

APRIL 2025

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

H. Modification to Personal and Miscellaneous Service Contracts Awarded as Contracts for Services
(Staff Summaries required for items estimated to be greater than \$1,000,000.)

- | | | |
|---|--------------|-------------------------------|
| 1. Various
Five Years
Contract # 0000102-0100 thru 1900 Mod. 1 | \$10,300,000 | <i>Staff Summary Attached</i> |
| <p>Contract for Management Consultant Services: Modification in order to (1) extend 15 contracts for 12 months; and (2) increase the aggregate amount of these contracts.</p> | | |

J. Modification to Miscellaneous Procurement Contracts
(Staff Summaries required for items estimated to be greater than \$1,000,000.)

- | | | |
|---|-------------|-------------------------------|
| 2. Cubic Transportation Systems
13 Years
Contract # A-34024.38 | \$4,908,838 | <i>Staff Summary Attached</i> |
| <p>Contract for Onboard Validation Device Enhancements: Modification in order to enhance and expand the use of OVDs and for technical support through July 31, 2030.</p> | | |
| 3. Ernst & Young LLC
Seven Years
Contract # 900000000002532.3 | \$8,940,623 | <i>Staff Summary Attached</i> |
| <p>Contract for MTA Governance, Risk, and Compliance (“GRC”) System: Modification in order to extend the contract for five years to provide continuous software as a service and technical support.</p> | | |



Item Number: 1

Vendor Name (Location) Various	Contract Number 0000102-0100 thru 1900	AWO/Mod. # 1
Description: Management Consulting Services	Original Amount: \$ 25,000,000	
Contract Term (including Options, if any) June 1, 2020–May 31, 2025	Prior Modifications: \$ 0	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a	Current Amount: \$ 25,000,000	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	This Request:	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	\$ 10,300,000	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount: 41.2%	
Requesting Department: Strategic Initiatives	% of Modifications (including This Request) to Original Amount: 41.2%	

Discussion:

Board approval is requested to: (1) extend 15 competitively negotiated all-agency personal service contracts for the provision of Management Consultant Services awarded to the vendors noted in the table below for 12 months (May 31, 2025–May 31, 2026); and (2) increase the aggregate amount of these contracts by an amount not-to-exceed \$10.3 million. Each project is evaluated and funded by the MTA agency's budget that is the beneficiary of the given service. The requested 12-month extension will allow time to solicit and award new multiagency management consulting contracts through a competitive Request for Proposals ("RFP"). The RFP release is currently planned to occur by the third quarter of 2025. The competitively negotiated rates have been deemed fair and reasonable for the award of the base contract and this extension.

1. Accenture LLP	6. Deloitte Consulting LLP	11. NuEnergy, LLC
2. American Utility Consultants	7. GHD Inc	12. Spruce Technology, Inc. (MBE)
3. The Boston Consulting Group, Inc.	8. Guidehouse LLP	13. The Superlative Group, Inc.
4. Cambridge Systematics, Inc.	9. Jacobs Civil Consultants Inc.	14. TRC Engineers, Inc.
5. Dalberg Consulting US LLC	10. McKinsey & Company, Inc. Washington D.C.	15. WSP USA Inc.

These contracts are established to ensure that all MTA agencies have access to a pool of vendors and experts qualified to provide the MTA with professional advice and guidance gained from market intelligence to bolster ambitious MTA-wide initiatives. Utilization of the contracts awarded to the various vendors in the pool has demonstrated operational efficiencies, delivery of better service, and has achieved savings for the MTA.

The MTA has an internal consulting team that sits within the Strategic Initiatives department and it manages this contract closely to ensure it provides the MTA with technical experts and industry leaders as needed to supplement critical projects at the direction of MTA leadership. Strategic Initiatives relies on this contract to supplement their work and turbo-charge efforts to save money and time. These experts meet rigorous qualifications, outlined at the onset by the MTA in advance of a solicitation, that MTA staff do not currently possess. They are on board for a limited time with a clear directive to deliver proposals or implementation support for savings and operational change.

To date, 15 projects have been awarded through the Management Consulting Services contracts for a total of \$24.8 million. All services performed have been deemed satisfactory and provided value to the MTA. Subject areas have included: evaluation and recommendations for MTA's Owner-Controlled Insurance Program; energy consulting services; performance measurement for operating agencies' maintenance functions; workers compensation advisory services; and the development of rolling stock procurement strategies.

The proposed increase of \$10.3 million will fund several new work authorizations. This extension and additional funding are important for the continuation of the provision of critical analysis and implementation support that ensures the MTA continues to optimize its processes and delivers cost savings. Examples of subject areas for this engagement include: business process improvements and improvement of the availability of critical car parts necessary to maintain service. New projects will be subject to the mini-RFP process prior to the expiration of the contract.



The contracts resulting from this procurement have been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. The Authority is currently working with the vendors to negotiate the final applicable cybersecurity language, which will be included in each contract prior to the issuance of each notice of award.

All vendors, with the exception of Deloitte Consulting, LLP (“Deloitte”), have certified that pursuant to EO 16, they are not doing business with Russia. Regarding Deloitte, on April 18, 2025, pursuant to MTA Procedure¹, the Assistant Deputy Chief Procurement Officer determined that (1) Deloitte has demonstrated that it has made good-faith efforts to limit its business operations in Russia, and (2) its remaining operations in Russia are not contributing in a significant way to the unjustified war in Ukraine by Russia.

In connection with contracts previously awarded to McKinsey & Company, Inc. Washington D.C.; Accenture, LLP; and Jacobs Civil Consultants Inc., these three firms were found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines, and such responsibility findings were approved by the MTA Managing Director or the MTA Chief Administrative Officer in consultation with the MTA General Counsel in November 2019, January 2024, and April 2024, respectively. No new SAI has been found relating to the three firms, and they have been found to be responsible.

Impact on Funding

The total not-to-exceed amount of \$10.3 million of general operating funds will be added to this contract on an assignment-by-assignment basis.

¹ See: Procedure for Executive Order No. 16 - Prohibiting State Entities and Authorities from Contracting with Businesses Conducting Business in Russia.

Item Number: 2

Vendor Name (Location) Cubic Transportation Systems (San Diego, California)
Description Onboard Validation Device (OVD) Enhancements
Contract Term (including Options, if any) Contract Term: November 1, 2017–July 31, 2030 Optional Service Extensions: August 2030–July 2040
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Department: OMNY

Contract Number	AWO/Modification #
A-34024	38
Original Amount:	\$ 553,827,839
Prior Modifications:	\$ 58,562,917
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 612,390,756
This Request:	
Base Scope:	\$ 3,950,000
Option 1:	\$ 479,419
Option 2:	\$ 479,419
Total:	\$ 4,908,838
% of This Request to Current Amount:	0.8%
% of Modifications (including This Request) to Original Amount:	11.5%

Discussion:

Contract A-34024 (the “Contract”) provides for the upgrade of the NYC Transit and MTA Bus Company (“MTABC”) fare payment system from the MetroCard to the new OMNY contactless payment system. MTAHQ requests Board approval for a modification in the amount of \$3.95 million to enhance and expand the use of Onboard Validation Devices (“OVDs”) and for technical support for the OVDs through July 31, 2030. The modification also includes two 5-year options for continued technical support for the OVDs, each in the amount not-to-exceed \$479,419 and exercisable at MTA’s sole discretion. The total amount sought for this modification, including both options, is \$4,908,838.

The Contract included a pilot program to test the use of OVDs on Select Bus Service routes as an enforcement tool in fare collection. The OVDs are mounted on mobile phones that MTA personnel on buses use to scan the fare payment medium used by the customer (e.g., a credit card) to confirm that the payment was received by the MTA. If the OVD indicates that a fare was not paid, the onboard MTA personnel can issue a warning or summons to the customer to appear at the Transit Adjudication Bureau. The pilot, which began in 2020, has proven successful in maintaining fare compliance and mitigating revenue losses due to fare evasion.

Based on lessons learned from the pilot, NYC Transit and MTABC requested certain enhancements to the OVDs to improve the fare validation function consisting of (1) software enhancements to improve download lag times and reduce the number of incomplete scans; and (2) updated hardware to address obsolescence issues and bring the devices up to current MTA security standards. NYC Transit and MTABC also requested 405 additional OVDs to expand the OVD program from Select Bus Service routes to regular bus service routes. This modification adds the enhancements and additional devices to the Contract and also includes increased technical support for the enhancements through 2030 and as noted above, options to extend the technical support for two 5-year terms.

Cubic submitted a proposal for this modification in the amount of \$4,406,628. Negotiations yielded an agreed upon price of \$3.95 million, with no extension of time, which is considered to be fair and reasonable. Negotiations also yielded an agreed-upon price for two 5-year options for Extended Technical Support from years 2030 to 2040 in the amount not to exceed \$958,837, if and when exercised.

Item Number: 3

Vendor Name (Location) Ernst & Young, LLC (New York, New York)		Contract Number 900000000002532	AWO/Mod. # 3
Description MTA Governance, Risk, and Compliance System		Original Amount: \$ 4,795,879	
Contract Term (including Options, if any) May 1, 2018–April 30, 2025		Prior Modifications: \$ 5,043,836	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a		Prior Budgetary Increases: \$ 0	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive		Current Amount: \$ 9,838,715	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		This Request: \$ 8,940,623	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		% of This Request to Current Amount: 91%	
Requesting Department: Lamond Kearse, Chief Compliance Officer		% of Modifications (including This Request) to Original Amount: 291%	

Discussion:

MTA Headquarters is seeking Board approval to extend a competitively negotiated miscellaneous procurement contract awarded to Ernst & Young LLC (“EY”) for MTA Governance, Risk, and Compliance (“GRC”) System for an additional five years to provide continuous software as a service (“SaaS”) and technical support of MTA’s GRC System in the amount of \$8,940,623.

In January 2018, the MTA Board approved the award of the four-year base contract in the amount of \$4,795,879 to furnish, implement, and maintain an enterprise-wide GRC system. On September 11, 2020, pursuant to a Project Change Request, the MTA issued Supplemental Agreement No. 1, which modified the Statement of Work to require EY to provide enhanced functionality of the GRC platform to include the onboarding, monitoring, assessment, and remediation of vendors to Third-Party Risk Management and added funding totaling \$311,000 to cover the cost of that additional work. On May 25, 2022, MTA Board approved a modification to extend the Contract for an additional three-year period that included: (1) software as a service (“SaaS”) for \$2,492,484 million, and (2) routine and emergency technical support services including firmware updates and patches for \$2,240,352 for a total modification amount of \$4,732,836.

Under the base contract, the GRC System: (1) establishes and maintains internal control programs for the MTA Corporate Compliance Department; (2) provides automated internal review processes; (3) facilitates identification of internal control weaknesses, takes corrective actions to address program weaknesses, monitors the implementation of corrective actions; and (4) assesses the adequacy of the MTA’s ongoing internal controls. The GRC system also facilitates documenting, testing, and maintaining the internal controls and procedures to ensure effectiveness and manage the risk of loss resulting from inadequate or failed internal processes, people and systems, or external events. The MTA’s internal control programs are compliant with industry standards established by the Committee of Sponsoring Organizations of the Treadway Commission and the New York State Comptroller, which includes enterprise risk management and fraud deterrence.

This request to extend the contract for an additional five-year period includes: (1) SaaS for \$4,464,340; and (2) routine and emergency technical support services including firmware updates and patches for \$4,476,283 for a total modification amount of \$8,940,623. For this extension, Procurement negotiated to waive the 12 percent or \$89,254.08 on EY’s standard annual uplift for GRC SaaS for the first year, and for MTA cost to remain the same as was negotiated in 2022. Beginning in years two through five, there will be a 6 percent annual uplift on the previously negotiated contract pricing. Additionally, EY will provide technology services at no cost (a \$3.1 million savings to the MTA), which includes (1) adding up to 12 applications to the platform; (2) vendor portal access for 25 vendors; (3) two Archer Summit passes per year for training; and (4) ServiceNow integration support. MTA’s third-party research vendor has also evaluated EY pricing and deemed it highly discounted compared to other customers of the same scale and volume. Based on the foregoing, MTAHQ Procurement finds EY’s price to be fair and reasonable.

There has been a significant amount of capital invested over the years in the GRC platform and the EY support team, which has received excellent performance reviews by MTA's Risk and Compliance department. As a result, the feasibility of seeking a new platform or support service vendor at this time is a very high risk and impact for the MTA to undertake. However, the MTA project team is planning to update the business requirements and survey the market for a new competitive RFP prior to the expiration of this contract. This five-year extension will provide sufficient time for MTA's Risk and Compliance and Procurement to explore, plan and transition to an alternate GRC solution.

On April 18, 2025, pursuant to the MTA Procedure¹, the Assistant Deputy Chief Procurement Officer determined that (1) EY has demonstrated that it has made good faith efforts to limit its business operations in Russia, and (2) its remaining operations in Russia are not contributing in a significant way to the unjustified war in Ukraine by Russia.

This contract has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, have been included in the contract terms and conditions.

In connection with a previous contract awarded to E&Y, E&Y 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 Chair/CEO in consultation with the MTA General Counsel in June 2015. No new SAI has been found relating to E&Y and E&Y has been found to be responsible.

Impact on Funding

Funding is provided by the MTA IT Operating Budget.

¹See: Procedure for Executive Order No. 16 - Prohibiting State Entities and Authorities from Contracting with Businesses Conducting Business in Russia.