) was issued for the leasing of LIRR station buildings in Woodmere, Riverhead, Douglaston, and Lawrence. The RFP solicited interested parties seeking to re-purpose the station buildings into retail use. Respondents could submit proposals on one, multiple, or all the locations.

One proposal was received for the Lawrence Station building. Off the Diet LLC proposed a base term of 10 years with starting rent of \$21,600 (\$16.88 per square foot) with 3% annual increases. At a 7% discount rate, the net present value of the rent proposed by Off the Diet LLC is \$171,081. In addition, Off the Diet LLC has proposed to make capital improvements costing \$433,000 to the station building. While the fair market rental value estimated by an independent appraisal for the entire station building was higher than the base rent proposed by Off the Diet LLC, the MTARED has determined that the proposed transaction will yield to LIRR the fair market value, which takes into account the immediate and continuing value to LIRR of certain permanent improvements, including upgrades to the utility systems and the renovation of the current waiting room that the tenant will pay for.

Baruch Tanami, the co-owner of Off the Diet, LLC, owns and operates Tanami's Falafel located in downtown Lawrence. He plans to relocate his restaurant to the Lawrence station building. Mr. Tanami has a strong local following and a substantial catering clientele. Irving Langer, Mr. Tanami's business partner in the venture, will provide a limited guaranty of tenant's obligations under the lease.

Mr. Tanami and Mr. Langer propose to re-purpose the station building into a full-service restaurant serving breakfast, lunch, and dinner. Menu items include shawarma, falafel, and schnitzel. Minimum hours of operation will be 6am-4pm

Staff Summary

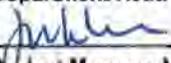
FINANCE COMMITTEE MEETING

LEASE AGREEMENT FOR LAWRENCE STATION BUILDING (Cont'd.)

from Sunday through Thursday although the tenant expects to extend its hours of operation until 10pm on those days. The tenant will not be required to operate on Fridays or Saturdays. The proposed capital investment includes full renovation of the current waiting room and installation of kosher kitchens within the building. Off the Diet LLC will be responsible for maintaining a waiting room for LIRR customers within the building during weekdays. In addition to the rent, the tenant will have maintenance responsibilities within the building.

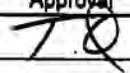
Based on the foregoing, MTA Real Estate requests authorization for LIRR to enter into a lease agreement with Off the Diet LLC on the above-described terms and conditions.

Staff Summary

Subject DISPOSITION OF AIR RIGHTS BAY RIDGE BRANCH
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name JOHN COYNE

Date MAY 20, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	5/20/19	X		
2	Board	5/22/19	X		

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

AGENCY: Long Island Rail Road ("LIRR")

GRANTEE: Medford Ber, LLC

LOCATION: Block 3457, Lot 39 in Brooklyn, New York (the "Subject Property")

ACTIVITY: Sale of ± 20,169 zoning square feet of surplus development rights and granting of light and air easement.

ACTION REQUESTED: Approval to enter into a zoning lot development agreement, purchase and sale agreement, and other transaction agreements deemed necessary.

SPACE: ± 20,169 zoning square feet

COMPENSATION: ± \$1,815,210 (\$90 per zoning square foot)

COMMENTS:

The Subject Property is a ± 8,300 parcel located at the northern entrance to the East New York Tunnel on the LIRR Bay Ridge freight branch in Bushwick, Brooklyn. The right-of-way at this location is primarily enclosed by the tunnel, and the surface condition is an unimproved wooded embankment.

Medford Ber, LLC ("Medford Ber") owns 99 Granite Street, Brooklyn, which is adjacent to and contiguous with the Subject Property. Medford Ber expressed interest in acquiring some or all the surplus development rights associated with the Subject Parcel for use as part of a multi-family residential development to be located entirely on 99 Granite Street. The total surplus development rights associated with the Subject Property is estimated to be ± 20,169 zoning square feet.

As required by the Public Authorities Law, MTA a request for proposals ("RFP") in October 2018 offering the surplus development rights associated with the Subject Property for sale, to which only Medford Ber responded.

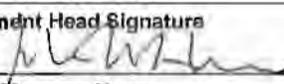
In its response, Medford Ber offered to pay \$13.70 per square foot of zoning, or a total of \$276,320, for all the surplus development rights associated with the Subject Property. Following negotiations, Medford Ber increased its offer to \$90 per square foot, or \$1,815,210 for all the surplus development rights associated with the Subject Property, a price which reflects fair market value as determined by an independent appraiser engaged by MTA Real Estate, as required by the Public Authorities Law.

Staff Summary

FINANCE COMMITTEE MEETING Disposition of Air Rights (Cont'd.)

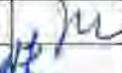
Based on the foregoing, MTA Real Estate requests the Board to authorize MTA to enter into a zoning lot development agreement, purchase and sale agreement, and other transaction documents deemed necessary to consummate the transaction described above with Medford Ber on the terms and conditions set forth above.

Staff Summary

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

Date May 20, 2019
Vendor Name ONE PENN PLAZA LLC ("VORNADO")
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	5/20/19	X		
2	Board	5/22/19	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 beneath 33rd Street, between Seventh and Eighth Avenues (the "Concourse") and connecting corridors located within a portion of Pennsylvania Station (the "Station").

ACTIONS REQUESTED: Authorization to enter into Development Agreement with Vornado for New York Penn Station LIRR Train Hall Renovation, Phase 1 – 33rd Street Entrance (the "LIRR Entrance Development Agreement")

COMMENTS:

In February and again in March, the Board authorized MTACC and LIRR to enter into a Memorandum of Understanding (the "MOU") with 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. With regard to the new entrance, the MOU provided that:

- MTA and Vornado would design and complete a new entrance from street level into the Concourse on 33rd Street proximate to Seventh Avenue (the "New LIRR Entrance");
- The New LIRR Entrance will include stairs and 3 escalators to the Concourse and possibly a new elevator to provide additional access to the station;
- MTA will provide the preliminary design for the New LIRR Entrance; Vornado will then assume responsibility for completing the design, construction and delivery of the New LIRR Entrance on or before December 31, 2020 and MTA will pay Vornado an agreed fixed price; and
- In consideration of the agreed to amount, Vornado will convey to MTA property rights necessary to accommodate the New LIRR Entrance and elevator to the Concourse.

Further, MTA reported in February that, to facilitate the current timeline for the entrance, MTACC and LIRR would return to the Board to seek approval to enter into the LIRR Entrance Development Agreement with Vornado for the construction of the entrance in accordance with the terms of the MOU. MTA has now completed and delivered a basis of design and the parties have reached agreement on the terms of the New LIRR Entrance Development Agreement, the more relevant material terms of which are set forth below:

- MTA engages Vornado to design and construct the New LIRR Entrance. Vornado is granting MTA a permanent easement for the applicable portion of Developer's property;

Staff Summary

FINANCE COMMITTEE MEETING PENN STATION CONCOURSE IMPROVEMENTS

- Vornado agrees to engage a design-builder (Skanska USA Civil) to perform the work. The design-builder will provide payment and performance bonds;
- MTA agrees to pay Vornado a negotiated fixed price, subject to reduction based on subsequent subcontract bidding. The design-builder is obligated to conduct competitive bidding of subcontract work and the fixed price will be reduced by 100% of the first \$2 million in savings from such bidding and by 40% of such savings above \$2 million;
- Design of the new entrance must comply with MTA's basis of design documents. Vornado must submit drawings and specifications to MTA for review and comment as they are developed and final drawings and specifications are subject to MTA's approval;
- MTA agrees to provide specified LIRR track outages and other support as required to meet the construction schedule. The Agreement also identifies limited support from Amtrak required to carry out the work and meet the schedule;
- Goals for MBE (15%), WBE (15%) and SDVOB (6%) participation are included;
- Vornado agrees to achieve substantial completion of the new entrance by December 31, 2020, subject to extension for excusable delays, and to pay liquidated damages if substantial completion is late; and
- Vornado is responsible for deficiencies in design and construction of the new entrance. A warranty of all work from the design-builder running for twelve (12) months after Substantial Completion is assigned to MTA, as are all extended warranties.

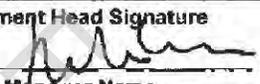
Certain limited items related to the New LIRR Entrance, such as a new ADA-compliant elevator, restoration of the upper plaza at West 33rd Street, installation of security bollards, and certain supervision, maintenance, and related costs, that are more efficiently and cost effectively performed in connection with the Concourse work, are excluded from this agreement with the intention of including them in the LIRR Concourse Development Agreement that is still being negotiated with Vornado. In addition, construction requires use of space currently subleased by Vornado to Duane Reade, and, and as set forth in the MOU, Vornado is separately and simultaneously terminating the Duane Reade sublease.

Vornado submitted a proposal in the amount \$130,319,749. Negotiations were held and the parties agreed to \$124,020,612 subject to the cost savings provisions set forth above, which is within the MTA estimate and is deemed to be fair and reasonable.

FUNDING:

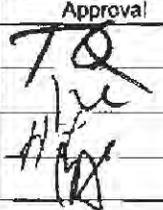
LIRR has a \$170 Million project in the Capital Program to support the Penn Station Concourse Improvements widening both the entrance and the Concourse and providing other Concourse improvements. The balance will be funded by the State of New York, as reflected in the written commitment of the Budget Director in February 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		

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 LEASE AGREEMENT FOR STILLWELL AVENUE TERMINAL COMPLEX
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name RAYMOND SMYTH

Date MAY 20, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	5/20/19	X		
2	Board	5/22/19	X		

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

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

LESSEE: CAI Foods, Inc.

LOCATION: Stillwell Avenue Terminal Complex, Coney Island, Brooklyn

ACTIVITY: Lease of 9 retail spaces for food and retail use

ACTION REQUESTED: Authorization to enter into a lease agreement

TERM: Fifteen (15) years plus one five-year option term

SPACE: 6,965± sq. ft.

RENT: \$450,000 for lease year 1 with 3% annual increases through lease year 15

COMMENTS:

MTA Real Estate issued a Request for Proposals ("RFP") seeking a lease for 9 of the 11 retail units at the Stillwell Avenue Terminal Complex in June 2018. Prospective respondents could propose on one, multiple, or all locations offered in the RFP. MTA Real Estate defined the objectives and goals of the RFP to include the following:

- Develop and manage innovative food and retail concepts that have a broad range of high-quality offerings
- Provide architectural designs that are attractive to customers, and are reflective of the Coney Island community
- Develop a retail concept that highlights merchandise from Coney Island and the surrounding Brooklyn neighborhoods

All retail units offered in the lease were occupied at the time of the RFP. A total of 25 proposals were received for one or more of the 9 retail units. The RFP yielded no responses for a master lessee who would lease and/or operate all 9 units.

The combined suggested annual rent for the 9 units was \$363,140. The total combined proposed rent for Year 1 of the term was \$498,520. Upon review of the proposals, MTA Real Estate determined that the tenant mix afforded by the top bidders, in the aggregate, did not meet the defined objectives and goals established by the RFP. In addition, the multiple proposed concepts contained a similar use and merchandise mix, thus rendering the physical layout of the units impracticable.

Staff Summary

FINANCE COMMITTEE MEETING LEASE AGREEMENT FOR STILLWELL AVENUE TERMINAL COMPLEX (Cont'd.)

Subsequent to the initial proposal review, MTA Real Estate issued a 'Notice to Respondents' that invited the original proposers to re-submit proposals for the units, including proposals for units that were not included in their original proposals. The 'Notice to Respondents' also allowed the initial proposers to submit a 'Best and Final Offer' for particular units that they wanted to be considered for.

Pursuant to the 'Notice to Respondents', a single proposer submitted a proposal to lease all 9 of the units offered in the RFP. The proposer, CAI Foods, Inc., whose sibling entity, Central Amusement International Inc., operates the Luna Park amusement park in Coney Island, proposed a combined rent of \$450,000 for Year 1 of the term, which was consistent with the estimated fair market rent as determined by an independent appraisal for the 9 units. The RFP provided for a 10-year term, subject to adjustment based on the amount of capital invested by the successful proposer. At a 7% discount rate and 15-year term, the rental stream yields a net present value of \$4,897,360.53. If the option term is exercised, CAI Foods will pay the greater of 3% annual increases or Fair Market Value (FMV). CAI Foods has proposed to combine multiple units within the terminal, the largest of which, "Rcade" and "Trax", will be operated by the proposer and open for business throughout the year. The remaining units will be subleased to independent operators and will be open on a seasonal basis. The proposed concepts are listed below:

Concept	Use
Rcade	Arcade with restaurant and bar
Trax	Coffee shop serving breakfast, lunch and dinner
Souvenir / Clothing	Local, boutique clothing brand
Visitors Center	Visitors center for Coney Island
Gift Shop	Gift Shop selling Luna Park merchandise
Coney Island Beach Shop	Local beach store owner selling beach necessities

The proposer's strong financial background and innovative proposal of mixed food and retail concepts meets the objectives outlined in the RFP. Antonio Zamperla will provide a limited guaranty of tenant's obligations under the lease, including its obligation to complete the tenant improvements.

Based on the foregoing, MTA Real Estate requests authorization for New York City Transit to enter into a lease agreement with CAI Foods Inc. for the 9 retail units offered in the RFP in accordance with the above-described terms and conditions.

Subject Tariff Revision: Elimination of Half Fare Student MetroCard
Department Office of Management & Budget
Department Head Name Aaron Stern
Department Head Signature
Project Manager Name Niko Rukaj

Date April 10, 2019
Vendor Name NA
Contract Number NA
Contract Manager Name NA
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	President		X		
2	NYCT Comm.		X		
3	Board		X		

Internal Approvals			
Order	Approval	Order	Approval
10	President	4	VP General Counsel
9	SVP Operations Support	3	VP GCR
8	CFO	2	Chief OP
7	VP Revenue Control	1	Director OMB
6	SVP Strategy & Customer Exp.		
5	SVP Bus		

Purpose

To obtain Board approval of the annexed resolution authorizing a tariff change to discontinue the half-fare student MetroCard program and allow all students who live at least one-half mile from their school to be given a free 3-Trip student MetroCard valid on subway and local bus.

Discussion

New York City students in Kindergarten through 12th grade are eligible for student MetroCards based on grade and distance from school. The half-fare program is offered by the MTA (not the Department of Education) to aid students who do not meet the distance requirements for free student MetroCards. The existing distance requirements are as follows:

Grade	0-1/2 Miles	1/2-1 Mile	1-1 & 1/2 Miles	>1 & 1/2 Miles
K-2	No Reduced Fare	Free	Free	Free
3-6	No Reduced Fare	Half Fare	Free	Free
7-12	No Reduced Fare	Half Fare	Half Fare	Free

Half-fare student MetroCards are valid on local buses only, and entitle students to three half-fare local bus trips and three free local bus transfers on school days. Students are required to dip their MetroCard in the bus farebox and then deposit \$1.35 in coins. However, few students deposit the half fare. Annual 2018 NYCT half-fare student bus ridership was 4.3 million (or approximately 27,000 per school day), with annual revenue of \$162,000 and an average fare of less than four cents.

Eliminating the half-fare student program will simplify production and shipment of student MetroCards to the Department of Education, free bus operators from monitoring half-fare payments, and reduce the workload of school administrators who must verify eligibility for each student in their schools. In addition, the half-fare program could create difficulties when New Fare Payment Systems (NFPS) comes online if some students continue to be required to pay with coins.

This proposed change will benefit all half-fare student riders. As such, an analysis conducted pursuant to Title VI showed no adverse impact on minority and/or low income student riders.

Therefore, it is proposed that the tariff be revised to discontinue the half-fare student MetroCard program and allow all students who live at least one-half mile from their school to be given a free 3-Trip student MetroCard valid on subway or local bus. Copies of the proposed revised tariff pages are annexed to this staff summary.

Recommendation

It is recommended that the MTA Board adopt the annexed resolution approving the proposed tariff change effective with the start of the Fall 2019 semester on or about September 1, 2019.

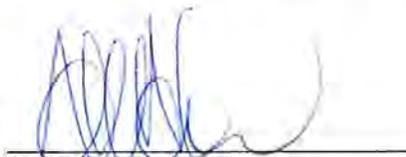
Alternatives

Continue half-fare program. The current program generates little revenue, complicates production and distribution of student MetroCards, and may not be compatible with NFPS.

Impact on Funding.

A revenue loss of less than \$200,000 is expected. There will be no impact on student reimbursements from New York City or State, since the half-fare program is not covered by the City and State student reimbursements.

Approved:



Andy Byford
President

RESOLUTION

WHEREAS, the Chairman has recommended that the MTA Board approve a Tariff change to discontinue the half-fare student MetroCard program and allow all students who live at least one-half mile from their school to be given a free 3-Trip student MetroCard valid on subway and local bus.;

WHEREAS, the annexed Staff Summary contains modified Tariff pages prepared by the Office of Management and Budget to effect the recommended changes to the Authority's Tariff to discontinue the half-fare student program;

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

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

I. INTRODUCTION

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

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

<u>Fare Category</u>	<u>Fare/Fare Medium</u>
Basic Fare	-- A valid SingleRide Ticket (sold for \$3.00) or the deduction of \$2.75 from a valid value-based MetroCard. --Payment of \$2.75 with combination of MetroCard then coin on buses only. --Payment of \$2.75 in exact change on buses only. --Swipe or dip of valid time-based MetroCard*
Senior Citizen/Disabled—Subway	--Deduction of \$1.35 per trip from a valid Reduced Fare MetroCard. --Swipe of valid Reduced Fare Round Trip MetroCard. --Swipe of valid time-based Reduced Fare MetroCard.*
Senior Citizen/Disabled--Local Bus	--\$1.35 in exact change or the deduction of \$1.35 from a valid Reduced Fare MetroCard or the payment of \$1.35 with a combination of Reduced Fare MetroCard then coin. --Dip of valid Reduced Fare Round Trip MetroCard --Dip of valid time-based Reduced Fare MetroCard.*
Senior Citizen/Disabled—SIRTOA	Deduction of \$1.35 from a valid Reduced Fare MetroCard. --Swipe of valid Reduced Fare Round Trip MetroCard. --Swipe of valid time-based Reduced Fare MetroCard.*
ADA Paratransit-eligible person approved for Paratransit services	--Swipe of valid Zero Fare MetroCard
Students with Bus Half Fare School Pass	\$1.35
Children 44" & Under Accompanied by Adult	Free

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

II. REGULAR FARE SERVICES
(continued)

E. Student Fares

1. Student MetroCards may be used for three free trips and three free transfers per school day on NYCTA subways and NYCTA/MaBSTOA/MTABC local buses and on SIRTOA at St. George Terminal and Tompkinsville. Students who are certified by their educational institutions as requiring an additional school-related trip, will receive MetroCards that are valid for four free trips and four free transfers per school day. Transfers are valid to and from local buses operated by MTA Bus.
2. Student MetroCards are valid from 5:30 AM to 8:30 PM on school days Monday to Friday for most students; and from 5:30 AM to 10:30 PM Sunday to Friday for those with Sunday classes. Night School student MetroCards are valid Monday to Thursday, 1:00 PM to 1:00 AM, and Sunday, 8:00 AM to 8:00 PM, on school days during the school year, and Monday to Friday, 3:00 PM to 11:00 PM on school days during the summer session. The student MetroCard will be valid over the semester in which it is issued.
3. The following student MetroCards are valid for free transportation on NYCTA subways and NYCTA/MaBSTOA/MTABC local buses and on SIRTOA at St. George Terminal and Tompkinsville:

<u>MetroCard</u>	<u>Type</u>
a. <u>Regular Students</u>	
Elementary school	A
High School	†
Alternative high school	€
b. <u>Students with Sunday classes</u>	
Elementary school	PA
High school	P†
c. <u>Night school student</u>	
Night high school	N
Night High School Half-fare local bus*	NZ
d. <u>Half fare</u>	
Half fare local bus*	Z

~~* Students qualifying for a half fare local bus MetroCard, must dip their MetroCard in the farebox and pay \$1.35 to obtain a bus ride and a free local bus transfer.~~

4. Value may not be stored on student MetroCards.
5. Students traveling on school days to other authorized locations or at times not authorized by the student MetroCard are issued special two-trip MetroCards by their school. These special MetroCards, valid from 5:30 AM to 11:00 PM, Monday to Friday, and Saturday, 5:30 AM to 8:30 PM, are obtained by the school from the Department of Education.

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

C. Senior Citizen/Disabled Reduced Fare (continued)

4. Reduced Fare Round Trip MetroCard

A senior citizen aged 65 and older or disabled individual inserting a valid Reduced Fare Round Trip MetroCard into a Select Bus Service MetroCard Fare Collector, and then obtaining a valid proof-of-payment receipt from the MetroCard Fare Collector, is entitled to a one-way trip on the Select Bus Service route travelling in the direction indicated on the receipt. Reduced fare passengers must retain the proof-of-payment receipt for the duration of the Select Bus Service trip and present the receipt along with valid identification, as shown in Section II.C.4 of this Tariff, on request to a New York City Police Officer or authorized personnel.

D. Student Fare

1. Free Student MetroCards

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

~~2. Half Fare Student MetroCards~~

~~A student with a half fare student MetroCard pressing the half fare button on a Select Bus Service Coin Fare Collector, and then depositing \$1.35 in exact change into a Coin Fare Collector and obtaining a valid proof of payment receipt from the Coin Fare Collector, is entitled to a one way trip on the Select Bus Service route traveling in the direction indicated on the receipt. (A student using a half fare student MetroCard encoded with a valid transfer must use a MetroCard Fare Collector as detailed in section E.3.) Students using half fare student MetroCards must retain the proof of payment receipt for the duration of the Select Bus Service trip and present the receipt along with their half fare student MetroCard on request to a New York City Police Officer or authorized personnel.~~

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

E. Transfers to Select Bus Service

1. Value-Based MetroCards

Regular and reduced fare passengers using a value-based MetroCard are entitled to transfer for free from subway, local bus or express bus service (including service operated by other agencies that have reciprocal transfers with NYCTA/MaBSTOA) to any Select Bus Service route operated by the NYCTA or MaBSTOA within two hours, measured from the time the transfer was encoded at a subway turnstile or bus farebox until the MetroCard is inserted into the Select Bus Service MetroCard Fare Collector. Passengers may not transfer from the same Select Bus Service route. Additional transfers to and from bus routes with special transit privileges listed in Appendix II of this Tariff will be permitted. Passengers must insert their MetroCard in a Select Bus Service MetroCard Fare Collector to have the transfer validated, and then obtain a valid proof-of-payment receipt from the MetroCard Fare Collector. Passengers may ride only on the route and in the direction indicated on the receipt. Passengers must retain the proof-of-payment receipt for the duration of the Select Bus Service trip and present the receipt on request to a New York City Police Officer or authorized personnel.

2. Electronic Paper Transfers

Regular and reduced fare passengers with a valid electronic paper transfer issued on any local bus route are entitled to transfer for free to any Select Bus Service route within two hours, measured from the time the paper transfer was issued from the bus farebox until the paper transfer is inserted into the Select Bus Service MetroCard Fare Collector. Electronic paper transfers issued on the same Select Bus Service route will not be accepted. Passengers must insert the electronic paper transfer into a Select Bus Service MetroCard Fare Collector, and then obtain a valid proof-of-payment receipt from the MetroCard Fare Collector. Passengers may ride only on the route and in the direction indicated on the receipt. Passengers must retain the proof-of-payment receipt for the duration of the Select Bus Service trip and present the receipt on request to a New York City Police Officer or authorized personnel.

3. Student Transfers

A student using a free ~~or half fare~~-student MetroCard encoded with a valid transfer must insert their MetroCard in a Select Bus Service MetroCard Fare Collector to have the transfer validated, and then obtain a valid proof-of-payment receipt from the MetroCard Fare Collector. Students may ride only on the route and in the direction indicated on the receipt. Students must retain the proof-of-payment receipt for the duration of the Select Bus Service trip and present the receipt on request to a New York City Police Officer or authorized personnel.

Procurement

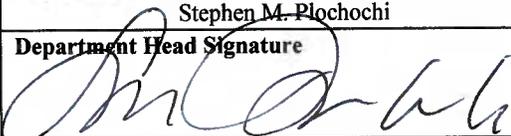
Steve Plochochi, Senior Vice President

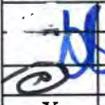


The Kawasaki R188 subway cars pictured above will undergo a six-year Scheduled Maintenance System overhaul, performed by the Department of Subways' Division of Car Equipment, using parts ordered from the Kawasaki Omnibus item in this month's Procurement package.

PROCUREMENTS

The Procurement Agenda this month includes 13 actions for a proposed expenditure of \$171.9M.

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					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	5/20/19			
2	Board	5/22/19			

May 14, 2019		
Department		
Department Head Name		
Department Head Signature		
Internal Approvals		
Approval		Approval
 President NYCT 5/15/19		
X	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:

<u>Procurements Requiring Two-Thirds Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Noncompetitive Purchases and Public Work Contracts	1	\$ 12.0 M
• Kawasaki Rail Car, Inc. \$ 12.0 M		
SUBTOTAL	1	\$ 12.0 M

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

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

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

Schedules Requiring Majority Vote:

Schedule E: Miscellaneous Procurement Contracts	1	\$	138.7 M
SUBTOTAL	1	\$	138.7 M

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

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

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

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

NYC Transit proposes to award Ratifications in the following categories:

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions	11	\$	21.2 M
SUBTOTAL	11	\$	21.2 M
TOTAL	13	\$	171.9 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.

Item Number: 1

Vendor Name (Location) Kawasaki Rail Car, Inc. (Yonkers, New York)	Contract Number NONE	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description Purchase of replacement truck components and car body parts	Total Amount: \$12,000,000 (Est.)	
Contract Term (including Options, if any) June 3, 2019–June 2, 2022	Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	Requesting Dept./Div., Dept./Div. Head Name: Procurement & Supply Chain, Stephen M. Plochochi	
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: Omnibus Sole-Source Approval		

Discussion:

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

There are approximately 18,129 items covered by this approval for the purchase of replacement truck components and car body parts supplied by Kawasaki, and, to a lesser extent, aftermarket spare parts used on NYC Transit subway cars from Toshiba International Corporation (“Toshiba”), Fuji Electric Corporation of America (“Fuji”), and Koito Industries (“Koito”), for which Kawasaki is the sole distributor and reseller. (Toshiba is a manufacturer of the Auxiliary Power Electric systems for the R142A, R143, R160, and R188 subway cars; Fuji is a manufacturer of the Door system for the R160 subway cars; and Koito is a manufacturer of the Monitoring and Diagnostics systems for the R142A, R143, R160, and R188 subway cars.) These items are identified as obtainable only from Kawasaki for the following reasons: sole pre-qualified item on the Qualified Products List and not available from any distributors or other sources; publicly advertised within a 12-month period without an acceptable alternate supplier; or proprietary to Kawasaki. These items are advertised a minimum of once every 12 months to seek competition. A list of Kawasaki’s sole-source items, as well as NYC Transit’s intention to purchase items on the list without competitive bidding, is available for download from the NYC Transit website at any time, by any prospective vendor. These sole-source replacement parts will be used by the Division of Car Equipment (“DCE”) for Scheduled Maintenance System (“SMS”) and normal maintenance for 3,115 subway cars (315 R62, 200 R68A, 220 R142A, 212 R143, 1,662 R160, and 506 R188) in the NYC Transit fleet.

The existing Kawasaki omnibus approval for \$9,000,000 was approved by the Board in February 2017 and expires on March 31, 2020. There is a remaining balance of \$388,018 of unexpended funds on the existing omnibus approval, which is insufficient to support the requirements through the end of the existing omnibus approval. Therefore, Board approval is being sought early. The greater-than-anticipated spend is attributed to new and modified SMS work scope and forecast changes since the existing omnibus approval was approved by the Board.

Procurement performed an analysis on the 19 contracts issued during the term of the existing omnibus approval that exceeded the small purchase threshold, which represents a total contract value of \$6,466,689. Of the 19 contracts, seven items have comparative price history and represent 40.91 percent, or \$2,645,239, of the total dollar value of the contracts. A comparative price analysis of these seven items revealed an annual weighted average price decrease of 1.89 percent, which compares favorably with the Producer Price Index (“PPI”) used for the analysis over the same time period, which shows an annual average price increase of 1.31 percent. The aforementioned weighted average price decrease of 1.89 percent was impacted by significant price decreases on two items (outliers). These price decreases were due to economies of scale realized because of higher requested quantities. When these two outliers are excluded, the resultant annual weighted average price decrease is 0.77 percent, which compares favorably to the PPI annual average increase of 1.31 percent. NYC Transit’s Cost Price Analysis Unit reviewed the comparative price analysis and concurred that the pricing offered by Kawasaki is fair and reasonable.

Kawasaki Continued:

Based on the current forecasts as well as projections for 2019 through 2022, it is anticipated that DCE will require approximately \$12,000,000 for the purchase from Kawasaki of sole-source items exceeding the small purchase threshold. During the term of the new omnibus approval, 200 R68A, 96 R143, and 506 R188 subway cars will undergo a six-year overhaul, and 315 R62 and 1,276 R160 subway cars will undergo a 12-year overhaul.

Procurement, with the concurrence of DCE, believes that the amount requested will be sufficient to procure all sole-source materials that exceed the small purchase threshold from Kawasaki for the next three-year period. Procurement and DCE will continue to research alternate sources of supply wherever possible. Pricing for any noncompetitive procurement is established by requesting a quotation for each item from Kawasaki on an as-required basis, and each individual procurement is subject to a cost and/or price analysis and a determination that the price is fair and reasonable.

MAY 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

E. Miscellaneous Procurement Contracts

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

- | | | |
|--|-----------------------------|--------------------------------------|
| 1. The Goodyear Tire and Rubber Company
Two Proposals – 84-month contract
RFP# 228959 | \$138,696,191 (Est.) | <u>Staff Summary Attached</u> |
| Leasing and servicing of tires for revenue vehicles. | | |

Schedule E: Miscellaneous Procurement Contracts



Item Number: 1

Vendor Name (Location) The Goodyear Tire and Rubber Company (Akron, Ohio)
Description Tire Leasing and Service
Contract Term June 1, 2019–May 31, 2026
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 RFP 228959	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: \$138,696,191 (Est.) \$105,994,082 (NYCT) \$32,702,109 (MTABC)	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept./Div., Dept./Div. Head Name: Department of Buses/MTA Bus Company, Darryl C. Irick	

Discussion:

It is requested that the Board approve the award of a contract to The Goodyear Tire and Rubber Company (“Goodyear”) in the estimated total amount of \$138,696,191 for a tire leasing program for revenue vehicles and associated tire services for a period of seven years. New York City Transit Department of Buses’ (“DOB”) portion will be in the amount of \$105,994,082 and MTA Bus Company’s (“MTABC”) portion will be in the amount of \$32,702,109.

In order to support the safe and efficient operations of the revenue bus fleet, DOB and MTABC utilize a tire service program. This program involves two primary components, both to be performed by a single contractor: (1) The provision of tires on a lease basis including inventory management and tire recycling; and (2) The provision of tire services including personnel and equipment at each bus facility to mount and dismount tires from wheel rims, inflate tires, and perform monthly inspections of tread wear and inflation. DOB and MTABC personnel perform all wheel mounting/unmounting to/from buses. Also included in the contract are wheel painting, inter-facility transporting of tires, and a labor rate for overtime work performed as needed.

Tire leasing programs are the predominant model utilized by North America’s largest transit bus fleets. DOB and MTABC choose to lease tires instead of purchase them to leverage industry expertise to maximize the performance of the tire over its life and maintain a consistent budget for revenue vehicle tires that is directly proportionate to actual bus mileage driven. Through this program, DOB and MTABC benefit from vendor-managed inventory, comprehensive monthly inspections performed by manufacturer trained and certified personnel, and vendor-managed recycling of the tires at the end of their useful life.

Due to the criticality of this service in terms of both safety and operations, a competitive Request for Proposal (“RFP”) was conducted for these services. To foster competition on the RFP, prior to its solicitation NYC Transit offered the tire manufacturing industry the opportunity to conduct a Test and Evaluation (“T&E”) of their tire service programs. Bridgestone/Firestone and Michelin North America, Inc. (“Michelin”) both initially expressed interest, but Bridgestone/Firestone eventually chose not to participate because it focuses its business on smaller customers. Michelin was awarded a contract on January 10, 2018 to conduct a T&E of its products and services at Mother Clara Hale and Castleton Bus depots.

The RFP was issued on October 11, 2018. It requires the contractor to: (1) furnish tires on a lease basis with lease rates per mile for high-floor and low-floor buses; (2) provide a monthly rate to provide embedded depot-based labor and equipment at 29 DOB and MTABC locations to service said tires; (3) provide a rate to paint wheel rims; (4) provide a rate for inter-facility transporting of tires; and (5) provide an hourly labor rate to provide service during overtime hours as needed. The contractor is required to recycle the tires at the end of their useful life. The contract is performance-based and includes incentives for exceeding mileage requirements and deductions for failing to meet those requirements. The evaluation criteria were listed in order of importance as follows: relevant experience, technical expertise of the proposer, overall pricing, and quality of the proposal. The technical specifications noted that new tires were preferred over retread tires, and that traction tires were required in the drive and center axle positions. Traction tires are required because they provide extra traction in wet and snowy weather.

The price schedule of the RFP included a fixed 39-month price for the tire lease, a fixed monthly service rate over 15 months, and a fixed seven-year price for wheel painting and other tire services as defined above. On December 28, 2018, proposals were received from Goodyear and Michelin. Based on the recommendation of the Selection Committee, both proposers were invited to give oral presentations.

Goodyear Continued:

Goodyear's initial price proposal of \$52,201,790 included some minor exceptions to the contract terms and conditions. Michelin's price proposal of \$33,521,896 included several exceptions to the terms and conditions as well as technical specifications. The specification required the use of traction tires in the center and rear axle positions in order to maximize traction in wet and snowy weather. Michelin's exception, proposing the use of non-traction tires in the center and rear axle positions, rendered its proposal to be non-compliant. As a result, Michelin was able to propose lower lease rates on its tires and thus made its price proposal artificially low in comparison to Goodyear's proposal.

During the T&E period Michelin's service performance was deficient in several key areas rendering its overall performance under the T&E program to be unsatisfactory. Prior to oral presentations the Selection Committee requested that Michelin address its performance issues on the T&E program by submitting a corrective action plan and a comprehensive managerial organizational chart of the company; Michelin failed to provide either. After the conclusion of oral presentations, the Selection Committee determined that Michelin did not adequately address its performance issues and, combined with the non-compliant technical proposal, voted unanimously to eliminate Michelin from further consideration and invite only Goodyear to Negotiations.

Negotiations were conducted with Goodyear that centered on the structure of the price schedule, contract provisions, and pricing. A revised price schedule was developed that delineated firm pricing alternatives on the tire leasing for periods of 15, 27, and 39 months that allowed for index-based adjustments thereafter. Through negotiations, Goodyear agreed to honor its more competitively priced 15-month rates for 39 months.

On April 18, 2019, Goodyear's Best and Final Offer ("BAFO") of \$46,857,211 was received, which included the fixed 39-month price for the tire lease, a fixed monthly service rate, and a fixed price for wheel painting and other tire services. The Selection Committee unanimously recommended award to Goodyear because it demonstrated an in-depth understanding of the scope of work and technical specifications, and proposed an experienced and skilled management team. The Selection Committee considered Goodyear's proposal to be technically superior to the proposal offered by Michelin and considered Goodyear's performance under the current contract to be excellent.

Goodyear's BAFO pricing is approximately 3.8 percent lower than the pricing on the current contract, and 10.1 percent lower than its initial proposal. The negotiated agreement will result in savings of approximately \$11.9 million from the pricing on the current contract. The total value of contract award to Goodyear is estimated to be \$138,696,191, which is based on an estimated annual escalation on the tire lease rate after the first 39 months, an estimated annual escalation on the tire service rate after the first 12 months, an annual estimate for damaged tires, and cost of wheel painting and other tire services as needed over the full seven-year term of the contract. Goodyear's BAFO proposal is considered fair and reasonable based upon the presence of competition, favorable comparison to the in-house estimate of \$143,529,753, and pricing lower than the market index increase during the duration of the present contract.

MAY 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. | Henningson, Durham & Richardson
Architecture and Engineering, P.C.
Contract# CM-1333.22 | \$1,874,737 | <u>Staff Summary Attached</u> |
| | Modification to the contract for additional design and construction support services for the rehabilitation of nine stations and line structure on the Sea Beach line; aspects of this modification address all stations. | | |
| 2. | Parsons Transportation Group of
New York, Inc.
Contract# W-32366.12 | \$1,535,000 | <u>Staff Summary Attached</u> |
| | Modification to the contract to procure a 700/800 MHz Bus Radio System for New York City Transit, in order to support the design and construction of a new freestanding radio tower at the East New York Yard. | | |
| | ECCO III Enterprises, Inc. | \$8,635,000 (Aggregate) | <u>Staff Summary Attached</u> |
| 3. | Contract# A-36622C.13 | \$1,945,000 | ↓ |
| 4. | Contract# A-36622C.19 | \$2,844,000 | ↓ |
| 5. | Contract# A-36622C.22 | \$776,000 | ↓ |
| 6. | Contract# A-36622C.25 | \$1,450,000 | ↓ |
| 7. | Contract# A-36622C.30 | \$1,620,000 | ↓ |
| | Modifications to the contract for Enhanced Station Initiative Package 3 for the design and construction of improvements at 72nd and 86th streets, Cathedral Parkway (110th Street), and 163rd Street – Amsterdam Avenue stations, in order to provide additional quantities for waterproofing and structural steel repairs at all stations, skim coating and painting of ceilings at all stations; and full platform edge replacement at the 72nd Street and 163rd Street stations. | | |

MAY 2019

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote cont'd:

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

Judlau Contracting, Inc.	\$7,772,000 (Aggregate)	<u>Staff Summary Attached</u>
8. Contract# A-36622D.33	\$822,000	↓
9. Contract# A-36622D.39	\$1,050,000	↓
10. Contract# A-36622D.46	\$5,900,000	↓
<p>Modifications to the contract for Enhanced Station Initiative Package 4 for the design and construction of improvements at 23rd and 57th streets (6th Avenue IND), 28th Street (Lexington Avenue IRT), 34th Street – Penn Station (7th Avenue IRT), and 34th Street – Penn Station (8th Avenue IND), in order to remove and replace the metal drop ceiling at 34th Street Station on the 7th Avenue line; patching and painting of the ceiling at 28th Street Station; and replacement of the concrete sidewalk slab, waterproofing of the station ceiling, and repair and/or replacement of structural steel in the station ceiling at the 28th Street entrances.</p>		
11. Citnalta-Forte Joint Venture	\$1,365,000	<u>Staff Summary Attached</u>
Contract# A-36622E.21		
<p>Modification to the contract for Enhanced Station Initiative Package 8 for the design and construction of improvements at 174th–175th Street and 167th Street (Concourse Line IND), and 145th Street (Lenox Line IRT).</p>		

Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (Location) Henningson, Durham & Richardson Architecture and Engineering, PC (New York, New York)
Description Design and Construction Support Services for the Rehabilitation of Nine Stations and Line Structure on the Sea Beach Line (BMT), Borough of Brooklyn
Contract Term (including Options, if any) June 20, 2007–July 13, 2019
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"/> 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 CM-1333	AWO/Mod. # 22
Original Amount:	\$ 9,754,283
Option Amount:	\$ 3,144,833
Total Amount:	\$ 12,899,116
Prior Modifications:	\$ 14,717,667
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 27,616,783
This Request:	\$ 1,874,737
% of This Request to Current Amount:	6.8%
% of Modifications (including This Request) to Total Amount:	128.6%

Discussion:

This retroactive modification is for additional design and construction support services for the rehabilitation of nine stations and line structure on the Sea Beach line in Brooklyn.

The base contract includes Design and Optional Construction Support Services (“CSS”) for the rehabilitation of nine stations on the Sea Beach line (Eighth Avenue, Fort Hamilton Parkway, New Utrecht Avenue, 18th Avenue, 20th Avenue, Bay Parkway, Kings Highway, Avenue U, and 86th Street). The required work under the base contract includes design services for the rehabilitation of all existing station elements to achieve a State of Good Repair and the structural repair of the retaining walls and associated infrastructure from north of the Eighth Avenue Station to south of the 86th Street Station. Modification 11 exercised the option for CSS and extended the contract to July 13, 2019. A subsequent modification will be forthcoming for additional design and CSS services and an extension of the contract term to coincide with construction progress.

The additional design services addressed in this modification include: (1) work at the Eighth Avenue station, involving design for the widening of one stairway; redesign of a stair foundation to address soil conditions that lacked sufficient load-bearing capacity at another stairway; redesign of the Eighth Avenue Control House configuration to increase passenger flow; and redesign of a retaining wall due to soil conditions; (2) work at the Kings Highway station, involving design for the repair of a deteriorated manhole under the platform stairs; preparation of construction drawings including design for power and data associated with Interactive Artwork Panels; (3) work at the Fort Hamilton Parkway station, involving design for the replacement of the deteriorated concrete floor slab and steel floor framing of the control house that was not discovered until after demolition; and (4) review of additional communications submittals associated with systems such as Help Point, Public Address/Customer Information System (PA/CIS), and closed-circuit television at all stations. This modification also addresses additional CSS associated with the aforementioned additional design work as well as CSS for design work at the Eighth Avenue station not addressed in prior modifications 19 and 21.

A retroactive memo was approved by the SVP, Capital Program Management (“CPM”) to continue design work in order to ensure that the construction project remains on schedule.

The contractor’s initial proposal was for \$1,954,462; CPM’s revised estimate was \$1,873,737. Negotiations resulted in a Best and Final Offer of \$1,874,737, or 4.1 percent lower than the initial proposal. Savings of \$79,725 were achieved. This price is found to be fair and reasonable.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 2

Vendor Name (Location) Parsons Transportation Group of New York (New York, New York)
Description 700/800 MHz Bus Radio System (BRS) for New York City Transit
Contract Term (including Options, if any) March 2, 2016–January 2, 2021
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: Capital Program Management, Alok Saha

Contract Number W-32366	AWO/Mod. # 12
Original Amount:	\$ 202,100,000
Prior Modifications:	\$ 808,630
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 202,908,630
This Request:	\$ 1,535,000
% of This Request to Current Amount:	0.8%
% of Modifications (including This Request) to Total Amount:	1.2%

Discussion:

This retroactive modification is for the design and construction of a new freestanding radio tower at the East New York (“ENY”) Yard as part of the new Bus Radio System (“BRS”).

The contract requires designing, furnishing, and installing a new land mobile digital radio system servicing both NYC Transit Department of Buses (“DOB”) and MTA Bus Company (“MTABC”). Upon completion of this project, DOB and MTABC will share a common radio network and base station sites.

To ensure proper radio system coverage and capacity, the BRS contract scope includes construction of 36 radio sites across the five boroughs of New York City, the City of Yonkers; and Kearny, New Jersey. Radio sites consist of shelters with base stations, antennas, monopole towers, and freestanding towers.

Included in the 36 radio sites is an existing tower at the ENY Yard location that was to be utilized by the new BRS for the mounting of new microwave antennas. The ENY Yard tower is needed as an integral part of the Bus Radio Design. Subsequent to award, after a detailed study of the existing tower by NYC Transit’s contractor, it was determined that the existing tower was not capable of supporting the additional load of the new BRS microwave antennas. Accordingly, a new tower must be installed in the vicinity of the existing tower. This modification provides for a new freestanding radio tower at the ENY Yard. The work in this modification includes the foundation and a steel super-structure. Board approval will be sought for a separate modification to construct a new shelter for the subject freestanding radio tower.

In order to mitigate any impact to the project schedule, the SVP, Capital Program Management approved a retroactive waiver and the contractor was directed to commence work. Approval was also obtained from the VP, Materiel authorizing payment up to \$1.1 million for work performed prior to approval of this modification.

The contractor’s proposal was for \$2,159,645, including a request for a 321 calendar-day (226 workdays) extension of time (“EOT”). The in-house estimate is \$1,743,000. The in-house schedule analysis determined that this work is not on the critical path of the project schedule and that no EOT is warranted. Cost negotiations resulted in the agreed-upon lump-sum price of \$1,535,000. Savings of \$624,645 were achieved. This price is found to be fair and reasonable. An agreement was not reached with regard to the project schedule. Accordingly, this modification will be issued at the agreed-upon lump-sum amount of \$1,535,000 for the work and a directive with no impact to the project schedule.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 3-7

Vendor Name (Location) ECCO III Enterprises, Inc. (Yonkers, New York)
Description Enhanced Station Initiative – Package 3, Design and Construction of Improvements at the 163rd Street, 110th Street, 86th Street, and 72nd Street stations on the 8th Avenue Line (IND) in Manhattan
Contract Term (including Options, if any) October 25, 2017–December 8, 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 A-36622C	AWO/Mod. #s 13, 19, 22, 25, 30
Original Amount:	\$ 111,190,000
Prior Modifications:	\$ 4,362,220
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 115,552,220
This Request:	\$ 8,635,000
Modification 13: \$1,945,000 Modification 19: \$2,844,000 Modification 22: \$ 776,000 Modification 25: \$1,450,000 Modification 30: \$1,620,000	
% of This Request to Current Amount:	7.5%
% of Modifications (including This Request) to Original Amount:	11.7%

Discussion:

These retroactive modifications are for additional quantities of waterproofing and structural steel repairs at all four stations, resurfacing of the concrete ceiling with a thin layer of concrete (skim coat) and painting of ceilings at all four stations, and replacement of platform edges at the 72nd and 163rd Street stations along the Eighth Avenue line in Manhattan.

The Enhanced Station Initiative (“ESI”) Package 3 covers (1) design, (2) demolition/removals, (3) State-of-Good-Repair (“SoGR”) work including concrete and steel repairs, new platform edges, and waterproofing, (4) upgraded electrical and communication systems including new closed-circuit television cameras in fare control areas, (5) glass barriers in the fare control areas, (6) new signage and navigation systems providing information at street level, fare control areas, and platforms (dashboards and totems), (7) enhanced street entrances, (8) new LED lighting and illuminated handrails, (9) charging stations, benches, and leaning bars, and (10) contemporary art.

Additional Waterproofing and Steel Repairs

Modification 13: The base contract requires the repair of water leaks penetrating from the exterior of the station structure, including the roof structure and the side walls at selected locations of all four Package 3 Stations, up to a total estimated quantity of 34,110 square feet. After several significant rain events, it was determined post award that the waterproofing of additional areas would be necessary. This modification is for an additional 17,890 square feet of waterproofing. The contractor submitted its proposal in the amount of \$2,093,061. The in-house estimate is \$1,965,882. Negotiations resulted in the agreed-upon lump-sum price of \$1,945,000. Savings of \$148,061 were achieved.

Modification 19: The base contract requires the sandblasting of exposed steel at all Package 3 Stations. After sandblasting was completed and the structural steel could be fully assessed, it was discovered that additional structural steel repairs would be needed to address all deficiencies. In order to complete the required additional repairs in time for the reopening of the stations, it was necessary to expedite the work. Accordingly, the contractor used additional steel suppliers to acquire the steel more quickly and performed the work on all shifts. Work also included removal and replacement of the platform’s concrete slab around each column, abatement and painting of each column base below the platform’s concrete slab, and reconstruction of column cove bases. Additionally, several columns required temporary support and repairs that were not considered in the typical repair details included in the contract. The contractor submitted its proposal in the amount of \$3,291,853. The revised in-house estimate is \$2,748,129. Negotiations resulted in the agreed-upon lump-sum price of \$2,844,000. Savings of \$447,853 were achieved.

ECCO III Continued:**Ceiling Repairs**

Modification 22: The base contract requires the removal of existing paint from exposed steel and concrete ceilings at the mezzanine/control areas and platforms of ESI Package 3 stations by sandblasting. The concrete ceilings were to be left bare. However, the sandblasting exposed imperfections related to old station fixtures, such as signage, and injection ports from prior water leak remediation work. A visual inspection of the bare concrete ceilings was performed by NYC Transit, whereby it was also determined that sections of concrete ceiling repairs performed per contract could not match surrounding areas in texture and color. As a result of these issues, it was determined that the condition of the bare concrete ceilings was insufficient to meet the Visual Quality intent of the ESI Program. This modification addresses (1) removal of the uncovered imperfections, and (2) resurfacing of the concrete ceiling (skim coat) and painting of the repaired ceiling areas to match the surrounding ceiling in texture and color. The contractor submitted its proposal in the amount of \$951,560. The revised in-house estimate is \$799,345. Negotiations resulted in the agreed-upon lump-sum price of \$776,000. Savings of \$175,560 were achieved.

Platform Edge Replacement

The base contract requires the construction of a new 40-foot-long ADA-compliant boarding area at the center of the platform, having a raised concrete floor to facilitate an easier transition from platform to train. As part of the new ADA boarding area, the contractor is required to reconstruct the platform edge, including a new ADA tactile warning strip and a new rubbing board. After performing field inspections for the 72nd and 163rd Street stations, the contractor reported that the entire existing platform edge on both tracks were severely deteriorated, requiring reconstruction. NYC Transit conducted field inspections at the 72nd and 163rd Street stations which corroborated the contractor's findings.

Modification 25: This modification is for the reconstruction of the entire platform edge on both tracks of the 163rd Street station. The contractor submitted its proposal in the amount of \$1,733,315. The in-house estimate is \$1,416,493. Negotiations resulted in the agreed-upon lump-sum price of \$1,450,000. Savings of \$283,315 were achieved.

Modification 30: This modification is for the reconstruction of the entire platform edge on both tracks of the 72nd Street station. The contractor submitted its proposal in the amount of \$1,993,404. The revised in-house estimate is \$1,586,804. Negotiations resulted in the agreed-upon lump-sum price of \$1,620,000. Savings of \$373,404 were achieved.

Procurement finds all agreed-upon pricing to be fair and reasonable.

Pursuant to the approval of retroactive waivers by the SVP, Capital Program Management, work under all modifications commenced immediately in order to maintain the reopening dates of the stations. All work in each modification has been completed.

Schedule K: Ratification of Completed Procurement Actions

Item Number: 8-10

Vendor Name (Location) Judlau Contracting, Inc. (Queens, New York)
Description Enhanced Station Initiative – Package 4, Design and Construction of Improvements at the 23rd Street and 57th Street stations on the 6th Avenue Line (IND), 28th Street station on the Lexington Line (IRT), 34th Street station on the 8th Avenue Line (IND), and 34th Street station on the 7th Avenue Line (IRT) in Manhattan
Contract Term (including Options, if any) February 23, 2018–January 20, 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 Number A-36622D	AWO/Mod. #s 33, 39, 46
Original Amount:	\$ 124,949,000
Prior Modifications:	\$ 6,559,170
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 131,508,170
This Request: Mod. 33: \$822,000 Mod. 39: \$1,050,000 Mod. 46: \$5,900,000	\$ 7,772,000
% of This Request to Current Amount:	5.9%
% of Modifications (including This Request) to Original Amount:	11.5%

Discussion:

These retroactive modifications are for (1) removal and replacement of a metal drop ceiling at the 34th Street station – 7th Avenue, (2) patching and painting of the ceiling at the 28th Street station, and (3) replacement of the concrete sidewalk slab, waterproofing of the station ceiling, and repair and/or replacement of structural steel in the station ceiling at the 28th Street station on the Lexington Avenue line in Manhattan.

The Enhanced Station Initiative (“ESI”) Package 4 covers (1) design, (2) demolition/removals, (3) State-of-Good-Repair (“SoGR”) work including concrete and steel repairs, new platform edges, and waterproofing, (4) upgraded electrical and communication systems including new closed-circuit television cameras in fare control areas, (5) glass barriers in the fare control areas, (6) new signage and navigation systems providing information at street level, fare control areas, and platforms (dashboards and totems), (7) enhanced street entrances, (8) new LED lighting, illuminated handrails, (9) charging stations, benches, and leaning bars, and (10) contemporary art.

Modification 33: The base contract requires the removal of the existing metal drop ceiling at the 34th Street station – 7th Avenue, along with all abandoned conduits and systems mounted to the concrete ceiling above. The height of the metal drop ceiling in this area is low (approximately 7 feet). The exposed concrete ceiling above was to be left bare. After removal of the metal drop ceiling it was determined that many items mounted to the concrete ceiling, such as conduit and piping, could not be removed. The exposed conduit and piping, now within reach of the public, was determined to be a safety issue. In order to address the safety issue while also meeting the Visual Quality intent of the ESI Program, this modification includes the installation of a new metal drop ceiling. The contractor submitted its proposal in the amount of \$1,011,186. The revised in-house estimate is \$904,436. Negotiations resulted in the agreed-upon lump-sum price of \$822,000. Savings of \$189,186 were achieved. Additionally, this modification includes an excusable and non-impactable time extension of 75 calendar days to the Substantial Completion date from January 20, 2019 to April 5, 2019.

Modification 39: The base contract requires the removal of existing paint from exposed steel and concrete ceilings at the mezzanine/control areas and platforms of the 28th Street station by sandblasting. The existing concrete ceilings were to be left bare. Once the sandblasting was completed, a visual inspection of the concrete ceilings was performed by NYC Transit whereby it was determined that the condition of the bare concrete ceilings was insufficient to meet the Visual Quality intent of the ESI Program. This modification requires the resurfacing of the concrete ceiling with a thin layer of concrete (skim coat) and painting of the repaired areas to match the surrounding ceiling in texture and color. The contractor submitted its proposal in the amount of \$1,372,111. The revised in-house estimate is \$995,657. Negotiations resulted in the agreed-upon lump-sum price of \$1,050,000. Savings of \$321,111 were achieved.

Judlau Continued:

Modification 46: The base contract requires the removal of all paint from exposed steel and concrete ceilings throughout the 28th Street station by sandblasting. Once sandblasting was completed, it was discovered that the structural steel and concrete ceiling in the area of the northbound mezzanine was severely deteriorated. This deterioration is attributed to water penetration, as excessive leaks had been located in the same area. A joint walkthrough with NYC Transit, Construction Consultant Management, and contractor personnel determined that extensive steel repair/replacement would be required in the areas of the northeast and northwest corners of Park Avenue South and East 28th Street. In addition to design, the major elements of work include removal of the station ceiling/sidewalk, opening of the walls within the station where the steel members are connected into the structure, temporary shoring, full replacement of various steel members, waterproofing and reconstruction of the station ceiling/sidewalk. The contractor submitted its proposal in the amount of \$8,741,397. The revised in-house estimate is \$6,321,262. Negotiations resulted in the agreed-upon lump-sum price of \$5,900,000. Savings of \$2,841,397 were achieved.

Procurement finds all agreed-upon pricing to be fair and reasonable.

Pursuant to the approval of retroactive waivers by the SVP, Capital Program Management, work under all modifications commenced immediately in order to maintain the reopening dates of the stations. All work under Modifications 33 and 39 has been completed. Substantial Completion was declared on April 5, 2019. Work under Modification 46 will be performed as remaining work after Substantial Completion and will be completed by November 15, 2019.

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

Schedule K: Ratification of Completed Procurement Actions



Item Number: 11
Vendor Name (Location) Citnalta-Forte Joint Venture (Bohemia, New York)
Description Enhanced Station Initiative – Package 8, Design and Construction of Improvements at 174th–175th Street and 167th Street stations Concourse line (IND) in the Bronx, and 145th Street Station Lenox line (IRT) in Manhattan
Contract Term (including Options, if any) February 23, 2018–January 23, 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 Number A-36622E	AWO/Mod. #s 21
Original Amount:	\$ 87,987,000
Prior Modifications:	\$ 5,089,246
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 93,076,246
This Request:	\$ 1,365,000
% of This Request to Current Amount:	1.5%
% of Modifications (including This Request) to Original Amount:	7.3%

Discussion:

This retroactive modification is for the replacement of the concrete topping slab [the top layer of concrete, approximately 4 inches in depth] at the 167th Street and 174th–175th Street stations along the Concourse line in the Bronx.

The Enhanced Station Initiative (“ESI”) Package 8 covers (1) design, (2) demolition/removals, (3) State-of-Good-Repair work including concrete and steel repairs, new platform edges and waterproofing, (4) upgraded electrical and communication systems including new closed-circuit television cameras in fare control areas, (5) glass barriers in the fare control areas, (6) new signage and navigation systems providing service information at street level, fare control areas, and platforms (dashboards and totems), (7) enhanced street entrances, (8) new LED lighting, illuminated handrails, (9) charging stations, benches, and leaning bars, and (10) contemporary art.

The base contract and a prior modification required the reconstruction of the platform edges as well as concrete topping repairs at all three Package 8 stations including complete topping replacement at the 145th Street station. The base contract calls for the contractor to prepare a 3D survey of the top side of both running rails to the existing structural edge of the platform. Based on this survey, NYC Transit determines the best-fit alignments and profiles for construction of the new platform edge. In each case, the height of the platform edge increased between 1 and 1½ inches. However, due to the increased height of the 167th and 174th–175th Street station platform edges, the platforms could not be sufficiently sloped solely through concrete topping repairs to enable proper drainage toward the platform edge. In order to achieve a proper slope toward the platform edges, this modification includes demolition and removal of existing concrete topping down to structural slab at the 167th and 174th–175th Street station platforms, including the control areas at the 167th Street station, and new concrete topping.

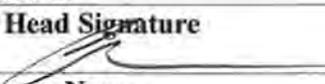
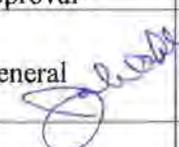
Pursuant to the approval of a retroactive waiver by the SVP, Capital Program Management, work under this modification commenced immediately in order to maintain the reopening dates of the stations. All work has been completed.

The contractor submitted its proposal in the amount of \$2,370,046. The revised in-house estimate is \$1,335,680. Negotiations resulted in the agreed-upon lump-sum price of \$1,365,000 which was found to be fair and reasonable. Savings of \$1,005,046 were achieved.



CAPITAL CONSTRUCTION

ACTION ITEM

Subject East Side Access and Regional Investments Budget Transfer						Date May 9, 2019			
Department Finance						Vendor Name NA			
Department Head Name Adam Rosenbloom						Contract Number NA			
Department Head Signature 						Contract Manager Name NA			
Project Manager Name						Table of Contents Ref # NA			
Board Action									
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LIRR & MNR Joint Committee	5/20/19	X			2	EVP & General Counsel 	3	 President
2	MTA Board	5/22/19	X			1	Chief Operating Officer 		

Background

The New York State Department of Transportation (NYSDOT) and MTA, as its subgrantee, has a \$763,870,448 Regional High-Speed Intercity Passenger Rail Project (“HSIPR”) grant (FR-HSR-0065-11-01-03, as amended on June 13, 2017) with the FRA, of which \$294,781,579 was FRA funding. The East Side Access Project (“ESA”) funded the construction in support of the Westbound Bypass and Eastbound Reroute, consisting of the construction of retaining walls, the Westbound Bypass bridge and signal system as well as associated support costs, as 100% locally funded expenditures, utilizing funds from the ESA 2000-2004, 2005-2009 and 2010-2014 ESA Capital Programs.

It was subsequently determined, after a review by MTACC and its funding partners (FTA, FRA and NYSDOT), as well as MTA Headquarters, that the Westbound Bypass and Eastbound support work was eligible for FRA funding from the HSIPR grant. The expenditures were, therefore, linked to the HSIPR grant (and the grant was spent down to reflect these expenditures).

Proposed Action

MTACC is seeking approval to transfer \$110.651M of East Side Access (“ESA”) Project budget (and associated expenditures) under the 2000-2004, 2005-2009 and 2010-2014 Capital Programs to the Regional Investments Project 2015-2019 Capital Program, to reflect the funding of the work through the HSIPR grant. At the same time, to reimburse ESA for the reductions in its earlier Capital Program budgets, the same amount, \$110.651M, will be transferred from the Regional Investments Project 2015-2019 Capital Program budget to the ESA Project’s current 2015-2019 Capital Program budget.

This will accomplish two goals: (1) The \$110.651M used to fund the Westbound Bypass and Eastbound Reroute work will now be recorded as an expenditure under the Regional Investments Project, funded by the HSIPR grant, and (2) the \$110.651M in locally sourced funds, previously budgeted in earlier ESA Capital Program budgets to fund this work will now be available in the current ESA Capital Program budget to fund other ESA activities.

As a result of these transfers, there will be a net zero change to the budgets of both the ESA and Regional Investments Project, a net zero change to the approved local funding of both the East Side Access Project and the Regional Investments Project, and the share of federal funding of each project will be unchanged.

Impact on Capital Programs

The specific transfers to be made are set forth below:

East Side Access	Total Budget	Transfer	Revised Budget
2000-2004	\$1,500.00M	(\$0.230M)	\$1,499.77M
2005-2009	\$2,672.28M	(\$51.968M)	\$2,620.31M
2010-2014	\$3,251.36M	(58.451M)	\$3,192.91M
2015-2019	\$2,709.81M	+\$110.651M	\$2,820.46M

Regional Investments	Total Budget	Transfer	Revised Budget
2000-2004	\$0.00M	\$0.00M	\$0.00M
2005-2009	\$0.00M	\$0.00M	\$0.00M
2010-2014	\$397.78M	\$0.00M	\$397.78M
2015-2019	\$203.13M	+\$110.651M: From ESA (\$110.651M): To ESA	\$203.13M
		\$0.0M	

Subject	Request for Authorization to Award Various Procurements
Department	Procurement and Material Management
Department Head Name	Anthony Gardner, Acting Sr. Director <i>AG</i>
Department Head Signature	<i>AG</i>
Project Manager Name	

Date	May 8, 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	5-20-19	X		
2	MTA Board Mtg	5-22-19	X		

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

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>	NONE	

SUB TOTAL:

MNR proposes to award competitive procurements in the following categories:

	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	<u>NONE</u>	
 <u>Schedules Requiring Majority Vote</u>		
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$780,276
• MotivePower, Inc. \$780,276		
Schedule I: Modifications to Purchase and Public Work Contracts	1	\$6,000,000
• Ducci Electrical Contractors, Inc. \$6,000,000		
SUB TOTAL:	2	\$6,780,276

MNR presents the following procurement actions for Ratification:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	<u>NONE</u>	
 <u>Schedules Requiring Majority Vote</u>		
	<u>NONE</u>	
SUB TOTAL:		
TOTAL:	2	\$6,780,276

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.

MAY 2019

METRO-NORTH RAILROAD

LIST OF 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 monetary or durational threshold required for Board approval)

**1. MotivePower, Inc. \$780,276 (not-to-exceed) Staff Summary Attached
Contract modification for the Overhaul of 12 BL20GH Locomotives**

Approval is requested for a contract modification in the not-to-exceed amount of \$780,276 under the current miscellaneous service contract with the firm MotivePower, Inc. ("MPI"). This contract modification is for the design, manufacturing, supply, and testing of 12 FRA compliant locomotive fuel tanks for the 12 BL20GH locomotives ("Locomotives") being overhauled by MPI as part of its current contract awarded in February 2017.

During the overhaul of the Locomotives, it was discovered that the fuel tanks should be replaced to ensure current FRA code compliance and to further safeguard passenger safety. Five of the new fuel tanks will be installed by Metro-North forces once delivered to the Croton Harmon facility by MPI. The remaining seven fuel tanks will be installed by MPI at its Boise, ID location on the Locomotives that are scheduled in the future to enter into the locomotive overhaul program.

The MPI cost proposal for this change, was reviewed by Metro-North's consultant STV and Procurement & Material Management, and found to be fair and reasonable. All original contract terms and conditions with MPI per the contract remain unchanged. This total not-to-exceed amount of \$780,276 is to be funded by the MNR Operating Budget.

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. Ducci Electrical Contractors, Inc. \$6,000,000 (not-to-exceed) Staff Summary Attached
Modification to Harlem Line Express Cable Contract**

Approval is requested for a contract modification in the not-to-exceed amount of \$6,000,000 under the current contract with the firm Ducci Electrical Contractors, Inc. (Ducci). This contract modification is for the installation of required Positive Train Control (PTC) fiber optic cable between Fordham (CP-109) and Woodlawn (CP-112). This installation will also support required

communication systems for the Customer Service Initiatives (CSI) station upgrades and future substations. This contract modification is 100% federally funded.

The work included in the subject contract modification was previously an optional bid item in the PTC Radio Installation Project, a separate contract with the firm TC Electric, but the option was not able to be implemented timely due to ongoing track maintenance work. Metro-North now seeks to include the subject work as a contract modification to the Harlem Line Express Cable contract. During the summer of 2019, Ducci will be performing express cable installation at the Woodlawn (CP-112) location, which will enable Ducci to perform this extra work utilizing the same scheduled track outages. Use of the existing track outage will be efficient with less impact to our customers than having the work rebid with a separate mobilization for track outages.

The funding for this contract modification in the not-to-exceed amount of \$6,000,000 is included in the MTA Capital Program through the FTA funded PTC Program.

Schedule H: Modifications to Personal Service and Miscellaneous Service Contracts



Item Number: H

Vendor Name (& Location) MotivePower, Inc. (Boise, ID)
Description Contract modification for the Overhaul of 12 BL20GH Locomotives
Contract Term (including Options, if any) N/A
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement <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 checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Anthony Gardner, Acting Sr. Director

Contract Number 01-852	AWO/Modification # TBD
Original Amount:	\$15,572,869
Prior Modifications:	\$280,258
Prior Budgetary Increases:	\$0.00
Current Amount:	\$15,583,127
This Request:	\$780,276 (not-to-exceed)
% of This Request to Current Amount:	5.0%
% of Modifications (including This Request) to Original Amount:	6.8%

Discussion:

Approval is requested for a contract modification in the not-to-exceed amount of \$780,276 under the current miscellaneous service contract with the firm MotivePower, Inc. ("MPI"). This contract modification is for the design, manufacturing, supply, and testing of 12 FRA compliant locomotive fuel tanks for the 12 BL20GH locomotives ("Locomotives") being overhauled by MPI as part of its current contract awarded in February 2017.

During the overhaul of the Locomotives, it was discovered that the fuel tanks should be replaced to ensure current FRA code compliance and to further safeguard passenger safety. Five of the new fuel tanks will be installed by Metro-North forces once delivered to the Croton Harmon facility by MPI. The remaining seven fuel tanks will be installed by MPI at its Boise, ID location on the Locomotives that are scheduled in the future to enter into the locomotive overhaul program.

The MPI cost proposal for this change, was reviewed by Metro-North's consultant STV and Procurement & Material Management, and found to be fair and reasonable. All original contract terms and conditions with MPI per the contract remain unchanged. This total not-to-exceed amount of \$780,276 is to be funded by the MNR Operating Budget.

Schedule I: Modifications to Purchase and Public Works Contracts

Item Number: I

Vendor Name (& Location) Ducci Electrical Contractors, Inc. Farmington, CT 06032		Contract Number 1000082137	AWO/Modification # 8
Description Modification to Harlem Line Express Cable Contract		Original Phase 1 \$45,467,791	
Contract Term (including Options, if any) 24 Months		Prior Modifications: \$819,039	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Option – Phase 2 \$	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Prior Budgetary Increases: \$0.00	
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		Current Amount: \$46,286,830	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:		This Request: \$6,000,000 (not-to-exceed)	
Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Anthony Gardner, Acting Sr. Director		% of This Request to Current Amount: 13%	
		% of Modifications (including This Request) to Original Amount: 15%	

Approval is requested for a contract modification in the not-to-exceed amount of \$6,000,000 under the current contract with the firm Ducci Electrical Contractors, Inc. (Ducci). This contract modification is for the installation of required Positive Train Control (PTC) fiber optic cable between Fordham (CP-109) and Woodlawn (CP-112). This installation will also support required communication systems for the Customer Service Initiatives (CSI) station upgrades and future substations. This contract modification is 100% federally funded.

Under the current contract, Ducci provides for the installation of express cable on the Harlem Line from interlocking CP-112 (Woodlawn Station) to CP-154 (Southeast Station) which was competitively bid and awarded in March 2018 in the amount of \$45,467,791.

The work included in the subject contract modification was previously an optional bid item in the PTC Radio Installation Project, a separate contract with the firm TC Electric, but the option was not able to be implemented timely due to ongoing track maintenance work. Metro-North now seeks to include the subject work as a contract modification to the Harlem Line Express Cable contract. During the summer of 2019, Ducci will be performing express cable installation at the Woodlawn (CP-112) location, which will enable Ducci to perform this extra work utilizing the same scheduled track outages. Use of the existing track outage will be efficient with less impact to our customers than having the work rebid with a separate mobilization for track outages.

The fiber optic cable will connect the radio cases and antenna for PTC situated along the right of way. This will allow on board transmission from the train and transmit speed and location of the train to the Central Instrument Location (CIL). It is essential that this work be done now to support timely PTC implementation to meet the December 2020 deadline. An Engineer's estimate in the amount of \$5,490,667 was prepared, and a cost proposal in the amount of \$5,994,042 was received from Ducci on April 18, 2019. Negotiations for finalization of the cost is on-going. Ducci has delivered satisfactory projects in the past and is capable of performing this time sensitive work.

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

The funding for this contract modification in the not-to-exceed amount of \$6,000,000 is included in the MTA Capital Program through the FTA funded PTC Program.

PROCUREMENT PACKAGE
May 2019

PROCUREMENTS

The Procurement Agenda this month includes three actions for a proposed expenditure of \$196,408,244.

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 and Metro-North Joint Committee	5/20/19	X		
2	Board	5/22/19	X		

Date: May 9, 2019			
Vendor Name Various			
Contract Number Various			
Contract Manager Name Various			
Internal Approvals			
	Approval		Approval
2	Vice President & Chief Financial Officer <i>AR</i>	4	President <i>Ju</i>
1	Vice President, Program Controls <i>AM</i>	3 & <i>JCA</i>	Executive Vice President & General Counsel

PURPOSE

To obtain the approval of the Board to award various modifications and, to inform the Long Island Rail Road and Metro-North Joint Committee of these procurement actions.

DISCUSSION

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

	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Majority Vote</u>		
Schedule H Modifications to Purchase and Public Work Contracts	2	\$195,169,344
SUBTOTAL	2	\$195,169,344

MTA Capital Construction proposes to award a Ratification in the following category:

Schedule K Ratification of Completed Procurement Actions	1	\$ 1,238,900
SUBTOTAL	1	\$ 1,238,900
TOTAL	3	\$196,408,244

Budget Impact:

The approval of the 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.

MAY 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. | URS Corporation – New York
Contract No. 98-0001-01
Modification No. 45 | \$116,196,859 | <u>Staff Summary Attached</u> |
|-----------|---|----------------------|--------------------------------------|

In accordance with Article XI of the MTA All-Agency Service Contract Procurement Guidelines, MTACC requests that the Board approve a contract modification to extend this contract from July 1, 2019 to December 31, 2020 with an option to extend the contract for two additional years to December 31, 2022.

- | | | | |
|-----------|---|----------------------|--------------------------------------|
| 2. | Jacobs/LiRo Joint Venture
Contract No. PS819
Modification No. 22 | \$ 78,972,485 | <u>Staff Summary Attached</u> |
|-----------|---|----------------------|--------------------------------------|

In accordance with Article XI of the MTA All-Agency Service Contract Procurement Guidelines, MTACC requests that the Board approve a contract modification to extend this contract from July 1, 2019 to December 31, 2020 with an option to extend the contract for two additional years to December 31, 2022.

Schedule H Modifications to Personal and Miscellaneous Service Contracts

Item Number 1

Vendor Name (& Location) URS Corporation – New York (New York, NY)	Contract Number 98-0001-01	AWO/Modification # 45
Description Program Management Consultant Services	Original Contract Amount: \$ 28,556,710 Original Option Amounts: \$ 135,535,290 Original Board Approved Amount: \$ 164,092,000	
Contract Term (including Options, if any): October 5, 1998 – January 31, 2019	Prior Modifications (includes exercised Options): \$ 789,369,765 Prior Budgetary Increases: \$ -0-	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Current Amount: \$ 817,926,475	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	This Request \$ 116,196,859	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount: 14%	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, Rob Troup, SVP & Senior Program Executive	% of Modifications (including This Request) to Original Amount: 3,171%	

Discussion:

Under this Contract, URS Corporation – New York (“URS”) provides essential personnel to supplement the approximately twenty (20) MTA Capital Construction (“MTACC”) employees dedicated full time to the East Side Access project to perform program management services, such as design management, procurement and contract administration, project controls such as cost and schedule control, operational readiness and office administration. URS also provides the construction management staff that serves as the Authorized Representative for designated third party contracts and management of force account planning and coordination and project-wide services in support of safety, quality, code compliance, environmental testing and third-party coordination, and construction support (such as site access control and security, provision of work trains to support contractor needs, geotechnical instrumentation, and survey work). In addition, URS maintains key contracts that include rental of a warehouse and contracts to maintain the information network (switches, servers, etc.) from the main ESA office to each site, copiers, software licenses, etc. All these services were combined under this contract for better control and efficiency reasons given the number of contractors occupying the same or adjoining work sites simultaneously and sequentially.

URS also provides non-ESA related program and construction management services for MTAHQ and other MTACC projects under this Contract. These services include the provision of key personnel to supplement MTACC staff in the areas of project cost estimating, scheduling, risk, quality, safety, community relations, contract compliance, and claims analysis. Funding for non-ESA work comes from either MTACC’s administrative budget or from the MTACC project receiving the service.

In accordance with Article XI of the MTA All-Agency Service Contract Procurement Guidelines, MTACC requests that the Board approve a contract modification to extend this contract from July 1, 2019 to December 31, 2020 with an option to extend the contract for two additional years to December 31, 2022.

In late 2018, MTACC conducted a top to bottom review of the URS contract, examining whether it remains in the best interest of the agency to seek an extension of the contract through the end of the project, with certain re-negotiated terms, or to re-solicit the contract. The review has been concluded and has determined that, subject to URS agreeing to certain modifications and concessions to the terms of the Contract discussed below, primarily related to costs savings, having URS continue to

provide its services under the Contract from July 1, 2019 through December 31, 2022 would provide the greatest benefit to the MTA and the Project. The continuation of these services during this critical juncture in the East Side Access program helps assure that the remaining contracts, systems integration and testing is completed in the most timely and efficient manner, and without disruption, to meet the scheduled revenue service date.

URS proposed \$143,600,581 for the period of July 1, 2019 through December 31, 2022. MTACC demanded that URS reduce their fixed fee for Program Management and non-ESA services and that URS eliminate their fee for General Condition Services. MTACC further demanded that URS reduce salary escalation for 2020 and 2021 and eliminate salary escalation for 2019 (retroactive to January 1, 2019) and 2022. To increase efficiency while lowering labor costs, MTACC also demanded that URS consolidate several staff positions, eliminating others, to provide for a leaner organization while maintaining required services. MTACC also eliminated some Scope, including IT services which will be handled in-house by MTA IT.

As a result of discussions and negotiations, the parties agreed to a not-to-exceed cost of \$116,196,859 (a reduction of \$27,403,722 or 19% from the URS proposal) which is considered to be fair and reasonable and meets the MTA-wide consultant cost reduction goal. It should be noted that this amount includes funds totaling \$9,102,490 that will be provided by a third party in connection with an expense reimbursement agreement under which MTACC will provide engineering and support services connected with the redevelopment of 270 Park Avenue.

This modification will include an 18-month base extension (July 1, 2019 through December 31, 2020) for a not-to-exceed cost \$82,408,190 with an option to extend the contract for two additional years to December 31, 2022 for an amount not-to-exceed \$33,788,669. MTACC intends to exercise the Option upon approval of the 2020-2024 Capital Program.

In connection with previous contracts awarded to URS and its parent, AECOM, URS and AECOM were found to be responsible notwithstanding significant adverse information ("SAI") pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Interim Director in consultation with the MTA General Counsel in April 2013 (URS) and MTA Managing Director in consultation with the MTA General Counsel in November 2017 (AECOM). No new SAI has been found relating to URS or AECOM and they are found to be responsible. A Contractor Compliance Program was put in place for AECOM in September 2018.

Schedule H Modifications to Personal and Miscellaneous Service Contracts

Item Number 2

Vendor Name (& Location) Jacobs/LiRo Joint Venture (New York, NY)
Description Consultant Construction Management Services for the East Side Access Project
Contract Term (including Options, if any) January 28, 2008 – January 31, 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"/> 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 & Senior Program Executive

Contract Number PS819	AWO/Modification # 22
Original Contract Amount:	\$ 74,550,734
Prior Modifications:	\$ 107,479,582
Prior Budgetary Increases:	\$ -0-
Current Amount:	\$ 182,030,316
This Request	\$ 78,972,485
% of This Request to Current Amount:	43%
% of Modifications (including This Request) to Original Amount:	250%

Discussion:

This Contract is for construction management services for third party and systems integration the East Side Access (“ESA”) Project. These construction management services include, among other things, acting as the MTA Capital Construction's (“MTACC”) Authorized Representative with respect to a number of third party contracts; overseeing and inspecting construction work; inspecting worksites for safety and quality requirements; managing the contract schedule and budget; monitoring and coordinating shop drawings and requests for information; conducting progress meetings; reviewing and processing change orders; processing payments; reviewing claims; assisting in securing necessary permits; and overseeing systems installation and testing.

In accordance with Article XI of the MTA All-Agency Service Contract Procurement Guidelines, MTACC requests that the Board approve a contract modification to extend this contract from July 1, 2019 to December 31, 2020 with an option to extend the contract for two additional years to December 31, 2022.

In late 2018, MTACC conducted a top to bottom review of the Jacobs/LiRo Joint Venture (“Jacobs/LiRo”) Contract, examining whether it remains in the best interest of the agency to seek an extension of the contract through the end of the project or to re-solicit the contract.

The review has been completed and has determined that, subject to Jacobs/LiRo agreeing to certain modifications and concessions regarding the terms of the Contract discussed below, primarily related to cost savings, having Jacobs/LiRo continue to provide its services under the Contract from July 1, 2019 through December 31, 2022 would provide the greatest benefit to the MTA and the Project. The continuation of these services during this critical juncture in the East Side Access program helps assure that the remaining contracts, systems integration and testing is completed in the most timely and efficient manner, and without disruption, to meet the scheduled revenue service date.

Jacobs/LiRo proposed a total of \$87,399,036 for the period of July 1, 2019 through December 31, 2022. MTACC demanded that Jacobs/LiRo reduce their fixed fee under the contract and to eliminate the contract specified salary escalation for the remainder of the Contract. In addition, to increase efficiency while lowering labor costs, MTACC required that staffing requirements be reduced.

As a result of discussions and negotiations, the parties agreed to a not-to-exceed cost of \$78,972,485 (a reduction of \$8,426,551 or 10% from Jacobs/LiRo's proposal) which is considered to be fair and reasonable and meets the MTA-wide consultant cost reduction goal.

This modification will include an 18-month base extension (July 1, 2019 through December 31, 2020) for a not-to-exceed cost of \$46,467,594 and a two-year option (January 1, 2021 through December 31, 2022) for the not-to-exceed cost of \$32,504,891. MTACC intends to exercise the Option upon approval of the 2020-2024 Capital Program.

In connection with a previous contract awarded to Jacobs, Jacobs was found to be responsible notwithstanding SAI pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Managing Director in consultation with the MTA General Counsel in October 2018. No new SAI has been found relating to Jacobs and Jacobs has been found to be responsible¹.

¹ While Jacobs has no direct SAI, its acquisition of CH2M Hill Companies Ltd. (CH2M) in December 2017 mandates reporting of CH2M's SAI. CH2M, notwithstanding its SAI, was found responsible by the MTA Chairman in December 2013 – this approval may be relied upon by Jacobs.

MAY 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)

- | | | | |
|-----------|---------------------------------|---------------------|--------------------------------------|
| 3. | Tutor Perini Corporation | \$ 1,238,900 | <u>Staff Summary Attached</u> |
| | Contract No. CS179 | | |
| | Modification No. 206 | | |

In accordance with Article VIII of the All Agency General Contract Procurement Guidelines, MTACC requests that the Board ratify a modification to the Contract to implement redesigned layouts for certain communication rooms and equipment in the new Grand Central Terminal (GCT).

Schedule K: Ratification of Completed Procurement Actions

Item No. 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	AWO/Modification
CS179	206
Original Amount:	\$ 333,588,000
Prior Modifications:	\$ 48,609,931
Exercised Options:	\$ 216,800,001
Current Amount:	\$ 598,997,932
This Request	\$ 1,238,900
% of This Request to Current Amount:	2%
% of Modifications (including This Request) to Original Amount:	15%

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 implement redesigned layouts for certain communication rooms and equipment in the new Grand Central Terminal (GCT).

The CS179 Contractor is responsible for installing the communication equipment for the Public Address/Visual Messaging Service and the Security, Telephone, and Two-Way Radio systems in the communication rooms and closets within the GCT Caverns. The CM007 Contractor is responsible for the construction of these communication rooms and closets and the installation of certain infrastructure, such as the mechanical, electrical and UPS equipment and conduits.

As required by their respective contracts, the CM007 and CS179 Contractors jointly performed room and equipment layout coordination studies and determined that the necessary equipment for these systems will not fit in the rooms as shown on the Contract Documents. The General Engineering Consultant (GEC) confirmed that the equipment as shown on the drawings cannot fit and also determined that no smaller sized equipment is available that meets the Contract’s technical requirements.

The GEC conducted room-by-room assessments to coordinate the changes required of both CM007 and CS179 in order to accommodate the specified equipment and issued revised Contract Documents for each contract. To fit all of the required equipment, the GEC changed the dimensions of some of the rooms, the equipment designated for each room and closet and the layout of the equipment within each room and closet, as well as changing the requirements for the electrical panels and power supplies to support the equipment. The necessary CM007 changes were incorporated through two modifications executed in January and February of 2019. This Modification will incorporate the necessary CS179 changes and included additional engineering and furnishing and installing additional conduit, cable and amplifiers. This issue has been marked as a potential design error or 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 May 2, 2018, the Contractor was directed to proceed with the full scope of work associated with this change up to a Not-To-Exceed value of \$1,000,000.

The Contractor’s proposal was in the amount of \$1,661,686 and the parties agreed to \$1,238,900 for the costs of all work under this Modification, 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 (“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 in February 2017. No new significant adverse information has been found relating to Tutor Perini Corporation. Therefore, Tutor Perini Corporation has been determined to be responsible.

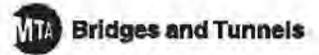


Bridges and Tunnels

Procurements May 2019



Staff Summary



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

Date: 05/6/2019
Vendor Name:
Contract Number:
Contract Manager Name:
Table of Contents Ref #:

Board Action					
Order	To	Date	Approval	Info	Other
1	President	05/06/2019			
2	MTA B&T Committee	05/20/2019			
3	MTA Board	05/22/2019			

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

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

PURPOSE:

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

DISCUSSION:

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

<u>Staff Summary Requiring Majority Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Personal Service Contract	1	\$ 2.0M
SUBTOTAL	1	\$ 2.0M

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

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

TOTAL	1	\$2.0M
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BUDGET IMPACT:

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

RECOMMENDATION:

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

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

MTA BRIDGES & TUNNELS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
MAY 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. | City of New York
Contract No. MOU-19-72 | \$ 2,000,000.00 | <u>Staff Summary Attached</u> |
|----|--|-----------------|-------------------------------|

5 years – Non-Competitive Other

To obtain approval in accordance with the All Agency Service Contract Procurement Guidelines to award a non-competitive personal service contract, MOU-19-72, to the City of New York (“City”) acting by the New York City Police Department (“NYPD”) to provide Traffic Enforcement Agents (“TEAs”) to control traffic on City streets adjacent to construction projects for all Authority facilities on an as-needed basis. Initial funding is in the not-to-exceed amount of \$2,000,000 for a duration of five years.

Staff Summary

Item Number					
Dept & Dept Head Name: Engineering & Construction, <i>Joe Keane</i> Joe Keane, P.E., V.P. & Chief Engineer					
Division & Division Head Name: Engineering and Construction, <i>Arin Stathopoulos</i> Aris Stathopoulos, P.E.					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	5/6/19			
2	MTA B&T Committee	5/20/18			
3	MTA Board	5/22/18			
Internal Approvals					
Order	Approval	Order	Approval		
1	Vice President & Chief Financial Officer <i>[Signature]</i>	4	Vice President, Chief of Staff <i>[Signature]</i>		
2	Sr. Vice President & General Counsel <i>[Signature]</i>	5	President <i>[Signature]</i>		
3	Vice President & Chief Procurement <i>[Signature]</i>				

SUMMARY INFORMATION	
Vendor Name City of New York	Contract Number MOU-19-72
Description Agreement with the City of New York to Provide Traffic Enforcement Agents for Traffic Control for all Authority Facilities on an As-Needed Basis	
Total Amount \$2,000,000	
Contract Term (including Options, if any) 5 Years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Memorandum of Understanding	
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: Funding Source to be allocated by Work Order.	

Narrative

I. PURPOSE/RECOMMENDATION

To obtain approval in accordance with the All Agency Service Contract Procurement Guidelines to award a non-competitive personal service contract, MOU-19-72, to the City of New York ("City") acting by the New York City Police Department ("NYPD") to provide Traffic Enforcement Agents ("TEAs") to control traffic on City streets adjacent to construction projects for all Authority facilities on an as-needed basis. Initial funding is in the not-to-exceed amount of \$2,000,000 for a duration of five years.

II. DISCUSSION

The Authority requires the services of TEAs to properly maintain the flow of traffic on adjacent City streets on an as-needed basis during construction activities at its facilities. TEAs control traffic and assist the public to negotiate temporary detours. TEAs are best suited to provide these services since they are professionally trained and have the appropriate jurisdiction. TEAs have provided similar services during several B&T capital construction projects. The Authority's interests are best served by entering into a five year agreement on an as-needed basis.

Based on anticipated staffing requirements, funding is requested in an amount not-to-exceed \$2,000,000. Reimbursement to the City shall be based on actual costs. The cost to MTA Bridges and Tunnels is considered fair and reasonable.

Staff Summary

III. D/M/WBE INFORMATION

DDCR has assigned zero goals, as this is a non-subcontractable inter-agency agreement with the New York City Police Department.

IV. IMPACT ON FUNDING

Funding will be established for each individual work order under the Capital and/or Operating Budgets as appropriate, prior to their issuance.

V. ALTERNATIVES

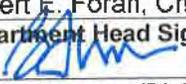
None are recommended. The New York City Police Department's TEAs have the professional training, experience and jurisdiction to enforce traffic rules, regulations, codes, and laws on City streets.



Draft Financial Statements

(Available in the Exhibit Book and MTA.Info)

Staff Summary

Subject FMTAC Annual Meeting
Department Finance
Department Head Name Robert E. Foran, Chief Financial Officer
Department Head Signature 
Project Manager/Division Head Phyllis Rachmuth, Director, Risk and Insurance Management

Date May 3, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	5/20/19		X	
2	Board	5/22/19		X	

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

Purpose:

To provide information concerning the First Mutual Transportation Assurance Company's (FMTAC's) 2018 activities and operations to board members in connection with the May 22, 2019 annual FMTAC Board meeting.

Discussion and Background:

The monthly MTA board meeting of May 22, 2019 will also be the annual board meeting of MTA's captive insurer, the First Mutual Transportation Assurance Company. For informational purposes, the FMTAC Board Book is being distributed to board members in advance of the meeting.

The FMTAC Board Book contains the Annual Meeting Newsletter (Section 1), which provides a summary update on the activities of FMTAC for the year ended December 31, 2018; historical comparative balance sheet and income statement summaries (Section 2); a draft of the FMTAC Audited Financial Statements for the years ended December 31, 2018 and 2017 (Section 3); and the Statement of Actuarial Opinion prepared by Oliver Wyman setting forth the independent actuary's determination that the reserves recorded by FMTAC for the year ended December 31, 2018 meet the requirements of the captive insurance laws of the State of New York and make reasonable provision for unpaid loss and loss adjustment expense obligations of FMTAC (Section 4).

Also included in the FMTAC Board Book is the regulatory compliance checklist for 2019 (Section 5), a Report on Investments (Section 6), and materials describing the captive manager advisers (Marsh Captive Solutions) and FMTAC's investment managers (BlackRock Financial Management) and actuaries (Oliver Wyman) (Section 7). An informational presentation concerning FMTAC's 2018 operations and activities will be on the agenda of the Finance Committee meeting of May 20, 2019.