



Metropolitan Transportation Authority

September 2019

MTA Board Action Items



MTA Board Meeting
2 Broadway, 20th Floor Board Room
Wednesday, 9/25/2019
10:00 AM - 6:00 PM ET

1. PUBLIC COMMENT PERIOD

2. OTHER MTA BUSINESS

Special Presentation of the MTA 2020-2024 Capital Program

Action Items

i. Approval of the 2020-2024 Capital Program

2020-2024 Capital Program - Page 5

ii. Approval of the 2015-2019 Capital Program Amendment

2015-2019 Capital Program Amendment - Page 7

iii. Approval of the 2010-2014 Capital Program Amendment

2010-2014 Capital Program Amendment - Page 9

MTA Office of Inspector General Report

Timekeeping Presentation

Report on Transformation

3. APPROVAL OF MINUTES

MTA Regular Board Minutes - July 24, 2019

MTA Regular Minutes - July 24, 2019 - Page 11

NYCT/MaBSTOA/SIRTOA/MTA Bus Company Regular Board Minutes - July 24, 2019

NYCT/MaBSTOA/SIRTOA/MTA Bus Company Regular Minutes - July 24, 2019 - Page 24

MTA Metro-North Railroad Regular Board Minutes - July 24, 2019

Metro-North Regular Minutes - July 24, 2019 - Page 35

MTA Long Island Rail Road Regular Board Minutes - July 24, 2019

LIRR Regular Minutes - July 24, 2019 - Page 46

Triborough Bridges & Tunnels Regular Board Minutes - July 24, 2019

TBTA Regular Minutes - July 24, 2019 - Page 61

MTA Capital Construction Regular Board Minutes - July 24, 2019

MTACC Regular Minutes - July 24, 2019 - Page 67

MTA Special Board Minutes - August 16, 2019

MTA Special Minutes - August 16, 2019 - Page 71

4. COMMITTEE ON FINANCE

Action Items

i. TBTA Payroll Mobility Tax Obligation Resolution

Approval of the TBTA Payroll Mobility Tax Obligation Resolution - Page 84

ii. CBDT Sales Tax Obligation Resolution

Approval of the CBDT Sales Tax Obligation Resolution - Page 87

MTAHQ Procurements Report

MTAHQ Procurement Report - Page 89

i. Non-Competitive

MTAHQ Non-Competitive Procurements - Page 92

ii. Competitive

MTAHQ Competitive Procurements - Page 95

iii. Ratifications

MTAHQ Ratifications - Page 101

Real Estate Items

i. Real Estate Agenda and Staff Summaries

Real Estate Agenda and Staff Summaries - Page 105

5. COMMITTEE ON NYCT & BUS

NYCT & Bus Procurements Report

Procurement Cover, Staff Summary and Resolution - Page 134

i. Non-Competitive (no items)

ii. Competitive

NYCT Competitive Actions - Page 139

MTACC Competitive Actions - Page 146

iii. Ratifications

NYCT Ratifications - Page 149

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

Action Item

i. NYSDOT Grant for Connecting Services

NYSDOT Grant for Connecting Services - Page 156

MNR Procurements Report

MNR Procurements - Page 158

i. Non-Competitive (no items)

ii. Competitive

MNR Competitive Procurements - Page 162

iii. Ratification (no items)

LIRR Procurements Report

LIRR Procurements - Page 165

i. Non-Competitive (no items)

ii. Competitive

iii. Ratification (no items)

MTACC Procurements Report (no items)

7. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS

B&T Procurements

B&T Procurements - Page 172

i. Non-Competitive (no items)

ii. Competitive

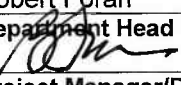

B&T Competitive - Page 175

iii. Ratification (no items)

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

Staff Summary

Page 1 of 2

Subject MTA 2020-2024 Capital Program
Department Capital Programs
Department Head Name Robert Foran
Department Head Signature 
Project Manager/Division Head Don Spero 

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Board	9/25	X		

Internal Approvals			
Order	Approval	Order	Approval
5	Chairman and CEO		
4	Chief of Staff		
3	Chief Development Officer		
2	Chief Financial Officer		
1	Legal		

Purpose:

To request MTA Board approval of the proposed \$54.8 billion MTA 2020-2024 Capital Program and to authorize the MTA to submit the \$51.5 billion Capital Program Review Board (CPRB) portion of the Capital Program to the CPRB for its review and approval, in accordance with Public Authorities Law § 1269-b.

Discussion:

Proposed 2020-2024 Capital Program: Since a state of emergency was declared in 2017, the MTA, with the support of its State and City funding partners, has responded to the crisis by making key investments that have significantly improved performance of the system. The proposed 20-24 capital program will not only build on these investments to ensure that the system provides safe and reliable service, but will also advance key program areas, including expand full accessibility to 70 stations (four of which may be advanced to the current program) ensuring that no passenger will be more than two stations away from an accessible station; introducing modernized signals on six subway line segments; and replacing thousands of subway cars, buses and commuter rail coaches. The proposed program also continues the MTA's commitment to promote economic growth by delivering additional service capacity to the MTA's system and provides funding to complete ongoing network expansion projects, including phase 2 of the Second Avenue Subway.

The MTA's proposed program also will incorporate a number of transformative changes that are underway, including a re-organization that will centralize capital planning and project delivery functions in a unified organization; the use of design-build contracts for capital contracts greater than \$25 million to speed up delivery and enhance innovation; and the initiation of new ways of doing business including empowering project CEOs to oversee all critical work, and streamlining procurement, payment and change order procedures, an effort that has been undertaken over the last year in concert with the MTA Board.

The proposed capital program includes the following sections:

CPRB Program: \$51.5 billion. Highlights include:

- Continue the rollout of modernized signaling for the subway on six-line segments including the Lexington Avenue (4/5/6) line, and including new cars, signal systems and additional power capacity to improve reliability and to support increased service levels;
- Full accessibility at 70 New York City Transit stations, four of which may be advanced to the current program, as well as additional improvements to LIRR and Metro-North stations that will make the network more accessible for customers throughout the region;
- Replacing and expanding subway and commuter railroad fleets;

Staff Summary

Page 2 of 2

- Revitalizing the bus network with new buses and an accelerated transition to an all-electric bus fleet;
- Continuing LIRR investments promoting safety and reliability of critical systems, including track, signals, and power;
- Phase 1 of Metro-North's Park Avenue Viaduct and Grand Central train shed replacement;
- Metro-North West of Hudson capacity investments;
- Making state of good repair investments across the MTA, including NYC Transit and commuter railroad line structures, bridges and viaducts.
- Completing East Side Access;
- Fully funding Phase 2 of the Second Avenue Subway to extend the new line from 96th to 125th Streets;
- Fully funding the expansion of Metro-North's New Haven Line service into Penn Station, providing added system resiliency and constructing four new stations in the Bronx;
- Completing the LIRR's Main Line Expansion project; and
- Supporting ongoing Regional Investments projects in the Harold Interlocking.

B&T (non-CPRB): \$3.3 billion. Investments that renew and enhance the Authority's seven bridges and two tunnels. Additionally, this will include support for implementation of the Central Business District Tolling (CBDT) Highlights include:

- Rebuilding and modernizing various approaches and ramps at the Verrazzano-Narrows Bridge;
- New fender systems at the Throgs Neck Bridge; and
- Reconstruction of ramps at the Robert F. Kennedy Bridge.

Impacts on Funding:

The proposed 2020-2024 Capital Program includes several projected funding sources, including:

- Capital from Central Business District Tolling sources: \$15 billion;
- Capital from new revenue sources: \$10 billion;
- MTA Bonds & PAYGO: \$9.8 billion
- Federal formula: \$7.5 billion
- State of New York: \$3 billion
- City of New York: \$3 billion
- Federal New Starts (Second Avenue Subway Ph 2): \$2.9 billion
- Federal Flexible: \$0.3 billion
- B&T Self-Funded (including CBD infrastructure projects): \$3.3 billion;

In combination, the identified fund sources for the 2020-2024 Capital Program amount to \$54.8 billion

Alternatives:


Submission of a program to the CPRB on or before October 1st is required by Public Authorities Law § 1269-b. Without CPRB approval of the 2020-2024 Plan, the MTA will not have a 2020-2024 Capital Program. The 2020-2024 program in its entirety is critical to continue renewing, enhancing and expanding the MTA's network to meet the mobility needs of the region.

Recommendation:

That the MTA Board approve this proposed \$54.8 billion MTA 2020-2024 Capital Program as described and authorize the MTA to submit the \$51.5 billion CPRB portion to the CPRB for its review and approval.



Staff Summary

Page 1 of 2

Subject MTA 2015-2019 Capital Program Amendment
Department Capital Programs
Department Head Name Don Spero
Department Head Signature 
Project Manager/Division Head Stephen Berrang Stephanie DeLisle

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Board	9/25	X		

Internal Approvals			
Order	Approval	Order	Approval
5	Chairman and CEO		
4	Chief of Staff		
3	Chief Development Officer		
2	Chief Financial Officer		
1	Legal		

Purpose:

To obtain MTA Board approval of the proposed amendment to the MTA 2015-2019 Capital Program that increases the total funding to \$33.913 billion and to authorize the MTA to submit the \$30.977 billion Capital Program Review Board (CPRB) portion of it to the CPRB for its review and approval, in accordance with Public Authorities Law §1269-b. The most notable changes are the advancement of four accessible Subway stations originally slated for construction in NYCT's 2020-2024 Capital Program, and the addition of \$529.5 million in State funds to the LIRR program, both to complete the LIRR Penn Station Corridor and Entrance (aka PSNY-33rd Corridor) project, and to construct a new Elmont Station. No new MTA funds, beyond those already approved, are required by this amendment.

Discussion:

Proposed 2015-2019 Capital Program Amendment: This amendment increases the current capital program by \$643 million from \$33.270 billion to \$33.913 billion. The CPRB portion of the program increases from \$30.334 billion to \$30.977 billion and MTA Bridges and Tunnel's (B&T) program is unchanged at \$2.936 billion. Changes to the capital program address the following: (a) addition of new projects reflecting new priorities and Board actions; (b) envelope increases recognizing addition of external funding, transfers from prior capital programs, and temporary interagency reallocation of funds reflecting relative timing of needs; (c) updated project assumptions reflecting revised cost estimates and timing of ongoing projects; and (d) elements with 10% increases which require CPRB approval.

The proposed capital program amendment includes the following three sections:

CPRB Core Program: \$23.457 billion. Agencies continue to make investments that renew and enhance the networks of NYC Transit, the Long Island Rail Road (LIRR), Metro-North Railroad (Metro-North), the MTA Bus Company and MTA Interagency. The Core Program increases from \$22.681 billion to \$23.457 billion, and reflects the following notable changes:

- Though the total NYC Transit program budget remains unchanged at \$16.742 billion, the amendment features the addition of new projects to make four stations fully accessible under the Americans with Disabilities Act (ADA). These projects originally were intended for inclusion in the 2020-2024 Capital Program, but are being advanced into the 2015-2019 Capital Program. The four stations, totaling \$272 million, are Tremont (B,D), 6 Av. (L), 14 St. (F,M), and 14 St. (1,2,3). Station renewal work at 14 St. (1,2,3) and component repair work at 14 St. (F,M) are included with this work. Other new projects will install netting on elevated structures to protect against the possibility of falling material, totaling \$75 million, and install fare evasion cameras, totaling \$15 million, at various locations.

Staff Summary

The amendment also includes deferral of projects across various categories to the next capital program for New York City Transit, most of which are scheduled for construction in mid- to late 2020; the timing of the work is not expected to be affected by this shift. Other projects have been eliminated based on either revised condition assessments or because they are being re-packaged or combined with other work. Cost increases in several categories of work including stations and locomotive purchases are also incorporated into the amendment as are project savings in a number of categories.

- There is a \$772.5 million increase in the LIRR's program, from \$2.859 billion to \$3.631 billion, reflecting additional funds added to the program. \$424 million is being provided by New York State for the LIRR Penn Station Corridor and Entrance project, including completion of the new entrance already under construction (Phase 1B,) and the modernization of the entire concourse (Phase 2). Similarly, \$105.5 million from the Empire State Development Corporation is being added to the program for the new Elmont Station project. Additionally, \$243 million of MTA Capital Construction Company's Penn Station Access (PSA) budget is being loaned to the LIRR for purchase of additional M-9 railcars which will be repaid to PSA by the LIRR upon approval of the 2020-2024 Capital Program with \$243 million of LIRR's budget allocation. Changes to project budgets and timing are also incorporated into the program reflecting updated cost estimates and scheduling assumptions.
- A \$2.8 million increase is proposed in Metro-North's program, from \$2.462 billion to \$2.464 billion, reflecting a new security grant for the Harlem River Lift Bridge. As with the other agencies, changes to project budgets and schedules are incorporated into the program to reflect updated information.

For all three agencies some program elements are more than 10% over the CPRB-approved element budgets as a result of these changes and they are identified within the body of the amendment.

MTACC Program: \$7.520 billion decreases from \$7.652 billion to \$7.520 billion due to the following changes:

- Pursuant to the MTA Board's approval in May 2019, \$111 is being moved into East Side Access (ESA) in 2015-19 from ESA in previous capital programs. This administrative transfer shifts federal High-Speed Rail Grant funds from East Side Access to Regional Investments. The total ESA and Regional Investments budgets remain unchanged across the various capital programs.
- The Penn Station Access (PSA) budget is temporarily reduced by \$243 million in 2015-19 in order to loan the LIRR \$243 million to purchase M9 railcars. The funds will be repaid to PSA by the LIRR in the 2020-24 Capital Program with \$243 million of LIRR's budget allocation. There is no change to PSA's overall multi-capital program budget.

B&T (non-CPRB): \$2.936 billion. B&T's program level budget is unchanged. There are some changes including:

- An overall increase in some project costs reflecting updated cost estimates and scheduling assumptions and an offsetting transfer of select scope to B&T's 2010-2014 Sandy Capital Program.

Impacts on Funding:

The proposed amendment increases the 2015-2019 funding envelope by \$643 million, to a new total of \$33.913 billion. The amendment reflects both the administrative transfer of funding between approved capital programs (to match actual/planned fund source usage), as well as additional funding for new initiatives. The new initiatives include: \$424 million in New York State funding for the LIRR Penn Station Corridor and Entrance (aka PSNY-33rd Corridor) project; and a \$105.5 million contribution from the State of New York Empire Development Corporation for the new Elmont Station project.

Alternatives:


Without CPRB approval of the changes, certain work may not proceed. The amendment is critical to continue renewing, enhancing and expanding the MTA's network to meet the mobility needs of the region. Pursuant to the Public Authorities Law, program element increases exceeding 10% require CPRB approval.

Recommendation:

That the MTA Board approve the proposed amendment to the MTA 2015-2019 Capital Program that increases it to \$33.913 billion and authorize the MTA to submit the \$30.977 billion CPRB portion of it to the CPRB for its review and approval.

Staff Summary

Page 1 of 2

Subject MTA 2010-2014 Capital Program Amendment
Department Capital Programs
Department Head Name Don Spero
Department Head Signature 
Project Manager/Division Head Stephen Berrang Stephanie DeLisle

Date September 25, 2019
Vendor Name
Contract Number
Contract Manager Name
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Board Action					
Order	To	Date	Approval	Info	Other
1	Board	09/25			

Internal Approvals			
Order	Approval	Order	Approval
5	Chairman and CEO		
4	Chief of Staff		
3	Chief Development Officer		
2	Chief Financial Officer		
1	Legal		

Purpose:

To obtain MTA Board approval of the proposed amendment to the MTA 2010-2014 Capital Program that reduces it to \$31.704 billion and to authorize the MTA to submit the \$28.917 billion Capital Program Review Board (CPRB) portion of it to the CPRB for its review and approval, in accordance with Public Authorities Law § 1269-b.

Discussion:

Proposed 2010-2014 Capital Program Amendment: This amendment reduces the current capital program by \$317 million from \$32.021 billion to \$31.704 billion. The principal changes are in the Security / Disaster Recovery and the MTA Capital Construction programs. Agency Core Capital Programs incorporate generally modest changes. Overall, the amendment reflects the update of project timing and cost estimates to reflect current assumptions and prioritizations.

The Security / Disaster Recovery portion of the capital program increases from \$7.902 billion to \$8.011 billion. The increase is mainly due to the recognition of additional Superstorm Sandy (Sandy) insurance funds secured after the July 2017 Capital Program amendment, the last amendment to this program. These proceeds supplement the \$240 million of Sandy restoration reserves that were set aside in the last program amendment, and will go towards both new initiatives at New York City Transit and the Long Island Rail Road as well as the completion of ongoing repair projects. Also included in this amendment, but not requiring CPRB approval are adjustments to Bridges and Tunnel's (B&T) Sandy program, leveraging savings from B&T's original restoration program to create new mitigation projects that will better fortify the system. The Security program is reduced by \$82 million, matching project budgets with current funding assumptions. However, no ongoing security projects are impacted by this adjustment. Future security needs will be met within the agencies' core capital programs in the 2015-2019 Capital Program and future programs.

MTA Capital Construction's program is reduced from \$6.329 billion to \$5.861 billion. The \$468 million reduction reflects three previously executed actions:

- An administrative transfer of \$9 million in surplus funds from the completed Fulton Center Project (budgeted in the 2000-2004 Capital Program) to the 2010-2014 MTACC Miscellaneous/Administrative project;
- Resequencing of work and transfers of budgets to the 2015-2019 Capital Program for East Side Access (\$250 million) and Regional Investments (\$167 million). These were part of the 2015-2019 Capital Program amendment approved by the CPRB in May 2018; and
- An administrative transfer of budget from the East Side Access (\$58 million) to the 2015-2019 Capital Program to move federal High Speed Rail Grant funds from East Side Access to Regional Investments. This action was approved by the Board in May 2019.

Staff Summary

Page 2 of 2

For the Core Capital Program (excluding Security / Disaster Recovery), changes align agency budgets with funding adjustments and reflect actual project budget experience, transfers between capital programs and earlier Board-approved actions. These result in a net increase of \$38 million from \$15.548 billion to \$15.586 billion. Notable changes include the following:

- New York City Transit's program is reduced by \$10 million, due to transfers from its core program to the separately budgeted Security program;
- The Long Island Rail Road program increases by \$17 million due to transfers of funding from LIRR budgets in older capital programs to support a new Centralized Train Control project;
- Metro-North's program increases by \$31 million reflecting a November 2018 Board approved action that authorized Metro-North to purchase Grand Central Terminal and the Harlem and Hudson Lines.

The revised budgets for certain Program elements are more than 10% over the CPRB-approved element budgets as a result of these changes. Elements with 10% issues are identified within the body of the amendment.

The Bridges and Tunnels program, which does not require CPRB approval, includes an additional \$4 million in its core program, reflecting a transfer from its 2015-2019 Capital Program that was included in its 2018 amendment. This transfer increases the 2010-2014 Capital Program from \$2.018 billion to \$2.022 billion.

Impacts on Funding:

The proposed 2010-2014 Capital Program amendment decreases the funding envelope by \$317 million to a new total of \$31.704 billion. The proposed program reflects the administrative transfer of funding between approved capital programs to match actual/planned fund source usage by program. The amendment also captures funding transfers to reflect the deferral/transfer of East Side Access work to the 2015-2019 Capital Program, as well as the transfer of federal High Speed Rail grant funding to support Regional Investments in the 2015-2019 Capital Program. The remaining adjustments reconcile the 2010-2014 funding envelope with actual receipts, including additional insurance proceeds supporting the Sandy program. The Sandy program's envelope of federal, insurance and MTA local funds continues to fully support each agency's highest repair and resiliency priorities.

Alternatives:

Without CPRB approval of the changes, certain work may not proceed. The amendment is critical to continue renewing, enhancing and expanding the MTA's network to meet the mobility needs of the region. Pursuant to the Public Authorities Law, program element increases exceeding 10% require CPRB approval.

Recommendation:

That the MTA Board approve the proposed amendment to the MTA 2010-2014 Capital Program that reduces it to \$31.704 billion and authorize the MTA to submit the \$28.917 billion CPRB portion of the program it to the CPRB for its review and approval.

**Metropolitan Transportation Authority
Minutes of
Regular Board Meeting
2 Broadway
New York, NY 10004
Wednesday, July 24, 2019
9:00 a.m.**

The following members were present:

**Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Susan Metzger
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

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

The following member was absent:

Hon. Rhonda Herman

Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel DeCrescenzo, Acting President, TBTA, Craig Cipriano, Acting President, MTA Bus/Senior Vice President, NYCT Department of Buses, and Lucille Songhai, 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.

Chairman Foye welcomed everyone to the July Board meeting.

The Chairman acknowledged the hard work of the women and men of the agency as they handled recent incidents that occurred in New York City that impacted service. Chairman Foye commended the employees for their immense commitment and dedication during the World Pride event in the last weekend of June, and the planning for the World Cup parade on July 10th. Chairman Foye stated that the MTA provided excellent service during both celebrations.

Chairman Foye commented on recent difficulties experienced by the agencies, noting the Con Edison blackout in west Midtown Manhattan, the PSEG power failure in Rockaway, an ATS issue affecting numbered trains and recent climate challenges, that resulting in flash flooding. Chairman Foye commended New York City Transit employees for their response to the incidents and for quickly getting service back up and running. Chairman Foye stated that President Byford will address some of the challenges of the previous two weeks later in the meeting.

Chairman Foye announced the creation of two task forces intended to address the increase of homelessness in the transit system, and subway train speed and worker safety, both created at the request of Governor Cuomo. The Homeless Task Force will report to Managing Director Veronique Hakim, with a mission of creating a plan within 30 days to measurably reduce homelessness by the end of 2019.

Chairman Foye stated that MTA is looking forward to working in close partnership with the New York State Office of Temporary and Disability Assistance, which regulates homeless services in the State.

Chairman Foye announced the expansion of the highly successful Speed Unit, led by New York City Transit. The Chairman stated that the Train Speed and Safety Task Force will also look at Long Island Rail Road and Metro-North Railroad to improve train speeds and add system capacity by reviewing civil speed restrictions and ensure that speed signals are properly calibrated.

Chairman Foye stated that the MTA is excited to have former Federal Aviation Administration ("FAA") Administrator Jane Garvey Chair the Train Speed and Safety Task Force, with Local 100 President Tony Utano serving on the Task Force as well. The Train Speed and Safety Task Force will report to Transit Committee Chair Sarah Feinberg, formerly Federal Railroad Administration ("FRA") Administrator.

Regular Board Meeting
July 24, 2019

Chairman Foye stated that in May of 2019, he asked each of the operating agency Presidents to perform a full review of their overtime procedures and regulations currently in place, and to complete the review within sixty (60) days. The Chairman stated that the agency Presidents have met the challenge and have submitted overtime data that is currently being reviewed. Chairman Foye stated that one significant issue that has not been discussed at the Board level in recent years in a meaningful way is employee availability, in terms of how many days a year an employee works after subtracting vacation days, sick days, holidays, injured on duty, and other similar factors. Chairman Foye stated that, on average, represented employees across all MTA agencies work between approximately 198 to 206 days a year – around 40 weeks a year. Chairman Foye stated that availability is important for a number of reasons and is a driver of overtime. Availability impacts overtime because employees who are out must be backfilled, usually on overtime. Chairman Foye stated that most overtime is authorized appropriately and performed. Although there have been instances of abuse, as noted in prior past internal investigations, low levels of availability are largely the result of contractual provisions in collective bargaining agreements and correspondingly high and growing levels of overtime. Chairman Foye stated that a review of data indicates that over the last ten years and beyond, average employee availability has consistently trended down to current levels. The Chairman stated that this is an area that he will ask the agency Presidents to focus on to understand availability impacts and ways to increase average employee availability.

With respect to the July Financial Plan, Chairman Foye stated that the MTA has many challenges ahead. Chairman Foye stated that Chief Financial Officer Robert Foran will report on the July Financial Plan later in the meeting. Despite cost reductions efforts, the MTA is still facing significant operating budget deficits in the current and future years. Chairman Foye stated that the Governor and members of the State Legislature have shown tremendous leadership this year in the passage of Central Business District Tolling and other revenue sources to help fund the next Capital Plan. However, Chairman Foye stated that a funding source for operations has not been identified. Chairman Foye noted that the legislation in the State budget required the creation of the Transformation Plan that will be presented by AlixPartners and discussed by the Board later in the meeting today.

Chairman Foye stated that it is important to note that the MTA continues to face steep fiscal challenges. A lack of recurring, sustainable revenue sources for the operating budget means that the MTA continues to seek new sources of funds and is working to constantly reduce costs internally. The MTA has been effective in reducing costs in the past and efforts led by CFO Robert Foran and his team since 2010 have identified over \$2.5 billion and growing in recurring savings. The Chairman stated that MTA employees are on the forefront of enacting savings and have delivered for customers and the agencies. Chairman Foye stated that this year the MTA has continued to implement aggressive cost reduction efforts, including identifying another \$350 million in annually recurring savings from all agencies and Headquarters, effective in 2020. However, Chairman Foye stated that achieving these savings includes making difficult decisions for the organization on behalf of the customers.

Chairman Foye stated that the MTA is required by statute to break even each year. Further, Chairman Foye stated that the MTA's ability to access the debt markets requires the MTA to control expenses and close operating deficits. Chairman Foye stated that based on the last

update of the Financial Plan in February, the forecasted deficit in 2022 will reach nearly \$1 billion. Since then, the Chairman stated that there have been some key developments that affect those further forecasts, particularly the development of the MTA Transformation Plan, which will be discussed by Foster Finley of AlixPartners later in the meeting. Chairman Foye stated that the MTA's financial outlook continues to be dire.

With respect to the MTA Transformation Plan, Chairman Foye stated that Foster Finley and Jim Blaeser of AlixPartners will provide an overview of the report developed by the firm with the MTA. The Chairman stated that this is important work done in a very short time, as mandated by legislation in this year's State budget, which presents an opportunity for the MTA agency to take a close look at how it operates. Chairman Foye stated that the MTA has not changed much since its creation over 50 years ago. The Chairman stated that at this moment, the MTA needs fundamentally rethink how it is organized, what it is focused on, and how its priorities affect how it operates and interacts with its customers.

Chairman Foye stated that there are three fundamental goals to the Plan. First, to improve customer service, second to build a more cost-effective organization, and third to reduce costs.

Some of the specifics of the Plan include the hiring of a Chief Transformation Officer, as required by law, and the search is currently underway, and the hiring of a Chief Operating Officer (COO). The COO position, per the Board's consideration, can report to the CEO or the Board.

Chairman Foye stated that AlixPartners met with over 100 employees representing all agencies and functions and, at the MTA's request, met with advocacy and civic organizations, including the Tri-State Transportation Campaign and Reinvent Albany. AlixPartners also reached out to labor unions on June 5th to share their perspectives. Chairman Foye stated that AlixPartners briefed Board Members, without management present prior to this meeting and answered questions from Board Members. The report has been published on the MTA website. The Chairman highlighted the e-mail: transformation@mtahq.org, where members of the public can comment on the Plan. Chairman Foye stated that the transformation will not be possible without the hard work of dedicated employees throughout the organization and employees at all levels of the organization will have an opportunity to provide input on the Plan. Chairman Foye stated that he has seen incredible professionalism and commitment from MTA employees, including those who engaged with AlixPartners and those who have approached him and senior leadership with their ideas about changing how business is done at the MTA. The Chairman stated that there are many moving parts to any transformation and the MTA is committed to keeping staff informed of important changes and decisions. The MTA is also eager to create channels for additional employee input.

Chairman Foye stated that today Foster Finley, with AlixPartners, will provide an overview of the firm's work and core recommendations. The Chairman noted that the recommendations centers around a key strategy, which includes refocusing the MTA agencies to prioritize customers and the delivery of the kind of services customers expect and deserve. The Chairman stated that the AlixPartners' recommendations will help the organization reduce operating costs and free up staff to focus on the core mission to deliver

a strong customer experience across all of the MTA agencies. Chairman Foye stated that there is a vast amount of work remaining, from continuing recruitment, developing a detailed implementation roadmap, and ensuring effective employee engagement, as the agency embarks on this transformation, and today is the first step of many.

Chairman Foye stated that today the Board will also hear from Mr. Kanehana, President and CEO of Kawasaki, as requested by the Board at the June meeting. Chairman Foye stated that the MTA has had a long-standing partnership with Kawasaki, who has delivered on several major car procurements for the MTA in the past. The Chairman noted that the M-9 railcars for Long Island Rail Road are a major priority and were discussed at the Long Island Rail Road and Metro-North Committee meeting this month. As a result, Chairman Foye stated that Mr. Kanehana and his colleagues will discuss the schedule delays and how to most effectively address them. The Chairman stated that there will be an opportunity for the Board to ask questions later in today's meeting, but he wanted to acknowledge and welcome Mr. Kanehana and thank him and his colleagues for their attendance.

Details of the Chairman's remarks are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

2. PRESENTATION: PRESIDENT ANDY BYFORD, NYCTA

Chairman Foye invited President Byford to update the Board on some of the successes and challenges during the past two weeks at NYCT.

President Byford thanked the Chairman and the Board for the opportunity to update the agency on matters concerning NYCT and indicated that he provided a detail report at NYCT Committee meeting on Monday. President Byford provided an overview of recent highlights and challenges at NYCT:

In discussing the highlights, President Byford noted that NYCT achieved an on-time performance rate of 81.5%, a rate that had not been accomplished since August 2013, which is a significant improvement compared to the on-time performance rate from a year ago. President Byford also noted the success of the NYCT's performance during the World Pride Event, which was the result of over a year's worth of planning. He expressed his thanks to all who were involved and noted his pride in being a part of it. He also praised NYCT's successful handling of the Women's World Cup event and congratulated the USA. Lastly, he discussed the major power outage on the west side of Manhattan for which he apologized and commented on its hugely disruptive impact on customers. He noted that NYCT accomplished the safe evacuation of just under 3000 people.

Reflecting on some of the challenges recently faced, President Byford discussed a shocking video of the flood at Court Square station in addition to the switch problems in Brooklyn impacting the 2,3,4 and 5 subway lines and the power failure in the Rockaways. He described the three-phase recovery utilized for handling these types of challenges, which includes rescuing people, recovering the situation and restoring service. Lastly, President Byford discussed the two ATS system failures. He explained that ATS is part of the A Division (the numbered lines) and enables the Controllers in the Rail Control Center to see aspects of signals and the positioning of switches. It was determined that the first ATS failure was

caused by one single digit, a rogue character within the software, which was quickly remedied. The second ATS failure, which impacted all the numbered lines, was due to a resident bug in the software. President Byford reiterated the importance of the three-phase recovery approach.

President Byford thanked all the employees who helped work to resolve these challenges and commended their hard work and professionalism. He also apologized to customers and thanked them for their patience during these challenging times.

Details of President Byford's presentation and Board Members questions and comments pertaining thereto are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

3. CHAIRMAN FOYE'S ACKNOWLEDGEMENT OF RETIREMENTS.

Chairman Foye acknowledged the following leaders at the MTA who are retiring:

- Michael Fucilli, MTA Auditor General, retiring in August. Mr. Fucilli, who has thirty-eight years of Internal Auditing experience in the private and public sector, and dedicated over twenty-six years of service to the MTA family, joining New York City Transit as an Auditor III in September, 1992; and
- Mark Hoffer, Vice President and General Counsel at the Long Island Rail Road. Mr. Hoffer has thirty-two years of public service, including at the NYC Economic Development Corporation, the City Department of Environmental Protection and the Port Authority of New York and New Jersey.

Chairman Foye thanked Mr. Fucilli and Mr. Hoffer for their dedicated service to the MTA and, on behalf of the Board, wished them well in their retirement.

Details of the Chairman's comments are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

4. PUBLIC SPEAKERS SESSION.

Lucille Songhai, Assistant Director, Government Affairs, reviewed the emergency safety procedures protocol, reminded speakers of the two (2) minute speaking limit, and called speakers attention to the countdown clock and the warning light, which will come on alerting speakers that thirty (30) seconds remain to conclude their remarks.

The following forty-one (41) 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.

Brian Burke, TWU Local 100
Jean Ryan, Disabled In Action
William Drummond, TWU Local 100
Tony Utano, TWU Local 100 President

Regular Board Meeting
July 24, 2019

Rachael Fauss, Reinvent Albany
Bradley Brashears, PCAC
Lisa Daglian, PCAC
Sheila Binesh, PCAC
Tramell Thompson, Progressive Action
Allan Timothy Lunchford Stevens, private citizen
Christopher Greif, TRC ACT
Melvin Stevens, Rise & Resist
Kevin Zeng, private citizen
Johanna Climenko, CIDNY
Seth Rosenberg, Local 100 Fighting Back
H.P. Schroer, UMEWE
Sasha Blair-Goldensohn, Rise & Resist
Miriam Fischer, private citizen
Mary Parison Lavell, CURES
Robert Acevedo, Disabled In Action
Janice Bartley, AHRC
Rick Horan, Queens Rail Corp.
Collin Wright, Transit Center
Johnny Thach, NY Lawyers for Public Interest
Mary Kaessinger, People's MTA
Amy Lang, private citizen
Jennifer Van Dyck, Rise & Resist
Jackie Goldenberg, Rise & Resist
Patrice Lamarina, Rise & Resist
John Walker, Rise & Resist
Ellen Shannon, PCAC
David Gellman, private citizen
Wendy Wasdahl, private citizen
Tony Murphy, People's MTA
Ben Fried, Transit Center
Terrence Paige, ACB
Liam Blank, Tri State Transportation
Tom Wright, President, Regional Plan
Joe Rapport, BCID
Daniel Ross, AARG
Erica Brant, NYPLI

Board member Schwartz stated that, during the public session portion of the meeting, he had an opportunity to speak with Managing Director Veronique Hakim. He stated that it is his understanding that part of the upcoming five-year Capital Program will include the construction of elevators and fifty additional subway stations, which is also a part of NYCT's Fast Forward Program. In response to public speakers' comments relating to elevator accessibility, Board Member Schwartz requested the assistance of Board Member Mujica to help with the acceleration of the bidding process on some, if not all, of the projects and perhaps fast forward the projects from the 2020-2024 Capital Program to the 2015-2019 Capital Program, in order to begin construction of the additional elevators at the stations. Board Member Schwartz stated he identified, from

working with CFO Robert Foran, that there are a number of projects in the Capital Program that never made it to the design phase. Board Member Schwartz stated that he would welcome the opportunity to work with Board Member Feinberg and President Byford to develop a performance metrics on escalators and elevators in the system to monitor operability and reliability of the elevators and escalators in the stations.

Chairman Foye agreed with Board Member Schwartz' suggestions and stated that he looks forward to working with Board Members Schwartz, Mujica and Feinberg and that he has some thoughts and suggestions on how to accomplish this endeavor, and an off-line discussion with other Board members would be fruitful.

Board Member Vanterpool expressed her support of Board Member Schwartz' suggestion and stated that it is her understanding that the existing Capital Program is fiscally constrained and she asked that the State advance the remaining \$7.1 billion and she suggested that New York City provide its Capital contribution toward the Program.

Board Member Mujica stated that Board Member Schwartz asked for a review of the current Capital Plan and a status update on the various projects, identifying which projects had not been finished and/or started. A review of the projects revealed that there are a lot of accessibility projects that have either not been started or were late and not yet completed. Board Member Mujica stated he would like to advance and speed up the projects in the Capital Plan as quickly as possible. Board Member Mujica stated that the funds that were committed to the projects are available; however, the issue is one of execution of the projects, which is currently being discussed. Board Member Mujica stated that the funds for the projects are available as soon as the MTA can identify how to execute the projects.

Chairman Foye, reaffirming Board Member Mujica's statements relating to the State's funding of the projects, stated that it is his understanding that the \$7 billion is authorized, appropriated and available, and that the MTA has begun to call on \$3 billion of the \$7 billion. In addition, the Chairman stated that Board Member Mujica confirmed that the funds are available and ready to be spent as fast as the MTA can accelerate the projects.

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

5. M-9 UPDATE: KAWASAKI PRESENTATION.

Chairman Foye introduced the following representative from Kawasaki present at today's meeting:

Yoshinori Kanehana, President and CEO, Kawasaki, Headquarters (Japan);
Yoichiro Araki, President, Kawasaki (USA);
Kazutoshi Honkawa, Managing Executive Director & President, Rolling Stock Company, Kawasaki (Japan);
Akira Matsufuji, Executive Director & Vice President, Rolling Stock Company, Kawasaki (Japan); and

Hiroshi Murao, Executive Officer, Marketing & Sales, Rolling Stock Company, Kawasaki (Japan).

Chairman Foye invited Board Members Kevin Law and Susan Metzger, Co-Chairs of the Commuter Rail Committee, to lead the discussion.

Board Member Law welcomed everyone to today's meeting and he noted that Phillip Eng, President, LIRR, will provide a status update on the M-9 delivery. Board Member Law thanked Mr. Kanehana, President and CEO, Kawasaki, and his colleagues for appearing at today's Board meeting. Board Member Law stated that it was reassuring to receive such a prompt response to the Board's request for Kawasaki's attendance at today's Board meeting.

Board Member Law stated that Governor Cuomo appointed several Board Members to the MTA Board early this year, with the goal of bringing change and to make sure that projects are delivered on-time and within budget. Board Member Law stated that vendors like Kawasaki are important to the MTA and its operations, which impacts the agency on a daily basis. It is important that all MTA vendors are aware that budgets and schedules matter to the MTA. Board Member Law stated that members of the LIRR and Metro-North Railroad have met and decided that it would be helpful to invite members of the Kawasaki team to today's Board meeting to discuss the M-9 delivery, as well as MTA's and Kawasaki's overall relationship.

Board Member Law invited President Phillip Eng to provide a brief update on the M-9 delivery.

President Phillip Eng echoed Board Member Law's sentiments and he thanked President Kanehana and the entire Kawaskai team for their attendance at today's meeting. President Eng stated that Kawasaki's prompt response is indicative of their commitment to the project.

President Eng stated that a safe and reliable railcar fleet is a critical component of customer service and employee safety. Railcar and design are complex efforts and the agency challenges railcar builders to continuously improve upon previous designs. President Eng said when designs are done right the benefits to the customers are huge. Preside Eng presented an overview of the M9 project and a status update on the M-9 delivery.

Chairman Foye thanked Mr. Kanehana and his team for coming to today's meeting and for the good news and the Chairman stated that the agency looks forward to continuing progress and deliveries.

Details of President Eng's presentation, the Chairman's and Board Members' comments and questions, and statements made by Kawasaki Representatives are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

6. MTA TRANSFORMATION PLAN.

Chairman Foye invited Foster Finley and Jim Blaeser of AlixPartners to present the MTA Transformation Plan.

Mr. Finley thanked Chairman Foye for inviting them to present the Plan to the Board.

Mr. Finley stated that based on the State legislative mandate, the MTA and AlixPartners created, over a period of approximately twelve (12) weeks, a reorganization plan that includes impacts and savings relating to the organization, business processes and cost reduction-related ideas. Mr. Finley stated that during the course of this process AlixPartners has interacted with over 100 MTA employees, civic associations and other interested parties, and has created a blueprint of what they believe suits the challenges and expectations that were presented to the firm. Mr. Finley stated that the goals, when broken, are to improve business performance, riders' experience, cost savings and efficiencies, and accountabilities. Mr. Finley proceeded to present an overview of the MTA Transformation Plan.

Following a discussion by the Board and upon motion duly made and seconded, the Board approved, in accordance with the accompanying resolution, the MTA Transformation Plan that was prepared for the MTA by AlixPartners LLP. As set forth in the Transformation Plan, the recommendations include MTA-wide reorganization activities, changes to the business processes, and other cost reduction opportunities to meet the legislative mandate of New York Public Authorities Law Section 1279-e, which required the MTA to develop a personnel and reorganization plan by June 30, 2019. Board Member Veronica Vanterpool voted in opposition and Board Member David Jones abstained from the vote.

The details of the presentation, Board members' comments and questions with respect thereto are included in the videotape of the meeting produced by the MTA and maintained in MTA records.

7. JOINT SESSION OF THE BOARD AND FINANCE COMMITTEE OF THE MTA FOR CHIEF FINANCIAL OFFICER'S PRESENTATION OF 2019 MID-YEAR FORECAST, 2020 PRELIMINARY BUDGET AND JULY FINANCIAL PLAN 2020 - 2023.

MTA Chief Financial Officer Robert Foran presented the MTA 2019 Mid-Year Forecast, 2020 Preliminary Budget and the July Financial Plan 2020-2023 to the Finance Committee and MTA Board members. Copies of the Mid-Year Forecast, Preliminary Budget, and July Financial Plan were distributed to Board members.

Chairman Foye thanked Robert Foran for the presentation and invited Board discussion concerning the proposed financial plan.

The details of the presentation and Board members' comments and questions with respect thereto are included in the videotape of the meeting produced by the MTA and maintained in MTA records.

8. COMMITTEE ON FINANCE.

A. **Procurement Items.** Upon motion duly made and seconded the Board approved the following procurement items listed below. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

1. JP Morgan Chase Bank, N.A. – Comprehensive Commercial Banking Services – No. 214842. Approved the award of a non-competitive all-agency miscellaneous service contract to JP Morgan Chase Bank, N.A. for cash management and deposit services for five years plus an option to extend for an additional five years.
2. Kronos Inc. – Kronos Time & Attendance System – No. 92396, Modification No. 1. Approved the modification of a non-competitive contract with Kronos, Inc. to provide additional hardware, software, and consulting services necessary to support the MTA's expansion and full deployment of state-of-art Kronos time and attendance systems to MTA locations.
3. Various Contractors – All-Agency Procurement of Maintenance, Repair and Operating Supplies & Related Products and Services – No. 11751. Approved the award for five of eleven categories of maintenance, repair and operating supplies and related products, pursuant to a competitively negotiated all-agency request for proposals ("RFP") to Fastenal Company (Electrical, Industrial Supplies, and Security & Safety categories), 128-13 Rockaway Blvd Corp d/b/a Ozone Park Lumber (Plumbing category) and WW. Grainger, Inc. (General Tools category), for period of five years with two one-year options to be exercised at MTA's sole discretion.

B. **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

Metro-North Railroad

1. License agreement with Global Java III Inc. for retail space on Metro-North's New Haven Line, 452 Halstead Avenue, Harrison, N.Y.
2. License agreement with Global Java III Inc. for retail space on Metro-North's New Haven Line, 1 Railroad Way, Larchmont, N.Y.
3. Acquisition of property from SG Chappaqua B, LLC located at Roaring Brook Road (Section 92.12, Block 2, Lot 1), adjacent to Metro-North's Harlem Line, Town of New Castle, N.Y.
4. Lease agreement with Eli's Manhattan Inc., d/b/a E.A.T. for retail sale of culinary accessories and gifts located in Retail Space MKT-17B in the Grand Central Market, N.Y.

5. Lease agreement with 45th Street Park Avenue Shoe Repair Inc. for retail space in the Northwest Passage (NWP-01) and in the Northeast Passage (NEP-01) in Grand Central Terminal, N.Y.
6. Modification of the Vanderbilt Hall event rate scheduled, approved at the April, 2018 Board meeting.

Long Island Rail Road

7. License agreement with Shiekh & Sons Inc., the principal of which is Muhammad M. Afzal, for retail space for the sale of coffee, newspapers and sundry items located at the Lynbrook Station, Lynbrook, N.Y.
8. License agreement with Muhammad M. Afzal for retail space for the sale of coffee, newspapers and sundry items located at the Garden City Station, Garden City, N.Y.
9. License agreement with Farat Ahmad for retail space for the sale of coffee, newspapers and sundry items located at the Baldwin Station, Baldwin, N.Y.
10. License agreement with Newsstation Inc., the principal of which is Iqbal Mozawalla, for retail space for the sale of coffee, newspapers and sundry items located at the Nassau Boulevard Station, Garden City, N.Y.

New York City Transit Authority

11. Acquisition of NY State Department of Transportation (“NYSDOT”) property located at 2 Wainwright Avenue (near Arthur Kill Road and Richmond Parkway), Staten Island, N.Y.

MTA Capital Construction

12. East Side Access (“ESA”) Construction Agreement with JP Morgan Chase (“JPMC”) for a portion of the Metro-North Express Level and a portion of the ESA LIRR concourse level, below the footprint of JPMC’s headquarters building relating to the redevelopment of 270 Park Avenue, New York, N.Y.
13. Easement agreement with 415 Madison Avenue LLC (“415 LLC”) for the East 48th Street entrance to the ESA LIRR concourse located just east of Madison Avenue on the northern side of the street, including ground and below-grade areas that will create a direct connection to the ESA LIRR Concourse for the purpose of creating a pedestrian entrance.

9. APPROVAL OF THE MINUTES.

Upon motion duly made and seconded, the Board approved the Regular Board Meeting held on June 26, 2019, as amended to correct the typographical error in Mayor Koch's name.

10. PRESENTATION: TIMEKEEPING UPDATE

Chairman Foye invited Wael Hibri, Senior Vice President Shared Services, MTA Business Services Center, to provide an update on the Timekeeping Modernization Initiative.

Wael Hibri stated that the project has four parallel work streams with clock installations providing the critical path timeline for the program. The installation of clocks is proceeding on or ahead of schedule and nearly 80% of employees have access to a clock. Employee enrollment, which faced challenges initially, is now accelerating and policy work and reports programming is moving along, with Guidehouse providing support with attendance policies. Mr. Hibri stated that the project is on schedule to complete the majority clock installations by end of August, 2019. The agency is also exploring mobile solutions for a small percentage of employees who work in the field.

The details of the presentation and Board members' comments and questions with respect thereto are included in the videotape of the meeting produced by the MTA and maintained in MTA records.

11. ADJOURNMENT. Upon motion duly made and seconded, the Board voted to adjourn the meeting at 1:15 p.m.

The Chairman announced that the next Board meeting is on Wednesday, September 25, 2019.

Respectfully submitted,

Victoria Clement
Assistant Secretary

**Minutes of the
Regular Board Meeting
for the New York City Transit Authority,
Manhattan and Bronx Surface Transit Operating Authority,
Staten Island Rapid Transit Operating Authority and
MTA Bus Company
2 Broadway
New York, NY 10004
Wednesday, July 24, 2019
9:00 a.m.**

The following members were present:

**Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Susan Metzger
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

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

The following member was absent:

Hon. Rhonda Herman

Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer and President, MTA Capital Construction, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel DeCrescenzo, Acting President, TBTA, Craig Cipriano, Acting President, MTA Bus Company, and Lucille Songhai, Assistant Director, Government Affairs, also attended the meeting.

1. CHAIRMAN FOYE CALLED THE MEETING TO ORDER

MTA Chairman & CEO Patrick Foye called the meeting to order.

2. CHAIRMAN FOYE'S REMARKS

Chairman Foye welcomed everyone to the July Board meeting.

The Chairman acknowledged the hard work of the women and men of the agency for their successful handling of recent incidents that occurred in New York City that impacted service. Chairman Foye commended employees for their immense commitment and dedication during the World Pride event in the last weekend of June, and for their planning of the World Cup parade on July 10th. Chairman Foye stated that MTA provided excellent service during both celebrations.

Chairman Foye commented on recent difficulties experienced by the agencies, noting the Con Edison blackout in west Midtown Manhattan, the PSEG power failure in Rockaway, and the Automated Train Supervision (“ATS”) issues affecting numbered trains. He also commented on the recent climate challenges that resulted in flash flooding. Chairman Foye commended NYCT employees for their response to the incidents and for quickly getting service back up and running. Chairman Foye stated that President Byford will address some of the challenges of the previous two weeks later in the meeting.

Chairman Foye announced the creation of two task forces intended to address the increase of homelessness in the transit system and subway train speed and worker safety, both created at the request of Governor Cuomo. The Homeless Task Force will report to Managing Director Veronique Hakim, with a mission of creating a plan within 30 days to measurably reduce homelessness by the end of 2019. Chairman Foye stated that the MTA is looking forward to working in close partnership with the New York State Office of Temporary and Disability Assistance, which regulates homeless services in the State, and the NYPD. Chairman Foye announced the expansion of the highly successful Speed Unit, led by NYCT. The Chairman stated that the Train Speed and Safety Task Force will also look at Long Island Rail Road and Metro-North Rail Road to improve train speeds and add system capacity by reviewing civil speed restrictions and ensuring that speed signals are properly calibrated.

Chairman Foye expressed that the MTA is pleased to have former Federal Aviation Administration (“FAA”) Administrator Jane Garvey chair the Train Speed and Safety Task Force, with Local 100 President Tony Utano serving on the Task Force, as well as Robert Lauby, former Chief Safety Officer of the Federal Railroad Administration (“FRA”). The Train Speed and Safety Task Force will report to Transit Committee Chair Sarah Feinberg, formerly an FRA Administrator.

Chairman Foye stated that in May 2019, he asked each of the operating agency Presidents to perform a full review of their overtime procedures and regulations currently in place, and to complete the review within sixty (60) days. The Chairman stated that the agency Presidents have met the challenge and have submitted overtime data that is currently being reviewed. Chairman Foye stated that one significant issue that has not be discussed at the Board level in recent years in a meaningful way is employee availability, in terms of how many days a year an employee works after subtracting vacation days, sick days, holidays, injured on duty, and other similar factors. Chairman Foye stated that, on average, represented employees across all MTA agencies work between approximately 198 to 206 days a year – around 40 weeks a year. Chairman Foye stated

that availability is important for a number of reasons and is a driver of overtime. Availability impacts overtime because employees who are out must be backfilled, usually by way of overtime. Chairman Foye stated that most overtime is authorized appropriately and performed. Although there have been instances of abuse, as noted in prior past internal investigations, low levels of availability are largely the result of contractual provisions in collective bargaining agreements, and correspondingly high and growing levels of overtime. Chairman Foye stated that a review of data indicates that over the last ten years and beyond, average employee availability has consistently trended down to current levels. The Chairman stated that this is an area that he will ask the Agency Presidents to focus on to understand availability impacts and ways to increase average employee availability.

With respect to the July Financial Plan, Chairman Foye stated that the MTA has many challenges ahead. Chairman Foye stated that Chief Financial Officer Robert Foran will report on the July Financial Plan later in the meeting. Despite cost reductions efforts, the MTA is still facing significant budget deficits in the current and future years. Chairman Foye stated that the Governor and members of the State Legislature have shown tremendous leadership this year in the passage of Central Business District Tolling and other revenue sources to help fund the next Capital Plan. However, Chairman Foye stated that no funding source for operations has been identified. Chairman Foye noted that the legislation in the State budget required the creation of the Transformation Plan that will be presented by AlixPartners and discussed by the Board later in the meeting today.

Chairman Foye stated it is important to note that the MTA continues to face steep fiscal challenges. A lack of new recurring, sustainable revenue sources for the operating budget means that the Agency continues to seek new sources of funds and is working to constantly reduce costs internally. The MTA has been effective in reducing costs in the past and efforts led by CFO Robert Foran and his team since 2010 have identified over \$2.5 billion to date and growing amounts in recurring savings. The Chairman stated that MTA employees are on the forefront of enacting savings and have delivered for customers and the agencies. Chairman Foye stated that this year MTA has continued to implement aggressive cost reduction efforts, including identifying another \$350 million in annually recurring savings from all agencies and Headquarters effective as of 2020. However, Chairman Foye stated that achieving these savings includes making difficult decisions for the organization on behalf of the customers.

Chairman Foye stated that the MTA is required by statute to break even each year and that the MTA's ability to access the debt markets requires the MTA to control expenses and close operating deficits. He stated that based on the last update of the Financial Plan in February, the forecasted deficit in 2022 will reach nearly \$1 billion. The Chairman stated that since February there have been some key developments that affect those forecasts, particularly the development of the MTA Transformation Plan. He stated that the MTA's financial outlook continues to be dire.

With respect to the MTA Transformation Plan, Chairman Foye stated that today Foster Finley and Jim Blaeser of AlixPartners will provide an overview of the report developed by the firm for and with the MTA. The Chairman stated that this is important work done in a very short time as mandated by legislation in this year's State budget and presents an opportunity for the MTA to take a close and hard look at how it operates. Chairman Foye stated that the MTA as an organization has not changed much since its creation over 50 years ago. He stated that at this

moment, the MTA needs to do all it can to fundamentally rethink how it is organized, what it is focused on, and how its priorities affect how it operates and interacts with its customers.

Chairman Foye stated that there are three fundamental goals to the Transformation Plan: first, to improve customer service; second to build a more cost-effective organization; and third, to reduce costs. Some of the specifics of the Transformation Plan include the hiring of a Chief Transformation Officer, as required by law, for which the search is currently underway, and the hiring of a Chief Operating Officer (“COO”). The COO , may report to the CEO or the Board, to be determined by the Board

Chairman Foye stated that AlixPartners met with over 100 employees representing all agencies and functions and, at the MTA’s request, met with advocacy and civic organizations, including the Tri-State Transportation Campaign and Reinvent Albany. AlixPartners also reached out to labor unions on June 5th to get the unions’ perspectives. Chairman Foye stated that AlixPartners briefed Board Members without Management present prior to this meeting and answered questions from Board Members. The report has been published on the MTA website. The Chairman noted that members of the public can use the e-mail address transformation@mtahq.org to send comments on the Plan to the MTA. Chairman Foye stated that the transformation will not be possible without the hard work of dedicated employees throughout the organization and stated that employees at all levels of the organization will have an opportunity to provide input on the Transformation Plan. Chairman Foye stated that he has seen incredible professionalism and commitment from MTA employees, including those who engaged with AlixPartners and those who have approached him and senior leadership with their ideas and excitement for changing how business is done in the organization. The Chairman stated that there are many moving parts to any transformation and the agency is committed to keeping staff informed of important changes and agency decisions. The agency is also eager to create channels for additional employee input to help build a better MTA.

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Chairman Foye stated that today the Board will also hear from Mr. Kanehana, President and CEO of Kawasaki, as requested by the Board at the June Board meeting. Chairman Foye stated that the agency has a long-standing partnership with Kawasaki which has delivered on several major car procurements for the MTA.. The Chairman noted that the M-9 railcars for LIRR are a major priority and their delivery was discussed at the LIRR and Metro-North Committee meeting earlier this month. Chairman Foye stated that at today’s meeting, Mr. Kanehana and his colleagues will discuss the schedule delays and how to most effectively address them. The Chairman stated that he wanted to acknowledge and welcome Mr. Kanehana and thank him and his colleagues for attending the Board meeting, and stated that there will be an opportunity for the Board to ask Mr. Kanehana questions later in today’s meeting.

Details of the Chairman's remarks are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

3. PRESIDENT BYFORD'S UPDATE

Chairman Foye invited President Byford to update the Board on some of the recent NYCT successes and challenges.

President Byford thanked the Chairman for the opportunity to update the agency on matters concerning NYCT and indicated that he provided a detailed report at the NYCT Committee meeting on Monday. President Byford provided an overview of recent highlights and challenges at NYCT.

In discussing the highlights, President Byford noted that NYCT achieved an on-time performance rate of 81.5%, a rate that had not been accomplished since August 2013, which is a significant improvement compared to the on-time performance rate from a year ago. President Byford also noted the success of the NYCT's performance during the World Pride Event, which was the result of over a year's worth of planning. He expressed his thanks to all who were involved and noted his pride in being a part of it. He also praised NYCT's successful handling of the Women's World Cup event and congratulated the USA. Lastly, he discussed the major power outage on the west side of Manhattan for which he apologized and commented on its hugely disruptive impact on customers. He noted that NYCT accomplished the safe evacuation of just under 3000 people.

Reflecting on some of the challenges recently faced, President Byford discussed a shocking video of the flood at Court Square station in addition to the switch problems in Brooklyn impacting the 2,3,4 and 5 subway lines and the power failure in the Rockaways. He described the three-phase recovery utilized for handling these types of challenges, which includes rescuing people, recovering the situation and restoring service. Lastly, President Byford discussed the two ATS system failures. He explained that ATS is part of the A Division (the numbered lines) and enables the Controllers in the Rail Control Center to see aspects of signals and the positioning of switches. It was determined that the first ATS failure was caused by one single digit, a rogue character within the software, which was quickly remedied. The second ATS failure, which impacted all the numbered lines, was due to a resident bug in the software. President Byford reiterated the importance of the three-phase recovery approach.

President Byford thanked all the employees who helped work to resolve these challenges and commended their hard work and professionalism. He also apologized to customers and thanked them for their patience during these challenging times.

Further details of President Byford's presentation and Board Members questions and comments pertaining thereto, are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

4. CHAIRMAN FOYE'S ACKNOWLEDGEMENT OF RETIREMENTS

Chairman Foye acknowledged the following leaders at the MTA who are retiring:

- Michael Fucilli, MTA Auditor General, retiring in August. Mr. Fucilli has thirty-eight (38) years of Internal Auditing experience in the private and public sectors and dedicated over twenty-six (26) years of service to the MTA family, having joined New York City Transit as an Auditor III in September 1992; and
- Mark Hoffer, Vice President and General Counsel at MTA Long Island Rail Road. Mr. Hoffer has thirty-two (32) years of public service, including at the NYC Economic Development Corporation, the City Department of Environmental Protection, and the Port Authority of New York and New Jersey.

Chairman Foye thanked Mr. Fucilli and Mr. Hoffer for their dedicated service to the MTA and, on behalf of the Board, wished them well in their retirement.

Details of the Chairman's comments are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

5. PUBLIC COMMENT PERIOD

There were forty-one (41) public speakers. The following speakers spoke on MTA, NYC Transit, Staten Island Rapid Transit Operating Authority and/or MTA Bus Company matters during the public speaker session.

Brian Burke, TWU Local 100
 Jean Ryan, Disabled In Action
 William Drummond, TWU Local 100
 Tony Utano, TWU Local 100 President
 Rachael Fauss, Reinvent Albany
 Bradley Brashears, PCAC
 Lisa Daglian, PCAC
 Sheila Binesh, PCAC
 Tramell Thompson, Progressive Action
 Allan Timothy Lunchford Stevens, private citizen
 Christopher Greif, TRC ACT
 Melvin Stevens, Rise & Resist
 Kevin Zeng, private citizen
 Johanna Climenko, CIDNY
 Seth Rosenberg, Local 100 Fighting Back
 H.P. Schroer, UMEWE
 Sasha Blair-Goldensohn, Rise & Resist
 Miriam Fischer, private citizen
 Robert Acevedo, Disabled In Action
 Janice Bartley, AHRC
 Rick Horan, Queens Rail Corp.
 Collin Wright, Transit Center
 Johnny Thach, NY Lawyers for Public Interest
 Mary Kaessinger, People's MTA
 Amy Lang, private citizen
 Jennifer Van Dyck, Rise & Resist
 Jackie Goldenberg, Rise & Resist
 Patrice Lamarina, Rise & Resist

John Walker, Rise & Resist
Ellen Shannon, PCAC
David Gellman, private citizen
Wendy Wasdahl, private citizen
Tony Murphy, People's MTA
Ben Fried, Transit Center
Terrence Paige, ACB
Liam Blank, Tri State Transportation
Tom Wright, President, Regional Plan
Joe Rapport, BCID
Daniel Ross, AARG
Erica Brant, NYPLI

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.

Board member Schwartz stated that during the public session portion of the meeting, he had an opportunity to speak with Managing Director Veronique Hakim. He stated that it is his understanding that part of the upcoming five-year Capital Program will include the construction of elevators at fifty additional subway stations, which is also a part of NYCT's Fast Forward Program. In response to public speakers' comments relating to elevator accessibility, Board Member Schwartz requested, with the assistance of Board Member Mujica, the acceleration of the bidding process on some, if not all, of the projects, and to fast forward the projects from the 2020-2024 Capital Program to the 2015-2019 Capital Program, in order to begin construction of additional elevators at stations. Board Member Schwartz stated that based on work with CFO Robert Foran, he identified a number of projects in the Capital Program that never made it to the design phase. Board Member Schwartz also stated that he would welcome an opportunity to work with Board Member Feinberg and President Byford to develop performance metrics for escalators and elevators in the system to monitor their operability and reliability.

Chairman Foye agreed with Board Member Schwartz's suggestions and stated that he looked forward to working with Board Members Schwartz, Mujica and Feinberg to advance them, and that he has some thoughts and suggestions on how to accomplish that. He commented that an off-line discussion with other Board members would be fruitful.

Board Member Vanterpool expressed her support of Board Member Schwartz's suggestion and stated that it is her understanding that the existing Capital Program is fiscally constrained. She asked that the State advance the remaining \$7.1 billion and suggested that New York City provide its capital contribution toward the Program.

Board Member Mujica stated that Board Member Schwartz had asked that he review the current Capital Plan and provide a status update on the various projects and identify which projects had not been finished and/or started. A review of the projects revealed that there are many accessibility projects that either have not been started or were late and not yet completed. Board Member Mujica stated he would like to advance and speed up the projects in the Capital Plan as quickly as possible. Board Member Mujica stated that the funds that were committed to the projects are available so the issue is the MTA's ability to execute the projects not funding availability.

Chairman Foye stated that Board Member Mujica had confirmed that the funds are available and ready to be spent as fast as the MTA can accelerate the projects. Chairman Foye reiterated that it is his understanding that the State's \$7 billion is authorized, appropriated and available. He stated that the MTA has begun to call on \$3 billion of the \$7 billion.

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

6. MTA TRANSFORMATION PLAN

Chairman Foye invited Foster Finly and Jim Blaeser of AlixPartners to present the Transformation Plan. Mr. Finly thanked Chairman Foye for inviting him and Mr. Blaeser to present the plan to the Board.

Mr. Finly stated that, based on the State Legislative mandate, the MTA and AlixPartners created over a period of approximately twelve (12) weeks a Transformation Plan that includes business process improvement and cost reduction ideas and analysis of potential savings and impacts. Mr. Finly stated that during the process of developing the plan, AlixPartners interacted with MTA employees, civic associations and other interested parties. Mr. Finly stated and AlixPartners has created a blueprint that they believe addresses the relevant challenges and expectations. Mr. Finley stated that the basic goals are to improve the performance of the MTA for the riders, achieve cost savings and efficiencies and increase accountability. Mr. Finley then presented an overview of the MTA Transformation Plan.

Following a discussion by the Board and upon motion duly made and seconded, the Board approved, in accordance with the accompanying resolution, the MTA Transformation Plan prepared AlixPartners LLP. As set forth in the Transformation Plan, the recommendations include MTA-wide reorganization, changes to business processes and cost reduction opportunities to meet the legislative mandate of New York Public Authorities Law Section 1279-ewhich requires the MTA to develop a personnel and reorganization plan by June 30, 2019. Board Member Veronica Vanterpool voted in opposition to the proposed Transformation Plan. Board Member David Jones abstained from the vote.

The details of the presentation and Board members' comments and questions with respect thereto are included in the videotape of the meeting produced by the MTA and maintained in MTA records.

7. JOINT SESSION OF THE BOARD AND FINANCE COMMITTEE OF THE MTA FOR CHIEF FINANCIAL OFFICER'S PRESENTATION OF 2019 MID-YEAR FORECAST, 2020 PRELIMINARY BUDGET AND JULY FINANCIAL PLAN 2020 - 2023

MTA Chief Financial Officer Robert Foran presented the MTA 2019 Mid-Year Forecast, 2020 Preliminary Budget and July Financial Plan 2020-2023 to the Finance Committee and MTA Board members. Copies of the Mid-Year Forecast, Preliminary Budget and July Financial Plan were distributed to Board members.

Chairman Foye thanked Mr. Foran for the presentation and invited Board discussion concerning the proposed financial plan. The details of the presentation and Board members' comments and questions with respect thereto are included in the videotape of the meeting produced by the MTA and maintained in MTA records.

8. COMMITTEE ON FINANCE

Action Items:

All-Agency General Contract Procurement Guidelines and All-Agency Service Contract Procurement Guidelines: Upon motion duly made and seconded, the Board approved the MTA's revised All-Agency General Contract Procurement Guidelines and revised All-Agency Service Contract Procurement Guidelines.

All-Agency Paid Family Leave Program: Upon motion duly made and seconded, the Board approved the MTA Paid Family Leave Program for all non-represented employees at the MTA Agencies.

The specifics of the above items are set forth in the staff summaries and documentation filed with the meeting materials.

Real Estate Item:

Upon motion duly made and seconded, the Board approved the acquisition of the New York State Department of Transportation property located at 2 Wainwright Avenue in Staten Island, New York.

The specifics of the above item are set forth in the staff summaries and documentation filed with the meeting materials.

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

Action Item:

Request to Permanently Close Entrance at Broad Street J Z Station: Upon motion duly made and seconded, the Board approved the permanent closure of two sidewalk stairs on the southwest corner of Broad Street and Wall Street that are immediately adjacent to the New York Stock Exchange (Stairs S5 and S7), the first of which has been closed for the past 7 years and the second of which has been closed for 17 years. A public hearing was held on April 3, 2017 and no comments were received in opposition to the proposed closures.

The details of any discussion and Board Members' comments with respect to this item are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Procurements:

Competitive Procurements: Upon motion duly made and seconded, the Board approved competitive procurements requiring a two-thirds vote (Schedule B in the Agenda) and a majority vote (Schedules F, H and I in the Agenda).

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

Ratifications: Upon motion duly made and seconded, the Board approved ratifications requiring a majority vote (Schedule K in the Agenda).

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

The details of any discussion and Board Members' comments with respect to these items are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

10. MINUTES

Upon motion duly made and seconded, the Board approved the minutes of the June 26, 2018 Board Meeting of the New York City Transit Authority, Manhattan and Bronx Surface Transit Operating Authority, Staten Island Rapid Transit Operating Authority and MTA Bus Company, as amended to correct the typographical error in Mayor Koch's name.

11. PRESENTATION: TIMEKEEPING UPDATE

Chairman Foye invited Wael Hibri, Senior Vice President, Shared Services, MTA Business Services Center, to provide an update on the Timekeeping Modernization Initiative.

Mr. Hibri stated that the project has four parallel work streams with clock installations and discussed the critical path timeline for the program. The installation of clocks is proceeding on or ahead of schedule and nearly 80% of employees have access to a clock. Employee enrollment, which faced initial challenges, is now accelerating and policy work and report programming is moving along, with Guidehouse providing support with attendance policies. Mr. Hibri stated that the project is on schedule to have the majority clock installations completed by the end of August 2019. The agency is also exploring mobile solutions for a small percentage of employees who work in the field.

The details of the presentation and Board members' comments and questions with respect thereto are included in the videotape of the meeting produced by the MTA and maintained in MTA records.

12. **ADJOURNMENT.**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 1:15 p.m.

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

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company
2 Broadway – 20th Floor
New York, NY 10004
Wednesday, July 24, 2019
9:00 a.m.

The following members were present:

Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Susan Metzger
Hon. Haeda B. Mihaltzes
Hon. Robert F. Mujica
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

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

The following member was absent:

Hon. Rhonda Herman

Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel DeCrescenzo, Acting President, TBTA, Craig Cipriano, Executive Vice President Business Strategies and Operations Support, MTA Bus Company, and Lucille Songhai, 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:**

Chairman Foye welcomed everyone to the July Board meeting.

The Chairman acknowledged the hard work of the women and men of the MTA as they handled recent incidents that occurred in New York City that impacted service. Chairman Foye commended the employees for their immense commitment and dedication during the World Pride event in the last weekend of June and the planning for the World Cup parade on July 10th. Chairman Foye stated that the MTA provided excellent service during both celebrations.

Chairman Foye commented on recent difficulties experienced by the agencies, noting the Con Edison blackout in west Midtown Manhattan, the PSEG power failure in Rockaway, an ATS issue affecting numbered trains, and recent climate challenges that resulted in flash flooding. Chairman Foye commended New York City Transit employees for their response to the incidents and for quickly getting service back up and running. Chairman Foye stated that President Byford will address some of the challenges of the previous two weeks later in the meeting.

Chairman Foye announced the creation of two task forces intended to address the increase of homelessness in the transit system and subway train speed and worker safety, both created at the request of Governor Cuomo. The Homeless Task Force will report to Managing Director Veronique Hakim, with a mission of creating a plan within 30 days to measurably reduce homelessness by the end of 2019. Chairman Foye stated that MTA is looking forward to working in close partnership with the New York State Office of Temporary and Disability Assistance, which regulates homeless services in the State. Chairman Foye announced the expansion of the highly successful Speed Unit, led by New York City Transit. The Chairman stated that the Train Speed and Safety Task Force will also look at Long Island Rail Road and Metro-North Railroad to improve train speeds and add system capacity by reviewing civil speed restrictions and ensure that speed signals are properly calibrated.

Chairman Foye stated that the MTA is excited to have former Federal Aviation Administration (“FAA”) Administrator Jane Garvey Chair the Train Speed and Safety Task Force, with Local 100 President Tony Utano serving on the Task Force as well. The Train Speed and Safety Task Force will report to Transit Committee Chair Sarah Feinberg, formerly Federal Railroad Administration (“FRA”) Administrator.

Chairman Foye stated that in May of 2019, he asked each of the operating agency Presidents to perform a full review of their overtime procedures and regulations currently in place, and to complete the review within sixty (60) days. The Chairman stated that the agency Presidents have met the challenge and have submitted overtime data that is currently being reviewed. Chairman Foye stated that one significant issue that has not be discussed at the Board level in recent years in a meaningful way is employee availability, in terms of how many days a year an employee works after subtracting vacation days, sick days, holidays, injured on duty, and other similar factors. Chairman Foye stated that, on average, represented employees across all MTA agencies work between approximately 198 to 206 days a year – around 40 weeks a year. Chairman Foye stated

that availability is important for a number of reasons and is a driver of overtime. Availability impacts overtime because employees who are out must be backfilled, usually on overtime. Chairman Foye stated that most overtime is authorized appropriately and performed. Although there have been instances of abuse, as noted in prior past internal investigations, low levels of availability are largely the result of contractual provisions in collective bargaining agreements and correspondingly high and growing levels of overtime. Chairman Foye stated that a review of data indicates that over the last ten years and beyond, average employee availability has consistently trended down to current levels. The Chairman stated that this is an area that he will ask the agency Presidents to focus on to understand availability impacts and ways to increase average employee availability.

With respect to the July Financial Plan, Chairman Foye stated that the MTA has many challenges ahead. Chairman Foye stated that Chief Financial Officer Robert Foran will report on the July Financial Plan later in the meeting. Despite cost reductions efforts, the MTA is still facing significant operating budget deficits in the current and future years. Chairman Foye stated that the Governor and members of the State Legislature have shown tremendous leadership this year in the passage of Central Business District Tolling and other revenue sources to help fund the next Capital Plan. However, Chairman Foye stated that a funding source for operations has not been identified. Chairman Foye noted that the legislation in the State budget required the creation of the Transformation Plan that will be presented by AlixPartners and discussed by the Board later in the meeting today.

Chairman Foye stated that it is important to note that the MTA continues to face steep fiscal challenges. A lack of recurring, sustainable revenue sources for the operating budget means that the MTA continues to seek new sources of funds and is working to constantly reduce costs internally. The MTA has been effective in reducing costs in the past and efforts led by CFO Robert Foran and his team since 2010 have identified over \$2.5 billion and growing in recurring savings. The Chairman stated that MTA employees are on the forefront of enacting savings and have delivered for customers and the agencies. Chairman Foye stated that this year the MTA has continued to implement aggressive cost reduction efforts, including identifying another \$350 million in annually recurring savings from all agencies and Headquarters, effective in 2020. However, Chairman Foye stated that achieving these savings includes making difficult decisions for the organization on behalf of the customers.

Chairman Foye stated that the MTA is required by statute to break even each year. Further, Chairman Foye stated that the MTA's ability to access the debt markets requires the MTA to control expenses and close operating deficits. Chairman Foye stated that based on the last update of the Financial Plan in February, the forecasted deficit in 2022 will reach nearly \$1 billion. Since then, the Chairman stated that there have been some key developments that affect those further forecasts, particularly the development of the MTA Transformation Plan, which will be discussed by Foster Finley of AlixPartners later in the meeting. Chairman Foye stated that the MTA's financial outlook continues to be dire.

With respect to the MTA Transformation Plan, Chairman Foye stated that Foster Finley and Jim Blaeser of AlixPartners will provide an overview of the report developed by the firm with the MTA. The Chairman stated that this is important work done in a very short time, as mandated by

legislation in this year's State budget, which presents an opportunity for the MTA to take a close look at how it operates. Chairman Foye stated that the MTA has not changed much since its creation over 50 years ago. The Chairman stated that at this moment, the MTA needs to fundamentally rethink how it is organized, what it is focused on, and how its priorities affect how it operates and interacts with its customers.

Chairman Foye commented that there are three fundamental goals to the Plan. First, to improve customer service, second to build a more cost-effective organization, and third to reduce costs. Some of the specifics of the Plan include the hiring of a Chief Transformation Officer, as required by law, and the search is currently underway, and the hiring of a Chief Operating Officer (COO). The COO position, per the Board's consideration, can report to the CEO or the Board.

Chairman Foye stated that AlixPartners met with over 100 employees representing all agencies and functions and, at the MTA's request, met with advocacy and civic organizations, including the Tri-State Transportation Campaign and Reinvent Albany. AlixPartners also reached out to labor unions on June 5th to share their perspectives. Chairman Foye commented that AlixPartners briefed Board Members, without management present, prior to this meeting, and answered questions from Board Members. The report has been published on the MTA website. The Chairman highlighted the e-mail, transformation@mtahq.org, where members of the public can comment on the Plan. Chairman Foye stated that the transformation will not be possible without the hard work of dedicated employees throughout the organization and employees at all levels of the organization will have an opportunity to provide input on the Plan. Chairman Foye stated that he has seen incredible professionalism and commitment from MTA employees, including those who engaged with AlixPartners and those who have approached him and senior leadership with their ideas about changing how business is done at the MTA. The Chairman stated that there are many moving parts to any transformation and the MTA is committed to keeping staff informed of important changes and decisions. The MTA is also eager to create channels for additional employee input.

Chairman Foye stated that today, Foster Finley, with AlixPartners, will provide an overview of the firm's work and core recommendations. The Chairman noted that the recommendations center around a key strategy, which includes refocusing the MTA agencies to prioritize customers and the delivery of the kind of services customers expect and deserve. The Chairman stated that the AlixPartners' recommendations will help the organization reduce operating costs and free up staff to focus on the core mission to deliver a strong customer experience across all of the MTA agencies. Chairman Foye stated that there is a vast amount of work remaining, from continuing recruitment, developing a detailed implementation roadmap, and ensuring effective employee engagement, as the agency embarks on this transformation.

Chairman Foye stated that today the Board will also hear from Mr. Kanehana, President and CEO of Kawasaki, as requested by the Board at the June meeting. Chairman Foye stated that the MTA has had a long-standing partnership with Kawasaki, who has delivered on several major car procurements for the MTA in the past. The Chairman noted that the M-9 railcars for the Long Island Rail Road are a major priority and were discussed at the Long Island Rail Road and Metro-North Committee meeting this month. As a result, Chairman Foye stated that Mr. Kanehana and his colleagues will discuss the schedule delays and how to most effectively address them. The

Chairman stated that there will be an opportunity for the Board to ask questions later in today's meeting, but he wanted to acknowledge and welcome Mr. Kanehana and thank him and his colleagues for their attendance.

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

2. ACKNOWLEDGEMENT OF RETIREMENTS:

Chairman Foye acknowledged the following leaders at the MTA who are retiring:

- Michael Fucilli, MTA Auditor General. Mr. Fucilli, has thirty-eight years of Internal Auditing experience in the private and public sector, and dedicated over 26 years of service to the MTA family, joining New York City Transit as an Auditor III in September, 1992; and
- Mark Hoffer, Vice President and General Counsel at the Long Island Rail Road. Mr. Hoffer has 32 years of public service, including at the NYC Economic Development Corporation, the City Department of Environmental Protection, and the Port Authority of New York and New Jersey.

Chairman Foye thanked Mr. Fucilli and Mr. Hoffer for their dedicated service to the MTA and, on behalf of the Board, wished them well in their retirement.

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

3. SAFETY PROCEDURES:

Lucille Songhai, Assistant Director, Government Affairs, reviewed the emergency safety procedures and introduced the public speakers.

4. PUBLIC SPEAKERS:

There were 41 registered public speakers. The following speakers spoke on Metro-North related matters:

Rachel Fauss, with Reinvent Albany, asked the Board to vote no on the MTA Transformation Plan.

Bradley Brashears, with the Permanent Citizens Advisory Committee, asked for an analysis of the full impact of the MTA's hiring freeze on its professional workforce and what the proposed headcount reduction will mean to service. He commented that the MTA's commitment to retaining and developing talent and establishing succession plans is crucial to maintaining a productive and functional transportation agency. He also commented on the need for performance metrics and public involvement in the MTA Transformation Plan.

Lisa Daglian, with the Permanent Citizens Advisory Committee, formally requested all MTA Transformation Plan documents be made publicly available. She commented on the need for more public involvement in the MTA Transformation Plan. She asked for a minimum 45-day public comment period.

Shelia Binesh, with the Permanent Citizens Advisory Committee, commented on perceived problems with the MTA Transformation Plan. She commented that the Plan is not based on verified facts. She commented on the need for performance metrics and stated that the Plan does not look at international best practices.

H.P. Schroer, Director of “U and ME Become WE,” commented on the need for veterans to purchase Metro-North tickets at the same price as seniors. He also commented that the MTA is now supportive of giving veterans a discounted fare and remarked on two identical bills that will provide for and fund a half-fare veterans’ discount.

Ellen Shannon, with the Permanent Citizens Advisory Committee, expressed concern that the July Financial Plan was posted during the course of the meeting and that Board members have not had sufficient time to review the plan. She also expressed concern over the MTA-wide hiring freeze.

Ben Fried, with Transit Center, asked the Board to vote against the MTA Transformation Plan. He commented that any restructuring should lead to better service and more efficient project delivery and he stated that the MTA Transformation Plan will not achieve these goals.

Liam Blank, with Tri-State Transportation Campaign, asked the Board to vote against the MTA Transformation Plan. He commented on the need for more public involvement in the Plan and stated that the Plan fails to account for successful restructurings of other transit agencies.

Tom Wright, with Regional Plan Association, commented on the need for more public involvement in the MTA Transformation Plan. He expressed concerns over modernization plans, reporting structure, and the MTA Capital Plan.

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.

5. MTA TRANSFORMATION PLAN:

Chairman Foye invited Foster Finely and Jim Blaeser of AlixPartners to present the MTA Transformation Plan.

Mr. Finely thanked Chairman Foye for inviting them to present the Plan to the Board. Mr. Finely stated that, based on the State legislative mandate, over a period of approximately 12 weeks, the MTA and AlixPartners created a reorganization plan that includes impacts and savings relating to organization, business processes, and cost reductions. Mr. Finely stated that

AlixPartners has interacted with over 100 MTA employees, civic associations, and other interested parties, and has created a blueprint of what they believe suits the challenges and expectations that were presented to the firm. Mr. Finley stated that the goals, when broken down, are to improve business performance, riders' experience, cost savings and efficiencies, and accountabilities. Mr. Finley proceeded to present an overview of the MTA Transformation Plan.

Following a discussion by the Board and upon motion duly made and seconded, the Board approved, in accordance with the accompanying resolution, the MTA Transformation Plan that was prepared for the MTA by AlixPartners LLP. As set forth in the Transformation Plan, the recommendations include MTA-wide reorganization activities, changes to the business processes, and other cost reduction opportunities to meet the legislative mandate of New York Public Authorities Law Section 1279-e, which required the MTA to develop a personnel and reorganization plan by June 30, 2019. Board Member Veronica Vanterpool voted in opposition and Board Member David Jones abstained from the vote.

The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of the details of the presentation and Board members' comments and questions with respect thereto.

6. **JOINT SESSION OF THE BOARD AND FINANCE COMMITTEE OF THE MTA FOR CHIEF FINANCIAL OFFICER'S PRESENTATION OF 2019 MID-YEAR FORECAST, 2020 PRELIMINARY BUDGET, AND JULY FINANCIAL PLAN 2020 – 2023:**

MTA Chief Financial Officer Robert Foran presented the MTA 2019 Mid-Year Forecast, 2020 Preliminary Budget and the July Financial Plan 2020-2023 to the Finance Committee and MTA Board members. Copies of the Mid-Year Forecast, Preliminary Budget, and July Financial Plan were distributed to Board members.

Chairman Foye thanked Robert Foran for the presentation and invited Board discussion concerning the proposed financial plan.

The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of the details of the presentation and Board members' comments and questions with respect thereto.

7. **COMMITTEE ON FINANCE:**

MTAHQ Procurements:

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

- Board approval to award an all-agency miscellaneous service contract to JP Morgan Chase Bank, N.A. for cash management and deposit services for five years plus an

option to extend for an additional five years. The estimated contract amount of \$20.9 million includes option years. Actual expenditures will be lower because fees will be offset by interest.

- Board approval to modify a contract with Kronos, Inc. to provide additional hardware, software, and consulting services necessary to support the MTA's expansion and full deployment of state-of-art Kronos time and attendance systems to MTA locations. The additional deployments will be performed for an amount not to exceed \$20 million.

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 contracts for five of eleven categories of maintenance, repair and operating supplies and related products, pursuant to a competitively negotiated all-agency request for proposal (RFP) to the following firms for period of five years with two, one-year options to be exercised at the MTA's sole discretion:
 - Fastenal Company in the not-to-exceed amounts of \$83,094,000 for the electrical category, \$239,470,000 for the industrial supplies category, and \$75,460,000 for the security and safety category;
 - 128-13 Rockaway Blvd Corp d/b/a Ozone Park Lumber in the not-to-exceed amount of \$24,909,500 for the plumbing category; and
 - WW. Grainger, Inc. in the not-to-exceed amount of \$86,086,000 for the general tools category.

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.

Real Estate Items:

The Board was presented with the following real estate items that relate to Metro-North:

- Board authorization to enter into a license agreement with Global Java III Inc. for retail space at Metro-North's Harrison Station.
- Board authorization to enter into a license agreement with Global Java III Inc. for retail space at Metro-North's Larchmont Station.
- Board authorization to acquire property from SG Chappaqua B, LLC located at Roaring Brook Road (Section 92.12, Block 2, Lot 1) adjacent to Metro-North's Harlem Line in support of Metro-North's Wayside Energy Storage System Project in New Castle, NY.

- Board authorization to enter into a lease agreement with Eli's Manhattan Inc., d/b/a E.A.T. for retail space MKT-17B in Grand Central Market for the sale of culinary accessories and gifts.
- Board authorization to enter into a lease agreement with 45th Street Park Avenue Shoe Repair Inc. for retail spaces NWP-01 in the Northwest Passage and NEP-01 in the Northeast Passage in Grand Central Terminal.
- Board approval to amend the Vanderbilt Hall event rate schedule previously approved at the April 2018 Board Meeting. The event rate schedule is revised to provide the following additional categories of rates: (1) government agencies and (2) events that are 30+ days.
- Board authorization to enter into an East Side Access (ESA) Construction Agreement with JP Morgan Chase Bank, N.A. (JPMC) relating to the redevelopment by JPMC of its global headquarters at 270 Park Avenue and the mitigation of JPMC project impacts on Metro-North and East Side Access. Additionally, Board approval for a project and the necessary funding (not to exceed \$189 million) to repair structural elements supporting the Metro-North Train Shed beneath the JPMC project site.

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

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

Board Member Law commented on the need for the Homeless Task Force to address homelessness in both suburban and urban areas.

Action Item:

One Metro-North action item was presented to the Board:

- Board approval for Metro-North to enter into a Fifth Memorandum of Understanding with the City of Newburgh (City) for Metro-North to reimburse the City for lease payments for the parking and ferry landing facilities used by the Newburgh-Beacon ferry for the period of July 1, 2019 through December 31, 2020.

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

MTACC Action Item:

The Board was presented with the following action item that relates to Metro-North:

- Board approval to purchase a Pollution Legal Liability Insurance Policy to insure against MTA's risk of losses arising out of government-mandated remediation of, and third-party claims for damages arising from, environmental contamination at, or migrating from Amtrak's right-of-way that MTA uncovers while performing work on the Penn Station Access Project for the not-to-exceed amount of \$400,000.

Upon motion duly made and seconded, the Board approved the foregoing action item. Board Member Law recused himself from the vote. The details of the above action item are contained in documentation filed with the records of this meeting.

Procurements:

One non-competitive procurement was presented to the Board:

- Board approval to award a contract modification for additional funding in the not-to-exceed amount of \$3,400,149 to the firm Dayton T. Brown, Inc. for laboratory testing of PTC communication systems and components. The additional funds are to be provided by an approved federally funded Federal Railroad Administration PTC grant.

Upon motion duly made and seconded, the Board approved the foregoing procurement. Board Member Law recused himself from the vote.

One competitive procurement was presented to the Board:

- Board approval to award a contract modification for additional funding in the not-to-exceed amount of \$4,500,000 to a previously Board-approved competitively solicited contract with the firm Port Imperial Ferry Corporation d/b/a NY Waterway. This modification is to exercise the first of three two-year contract renewal options and is funded by New York State Department of Transportation (NYSDOT) and MTA grants using state and federal funds.

Upon motion duly made and seconded, the Board approved the foregoing procurement.

The details of the approved procurements are contained in documentation filed with the records of this meeting.

9. APPROVAL OF THE MINUTES:

Upon motion duly made and seconded, the Board approved the minutes of the Metro-North Railroad Regular Board Meeting on June 26, 2019, as amended to correct the typographical error in Mayor Koch's name.

10. TIMEKEEPING UPDATE:

Chairman Foye invited Weil Hibri, Senior Vice President Shared Services, MTA Business Services Center, to provide an update on the Timekeeping Modernization Initiative.

Mr. Hibri stated that the project has four parallel work streams with clock installations providing the critical path timeline for the program. The installation of clocks is proceeding on or ahead of schedule and nearly 80% of employees have access to a clock. Employee enrollment, which faced challenges initially, is now accelerating and policy work and reports programming is moving along. Mr. Hibri stated that the project is on schedule to complete the majority of clock installations by the end of August. The agency is also exploring mobile solutions for a small percentage of employees who work in the field.

The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record the details of the presentation and Board members' comments and questions with respect thereto.

11. ADJOURNMENT:

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 1:15 p.m.

Respectfully submitted,

Richard Gans
Vice President, General Counsel and
Secretary

July-2019 Board Minutes – FINAL
Legal/Corporate

**Minutes of the Regular Board Meeting
Long Island Rail Road Company
2 Broadway
New York, NY 10004
Wednesday, July 24, 2019
9:00 a.m.**

The following Members were present:

Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Susan Metzger
Hon. Haeda B. Mihaltzes
Hon. Robert F. Mujica
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman

The following Alternate Non-Voting members were also present:

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

The following Member was not present:

Hon. Rhonda Herman

Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel DeCrescenzo, Acting President, TBTA, Craig Cipriano, Executive Vice President Business Strategies and Operations Support, MTA Bus Company, and Lucille Songhai, Assistant Director, Government Affairs, also attended the meeting.

MTA Chairman & CEO ("Chairman") Patrick Foye called the meeting to order.

1. Chairman's Remarks

Chairman Foye acknowledged the hard work of the MTA women and men in the face of incidents in New York City impacting service in the past few weeks. During the last week of

June, MTA saw the immense commitment and dedication of its employees during the World Pride Celebration, and again on July 10th for the World Cup Parade. MTA provided excellent service during those celebrations.

More recently, New York City Transit (“NYCT”) had difficulties: a Con Edison blackout in West Midtown; a PSEG power failure in Rockaway; an Automatic Train Supervision issue affecting numbered trains; and recent weather related challenges, resulting in flash flooding. Chairman Foye commended NYCT employees, who were on call and responded in real time to get service back up and running as soon as possible. Chairman Foye stated that NYCT President Andy Byford will address the challenges of the previous two weeks.

Chairman Foye highlighted that this morning, MTA is announcing two task forces to address the growing concerns related to the increase of homelessness in our transit system, and to address Subway Train Speed and Worker Safety, both requested by Governor Andrew M. Cuomo. MTA is looking forward to working in close partnership with the New York State Office of Temporary and Disability Assistance, which regulates homeless services in the State, to design a plan which is focused on a more holistic look at the issue, with housing alternatives at the forefront. The Homeless Task Force has been charged with creating a plan within 30 days to measurably reduce homelessness by the end of 2019. The Homeless Task Force will build on the partnership between the MTA and the New York City Police Department (“NYPD”) and will report to MTA Managing Director Veronique Hakim.

MTA is also announcing its expansion of the highly successful SPEED Unit led by NYCT. The newly created Train Speed and Safety Taskforce will look at the Long Island Railroad (“LIRR”) and Metro-North Rail Road (“Metro-North”) to improve train speeds and add system capacity by reviewing civil speed restrictions and ensure that speed signals are properly calibrated. Chairman Foye stated that we are excited to have on this Task Force former Federal Aviation Administration Administrator Jane Garvey, the Chair, TWU Local 100 President Tony Utano, and Robert Lauby, former Chief Safety Officer of the Federal Railroad Administration (“FRA”). The Train Speed and Safety Task Force will report to Board Member Sarah Feinberg, Transit Committee Chair and former FRA Administrator.

Chairman Foye stated that in May, he asked each of the operating agency Presidents to perform within 60 days a full review of their overtime procedures and regulations currently in place. Each agency has submitted the required overtime data which is currently under review. One significant issue that has not been discussed at the Board level in recent years in a meaningful way is employee availability, meaning how many days a year an employee works after subtracting vacation days, sick days, holidays, being out injured on duty, and so on. Chairman Foye stated that on average, represented employees at the MTA work between approximately 198 to 206 days a year, around 40 weeks a year. Availability is also a driver of overtime. Availability impacts overtime because when employees are out, their jobs must be backfilled, usually on overtime. Although there have been instances of abuse, as noted in past internal investigations, low levels of availability are largely the result of contractual provisions which create lower levels of availability and correspondingly high, and growing, levels of overtime. Review of data indicates that over the last ten years and beyond, average employee availability has consistently trended down to current levels. Chairman Foye stated that this is an

area that he will ask the Agency Presidents to focus on to understand availability impacts and ways to increase availability. The progress we have made in the past year is substantial, though we have miles to go before we provide our customers what they deserve. Although the day-to-day improvements can seem to fluctuate given recent incidents, our team is focused on continuous improvement.

Chairman Foye stated that MTA Chief Financial Officer Bob Foran will speak about the July Financial Plan. Despite cost-reduction efforts, we are still facing significant operating budget deficits in current and future years. The Governor and the leaders and members of the State legislature have shown tremendous leadership this year in passing Central Business District Tolling and other revenue sources to help fund the next MTA Capital Program. However, no funding source for operations has been identified. Legislation in the state budget required the Transformation Plan, a matter of public concern that will be described by AlixPartners and discussed by the Board.

The MTA continues to face steep fiscal challenges. A lack of recurring, sustainable revenue sources for the operating budget means that we're frequently back in the same place – seeking new sources of funds, and working constantly to reduce costs internally.

The MTA has been effective in reducing costs in the past. Efforts led by MTA Chief Financial Officer Foran and his team since 2010 have identified over \$2.5 billion and growing in recurring savings. Our employees were on the forefront of enacting these savings and they delivered for our customers. This year, we've continued to implement aggressive cost reduction efforts, including identifying another \$350 million in annually recurring savings from all agencies and headquarters effective in 2020. However, achieving these savings requires continuously making difficult decisions for this organization, on behalf of our customers.

As a reminder, the MTA must by statute break even each year. Further, our ability to access the debt markets requires the MTA to control expenses and close operating deficits.

At the last Financial Plan update in February, the forecasted deficit in 2022 reached nearly \$1 billion. Since then, while there have been some key developments that MTA Chief Financial Officer Foran will discuss that affect those future forecasts, particularly the development of the MTA Transformation Plan, to be clear, our financial outlook continues to be dire.

Regarding the MTA Transformation Plan, today, Foster Finley and Jim Blaeser of AlixPartners will provide an overview of the report their firm developed together with the MTA. This is important and valuable work done in a very short period of time, as mandated by legislation in this year's State Budget. This presents an opportunity for the agency to take a close and hard look at how we operate.

In many ways, large and small, the MTA as an organization hasn't changed much since its creation over 50 years ago. We now need to do all we can, and do it well, to fundamentally rethink how the MTA is organized, what we're focusing on, and how those priorities affect how we operate and interact with our customers.

Chairman Foye stated that there are three fundamental goals to this plan: increase customer service, build a more effective organization, and reduce costs.

Some specifics in this plan: as required by law, the MTA will hire a Chief Transformation Officer. The search is currently underway. The plan also recommends the hiring of a Chief Operating Officer, who per the Board's consideration, may report to the CEO or to the Board. AlixPartners met with over 100 employees representing all MTA Agencies and functions and, at our request, met with advocacy and civic organizations, including Tri-State Transportation Campaign, and Reinvent Albany. AlixPartners reached out to labor unions on June 5th to share their perspectives. AlixPartners has briefed Board Members in three meetings without management present prior to this meeting and answered questions from Board Members. The report was published on the MTA website, transformation@mtahq.org, where members of the public have and can continue to comment on this plan.

Chairman Foye stated that this transformation will not be possible without the hard and creative work of dedicated employees throughout the organization. Employees at all levels of the MTA will have an opportunity to execute on this transformation.

He stated that he has seen incredible professionalism and commitment from MTA employees across the organization who have engaged with AlixPartners and who have approached us with their own ideas for changing how we do business at the MTA.

Chairman Foye stated that there are many moving parts to any transformation and we are committed to keeping the Board and the public informed of important changes and agency decisions. We are also eager to create channels for additional employee input to help build a better MTA.

Chairman Foye stated that AlixPartners' Managing Director Foster Finley will provide an overview of their work and core recommendations. He noted the following: the recommendations center around a key strategy: refocusing the MTA Agencies to prioritize customers and to provide the customer service that our customers expect and deserve. These recommendations will help us do just that: reduce operating costs and free up our staff to focus on our core mission – delivering a strong customer experience across all the MTA.

There is a vast amount of work remaining, from continued recruitment, developing a detailed implementation roadmap and ensuring effective employee engagement as we embark on this transformation. Today is the first step of many.

Chairman Foye stated that in June, we invited representatives of Kawasaki to attend this Board meeting. We have had a long-standing relationship with Kawasaki and they have successfully delivered on several major car procurements for the MTA in the past. At the same time, the M9 railcars for LIRR are a major priority, which were discussed at the Long Island Rail Road and Metro North Railroad Committee on Monday, July 22nd. We have asked Yoshinori Kanehana, President and CEO, Kawasaki, HQ (Japan) and his colleagues to join us today to discuss the schedule challenges and how we can most effectively address them.

There will be an opportunity for the Board to ask questions in today's agenda, but I wanted to acknowledge and welcome him here today.

Chairman Foye then introduced NYCT President Andy Byford to speak to the challenges of the past two weeks.

NYCT President Byford reported on how NYCT addressed the recent NYCT challenges, the July 13, 2019 blackout; the July 19th Automatic Train Supervision failure; Court Square Outside Projects; and flash flooding. There was a discussion among Chairman Foye, NYCT President Byford and Board Members Robert Mujica, Lawrence Schwartz, Sarah Feinberg, John Samuelsen and Neal Zuckerman regarding Automatic Train Supervision system failures, software bugs, software vendors and issues, software costs regarding delays, and technology investment.

Chair Foye then recognized two leaders at the MTA who are retiring.: Michael Fucilli, our Auditor General, will be retiring in August. Mike has over 26 years of service with the MTA family, joining NYC as an Auditor III in September 1992. Mike has over 38 years of internal auditing experience in the private and public sector. He should be proud of the service he's provided to the region and the State.

Mark Hoffer, our Vice President & General Counsel at LIRR is retiring this month. Mark has 32 years of public service, including at the NYC Economic Development Corporation, the NYC Department of Environmental Protection and The Port Authority of New York and New Jersey. Chairman Foye stated that he worked with Mark and relied on his counsel on countless Port issues involving New York Harbor.

Chairman Foye thanked Michael Fucilli and Mark Hoffer for their service.

2. Public Speakers

Lucille Songhai, MTA Assistant Director Government Affairs, after reviewing safety procedures for the meeting, stated that there were 42 public speakers registered to speak at the meeting. She reminded all public speakers about the two-minute time limit.

One public speaker spoke about matters relating to LIRR.

Mary Parisen-Lavelle, Chair of Citizens United for Railroad Environmental Solutions ("CURES") thanked Board Member John Samuelsen for bringing forward issues CURES has been raising, including waste, fraud and abuse in LIRR procurement and contracting. She thanked Chairman Foye for referring those issues to MTA Inspector General Carolyn Pokorny and thanked Inspector Pokorny for addressing CURES' concerns. Ms. Parisen-Lavelle commented that CURES applauds Governor Cuomo and the MTA Board for tackling procurement and contracting deficiencies and that the public and this Authority are not well-served when LIRR managers are insulated from substantive standards of performance, compliance and public accountability. She commented that the documents CURES produced to

Inspector General Pokorny show citizens actively petitioning MTA and LIRR in good faith for redress of serious and needless air quality, safety, and quality of life problems from freight rail operations within the MTA system. The documents show citizens asking MTA and LIRR to keep promises they made to state elected officials to purchase the cleanest switcher locomotives and replace their freight concessionaires' old switchers; and the documents show citizens providing information to MTA and LIRR, and working for funding and support to facilitate implementation of practical, 21st century improvements that the railroads, their customers, residents and workers need.

Board Member Lawrence Schwartz commented that during the public portion of this meeting he had an opportunity to speak with Managing Director Hakim about the upcoming 5-year Capital Program. The Program will include the construction of elevators at 50 additional subway stations, which was part of NYCT *Fast Forward* program. Board Member Schwartz requested, with the assistance of Board Member Mujica, that we accelerate the construction of these additional elevators built at the 50 additional stations by moving the funding source from the next five-year Capital Program into the current Capital Program. He also commented that MTA should develop performance metrics on elevators and escalators that we currently have in subway stations presently and monitor its operability and reliability.

Chairman Foye responded that this is an excellent idea and goal, he looks forward to working with him and with Board Members Mujica and Feinberg; he has a few thoughts as well and suggested an off-line discussion with other interested Board Members.

Board Member Veronica Vanterpool commented that she supported this idea. Her understanding is that our existing Capital Program is fiscally constrained. She asked that the State advance the \$1.1 billion that is remaining, and that New York City provide its capital contribution to the Program.

Board Member Mujica commented that Board Member Schwartz asked us to look at the current Capital Plan, what projects had not been finished or started. We reviewed that and shared that review with the Board. While there are a lot of accessibility projects that have been started, some were late and are not yet completed. We also have projects that haven't been started in the Capital Plan even though fully funded. Board Member Mujica commented that we would like to advance and speed up that Capital Plan as fast as possible. The monies that were committed are there. The issue is one of execution and he thinks that is part of what we are discussing today: how do we make the system overall both commit to projects and execute those projects faster? We need to accelerate these projects and we are fully committed to make that money available.

Chairman Foye asked Board Member Mujica to confirm his understanding that the \$7 billion is appropriated and available; the MTA is calling on \$3 billion of the \$7 billion and the Budget Director for the State of New York has told us the money is available.

Board Member Mujica responded that the money is available and ready to be spent.

The details of the speakers' comments and Board discussion 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. M9 Update

Chairman Foye welcomed and introduced the following Kawasaki representatives: Yoshinori Kanehana, President and CEO, Kawasaki, HQ (Japan); Kazutoshi Honkawa, President, Rolling Stock Company, Kawasaki, (Japan); Akira Matsufuji, Vice President, Rolling Stock Company, Kawasaki, (Japan); Hiroshi Murao, Executive Officer, Marketing, Rolling Stock Company, Kawasaki, (Japan); and Yoichiro Araki, President, Kawasaki (USA).

Chairman Foye thanked Kawasaki President and CEO Kanehana and his team for attending today's meeting and briefing the Board on the status of the M9 rail cars.

He stated that their attending today's meeting - coming all the way from Japan - confirms Kawasaki's commitment to getting this done right.

A safe and reliable fleet is a critical component of customer service. No one will argue just how complex rail car design and builds are as we challenge car builders to continuously improve upon previous designs but when done right, the benefits to the LIRR and the riders are huge.

We have contracted for 202 cars with Kawasaki, which will increase service reliability, car reliability and enhance the customer experience.

Currently we are in "Operational testing" which is an essential phase of any car build as it puts a new fleet through all the daily rigors of a railroad's operational and customer needs. The trains are run throughout the system as if it were in revenue service but without customers aboard.

Chairman Foye stated that there have been two main issues that have arisen which have prevented the cars from going into service in May, as he had previously stated. One is a software fix for the Automatic Speed Control ("ASC") system; the other is for a remedy for the Automated Station Identification ("ASI") system. The good news is that fixes have been developed for both. As a result, we expect the 4000-mile testing to resume tonight, a week earlier than previously thought.

Kawasaki and their subs continue to produce cars in Lincoln, Nebraska. Currently we have 41 cars in New York; 21 are on LIRR property for testing, of which two are being used for training. Twenty are located at the Kawasaki Yonkers facility for final assembly.

Key staff from Kawasaki and the LIRR continue to communicate daily and their executive leaders meet with us on a weekly basis, more frequently if needed to ensure proper direction to staff.

Based on the recent progress, Chairman Foye stated that he is comfortable in saying that Kawasaki is in the final stages of delivering a revenue-ready fleet. Additionally, with operational testing set to resume today, we should expect the first set of cars in service soon.

Chairman Foye acknowledged that LIRR has been demanding but that Kawasaki expects no less of yourselves. We both want to provide a safe and reliable fleet that we will all be proud of and LIRR riders can enjoy.

Kawasaki President and CEO Kanehana thanked the MTA Board for inviting his team to today's meeting. He is President and CEO of Kawasaki Industries, the corporate parent of Kawasaki Railroad Car ("KRC"), Yonkers, NY. He briefed the Board on his background and working relationship with LIRR. KRC is performing the M-9 contract with LIRR and is aware that the MTA Board has been frustrated about the delays on the M-9 project. He welcomed this opportunity to address the Board's concerns about progress on the M-9 project. When Chairman Foye called me to ask that he attend this meeting, he immediately agreed to come. To help demonstrate Kawasaki's respect for the MTA Board and its seriousness about working with LIRR to fulfill the M-9 Contract, he was joined by Kazutoshi Honkawa, President, Rolling Stock Company, Kawasaki, (Japan); Akira Matsufuji, Vice President, Rolling Stock Company, Kawasaki, (Japan); Hiroshi Murao, Executive Officer, Marketing, Rolling Stock Company, Kawasaki, (Japan); and Yoichiro Araki, President, Kawasaki (USA) and Mr. Anthony Carizio, KRC Program Manager for the M9 project.

As various Board Members noted, Kawasaki President and CEO Kanehana commented that Kawasaki cares about the budget. He is proud that Kawasaki's relationship with the MTA Agencies goes back 40 years. MTA and its agencies are very important customers and we have allocated constant resources and attention to budget for MTA projects to maintain a good and sustainable relationship with MTA and MTA Agencies. As Board Member Brown noted last June, Kawasaki has historically manufactured some of the best and most reliable vehicles in the fleet at each of MTA's Agencies. On any project, issues come up because the railcars are complex and specially designed for each contract and customer. Kawasaki has always been able to work together with our customers to resolve challenges and to deliver on our contracts. On behalf of himself and the Kawasaki team, we are committed to continuing such work on the M-9 project. The M-9 project has issues, but Kawasaki has been working diligently to recover as much time as possible and to take proactive measures to prevent recurrence. Kawasaki is gratified that LIRR's President acknowledged last month the excellent progress that Kawasaki and LIRR have achieved together on the M-9 project, recognizing that there is more to do and that we need to continue to work together to resolve the issues. Last month, 70% of the issues identified by LIRR were closed. Since then, another 7% have been closed and there have been no new issues. Regarding the remaining outstanding issues, solutions have been established and we are applying them now. Automated Station Identification, Automatic Speed Control and operational testing of the first 14 M-9 cars will resume tonight. LIRR and Kawasaki have established a prompt decision-making regime to support testing to address any unforeseen circumstance. Also, Kawasaki is mobilizing resources on-site for resolution of any issue during testing. Assuming all goes well, and no issues arise, Kawasaki is confident that we will achieve functional acceptance of our first cars in August. Given the complexity of the M-9 cars, and the

requirements placed on Kawasaki by LIRR, we believe that Kawasaki has been providing excellent service under the contract as it has for MTA for decades. Kawasaki has been working diligently to satisfy LIRR's requirement for M-9 cars and Kawasaki has been making substantial progress despite the issues along the way. He committed that Kawasaki will continue to do so, understanding that LIRR needs these rail cars as soon as possible. LIRR and Kawasaki will continue further verification and testing prior to conditional acceptance. Kawasaki shares the goal set by LIRR that M-9 cars should be reliable from day one of passenger service and can expect such goal will be accomplished. Kawasaki is very proud of the M-9 cars and hopes that the MTA Board, LIRR President Philip Eng and LIRR commuters are reassured that Kawasaki will continue to work very hard to satisfy the high expectations of its customers.

Board Member Law thanked Kawasaki President and CEO Kanehana and his team for his reassuring words and showing Kawasaki's respect to this Board. He asked if any of the delays with the M-9 will create any delays for any other MTA projects, such as the M-8 for Metro-North or the R211 for NYCT.

Kawasaki President and CEO Kanehana responded if any delay happens on M-9 cars, all the other projects will be affected, so it is very important for us to keep schedule on M-9 cars. This is why we increased our resources and put the core vendors on the site. If anything happens, we will promptly respond to the problem.

Board Member Susan Metzger commented that we are always looking forward to having Kawasaki products on our properties because they are immensely reliable. She thanked him not only for coming today but for addressing our concerns as quickly as he did. She is very happy to hear that testing will start tonight.

Board Member Andrew Albert commented that this is great news; he has always been a fan of Kawasaki railcars. He thanked the Kawasaki team and wished them continued success.

Board Member J. Samuelsen asked whether the R211 will be timely and keep to schedule.

Yoichiro Araki, President, Kawasaki (USA) responded that the R211 is on or ahead of schedule. We have completed all the preliminary design reviews and are in the stage of critical design review.

Board Member Samuelsen commented that in getting the award for the R211, Kawasaki agreed to abide by the U.S. Employment Plan, which requires compliance with local hiring and workforce development and other issues.

President Araki responded that Kawasaki just completed its first audit by the MTA to make sure those requirements are in compliance.

Chairman Foye commented that Kawasaki has a significant facility in Yonkers, New York employing New Yorkers and the MTA is very focused on that.

Board Member Samuelson asked how many people are employed in Yonkers.

President Araki responded that Kawasaki has 500 employees in Yonkers.

Board Member Brown asked for a description of the technical issue regarding Automated Station Identification.

Mr. Araki responded the last thing Kawasaki is doing is fine-tuning the exact station location to make sure the timing of the announcement is correct.

Board Member Brown asked will that same technique be applied to the R211.

President Araki responded it is very similar.

Chairman Foye thanked the Kawasaki team for attending today's meeting.

The details of the M-9 Update and 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.

4. Presentations

- MTA Transformation Report

AlixPartners Managing Director Foster Finley and Director James Blaeser presented the MTA Transformation Plan ("Plan") to the Board for approval.

Mr. Finley reported that the State Legislature directed the MTA to develop a personnel and reorganization plan by June 30, 2019. The Plan includes impacts and savings which relate to business processes and cost reduction-related ideas.

Mr. Foster discussed the rationale and goals of the Plan: (1) Why? The MTA seeks to improve service levels across the network, which will require a sustainable improvement in business performance and cost reduction; (2) What? The MTA and the Board will transform the way it does business to become more efficient and effective; (3) How? By refocusing Agency responsibility on safety, operations and maintenance of assets and lines; centralization of construction and development functions; the creation of a new Engineering function, a new central Customer function and the centralization of all operations support functions; and (4) Who and When? The MTA and the Board will need to recruit a Managing Director/Chief Operating Officer, a Chief Engineering Officer; and a Chief Transformation Officer within 18-24 months.

Mr. Finley discussed the design of the Plan, to deliver a renewed focus on service delivery for customers, improve business processes within the organization and lower total cost.

Mr. Finley discussed at length the Plan's five foundational principles: (1) centralize; (2) simplify; (3) standardize; (4) plan; and (5) empower.

He also discussed the focus of the Agencies' primary functions supported by safety, customer service, operations and maintenance and what AlixPartners thinks are some of the major areas where the benefits of consolidation make sense: construction and development, engineering, customer-focused communications, operations standards and services on an MTA-wide basis.

Chairman Foye thanked AlixPartners for their presentation.

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

Chairman Foye asked to move the adoption of the MTA Transformation Plan and Board Resolution with a modification. Page 25 of the Plan presents the Board with a choice as to the reporting lines of the Chief Operating Officer-Managing Director. He believes that the Chief Operating Officer-Managing Director should report to the Board and Chief Executive Officer and that Ronnie Hakim is MTA's Managing Director and fully supports Ronnie having dual reporting to both him and the Board.

Following Board Members' discussions and comments, and upon motion duly made and seconded, the Board approved the Transformation Plan and Board Resolution with the foregoing modification. Board Member Veronica Vanterpool voted no and Board Member David Jones abstained from the vote.

5. Chief Financial Officer Presentation to a Joint Session of the Board and Finance Committee (no vote required)

- July Financial Plan 2020-2013

MTA Chief Financial Officer Foran, presented the July Financial Plan 2020-2023 to the Board. He discussed the MTA budget process, the changes since the February Financial Plan, highlights of the July Plan, MTA Transformation Plan and the 2020 Preliminary Budget.

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

6. Committee on Finance

Procurement Items

The Board was presented with seven procurement items, one of which related to LIRR:

Competitive Procurement:

- **Various – All Agency Procurement of Maintenance, Repair and Operating Supplies * Related Products and Services – Contract No. 11751 - Competitively negotiated – 12 proposals – 60 months with 2 one-year options – Not to Exceed \$12,200,000**
 - (a) Fastenal Company
 - (b) 128-13 Rockaway Blvd Corp d/b/a/ Ozone Park Lumber
 - (c) WW. Grainger, Inc.

Real Estate Items

The Board was presented with 13 real estate items, four of which related to LIRR:

- **License Agreement with Shiekh & Sons Inc.** – Agency: LIRR; Lessee – Shiekh & Sons, Inc.; Location – Lynbrook Station, Lynbrook, NY; Activity – License of retail space for the sale of coffee, newspapers and sundry items; Action Requested – Authorization to enter into a license agreement; Term – five (5) years, subject to termination on sixty (60) days’ notice; Licensed Area – Concession area at location comprising of approximately eighty (80) square feet; Compensation - \$13,500 for license year 1, with three (3)% annual increases throughout the term.
- **License with Muhammad M. Afzal** – Agency: LIRR; Licensee - Muhammad M. Afzal; Location – Garden City Station, Garden City, New York; Activity – License of retail space for the sale of coffee, newspapers and sundry items; Action Requested – Authorization to enter into a license agreement; Term – five (5) years, subject to termination on sixty (60) days’ notice; Licensed Area – Concession area at location comprising of approximately sixty-five (65) square feet; Compensation - \$4,500 for license year 1, with three (3)% annual increases throughout the term.
- **License with Farat Ahmad** - Agency: LIRR; Licensee - Farat Ahmad; Location – Baldwin Station, Baldwin, New York; License of retail space for the sale of coffee, newspapers and sundry items; Action Requested – Authorization to enter into a license agreement; Term – five (5) years, subject to termination on sixty (60) days’ notice; Licensed Area – Concession area at location comprising of approximately 80 square feet; Compensation - \$18,900 for license year 1, with three (3)% annual increases throughout the term.
- **License with Newsstation Inc for retail space at Nassau Boulevard Station** - Agency: LIRR; Licensee - Newsstation Inc, the principal of which is Iqbal Mozawalla; Location – Nassau Boulevard Station, Garden City New York; License of retail space for the sale of coffee, newspapers and sundry items; Action Requested – Authorization to enter into a license agreement; Term – five (5) years, subject to termination on sixty (60) days’ notice; Licensed Area – Concession area at location comprising of approximately sixty-five (65) square feet; Compensation - \$6,804 for license year 1, with three (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.

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

Action Items

8. Chair Law commented that there was a discussion at the Meeting of the Committee on Metro-North Railroad and Long Island Rail Road regarding the Governor's letter on homelessness. It was discussed that homelessness is not just a NYCT subway issue, but also a problem at suburban rail stations on Long Island. Chair Law stated that he was disappointed with the press release that showed the Task Force is focused on NYCT. He requested that this Board and Managing Director Hakim review this matter.

One MTACC action item was presented to the Board:

- The purchase of a Pollution Legal Liability Insurance Policy to insure MTA's risk of losses arising out of government-mandated remediation of, and third-party claims for damages arising from, environmental contamination at, on or migrating from Amtrak's right-of-way that MTA uncovers while performing work on the Penn Station Access Project for a Not-To-Exceed Amount of \$400,000.

Upon motion duly made and seconded, the Board approved the foregoing action item, with Commissioner Law recusing himself, 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 (3) procurement items for approval, recommended to the Board by the Committee on Metro-North Railroad and Long Island Rail Road, one (1) of which related to LIRR:

- **Competitive Requests for Proposals (Solicitation of Purchase and Public Works Contracts)** - LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal ("RFP") procurement method pursuant to Section 1265-a of the Public Authorities Law to award a contract for the design, manufacture, test and delivery of Train Simulator systems for each of its M7/9, Dual Mode Locomotive and C3 fleets.

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. Approval of Minutes

Chairman Foye asked for a motion to approve the minutes of the Regular Board Meeting of June 26, 2019. Board Member Robert Linn noted that he worked for Edward I. Koch and not Edward I. Lock. Upon motion duly made and seconded, the minutes of the Regular Board Meeting of June 26, 2019 were approved with the noted correction.

10. Committee on Finance

Action Item:

The Board was presented with the following action item from the Committee on Finance which related to the LIRR:

- **Kronos Inc.** – Board approval is requested to modify a contract with Kronos, Inc. to provide additional hardware, software, and consulting services necessary to support MTA's expansion and full deployment of state-of-the-art Kronos time and attendance systems at MTA locations. The additional deployments will be performed for an amount not-to-exceed \$20 million.

Mr. Wael Hibri, Senior Vice-President Shared Services - MTA along with Adam Pollock, Managing Director - AlixPartners briefed the Board on MTA timekeeping and attendance. The projects' parallel workstreams, clock installs, employees enrolled, policy and reporting were discussed. He stated that 80% of MTA employees now have access to Biometric clocks with 95% planned by the end of August. The progress of each Agency registration and enrollment and MTA's policy and business rules were discussed.

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

9. Adjournment

Chairman Foye asked for a motion to adjourn the meeting. Upon motion duly made and seconded, the Board voted to adjourn the meeting at 1:15 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'S. Papandon', with a long horizontal stroke extending to the right.

Stephen N. Papandon,
Acting Secretary

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

BOARD MINUTES

July 24, 2019

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
July 24, 2019

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

9:00 a.m.

Hon. Patrick J. Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. David R. Jones
Hon. Linda A. Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David S. Mack
Hon. Susan G. Metzger
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica, Jr.
Hon. Lawrence S. Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

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

The following member was absent:

Hon. Rhonda Herman

Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, New York City Transit Authority, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel F. DeCrescenzo, Jr., Acting President, Triborough Bridge and Tunnel Authority, Craig Cipriano, Acting President, MTA Bus Company and Acting Senior Vice President, New York City Transit Department of Buses, and Lucille Songhai, 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 stated that each operating agency president was asked to perform a full review of their overtime procedures and regulations currently in place and that overtime data is under review. He discussed employee availability, a driver of overtime, and will ask agency presidents to focus on availability to understand its impacts and to try to increase it. Chairman and CEO Foye discussed the July Financial Plan and stated that the capital program could be the largest ever due to Central Business District (CBD) Tolling. Despite cost-reduction efforts, the MTA is still facing significant operating budget deficits. While the Governor and the leaders and members of the state legislature have shown tremendous leadership in passing CBD Tolling to help fund the next MTA Capital Program, no new funding source for operations has been identified. Since 2010, Robert Foran, MTA Chief Financial Officer, and his team have identified over \$2.5 billion in recurring savings. This year, with the implementation of aggressive cost reduction efforts, another \$350 million in annually recurring savings from all agencies and headquarters has been identified. At the last Financial Plan update, the forecasted deficit in 2022 reached nearly \$1 billion. Since then, there have been some key developments that affect those future forecasts – particularly the development of the MTA Transformation Plan. Chairman and CEO Foye concluded his remarks by acknowledging the retirements of Michael Fucilli, MTA Auditor General, and Mark Hoffer, Long Island Rail Road Vice President and General Counsel.

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 forty-two (42) public speakers. David Gellman discussed reopening the Henry Hudson Bridge upper level pedestrian pathway.

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. AlixPartners MTA Transformation Plan

Foster Finley and Jim Blaeser of AlixPartners presented the MTA Transformation Plan. Mr. Finley stated that AlixPartners was tasked by the state legislature to develop the MTA Transformation Plan, which is a blueprint for recommended changes. It redirects the agencies to focus on operations and can be implemented within 18-24 months. A Chief Transformation Officer will be appointed to assist during the transition. Upon a motion duly made and seconded, the MTA Transformation Plan was approved by a vote of ten (10) in favor, one (1) vote in opposition by Commissioner Vanterpool and one (1) abstention from Commissioner Jones.

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

4. CFO Presentation to the Board

MTA Chief Financial Officer Robert Foran presented and discussed the MTA 2020 Preliminary Budget and July Financial Plan for 2020 through 2023, which includes a \$62 million investment to reduce fare evasion and an increased physical presence to begin fare evasion enforcement (500 uniformed officers: NYPD, MTA Police and Bridge and Tunnel Officers) at 50 subway stations and 50 bus routes. The Manhattan District Attorney's Office will fund \$40 million over a four-year period.

The details of Mr. Foran's presentation and the discussions with regard to same 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.

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

Procurements

Commissioner Lacewell stated that there are six (6) procurements totaling \$41.4 million.

Non-Competitive Procurements

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

Competitive Procurements

Commissioner Lacewell stated that there are six (6) competitive procurements totaling \$41.4 million.

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

Contractors to be Determined	Contract No. GFM-534 TBTA is seeking Board approval under the All Agency General Procurement Guidelines to declare competitive bidding to be impractical and/or inappropriate and authorize TBTA to enter into a competitive Request for Proposal process for Contract GFM-534 to obtain Miscellaneous Electrical Construction Services on an As-Needed Basis at Various Authority Facilities. The budget for these as yet defined projects is \$20,000,000. The duration will be four years.	Cost to be Determined
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Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)

Various	Contract No. GFM-525X TBTA is seeking Board approval under the All Agency General Procurement Guidelines to award public work contracts via the competitive Request for Proposal process for Miscellaneous Cleaning & Painting on an As-Needed Basis at Various Authority Facilities.	\$20,000,000.00
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Personal Service Contracts

Parsons-HNTB JV	Contract No. PSC-18-3019 TBTA is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract for the Design Services for Project AW-X3, Structural Health Monitoring Plan and Weigh-in-Motion System to Parsons-HNTB JV.	\$2,093,614.00
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Modifications to Personal Service Contracts and Miscellaneous Service Contracts

Conduent State and Local Solutions	Contract No. PSC-05-2741 TBTA is seeking Board approval under the All Agency Service Contract Procurement Guidelines to amend personal service Contract No. PSC-05-2741 with Conduent State & Local Solutions to support the Central Business District Tolling Program.	\$15,100,000.00
Ammann & Whitney and WSP, JV	Contract No. PSC-16-2996 TBTA is seeking Board approval in accordance with the All Agency Service Contract Procurement Guidelines to amend personal service Contract No. PSC-16-2996 with Amman & Whitney and WSP JV for Construction Support Services.	\$2,299,178.00
WSP/URS a Joint Venture	Contract No. PSC-12-2906 TBTA is seeking Board approval under the All Agency Service Contract Procurement Guidelines to amend Contract PSC-12-2906, Design Services for Reconstruction of the Upper and Lower Level Toll Plazas and Southbound Approach at the Henry Hudson Bridge with WSP/URS a Joint Venture for additional construction support services for Project HH-88B/HH-13A, Reconstruction of Upper and Lower Level Toll Plazas and Southbound Approach at Henry Hudson Bridge and Lighting Replacement at Northbound/Southbound Henry Hudson Parkways.	\$1,875,382.00

Ratifications

Commissioner Lacewell stated that there are no ratifications.

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

6. Approval of Minutes of Regular Meeting June 26, 2019

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on June 26, 2019 were approved.

7. Timekeeping Modernization Presentation

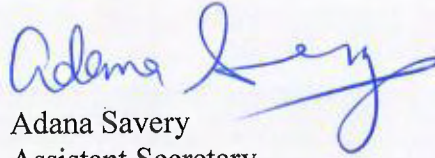
Wael Hibri, MTA Senior Vice President Shared Services, presented an update on the timekeeping modernization initiative and discussed biometric timekeeping clocks.

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

8. **Adjournment**

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 1:15 p.m.

Respectfully submitted,



Adana Savery
Assistant Secretary

**Regular Board Meeting
MTA Capital Construction Company
2 Broadway
New York, NY 10004
Wednesday, July 24, 2019
9:00 AM**

The following members were present:

Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Susan Metzger
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica
Hon. Lawrence Schwartz
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

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

The following member was absent:

Hon. Rhonda Herman

Veronique Hakim, Managing Director, MTA; Janno Lieber, Chief Development Officer, MTA/President, MTA Capital Construction; Helene Fromm, Chief of Staff, MTA; Robert Foran, Chief Financial Officer, MTA; Thomas J. Quigley, General Counsel, MTA; Wael Hibri, Senior Vice President Shared Services of the Business Service Center, MTA; Andrew Byford, President, NYCT; Phillip Eng, President, Long Island Rail Road; Catherine Rinaldi, President, Metro-North Railroad; Daniel DeCrescenzo, Acting President, TBTA; Craig Cipriano, Acting President, MTA Bus; Evan Eisland, Executive Vice President, General Counsel and Secretary, MTA Capital Construction; David Cannon, Vice President, Chief Procurement Officer and Assistant Secretary, MTA Capital Construction; and, Lucille Songhai, Assistant Director, Government Affairs, MTA 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 (“Chairman”) Patrick Foye called the meeting to order.

Chairman and Chief Executive Officer’s Remarks

Chairman Foye’s Opening remarks are contained in the minutes of the Regular Meeting of the Metropolitan Transportation Authority of this date.

Public Comment Period

There were forty-two (42) public speakers, none of whom spoke on MTA Capital Construction matters.

The names of the public speakers, their remarks and any Board Member comments and discussion 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.

Presentation on the MTA Transformation Plan

Foster Finley of AlixPartners provided a presentation on the MTA Transformation Report that Alix Partners prepared, and a discussion amongst Board members followed.

Details of AlixPartners presentation and the Board Members’ discussion and comments thereto are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority of this date.

Upon motion duly made and seconded, with Board Member Vanterpool voting no and Board Member Jones abstaining, the Board:

Approved the MTA Transformation Plan, which includes recommendations for MTA-wide reorganization activities, changes to the business processes, and other cost reduction opportunities to meet the Legislative mandate of New York Public Authorities Law §1279-e.

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

Chief Financial Officer Presentation To A Joint Session of the Board and Finance Committee

MTA Chief Financial Officer Robert Foran presented the MTA’s 2019 Mid-Year Forecast, 2020 Preliminary Budget and the July Financial Plan 2020-2023. A discussion among Board members followed.

The details of the presentation and the Board members’ comments with respect thereto are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on this date.

Finance Committee

Procurement

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

Approved a modification to All-Agency Contract No. 92396 (Kronos Timekeeping System – Hardware, Software, Training and Consulting) with Kronos Inc. to provide additional hardware, software and consulting services necessary to support MTA’s expansion and full deployment time and attendance systems at MTA locations for the amount not-to-exceed \$20M.

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.

Real Estate

Upon motion duly made and seconded the Board took the following actions:

1. Authorized MTA Capital Construction, the Metropolitan Transportation Authority, the Long Island Rail Road and Metro-North Railroad to enter into a Construction Agreement and related agreements with JP Morgan Chase (“JPMC”) relating to the redevelopment by JPMC of its global headquarters at 270 Park Avenue and the mitigation of the redevelopment project’s impact on Metro-North Railroad and East Side Access facilities in and around Grand Central Terminal.
2. Authorized MTA Capital Construction and the Metropolitan Transportation Authority to enter into a Master Acquisition Agreement, an Easement Agreement, a Design and Construction Agreement and related agreements with 415 Madison Avenue LLC relating to 415 Madison Avenue and providing for the design and construction of a street level entrance at 48th St.

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

New York City Transit and Bus Committee

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

1. A modification to Contract C-26009 (Track, Signals, Traction Power and Communication Systems for the Second Avenue Subway Project) with Comstock-Skanska, JV to extend the Substantial Completion Date and to resolve claims asserted by the contractor, including all claims for delay and associated impact costs for the total of \$8.5M.
2. A modification to Contract C-26010 (96th Street Station Finishes for the Second Avenue Subway Project) with E.E. Cruz and Tully Construction Company, JV to extend the Substantial Completion Date and to resolve claims asserted by the contractor, including all claims for delay and associated impact costs for the total of \$14M.
3. A modification to Contract C-26011 (72nd Street Station Finishes, Mechanical, Electrical and Plumbing Systems, Ancillary Building and Entrances for the Second Avenue Subway Project) with Judlau Contracting Inc. to address impact costs associated with excusable and compensable time extensions granted by Modification 388 for the total amount of \$9.47M.

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

Metro-North and the Long Island Rail Road Joint Committee

Action Item

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

Purchase of a Pollutions Legal Liability Insurance Policy to Pollution Legal Liability Insurance Policy to insure the MTA against risks associated with environmental contamination that could be encountered in connection Penn Station Access Project for a not-to-exceed amount of \$400,000.

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

Procurement

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

The use of a competitive Request for Proposal procurement method pursuant to New York Public Authorities Law §1265-a to award a contract for the design, manufacture, test and delivery of Train Simulator Systems for each of its M7/M9, Dual Mode, Locomotive and C3 fleets (ESA related).

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.

Approval of Minutes

Upon motion duly made and seconded, the Board approved the minutes of the MTA Capital Construction Company and the amended minutes of the Regular Board Meeting of the Metropolitan Transportation Authority held on June 26, 2019.

Time Keeping Update Presentation

Wael Hibri, Senior Vice President of the MTA Business Service Center gave an update and presentation of the new Time Keeping initiative. A discussion amongst Board members followed.

Details of Sr. Vice President Hibri's presentation and the Board Members' discussion and comments are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority of this date.

Adjournment

Upon motion duly made and seconded, the Board voted to adjourn the public meeting at 1:15 p.m.

Respectfully submitted,



David K. Cannon
Assistant Secretary

**Metropolitan Transportation Authority
Minutes of
Special Board Meeting
2 Broadway
New York, NY 10004
Friday, August 16, 2019
12:00 p.m.**

The following members were present:

**Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica
Hon. Lawrence Schwartz
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

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

The following members were absent:

**Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Robert W. Linn
Hon. David Mack
Hon. Susan Metzger
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool**

Veronique Hakim, Managing Director, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel DeCrescenzo, Acting President, TBTA, Craig Cipriano, Executive Vice President Business Strategies and Operations Support, MTA Bus Company and Leah Flax, Associate Staff Analyst, Strategy & Customer Experience, 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.

1. CHAIRMAN FOYE’S REMARKS.

Chairman Foye welcomed everyone to the August Special Board meeting.

The Chairman acknowledged the subway service disruption that began at approximately 7:00 a.m. this morning, which he stated was due to the discovery, by two NYPD Counterterrorism police officers, of two rice cookers on the mezzanine and platform levels of the Fulton Street Station of the #2 and #3 lines, near the John Street entrance. Chairman Foye stated that the NYPD discovered the devices and responded quickly. New York City Transit and NYPD worked seamlessly in responding to the incident, and MTAPD and NYSP were also on the scene. The NYPD will soon release to the public a picture of the person of interest, and the Chairman urged anyone who recognizes the person to immediately call or report it to the NYPD. Chairman Foye stated that members of TWU Local 100, as always, rose to the occasion closing the affected areas, notifying customers, suggesting alternate transportation options and returning the #2 and #3 to service.

Details of the Chairman’s comments are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

2. POST-ALIXPARTNERS / MTA FINANCIAL STATUS UPDATE.

Chairman Foye stated that on July 24th, the Board adopted the AlixPartners Transformation Plan, which is a blueprint of the agency’s restructuring efforts. The Chairman stated that the plan promises to save hundreds of millions of dollars by centralizing and simplifying the organization to build a more cost-effective, efficient MTA that customers deserve.

Chairman Foye stated that the MTA is doing everything to cut costs, noting that the agency’s initiative to reduce professional, technical and advisory service costs by 10% has reached an important milestone. The Chairman stated that earlier this year, the MTA required all vendors providing certain services to produce a 10% reduction in the per-hour unit rate. The agency has reached nearly \$70 million in hard savings achieved over multiple years, which is close to the initial goal of \$75 million in savings. Chairman Foye thanked the MTA Chief Procurement Officer, David Ross, NYCT Senior Vice President of Procurement, Steve Plochochi, and all the agency procurement teams who have been invaluable in supporting and delivering these savings.

Chairman Foye stated that \$70 million in savings is impressive, but it is not nearly enough. The Chairman stated that last month it was reported that, without the AlixPartners’ savings the agency faces a deficit of nearly \$200 million in 2020 and nearly \$1 billion in 2021.

Chairman Foye stated that there is a lot of work to do and that transformation is a piece of the puzzle. The Chairman stated that the Citizens Budget Commission recently reported its concerns that the MTA may even be optimistic in its Transformation Plan savings. The report warns that the:

“MTA’s financial outlook is bleak. Even if everything goes according to plan, the Authority will run substantial cash deficits in coming years, reaching a cumulative total of more than \$700 million in 2023. Importantly, it is unlikely that all will go according to plan. The Transformation Plan and Budget Reduction Program, the MTA’s major instruments for reducing budget gaps, face serious implementation challenges, wage costs may rise above anticipated levels, and an economic downturn could undermine revenues.”

To that end, Chairman Foye stated that the agency is laser focused on squeezing every ounce of savings it can get from a fully centralized and streamlined organization. As part of the efforts to meet cost cutting targets, agencies continue its review of service guidelines and are reviewing the possibility of new subway and bus service adjustments in the fall, beginning as early as the September Board meeting, which the Chairman stated is painful for all but it is the reality. Chairman Foye stated that the magnitude of the agency’s deficits is so substantial that the MTA cannot take anything off the table.

Details of the Chairman’s remarks relating thereto are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

3. PUBLIC SPEAKERS SESSION.

Leah Flax, Associate Staff Analyst, Strategy & Customer Experience, reviewed the emergency safety procedures protocol, reminded speakers of the two (2) minute speaking limit, and called speakers attention to the countdown clock and the warning light, which will come on alerting speakers that thirty (30) seconds remain to conclude their remarks.

The following eight (8) speakers commented during the public speakers’ session. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the content of speakers’ statements.

Jean Ryan, Disabled In Action
Lisa Daglian, PCAC
Rachael Fauss, Reinvent Albany
Tony Murphy, People’s MTA
Sheila Binesh, PCAC
Jason Pinerio, private citizen
Eric Legel, TWU
Robert Acevedo, Disabled in Action

Chairman Foye thanked the speakers for their comments. The Chairman stated that he would like to focus on one theme raised in the public comment period; transparency and process as it relates to the MTA’s next Capital Program. The Chairman stated that he believes that some have lost sight of the extensive outreach that has already occurred at NYCT, LIRR and Metro-North on the upcoming Capital Plan. Chairman Foye stated that in 2018 the agencies released detailed, comprehensive printed long-range plans for the next Capital Plan, Fast Forward, Long Island Railroad Forward and Metro-North Way Ahead were released between May and October of 2018. This was the first time the agencies presented detailed long-ranged plans and modernization strategies to the public. These

plans included major capital needs and priorities for the next five to ten years. Chairman Foye stated that, as part of these outreach efforts, NYCT, LIRR, and Metro-North also embarked on an aggressive public engagement campaign, and have held collectively over 100 public meetings, including town halls, forums and meet the Station Managers events, to describe the agency's transportation vision, next Capital Plan, and what it means for NYCT, LIRR and Metro-North. For example, the Chairman stated that President Byford and his team have held over 140 Fast Forward meetings since last May when the Plan was released. Chairman Foye stated that public outreach must be a key part of how the agency engages on the Capital Plan, and he highlighted that the conversation has been started with a new approach. Chairman Foye stated that Managing Director Veronique Hakim and other colleagues met with transit advocates yesterday to discuss how to provide public input into the next Capital Plan process and that the discussion was productive. The agency looks forward to continuing to work with public advocates and looks forward to public comments as the draft Capital Plan is presented to the public.

Details of the Chairman's remarks relating thereto are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

4. POSITIVE TRAIN CONTROL UPDATE.

Chairman Foye invited Thomas Quigley, MTA General Counsel, to provide an update on Positive Train Control ("PTC").

Thomas Quigley stated that the MTA has been in discussion with the Siemens and Bombardier Positive Train Control Consortium over the last several months regarding meeting the Federal Railroad Administration's ("FRA") December 2020 deadline for the installation of PTC. Mr. Quigley stated that he is being cautiously optimistic in reporting that the MTA has reached an agreement in principle with the Consortium. The CEO of Siemens previously gave the Board assurances that the Consortium would do whatever it takes to meet the FRA deadline. Mr. Quigley stated that the Consortium, backing up their assurance, has agreed to cover any actual damages incurred by the railroads in the event the FRA deadline is missed due to the fault of the Consortium, with certain limitations. In exchange the MTA will forbear from initiating debarment proceedings at this time, pending meeting the FRA deadline. Mr. Quigley stated that all parties have been working in good faith but that devil is always in the details and MTA hopes to have a definitive agreement with the Consortium on these issues within the next week.

Details of General Counsel Quigley's comments are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

5. TIME AND ATTENDANCE REPORT.

Chairman Foye stated that Carrie Cohen, a Partner at Morrison & Foerster, has submitted her firm's report of findings and recommendations as it relates to Overtime Policies and Procedures. The Chairman stated that the MTA engaged Morrison & Foerster earlier this year to examine relevant MTA policies and procedures relating to time and attendance.

Ms. Cohen thanked the Chairman, Board Members and the public for inviting her to present her firm's report on overtime policies and procedures. Ms. Cohen also thanks the MTA for engaging Morrison & Foerster to conduct this important review of the MTA's policies and procedures. Ms. Cohen thanked the Morrison & Foerster team members, who she said worked tirelessly to provide the MTA with objective facts and tangible recommendations, and she proceeded to introduce the team members. Ms. Cohen also thanked all the MTA and Agencies' staff, who she said graciously gave their time and were very patient with the many questions during the review. In addition, Ms. Cohen thanked MTA Inspector General Carolyn Pokorny and her staff who Ms. Cohen said were incredibly generous and helpful in the process of conducting the review.

Ms. Cohen stated that first she will provide some brief comments relating to the report, including the report's general assessment of the overtime issues faced by the MTA and its recommendation. Following the presentation, Ms. Cohen stated that she will gladly entertain all questions relating to the report.

Ms. Cohen stated that, as Chairman Foye noted, the firm was asked to prepare a report, and she noted that the firm did not investigate overtime received by any particular individual. Ms. Cohen stated that the firm focused its attention on MTA's policies and procedures, and the firm drew no conclusions about whether particular overtime payments were justified or fraudulent. Ms. Cohen stated that it is the firm's understanding from public reports that law enforcement is looking into those issues and the issues were therefore not part of the firm's mandate. Nevertheless, Ms. Cohen stated that it is the firm's conclusion, as detailed in the report, that the complete lack of controls and failure to have accountability for overtime leaves the MTA extremely vulnerable to fraud, waste and abuse, and does little to deter it. As detailed in the report, the MTA's controls and timekeeping metrics are weak, and thus Ms. Cohen stated that the MTA is not able to determine why overtime payments have increased so rapidly or whether there is a widespread problem with fraud, waste and abuse. Ms. Cohen stated that the MTA lacks many of the basic systems necessary to track overtime effectively. There is no uniform MTA-wide system for tracking and monitoring timekeeping, attendance or overtime. Ms. Cohen stated that, with few exceptions, the MTA relies on antiquated manual timekeeping systems that do not provide real-time insight into critical workforce benchmarks, including overtime utilization, employee assignments and productivity. Ms. Cohen stated that these inadequate systems historically have hindered management from creating a culture of accountability. Ms. Cohen stated that for years, the MTA leadership at all levels has been on notice of management's failure to address overtime issues and has permitted these failure to continue unabated without any accountability. Ms. Cohen stated that it is her firm's hope that the reports will be used to address these issues in a serious and through manner, and she stated that it is with that spirit that the firm makes the recommendations in its report.

Ms. Cohen stated that the methodology that the firm used to conduct its review is set forth on page 4 of the report, and that the findings are set forth in the body of the report, some of which she stated have already been reviewed. Ms. Cohen stated that the firm's review details at least a decade of studies by public auditors and non-governmental watchdog groups, all of which have shown a systemic inefficiency and lack of accountability in tracking and managing overtime at the MTA. Ms. Cohen stated that these failures persist today, suggesting, among other things, that these studies were not given adequate or

sufficient consideration by MTA management and leadership. MTA's leadership and management need to be held accountable for implementing changes to address the findings and recommendations in these reviews, as well as the recommendations set forth in the report.

Also set forth in the report are examples of experiences of other major urban transit authorities relating to overtime and suggested best practices that can be gleaned from how other major transit authorities have dealt with overtime issues. Drivers of overtime are also set forth in great detail in the report, beginning on page 26.

Ms. Cohen that she will provide an overview of the recommendations, as set forth on page 48, which she indicated included fifteen very specific comprehensive recommendations specifically tailored to address the findings in the firm's review.

Ms. Cohen stated that it is imperative that the recommendations be considered by MTA leadership and management and by the MTA Board. In particular, Ms. Cohen stated that the firm has made recommendations regarding a timeline for implementation, the increased involvement of the MTA Board in overtime issues, increased oversight and monitoring by the MTA IG, and the appointment of identified individuals at MTAHQ to monitor how the recommendations set forth in the report are implemented.

As is evident from the report, Ms. Cohen stated that the MTA faces major challenges and broad systemic inefficiencies that drive overtime. Every MTA agency has faced historically high workloads, especially during the past two years, and in order to minimize disruption of service much of the work has had to be performed at night and on weekends, which leads to overtime payments. Ms. Cohen stated that overtime is also driven by certain collective bargaining provisions and work rules, which lack modern justification and constrains management's ability to assign work in the most cost-effective manner. Ms. Cohen recommended that management review the work rules and work with the unions in labor negotiations to resolve these issues. Chronically high employee absences across the MTA, as well as vacancies within certain divisions, also create a large number of shifts that must be staffed on overtime. In the face of these systemic challenges, Ms. Cohen stated that it is extremely difficult for management to control overtime, especially given the lack of visibility caused by non-uniform overtime policies and procedures, inefficient and outdated processes, and the resulting lack of real-time data. Ms. Forester noted that of the five major agencies that are within this review, only the smallest agency, MTA Bridges & Tunnels, appears to manage overtime to budget consistently. The lack of visibility and real-time metrics also makes it difficult to determine the extent to which there may be fraud and abuse, especially for those receiving large amounts of overtime pay.

MTA management and leadership need to commit to making changes to meet these challenges, and the report makes a number of recommendations in that regard. Ms. Cohen briefly summarized a few recommendations, which included: standardization of the timekeeping and overtime policies and procedures; implementation of Kronos Biometric Clocks across all MTA agencies and greater attention to managing to budget for overtime by management and leadership at all levels. Ms. Cohen stated that the public of course places a high demand on management and all MTA employees to maintain and improve service levels in an aging transit system that must run twenty-four hours a day, every day of

the year. Management needs the resources and incentives to do a very difficult job and do it within budget. The transparency on these issues will only increase the public's visibility into the overtime issues.

Ms. Cohen thanked the Chairman and the Board for hiring her firm to conduct this important review and for the attention that the Board will give the recommendations outlined in the report, and she offered to answer any questions the Board may have relating to the report.

Details of the presentation and Board Members' comments and questions relating thereto are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

6. AGENCY PRESIDENTS UPDATE

NYCTA. President Byford thanked the Chairman for the opportunity to provide highlights and updates. Reporting on subway performance in July, President Byford stated that the overall trend of ongoing performance improvements have continued on a moving annual average despite challenging occurrences during the month. Most metrics have improved year-over-year although they decreased slightly compared to the highs reached in June 2019. Specifically, President Byford stated that weekday on-time performance for July 2019 was 81.1%, compared to 66.6% in July 2018, which is a small decrease from the previous month's performance, and is attributed to three major incidents that occurred in July. President Byford stated that the good news is that this is the 11th consecutive months in which subways met their delay reduction target. The major delays include the Con Ed power failure, the ATS failure, and the major switch issue in Brooklyn. President Byford stated that three major construction projects have been completed along the N Line in Brooklyn. President Byford reported that good progress is being made with buses, citing the one year anniversary of the express route redesign in Staten Island. President Byford stated that other accomplishment include the resumption of service on the express tracks on the 4th Avenue Line in Brooklyn and the ongoing work on various projects on Staten Island continues to move forward. On a less positive note, President Byford expressed his frustration, saying that although NYCT has successfully launched the Select Bus Service ("SBS") on 14th Street, NYCT has not yet been able to implement the Bus Way initiative with the Department of Transportation due to legal challenges. However, President Byford stated that NYCT has moved forward with the Automated Bus Lane Enforcement ("ABLE") System on the M15 SBS route, which enables NYCT to capture real-time bus lane violations. President Byford stated that ABLE is currently in the trial phase and that he is looking forward to the implementation of ABLE across the network. With respect to security, President Byford stated that NYCT has implemented contract guards at Herald Square and is focused on working with various agencies, including the NYPD, to make sure that homeless people received the help they need and that NYCT can provide the clean, safe and controlled station environment that customers expect and deserve. In terms of fare evasion, President Byford stated that there are huge amounts of work going on, including deployment of B&T Officers, who are conducting fare evasion enforcement on regular bus service, and the MBTA Officers, who will be performing Regular Bus Service ("RBS") patrols in the Bronx and Staten Island.

Chairman Foye thanked President Byford for the update and asked him to provide the Board and the public with a brief sense of how many Fast Forward and new Capital Plan meetings NYCT has had since the Fast Forward Plan was released in May 2018.

President Byford stated that NYCT has had approximately 200 meetings.

LIRR. President Phillip Eng thanked the Chairman and the Board for the opportunity to provide a brief update on the work being done at LIRR.

President Eng stated that LIRR is in the midst of a monumental summer and it is not slowing down. This weekend LIRR will be replacing the South Tyson Avenue Bridge as part of the Main Line Expansion Project, which will increase capacity, improve service for a growing ridership and improve reliability and system flexibility. The railroad is also using more innovative means to complete the projects in record time. President Eng stated that in a few weeks, LIRR will reach another major milestone with the push-in of a new bridge at Covert Avenue, using hydraulic jacks, which will be the second grade-crossing elimination this summer, and President Eng stated that none of these accomplishments could be done without LIRR's partners in Labor, MTA Capital Construction and the Design-Build Team, 3TC. President Eng stated that at the same time LIRR continues to focus on the elevation of the customers' experience, with the implementation of the new Express Mothers' Nursing pod, which was widely well-received; the LIRR Care Program, which has reached over 2,600 requests; and the Meet the Managers Program under which there have been over 240 visits across all of the LIRR's 124 stations. President Eng stated that with all the work being done in the system, LIRR understands that customer communication is a top priority. LIRR believes that the new GPS train finding tool, myLIRR, is the best way for customers to find real-time information in one place, and President Eng continues to encourage riders to use the tool for real-time information. In the past few weeks LIRR has replaced hundreds of concrete ties along the main line, upgraded switches along high-priority locations, and completed drainage work at critical interlockings. President Eng stated that LIRR is aware that balancing its heavy construction season and high levels of service does come with challenges, with slower speeds through construction zones for safety and signal tracking along some of LIRR's busiest stretches of track. While LIRR's on-time performance in July was 89.9%, the on-time performance for the year is 93%, compared to 90% in 2018. President Eng stated that the railroad is seeing a consistent improvement compared to past years. The improvement is on top of a growing ridership, with year-to-date ridership increasing by over one million riders compared to 2018. The LIRR Forward initiative and modernization projects like Double Track are demonstrating the immense value to improving reliability and flexibility for the riders. President Eng stated that LIRR has a lot of ongoing important work, and more to come, and the railroad continues the commitment to modernize and improve. President Eng thanked the riders for their patience and understanding.

Chairman Foye thanked President Eng for his report.

Metro-North Railroad. President Rinaldi stated that, as one of the guiding principles of the railroad's Way Head Strategic Plan, safety continues to drive the railroad's actions and decisions. President Rinaldi stated that she is happy to report that Metro-North has

reached another milestone in its PTC implementation. This past Wednesday, Metro-North began running trains and extended revenue service demonstration on the Danbury Branch in Connecticut, which is a significant milestone for the project. President Rinaldi recognized the hard work and dedication of the Metro-North personnel who helped in this initiative. Whether it's implementing PTC, Expanding Tracks, which is Metro-North's community outreach program to educate and promote rail safety, or strengthening the employee safety programs, Metro-North continues to see the positive results of all of these efforts. President Rinaldi stated that during the month of June, Metro-North saw a decline in both customer and employee injuries. Year-over-year compared to June of 2018, customer injuries are down 6% and employee injuries are down 24%, which is a significant decrease. At Metro-North nothing is more important than putting customers' and employees' safety first. President Rinaldi stated that Metro-North's service delivery during the month of July was at 92.4%, slightly below Metro-North's goal of 93% and entirely driven by performance on the New Haven Line. The Hudson Line was above goal at 93.6%, the Harlem Line was above goal at 94.2%, and the New Haven Line was below at 90.3%, which was primarily due to several thunderstorms that resulted in downed trees that impacted service delivery. As part of the track maintenance program, President Rinaldi stated that Metro-North has a very robust and aggressive tree trimming program and that Metro-North appreciates customers' patience and understanding during weather events. Along with the focus on safety, Metro-North continues to invest in its infrastructure to ensure safe and reliable train service. One of the Way Ahead initiatives called Smart Tracks, where multiple work groups gain uninterrupted access to one track at a time to get work done has been a success. Work taking place as part of Metro-North's Smart Track initiative includes track and drainage improvements, rail replacement, installation of new ties and switches and general cleanup of the right-of-way, which has allowed Metro-North to make great progress in improving the rail infrastructure on the New Haven and Harlem Lines. As a customer services outgrowth of the Smart Tracks Program, President Rinaldi stated that with one track out of service in that area and reduced capacity, Metro-North had cancelled a local train but added station stops at affected stations to other trains. As part of Way Ahead, Metro-North has monthly Customer Connect with Us Forums, and one was held at Woodlawn in July, where a number of customers expressed their displeasure with their substitute train service because of overcrowding and a lack of seats. President Rinaldi stated that after further review of this situation, Metro-North made some adjustments, which ultimately proved to be satisfactory to the customers. President Rinaldi stated that one of the drivers of some of the on-time performance issues that Metro-North was experiencing last year was a spate of unattended packages issues. If these unidentified package issues occurred at the wrong time of the day and location, they can have a real impact on on-time performance and service delivery. President Rinaldi stated that rather than holding trains in stations for the arrival of K-9 units, which can cause delays, Metro-North has tried to, in certain key locations, move trains into a nearby yard and install ramps that the K-9 units can access, enabling police to access trains without disrupting service. Metro-North has installed ramps in Stamford, North White Plains and Croton Harmon, and will be unveiling a comparable ramp in the Brewster Yard next week, which will improve service delivery.

Chairman Foye thanked President Rinaldi for her report.

MTA Bridges & Tunnels (B&T). Acting President DeCrescenzo stated that in July

Special Board Meeting
August 16, 2019

traffic continued to increase at B&T, and reported that part of the collision mitigation measures B&T installed included friction overlay treatment at the Verrazano Bridge, where many accidents were occurring, targeting the upper level Brooklyn-bound portion of the bridge. Acting President DeCrescenzo stated that in August, the Whitestone Bridge will receive the same treatment. With respect to fare evasion, Acting President DeCrescenzo stated that in August B&T started the full deployment of B&T Officers at the bus stations, and yesterday B&T arrested a person who was known for harassing a Bus Operator.

Chairman Foye thanked Acting President DeCrescenzo for his report.

Details of the Agency Presidents' presentations are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Chairman Foye invited Board Member Mujica, who stated that he missed Mr. Quigley's update on PTC, to speak. Board Member Mujica asked Mr. Quigley to provide a recap on the PTC status.

Mr. Quigley reiterated his earlier comments, saying that he is cautiously optimistic in reporting that the MTA has reached an agreement in principle with the Consortium. The CEO of Siemens previously gave the Board assurances that the Consortium would do whatever it takes to meet the FRA deadline in December 2020. As a result of extensive discussions, the Consortium has agreed in principle to cover any actual damages incurred by the railroads in the event the FRA deadline is missed due to the fault of the Consortium, with certain limitations. In exchange, the MTA will forbear from initiating debarment proceedings at this time, pending meeting the FRA deadline. Mr. Quigley stated that all parties have been working in good faith and that the MTA hopes to have a definitive agreement with the Consortium on these issues within the next week.

Board Member Mujica stated that the Legislature passed the Debarment Statute, which requires the MTA to commence debarment when a vendor is either late or over budget. Board Member Mujica stated that while an agreement in principle is good, until the MTA has a definitive agreement in writing, he wants to make sure that the MTA moves forward with proceedings that are required under the Statute. Board Member Mujica stated that he also wants to make sure that any agreement MTA enters into holds the vendors financially accountable for non-performance.

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

7. SUBWAY ACTION PLAN PRESENTATION.

Chairman Foye invited Sally Librera, Senior Vice President, NYCT Department of Subways, to discuss the accomplishments of the Subway Action Plan. Chairman Foye stated that the Subway Action Plan was a response to the Governor's declaration of a state of emergency for the subways, and its success is demonstrated by improvements in subway performance over the last year.

Ms. Librera provided an update on the Subway Action Plan, highlighting some of the successes of the program and discussing how the program has strengthened the organization.

Details of the presentation and Board Members' comments and questions relating thereto are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

8. MTA TASK FORCE UPDATES.

Chairman Foye invited Managing Director Veronique Hakim to provide reports on MTA Task Forces.

With respect to the Fare Evasion and Workers Safety Task Force, Managing Director Hakim stated that the MTA completed a plan that was required by Statute. The major goal of the Task Force is to get customers to pay their fare. Ms. Hakim stated that in June the MTA began the deployment of MTAPD and B&T Officers, Members of Transit's Eagle Team, and the NYPD, and as of August 5th, the Task Force was fully deployed to the 50 top fare evasion subway stations and bus routes. The Task Force has also employed a significant communication campaigns, which are running system-wide and intended to engage the public to do the right thing.

Ms. Hakim stated that the second goal of the Task Force is to enhance workers' safety, as everyone is outraged at the incidents of assaults on the workers. To support this initiative, the MTA has worked with the TWU to identify service locations that are viewed as having a higher safety risk, and has been providing law enforcement presence at those location. The MTA has already heard that the presence of uniformed personnel on buses has given the bus operators a greater sense of safety and security.

Ms. Hakim stated that, as requested, the Task Force will come back to the Board in October with preliminary measurements on the effects on the fare evasion, which will be based on early data. Ms. Hakim stated that the anecdotal evidence is encouraging, as discussions with staff and the public indicate that they appreciate the enhanced presence provided by Task Force Officers and behaviors appear to be improving. The Task Force will continue to evaluate the effectiveness and modify its activities as appropriate.

With respect to the Train Speed and Safety Task Force, Ms. Hakim stated that this initiative was announced on July 26th to address opportunities to further the work of New York City Transit's review of historical subway speed restrictions and other elements of modernization that may lead to better travel time for the customers. Ms. Hakim stated that the members of this task force include the Chair Jane Garvey, former FAA Administrator; Robert Lauby, former FRA Chief Safety Officer; Tony Utano, President, TWU Local 100; President Byford; Patrick Warren, Chief Officer of Safety and Emergency Management; and Thomas Quigley, MTAHQ General Counsel.

Ms. Hakim stated that this review is being undertaken in collaboration with Engineering Support from STV and STV's Executive Chairman, who is personally involved with the project, and NYCT, including participation of representatives of TWU, Local 100. The

intent is to see if there are opportunities to improve the safe and efficient operating speeds for trains in the system or make other improvements to travel time. The effort follows on the work already being undertaken by President Byford and his transit team on Save Safe Seconds. Ms. Hakim stated that early indicators are that there may be further opportunities, which will be vigorously pursued. The STV team has just issued its first draft preliminary interim report that highlights certain opportunities. Ms. Hakim stated that this report is currently under review by the Task Force, which will be following up within the next couple of weeks, and will continue to be followed by further plans to implement any further improvements. The goal is to bring a final report by the end of September with an action plan.

Details of Managing Director Hakim's presentation are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

9. **MTA TRANSFORMATION.**

Chairman Foye stated that governance will be critical to ensuring that the agency moves through transformation swiftly but judiciously and is held accountable for delivering the bottom-line savings and better results that customers deserve. Transformation will require a multitude of decisions and the Chairman stated that the report presented by Mildred Chua, Director and Program Executive for Enterprise Asset Management, lays the initial groundwork for what must be done. Chairman Foye stated that a Board Task Force for Transformation will be created to ensure proper communication, clear accountability, and effective decision-making. The agency plans to leverage best practices, part of which will include bringing in outside expertise to become best-in-class. While senior management and a Transformation Office will be singularly focused on improving the structure, processes and systems at the MTA for the benefit of the customers, the agency recognizes that the people ultimately responsible for delivering change on a day-to-day basis are the men and women who work here every day. Chairman Foye stated that, over time, we will all be asked to work in different ways and in different reporting structures, and to deliver different results, and are asking our colleagues to be open to these changes. The Chairman stated that he is looking forward to working together with everyone to deliver the transformed MTA that customers deserve.

Chairman Foye turned to Mildred Chua, who he stated has been a key leader and project facilitator in what has now become the MTA Transformation Project to provide an update on progress to-date.

Mildred Chua stated that, over the past few months, the MTA has been working closely with AlixPartners, which undertook the largest review in the history of the organization and provided the MTA a blueprint for change. This effort was completed on June 30th.

Ms. Chua stated that the Plan was approved by the Board on July 24th, which set the MTA on a course toward becoming a best-in-class organization that is efficient, effective and laser focused on giving customers the system they deserve. Ms. Chua stated that at this time, AlixPartners has concluded their engagement with the MTA with the completion of three additional reports that were delivered on July 31st: a Cashflow Analysis, a 2014-19 Capital Program Review, and a Fraud, Waste and Abuse Report. All the reports are posted

on the MTA website. Ms. Chua proceeded by providing an overview of Transformation Plan.

Following Ms. Chua's presentation, Robert Foran, Chief Financial Officer, discussed the importance of the Transformation savings.

Details of the presentation and Board Members' comments and questions relating thereto are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

10. **ADJOURNMENT.** Upon motion duly made and seconded, the Board voted to adjourn the meeting at 2:30 p.m.

The Chairman announced that the next Board meeting is on Wednesday, September 25, 2019.

Respectfully submitted,

Victoria Clement
Assistant Secretary

Staff Summary

Page 1 of 3

Subject
Payroll Mobility Tax Obligation Resolution for Submission to the Capital Program Review Board
Department
Finance
Department Head Name
Robert E. Foran, Chief Financial Officer
Department Head Signature
<i>[Signature]</i>
Project Manager/Division Head
Patrick J. McCoy, Director, Finance <i>PM</i>

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	9/23			
2	Board	9/25			

Internal Approvals			
Order	Approval	Order	Approval
3	Chairman <i>[Signature]</i>		Civil Rights
2	Chief of Staff <i>[Signature]</i>	1	Legal <i>[Signature]</i>
	Chief Financial Officer		Administration
	Procurement		Other

Purpose:

To obtain Finance Committee and TBTA Board approval of the annexed resolution authorizing the submission of the PROPOSED Payroll Mobility Tax Obligation Resolution, Standard Resolution Provisions for Payroll Mobility Tax Obligations and Supplemental Standard Resolution Provisions for Payroll Mobility Tax Second Lien Obligations (collectively, the "PMT Obligation Resolution") to the Metropolitan Transportation Authority Capital Program Review Board ("CPRB") for approval. Upon approval by the CPRB, a complete and final set of PMT Obligation Resolution Documents will be resubmitted to the Finance Committee and the TBTA Board for formal adoption.

Discussion and Background:

On May 7, 2009, legislation was enacted in New York State providing additional sources of revenues in the form of taxes, fees and surcharges to address the financial needs of the MTA (the "May 2009 Legislation"). The law (Chapter 25 of the Laws of 2009) among other things:

- (1) imposed a payroll mobility tax (the "Payroll Mobility Tax") of 0.34 percent on payroll expenses and net earnings from self-employment within the MTA Commuter Transportation District ("MCTD") (effective as of March 1, 2009, except school districts, effective September 1, 2009) (the "Payroll Mobility Tax Revenues");
- (2) imposed a supplemental fee of one dollar for each six-month period of validity of a learner's permit or a driver's license issued to a person residing in the MCTD (effective September 1, 2009);
- (3) imposed a supplemental fee of twenty-five dollars per year on the registration and renewals of registrants of motor vehicles who reside within the MCTD (effective September 1, 2009);
- (4) imposed on taxicab owners a tax of fifty cents per ride on taxicab rides originating in New York City and terminating within the MCTD (effective November 1, 2009); and

- (5) imposed a supplemental tax of five percent of the cost of rentals of automobiles rented within the MCTD (effective June 1, 2009), which was increased to six percent effective June 1, 2019.

The new revenues described in bullets (2) through (5) above, comprised of the supplemental fee on learner's permits and driver's licenses, supplemental fees on the registration and renewal of motor vehicles, the taxicab surcharge, and the supplemental tax on auto rentals, are collectively referred to as the "Aid Trust Account Revenues".

Chapter 25 of the Laws of 2009 provided that the Payroll Mobility Tax Revenues may be: (i) pledged by MTA to secure and be applied to the payment of bonds to be issued in the future to fund capital projects of MTA, its subsidiaries, and MTA New York City Transit and its subsidiary and (ii) used by MTA to pay capital costs, including debt service, of MTA, its subsidiaries and MTA New York City Transit and its subsidiary. Subject to the provisions of any such pledge, or in the event there is no such pledge, the Payroll Mobility Tax Revenues may be used by MTA to pay for costs, including operating costs, of MTA, its subsidiaries and MTA New York City Transit and its subsidiary.

Chapter 25 of the Laws of 2009 further provided that the Aid Trust Account Revenues may be pledged by MTA or pledged to MTA Bridges and Tunnels to secure debt of MTA or MTA Bridges and Tunnels. Subject to the provisions of such pledge, or in the event there is no such pledge, the Aid Trust Account Revenues may be used by MTA for the payment of operating and capital costs of MTA, its subsidiaries and MTA New York City Transit and its subsidiary as MTA shall determine.

On December 9, 2011, Governor Cuomo signed into law legislation (the "December Legislation") that made changes to the Payroll Mobility Tax. These amendments to the May 2009 legislation eliminated or reduced the Payroll Mobility Tax imposed within the MCTD for certain taxpayers. The December Legislation further expressly provided that any reductions in transit aid attributable to these reductions in the payroll mobility tax "shall be offset through alternative sources that will be included in the state budget" (the "PMT Revenue Offset").

Since the December Legislation, there have been additional amendments to the Payroll Mobility Tax. Revenues from the Payroll Mobility Tax are not subject to appropriation, but are payable directly to MTA twice a month pursuant to an amendment in the 2015-2016 State Enacted Budget. The PMT Revenue Offset, however, is subject to appropriation. Beginning in State Fiscal Year 2019-2020, the Aid Trust Account Monies are no longer subject to appropriation, but will be paid on a quarterly basis to MTA.

MTA Finance staff, working with external Bond Counsel and its Financial Advisors, have drafted the annexed Payroll Mobility Tax Obligation Resolution, Standard Resolution Provisions for Payroll Mobility Tax Obligations and Supplemental Standard Resolution Provisions for Payroll Mobility Tax Second Lien Obligations which comprise the fundamental legal documents for the establishment of a new Payroll Mobility Tax Credit pledging all of the above described revenues, as well as providing for the ability to pledge additional revenues to secure Second Lien Obligations if needed. In order to finance transit and commuter projects in an approved MTA Capital Program, TBTA is required by Section 553(20) of the Public Authorities Law to submit such documentation to the CPRB for review and approval prior to the additional formal adoption thereafter by the TBTA Board.

Payroll Mobility Tax (PMT) Credit Highlights:

- Senior and Subordinate Liens Revenue Pledge: Payroll Mobility Tax Revenues, PMT Revenue Offset, Aid Trust Account Revenues.
- Debt Service Set-Aside: Monthly 1/6th interest and 1/12th principal.
- Additional Bonds Test: 2.5x Senior Maximum Annual Debt Service and 1.75x aggregate Maximum Annual Debt Service.
- Resolution authorizes bonds solely for approved Capital Program Transit and Commuter Projects.
- Aid Trust Account Revenues are diversified between activity and type (transactional and non-transactional).
- After monthly set aside, excess Payroll Mobility Tax Revenues are available for debt service on Transportation Revenue Bonds and then transit and commuter operating expenses.
- Non-impairment covenant of State in TBTA Act.

Recommendation:

It is recommended that the TBTA Board approve the annexed resolution authorizing submission of the DRAFT Payroll Mobility Tax Credit documents to the CPRB for review and approval. Upon approval by the CPRB, MTA Finance staff will seek final TBTA Board adoption of the Payroll Mobility Tax Credit documents incorporating any requested changes from the CPRB.

Staff Summary

Page 1 of 2

Subject
State and City Sales Tax Obligation Resolution for Submission to the Capital Program Review Board
Department
Finance
Department Head Name
Robert E. Foran, Chief Financial Officer
Department Head Signature
<i>[Signature]</i>
Project Manager/Division Head
Patrick J. McCoy, Director, Finance <i>PJM</i>

Date
September 25, 2019
Vendor Name
Contract Number
Contract Manager Name
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Board Action					
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Internal Approvals			
Order	Approval	Order	Approval
3	Chairman <i>[Signature]</i>		Civil Rights
2	Chief of Staff <i>[Signature]</i>	1	Legal <i>[Signature]</i>
	Chief Financial Officer		Administration
	Procurement		Other

Purpose:

To obtain Finance Committee and TBTA Board approval of the annexed resolution authorizing the submission of the proposed Special Obligation Resolution Authorizing Sales Tax Revenue Obligations (Statewide and Citywide Sales Tax), Standard Resolution Provisions and Supplemental Standard Resolution Provisions (collectively, the "Sales Tax Obligation Resolution") to the Metropolitan Transportation Authority Capital Program Review Board ("CPRB") for approval. Upon approval by the CPRB, a complete and final set of Sales Tax Obligation Resolution Documents will be resubmitted to the Finance Committee and the TBTA Board for formal adoption.

Discussion and Background:

In April 2019, legislation was enacted in New York State providing additional sources of revenues to address the capital needs of the MTA, including portions of statewide and citywide sales and compensating use taxes. The legislation, among other things, provided that the following taxes be made available for deposit into the Central Business District Capital Lockbox Fund to be applied to the payment of operating, administration and other necessary expenses properly allocable to the central business district tolling program, including the planning, designing, constructing, installing or maintaining thereof, and the costs of any transit and commuter capital projects included within the 2020 to 2024 MTA Capital Program or any successor programs approved by the CPRB:

- (1) Statewide sales and compensating use taxes in an amount equal to (a) \$125 million for State Fiscal Year 2019-2020, (b) \$150 million for State Fiscal Year 2020-2021, and (c) 101% of the preceding State Fiscal Year's amount for each State Fiscal Year thereafter; and
- (2) Citywide sales and compensating use taxes in an amount equal to (a) \$127.5 million for State Fiscal Year 2019-2020, (b) \$170 million for State Fiscal Year 2020-2021, and (c) 101% of the preceding State Fiscal Year's amount for each State Fiscal Year thereafter.

MTA Finance staff, working with external Bond Counsel and its Financial Advisors, have drafted the annexed Special Obligation Resolution Authorizing Sales Tax Revenue Obligations (Statewide and Citywide Sales Tax), Standard Resolution Provisions and Supplemental Standard Resolution Provisions, which comprise the fundamental legal documents for the establishment of a new Sales Tax Special Obligation Bond Credit pledging all of the above described sales and compensating use taxes, as well as providing for the ability to pledge additional revenues to secure Second Lien Obligations, if needed.

In order to finance transit and commuter projects in an approved MTA Capital Program, TBTA is required by Section 553(20) of the Public Authorities Law to submit such documentation to the CPRB for review and approval prior to the additional formal adoption thereafter by the TBTA Board.

Sales Tax Credit Highlights:

- Senior and Subordinate Lien Revenue Pledge: Statewide and Citywide Sales Taxes (does not include the 3/8ths of 1% regional sales tax, which is pledged to other bond credits).
- Additional Bonds Test: Statutory Allocations in each State Fiscal Year sufficient to pay principal and interest on Senior Lien Obligations and Second Lien Obligations.
- Resolution authorizes bonds solely for central business district tolling program operating and maintenance expenses and capital needs and approved Capital Program Transit and Commuter Projects for 2020 to 2024 and subsequent programs.
- Non-impairment covenant of State in TBTA Act.

Recommendation:

It is recommended that the TBTA Board approve the annexed resolution authorizing submission of the DRAFT Statewide and Citywide Sales Tax Credit documents to the CPRB for review and approval. Upon approval by the CPRB, MTA Finance staff will seek final TBTA Board adoption of the Statewide and Citywide Sales Tax Credit documents incorporating any requested changes from the CPRB.

PROCUREMENTS

The Procurement Agenda this month includes 11 actions for a proposed expenditure of \$207M.

Staff Summary



Page 1 of 1

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
September 13, 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	9/23/2019	X		
2	Board	9/25/2019	X		

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

PURPOSE:

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

DISCUSSION:

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

Schedules Requiring Majority Vote:

Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts 2 \$ 6,932,978
Awarded as Contracts for Services

SUBTOTAL 2 \$ 6,932,978

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote:

Schedule F: Personal Services Contracts 1 \$ 159,177,000
Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts 7 \$ 38,700,000
Awarded as Contracts for Services

SUBTOTAL 8 \$ 197,877,000

MTAHQ presents the following procurement actions for Ratification:

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions

1 \$ 1,911,737
SUBTOTAL 1 \$ 1,911,737
TOTAL 11 \$ 206,721,715

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.

MTA Form R0050 - 5/07

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.

SEPTEMBER 2019

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

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

- | | | |
|----|---|---|
| 1. | Brush Industries, Inc.
Refurbishment of MetroCard
Turnstiles Swipe Read/Write Head Assemblies
Contract No. 6030070657, Modification No. 9
Base Amount: \$3,514,958
Current Value: \$4,512,161
Proposed New Contract Value: \$7,496,985 | \$2,984,824
(not-to-exceed)

<u><i>Staff Summary Attached</i></u> |
|----|---|---|

Board approval is sought to extend the term of a non-competitive miscellaneous service contract with Brush Industries, Inc. (Brush) for three years to continue repair and refurbishment of NYCTs existing 4,800 Metro-Card Turnstile Magnetic Swipe Read/Write (SRW) Head Assemblies. The total estimated expenditures for this modification is \$2,984,824. This modification will continue proper maintenance on SRWs until the New Fare Payment system (NFPS) replaces the MetroCard system. This Modification No. 9 will increase the current contract from \$4,512,161 to \$7,496,985.

- | | | |
|----|---|---|
| 2. | Giesecke + Devrient Currency
Technology America, Inc.
Upgrade of Four BPS High Speed
Counter/Sorter/Strappers Interfaced to the
Consolidated Revenue Facility Cash Settlement
System
Contract No. 600000000022410, Modification No. 7
Base Amount: \$761,988
Current Value: \$3,398,637
Proposed New Contract Value: \$7,346,791 | \$3,948,154
(not-to-exceed)

<u><i>Staff Summary Attached</i></u> |
|----|---|---|

Board approval is sought for a six- year extension to the current 12-year term of a sole-source miscellaneous service contract with Giesecke + Devrient Currency Technology America Inc. (G&D) for preventive and remedial maintenance, upgrade and refurbishment of four high speed counter/sorter/strappers in the not to exceed amount of \$3,948,154. The three primary units are located at the Ridgewood Consolidated Revenue Facility (CRF), and one backup unit is located at the Revenue Control Maspeth Disaster Recovery Site.

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts



Item Number: 1

Page 1 of 1

Vendor Name (& Location): Brush Industries 301 Reagan St, Sunbury, PA
Description: Refurbishment of MetroCard Turnstiles Swipe Read/Write Head Assemblies
Contract Term (including Options, if any): October 1, 2012 – June 30, 2022
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 type="checkbox"/> Other:
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: EMD/Acting Chief Officer Robert Moakler

Contract Number: PO# 6030070657	AWO/Modification # 9
Original Amount:	\$ 3,514,958
Prior Modifications:	\$ 997,203
Prior Budgetary Increases:	\$
Current Amount:	\$ 4,512,161
This Request:	\$ 2,984,824
% of This Request to Current Amount:	84%
% of Modifications (including This Request) to Original Amount:	113%

DISCUSSION

Board approval is sought to extend the term of a non-competitive miscellaneous service contract with Brush Industries, Inc. (Brush) for three years to continue repair and refurbishment of NYCTs existing 4,800 Metro-Card Turnstile Magnetic Swipe Read/Write (SRW) Head Assemblies. The total estimated expenditure for this modification is \$2,984,824. This modification will continue maintenance on SRWs until the new fare payment system (NFPS) replaces the MetroCard system.

The Department of Subways - Electronics Maintenance Division (EMD) requires a contract to refurbish NYC Transit's turnstile MetroCard swipe read/write head assemblies. The required services include disassembly, cleaning and inspection of roller block assemblies, replacement of read-write magnetic heads with new ceramic read – write heads, replacement of worn out grooved ceramic base plates with new ceramic coated base plates (when required), installing new connectors, clamps, heat shrink tubing and cable ties, reassembling head assemblies and performing functional swipe tests to ensure that read-write heads work properly. Refurbishment is required because the swiping of MetroCards wears away the read write head material over time. NYC Transit has approximately 7,200 Swipe Read/Write and Read Only heads in the subway system and another 900 in inventory.

In September 2012, the Board approved the award of a three-year non-competitive miscellaneous services contract to Brush to refurbish NYC Transit's Turnstile MetroCard Swipe Read/Write Head (SRW) assemblies in the estimated amount of \$3,514,958. Brush is the original manufacturer and sole provider of this service. Modifications to this contract have been issued to add new and/or updated replacement components and to extend the contract through June 2019.

While MetroCards utilizing magnetic head swipe assemblies remain in service, they are scheduled to be decommissioned starting in 2023 as new NFPS devices are installed. Brush's contract services must continue through decommissioning to minimize customer disruption by out-of-service SRWs and to facilitate the transition to the NFPS.

Brush submitted their original quote as \$631.20 per unit. After negotiations with Procurement and the NYCT Cost Price Unit, Brush agreed to lower their unit price from \$631.20 to \$616.63. For 4,800 units, this equates to a total change from \$3,054,760 to \$2,984,824; a savings of \$69,936. Brush is holding this price firm for the next three years. In addition, this negotiated unit price is 10% below the 2018 established contract price. Based on the information above, the pricing for the refurbishment and additional components is deemed fair and reasonable.

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

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: **2**

Page 1 of 1

Vendor Name (& Location): Giesecke + Devrient Currency Technology America, Inc.		Contract Number: 600000000022410	AWO/Modification # 7
Description: Upgrade of Four (4) BPS High Speed Counter/Sorter/Strappers Interfaced to the Consolidated Revenue Facility (CRF) Cash Settlement System		PO Number(s): 6030321036	
Contract Term (including Options, if any): October 1, 2007 – September 30, 2025		Original Amount:	\$761,988
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Prior Modifications: 1-6	\$2,636,649
Procurement Type: <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive		Prior Budgetary Increases:	\$0
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other:		Current Amount:	\$3,398,637
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		This Request:	\$3,948,154
Requesting Dept/Div & Dept/Div Head Name: OMNY New Fair Payment Program, Al Putre		% of This Request to Current Amount:	116%
		% of Modifications (including This Request) to Original Amount:	864%

PURPOSE:

Board approval is sought for a six-year extension to the current 12-year term of a sole-source miscellaneous service contract with Giesecke + Devrient Currency Technology America Inc. (G&D) for preventive and remedial maintenance, upgrade and refurbishment of four high speed counter/sorter/strappers in the not to exceed amount of \$3,948,154. The three primary units are located at the Ridgewood Consolidated Revenue Facility (CRF), and one backup unit is located at the Revenue Control Maspeth Disaster Recovery Site.

DISCUSSION:

The Board approved the award of this sole-source, six-year miscellaneous service contract to G&D in July 2007 for \$1,184,148. To date, six contract modifications were issued to extend contract duration, expand the scope to add equipment, and modify the working hours to include weekends.

The number of pieces of currency to be counted has remained relatively flat from 2017 to 2019 at approximately 10 million to 11 million pieces of mixed currency, or about \$53 million to \$54 million dollars per month. There is currently no expectation that there will be a decrease in the volume of currency processed and there are no plans to decommission any of these units.

These high-speed currency counters have numerous features such as automated bank note strapping, automated cash box recognition, continuous processing of mixed denominations, the ability to process new U.S. currency designs and differing series of notes and count currency from multiple cash boxes. The work under this contract includes as needed remedial repair and quarterly preventive maintenance to ensure that all three primary CRF currency counters and the Maspeth backup remain in optimal working order. G&D is the original manufacturer and sole provider of service for these currency counters.

G & D originally submitted a proposal of \$4,285,635 for the six-year extension. After negotiations with Procurement and NYC Transit's Cost Price Unit, G&D submitted a final proposal in the amount of \$3,948,154. The final price is \$337,481 less than the original proposal and \$251,846 less than the in-house estimate of \$4,200,000. Additionally, the MTA is currently paying \$79,336 per machine for maintenance; under the new agreement, the price will be \$74,999 per machine or a savings of \$17,348. Based on this information, the price was found to be fair and reasonable.

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

SEPTEMBER 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

F. Personal Service Contracts

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

- | | | | |
|----|---|----------------------|--------------------------------------|
| 3. | ConnectiCare, Inc.
MetroNorth Railroad Health Benefits (not-to-exceed)
Contract No. 15324
Competitively negotiated – 6 proposals – 36 months with 2 one-year options | \$159,177,000 | <u>Staff Summary Attached</u> |
|----|---|----------------------|--------------------------------------|

Board approval is sought to award a competitively negotiated, personal services contract to ConnectiCare, Inc., to provide health care benefits, inclusive of medical and prescription coverage for non-represented and represented employees. The period of performance is five years from January 1, 2020 through December 31, 2024, which includes two one-year options for a total not-to-exceed amount of \$159,177,000 with the options.

SEPTEMBER 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

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

- | | | | |
|-------------|--|--------------------|--------------------------------------|
| 4-9. | Various
Executive Recruitment Services
Contract No. 16359, Modification No. 1
Base Amount: \$2,255,081
Current Value: \$2,255,081
Proposed New Contract Value: \$4,655,081 | \$2,400,000 | <u>Staff Summary Attached</u> |
| | <ul style="list-style-type: none"> a. The Burgess Group b. David Gomez & Associates International Co. c. Gilbert Tweed International, Inc. d. Harris Rand Lusk e. Infosys International f. Krauthamer and Associates | | |

Board approval is sought for a modification and increase to a competitively negotiated, personal services contract for executive recruitment services in the amount not-to-exceed \$2,400,000 to support the MTA approved transformation plan.

- | | | | |
|------------|---|------------------------|--------------------------------------|
| 10. | Metropolitan Life Insurance Co.
MTA Dental Benefits
Contract No. 11089-0200, Modification No. 3
Base Amount: \$163,226,040
Current Value: \$260,326,040
Proposed New Contract Value: \$295,526,040 | \$36,300,000 | <u>Staff Summary Attached</u> |
| | | (not-to-exceed) | |

Board approval is sought to extend a previously Board-approved, competitively negotiated, all-agency personal services contract with Metropolitan Life Insurance Company ("MetLife") that provides dental benefits for non-represented employees and certain represented and retired employees. This one-year extension runs from January 1, 2020 to December 31, 2020 for an additional cost of \$36.3 million. This one-year extension will enable the MTA to prepare and execute a full all-agency Request for Proposals (RFP).

Staff Summary

Schedule F: Personal Service Contracts

Item Number: 3					
Dept & Dept Head Name: Human Resources					
Division & Division Head Name: HR & Retirement Programs, Margaret Connor, Sr. Director					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Finance	9/23/19	X		
2	Board	9/25/19	X		
Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement	4	CFO		
2	Comptroller	5	Legal		
3	DDCR				

SUMMARY INFORMATION	
Vendor Name: ConnectiCare, Inc.	Contract Number: 15324
Description: Metro-North Railroad Health Benefits	
Total Amount: \$159,177,000 (not to exceed)	
Contract Term (including Options, if any): January 1, 2020 – December 31, 2024	
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

Board approval is sought to award a competitively negotiated, personal services contract to ConnectiCare, Inc. to provide health care benefits, inclusive of medical and prescription coverage for Metro-North Railroad's (MNR) non-represented and represented employees/retirees and their dependents who reside or work in Connecticut who choose this coverage. The period of performance is five years from January 1, 2020 through December 31, 2024, which includes two one-year options for a total not-to-exceed amount of \$159,177,000 with the options.

II. DISCUSSION

MNR currently has two HMO programs, provided by ConnectiCare and Oxford, which cover about 3,100 employees, retirees and eligible family members. The proposed contract will cover through a single insurer, all required HMO services and prescription drug coverage.

A two-step Request for Proposal process was used, starting with a prequalification step to identify firms that met the minimum requirements, and the prequalified firms then received the detailed RFP package.

The prequalification requirements for the medical plans included: a) certifications and licenses required to underwrite or administer group medical plans in Connecticut, b) a current contract offering a medical plan in Connecticut with a minimum of three employer groups, each with 5,000 or more eligible employees and retirees, and c) at least five years of experience administering and/or insuring employer-sponsored medical plans in Connecticut. The prequalification requirements for the prescription benefits included: a) certifications and licenses required to underwrite or administer group prescription drug plans in Connecticut, b) a current prescription drug plan in Connecticut with a minimum of three employer groups, each with 5,000 or more eligible employees and retirees and c) at least five years of experience administering and/or insuring employer-sponsored prescription drug plans in Connecticut. Six firms submitted responses, all of which qualified and moved onto step 2. The companies were Aetna, Cigna, ConnectiCare, Empire BCBS, MagnaCare and United HealthCare (UHC).

The RFP allowed for both fully-insured and self-insured plan options and all but MagnaCare offered both. MagnaCare proposed only on the self-insured option.

Staff Summary

The evaluation criteria were: i) responsiveness to the RFP and the proposer's demonstration of a clear understanding of the objectives and constraints of the undertaking as described by the RFP documents; ii) the proposer's relevant experience, staffing, proven account management, organizational stability and references; iii) administrative services capabilities, including billing policies and procedures, on-line capabilities, member service hours, foreign language accommodations, regulatory compliance (e.g., HIPAA), reporting capabilities, and strength of implementation plan; iv) network access and provider disruption minimization; and v) the cost to the MTA based on proposer's submission and discount analysis; vi) proposer's diversity practices.

MTA used Mercer Health & Benefits LLC, a benefits consulting firm, to assist with the preparation of solicitation documents, financial modeling and pricing analysis, as well as other support services. The selection committee consisted of the MTA HQ Deputy Director of Employee Benefits, MTA BSC Director of Benefits and the MNR Director of Human Resources.

Following the evaluation of the technical proposals, MagnaCare was eliminated due to high disruption rates (meaning many currently utilized providers were not in its network). Cigna was eliminated because it was unwilling to provide firm pricing/premiums for the duration of the contract without additional data that would not become available until mid-August 2019, impacting the RFP timeline. The remaining four firms were invited for oral presentations, further review of their technical proposals, and negotiations and were eventually invited to submit BAFO's. The committee ultimately selected ConnectiCare, based on its offering the lowest price from among what were viewed as otherwise generally comparable proposals.

ConnectiCare's original proposal of \$28,990,000 annually for a fully-insured plan was negotiated to \$28,480,000 for a total 5-year contract cost of \$159,177,000, about \$37 million less than the baseline status quo cost if the MTA were to continue with ConnectiCare and Oxford under the current fees and standard industry trend increases. ConnectiCare's best and final offer is estimated to be \$10.8 million less than the closest competitor's BAFO. The fully insured contract includes an option for MTA to convert to a self-insured plan.

Based on the above, pricing is deemed to be fair and reasonable.

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

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights (DDCR) has established 0% MWBE/SDVOB goals on this contract because the participant data and benefit contract provisions are considered highly sensitive and confidential in nature. Subcontracting would increase the risk of exposure of confidential information.

IV. IMPACT ON FUNDING

The contract is funded from its operating budget.

V. ALTERNATIVES

1. Perform all services in-house. This alternative is not feasible since performing these functions in house would require the hiring of additional full and part-time employees, including associated overhead costs, which would not be cost effective.
2. Do not approve award of the contract. This alternative is not recommended, because the MTA is obligated to provide this HMO option to certain represented employee.

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: **4-9**

Page 1 of 1

Vendor Name (& Location): Various	Contract Number: 16359 – 001 thru 007	AWO/Modification # 1
Description: Executive Recruitment Services		
Contract Term (including Options, if any): Five (5) Years	Original Amount: \$2,255,081	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Prior Modifications: \$0	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Prior Budgetary Increases: \$0	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	Current Amount: \$2,255,081	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	This Request: \$2,400,000 (aggregate)	
Requesting Dept/Div & Dept/Div Head Name: Labor Relations/Anita Miller & HR/Margaret M. Connor	% of This Request to Current Amount: 106.4%	
	% of Modifications (including This Request) to Original Amount: 106.4%	

PURPOSE:

Board approval is sought for a modification and increase to competitively negotiated, personal services contracts for executive recruitment services in the aggregate not-to-exceed amount of \$2,400,000 to support the MTA approved transformation plan.

Participating firms:

1. The Burgess Group	4. Harris Rand Lusk
2. David Gomez Partners	5. Raj Technologies Inc. (Formerly Infosys International)
3. Gilbert Tweed International	6. Krauthamer and Associates

DISCUSSION:

The Transformation Plan required by Public Authorities Law Section 1279-e contains key deadlines and milestones that require the recruitment of 18 critical new managers by November 1, 2019 and 30 additional critical new managers by December 1, 2019. The contracts that will be utilized for the recruitment of this personnel were already awarded for executive search services through an RFP process. Six of the seven firms holding such contracts responded to MTA's request to participate in the instant recruitment effort. These consultants will design customized strategies that will take agency specific job descriptions and requirements into account for each position. All six firms have agreed to amend their contracts for purposes of this specific recruitment effort. For the first 18 searches, the fee will be \$50,000 per candidate. For the additional 30 new hires, the fee will also not exceed \$50,000 per position, but one third of that amount is contingent on MTA's hiring of a candidate introduced by the firms. Due to the urgency of this project, the base contract's MBE and WBE utilizations goals have been waived. However, it is important to note that two of the six prime contractors are NYS Certified MWBEs and will account for 33% of the total modified contract amount.

A responsibility review of The Burgess Group, David Gomez Partners, Gilbert Tweed International, Harris Rand Lusk, Raj Technologies and Krauthamer and Associates conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and all six firms have been found to be responsible.

IMPACT ON FUNDING:

Funding for these contracts will be provided from the MTAHQ operating budget through Human Resources and may be allocated as appropriate to the relevant MTA agency seeking recruitment services.

ALTERNATIVES:

None; the MTA is under extreme pressure to meet an aggressive timeline which includes a nationwide recruitment search for talent relating to the Transformation Plan.

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts



Item Number: **10**

Page 1 of 1

Vendor Name (& Location): Metropolitan Life Insurance Company	
Description: Dental Benefits	
Contract Term (including Options, if any): January 1, 2020 through December 31, 2020	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other:C/O	
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: Human Resources, Margaret M. Connor	

Contract Number: 11089-0200	AWO/Modification # 3
Original Amount:	\$163,226,040
Prior Modifications:	\$ 97,100,000
Prior Budgetary Increases:	\$ 0
Current Amount:	\$260,326,040
This Request:	\$ 36,300,000
% of This Request to Current Amount:	14%
% of Modifications (including This Request) to Original Amount:	82%

PURPOSE:

Board approval is sought to extend a previously Board-approved, competitively negotiated, all-agency personal services contract with Metropolitan Life Insurance Company ("MetLife") that provides dental benefits for non-represented employees and certain represented and retired employees. This one-year extension runs from January 1, 2020 to December 31, 2020 for an additional cost of \$36.3 million. This one-year extension will enable the MTA to prepare and execute a full all-agency Request for Proposals (RFP).

DISCUSSION:

Through the above referenced contract, the MTA offers a dental benefit plan to non-represented employees and retirees, and to certain represented employees and retirees. In all, about 30,000 employees and retirees participate with coverage extending to eligible dependents of active employees and retirees. The MTA subsidizes the full cost of the dental plan, but participants are responsible for applicable deductibles, co-payments, non-participating provider charges and other costs that are not covered by the insurance program.

The current agreement with MetLife would otherwise expire December 31, 2019. The MTA had planned to issue a new RFP for these services but, in order to have time to complete an RFP procurement process, dental coverage is needed and being extended for one year through 12/31/20. The delay of the RFP has been due to limited benefits and procurement resources dedicated to multiple large benefits contract solicitations.

MTA engaged AON to review, analyze and advise the MTA regarding the proposed MetLife rate action. Aon reviewed MetLife's proposed rate action factors, used in the renewal. (i.e. the increase over the previous premiums) against industry benchmarks and determined that MetLife's renewal applied reasonable trend assumptions for calculating the renewal increase. In fact, Aon's analysis concluded that a continuation of Plan Year 2019 rates in Plan Year 2020 would result in very competitive rates.

MetLife originally provided a renewal offer with a 3% increase to premium rates (exclusive of any additional Affordable Care Act fees). Based on Aon's advice, MTA negotiated with MetLife to keep 2020 rates at 2019 levels (exclusive of the Health Insurer Fee), saving \$1.1 million for Plan Year 2020.

The Health Insurer Fee (HIF) is a fee under the Affordable Care Act that was waived by the Federal Government in 2019, but the expectation is that it will not be waived for 2020. As a result, \$36.3 million requested here includes a 3% increase to the 2019 rates, which is consistent with the amount MetLife projects the HIF will amount to in 2020.

Aon and the MTA negotiated a retrospective premium review to ensure that the MetLife premium is a fair representation of the actual cost of the claims, inclusive of administrative expenses and a competitive profit. Under this arrangement, MetLife agreed to return a portion of the premium, if claim experience is more favorable than a predetermined formula Target Loss Ratio (TLR). The Target Loss Ratio is defined as losses paid in claims divided by the total earned premiums. The TLR was negotiated to 87% for Plan Year 2020. Based on the information above, MetLife rates are considered fair and reasonable.

In connection with a previous contract awarded to MetLife, it 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 MetLife and MetLife has been found to be responsible.

SEPTEMBER 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.)

- | | | | |
|-----|---|---------------------------------------|--------------------------------------|
| 11. | Guidehouse, LLP
MTA Transformation Plan
Roadmap Support Services
Contract No. 15507-0100
Competitively negotiated – proposals – 8 months | \$1,911,737
(not-to exceed) | <u>Staff Summary Attached</u> |
|-----|---|---------------------------------------|--------------------------------------|

Board approval is requested to award a competitively negotiated personal service contract to Guidehouse LLP (“Guidehouse,” formerly known as “Pricewaterhouse Coopers Public Sector LLP”) to provide MTA transformation plan (“Transformation Plan”) roadmap support services, including an implementation plan that will result in a separate implementation RFP in response to the MTA Board’s recent approval of the Transformation Plan objectives. The Transformation Plan is required as per New York Public Authorities Law under Section 1279-e. This contract term is through March 31, 2020 for a total not-to-exceed \$1,911,737.

Staff Summary

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

Page 1 of 1

Item Number: 11

Vendor Name (& Location): Guidehouse, LLP	Contract Number: 15507-0700	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description: MTA Transformation Plan Roadmap Support Services	Total Amount: \$1,911,737	
Contract Term (including Options, if any): August 12, 2019 – March 31, 2020	Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Requesting Dept/Div & Dept/Div Head Name: Robert Foran, Chief Financial Officer	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Contract Manager: Marina Elliot	
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Contract Ride		

I. PURPOSE/RECOMMENDATION

Board approval is requested to award a competitively negotiated personal service contract to Guidehouse LLP ("Guidehouse," formerly known as "Pricewaterhouse Coopers Public Sector LLP") to provide MTA transformation plan ("Transformation Plan") roadmap support services, including an implementation plan that will result in a separate implementation RFP in response to the MTA Board's recent approval of the Transformation Plan objectives. The Transformation Plan is required as per New York Public Authorities Law under Section 1279-e. This contract term is through March 31, 2020 for a total not-to-exceed \$1,911,737.

II. DISCUSSION

Guidehouse has been selected to deliver MTA Transformation Plan roadmap support services. This contract is being awarded through an existing contract that was awarded through a competitively conducted RFP by the New York State Division of Budget ("Division of Budget"). Guidehouse was the primary consultant, having received the highest total score using the scoring criteria of Project Approach, Staff Experience & Qualifications, Proposer Experience & Qualifications, Cost and MWBE Diversity Practices as determined by the Division of Budget selection committee. As the primary consultant on the Division of Budget contract, Guidehouse was given the first opportunity to accept the assignment.

This Transformation Plan roadmap support services will provide a "blueprint" for MTA organizational restructuring activities, business process improvements, and cost reductions in follow-up to the restructuring recommendations provided by AlixPartners, LLP on June 30, 2019. This "Reorganization Implementation Plan" will be completed by October 15, 2019. The Guidehouse team is providing additional support related to the roadmap (e.g., socializing the report with external parties) and will focus on finalizing an implementation RFP in partnership with the MTA.

Effective August 12, 2019, a Notice to Proceed was issued to Guidehouse to promptly commence services in order to meet the statutory timeframe. Guidehouse anticipates that it will expend approximately \$850,000 through September 30, 2019, for which time and material records will be verified by MTA project management.

The total fee of \$1,911,737 is inclusive of a \$1,321,383 fixed fee for the implementation plan and RFP deliverables, as well as as-needed support services in the amount of \$590,354. The fully-loaded hourly rates as negotiated in the Division of Budget contract used by Guidehouse to arrive at the MTA's fixed fee are inclusive of expenses and range from \$141 for Management Analyst to \$429 for Engagement Partner. In compliance with the MTA 10% Cost Reduction Initiative implemented earlier in 2019, a 10% rate reduction was negotiated off the Division of Budget rates. The reduced rates range from \$127 for Management Analyst to \$385 for Engagement Partner, resulting in a savings of \$191,174. As a result, Guidehouse's proposed total fee of \$1,911,737 is determined to be fair and reasonable.

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

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights (DDCR) established 0% MWBE/SDVOB goals on this contract due to a lack of subcontracting opportunities available for this specialized work.

IV. IMPACT ON FUNDING

The total not to exceed cost for this contract is \$1,911,737 and will be funded by MTAHQ's operating budget.

V. ALTERNATIVES

1. Perform services in-house – This alternative is not practical, since the MTA does not have the specialized expertise or bandwidth in the existing workforce with the time for completion of this urgent project. Hiring full and part time employees, including associated overhead costs would not be cost effective or timely due to the aggressive deadlines and multiple workstreams involved. This project is provided and managed best by an independent outside firm with subject matter expertise capable of providing the deliverables, which are unbiased and supported by best practices.
2. Do not approve award – This would result in delays with deliverables that don't meet the objectives of the Transformation Plan requirements. This alternative is not advisable.

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SEPTEMBER 2019
MTA REAL ESTATE ACTION ITEMS
FOR
BOARD APPROVAL

MTA METRO-NORTH RAILROAD

Amendment of the license with AT&T for a fiber optic cable installation along a portion of the Hudson Line right of way, Poughkeepsie, NY

MTA LONG ISLAND RAIL ROAD

Amendment of the license with Neptune Regional Transmission System LLC for right of way along the Montauk and Central Branches

Acquisition of a temporary easement for construction staging in connection with rehabilitation of Colonial Road Bridge in Thomaston, NY

Acquisition of a warehouse at 225 Central Avenue, Bethpage, NY

MTA NEW YORK CITY TRANSIT

Lease for delicatessen and grocery store at 1581 Myrtle Avenue, Brooklyn, NY

METROPOLITAN TRANSPORTATION AUTHORITY

Amendment of lease for office space for the MTA Government Affairs Department, Albany, NY

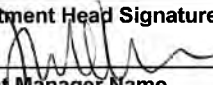
MTA METRO NORTH RAILROAD

Staff Summary



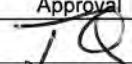


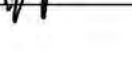
Metropolitan Transportation Authority

Page 1 of 1

Subject AMENDMENT OF LICENSE ALONG METRO-NORTH HUDSON RIGHT OF WAY, POUGHKEEPSIE, NY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name MARLON HOLFORD

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/23/19	X		
2	Board	9/25/19	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")
LICENSEE: AT&T Corp ("AT&T")
LOCATION: Metro-North's Right of Way ("ROW") on the Hudson Line, Poughkeepsie, NY
ACTIVITY: Amendment of license agreement for the continued operation and maintenance of one (1) 24 Strand fiber optic cable
ACTION REQUESTED: Authorization to amend the license agreement term
TERM: 5 Years, with 2 consecutive 5 year renewals, subject to termination by Metro-North on 60 days' notice
SPACE: Longitudinal occupancy approximately 4,860 linear feet along Metro-North's Hudson Line ROW north of the Poughkeepsie Station
COMPENSATION: \$55,165.68 for first license year with annual CPI increases

COMMENTS:

Currently, AT&T owns, operates and maintains one existing 24-strand fiber optic cable which runs approximately 4,860 linear feet along Metro-North's ROW on the Hudson Line north of the Poughkeepsie Station. The installation exists under a term agreement which expired on April 13, 2019.

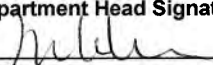
According to the MTA Real Estate Department Policies and Procedures, this license does not have to be awarded pursuant to a Request for Proposals because it is a non-exclusive fiber agreement.

The compensation to Metro-North for the first license year will be \$55,165.68, with annual increases based on CPI. The proposed compensation meets market value for the number of strands in the fiber optic cable, based on a comparative utility rate analysis conducted by Kingston Cole & Associates in December 2010, as adjusted by the CPI.

Based on the foregoing, MTA Real Estate requests authorization to amend the license agreement with AT&T on the above-described terms and conditions.


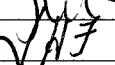
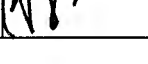
MTA LONG ISLAND RAIL ROAD

Staff Summary

Subject AMENDMENT OF LICENSE ALONG MONTAUK AND CENTRAL BRANCHES, MONTAUK, NY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name MARLON HOLFORD

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/23/19	X		
2	Board	9/25/19	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")

LICENSEE: Neptune Regional Transmission System LLC ("Neptune")

LOCATION: Portions of the LIRR's Right of Way ("ROW") on the Montauk and Central Branches, Montauk, NY

ACTIVITY: Amendment of license to grant Neptune the ability to sublicense portions of its fiber optic cable system to telecommunications service providers.

ACTION REQUESTED: Authorization to amend the license agreement.

TERM: 16 Years, subject to termination by the LIRR on 60 days' notice

SPACE: Longitudinal occupancy comprised of 30 feet along the Montauk Branch and 63.87 feet along the Central Branch for a total of 93.87 feet

COMPENSATION: 25% of Neptune's gross revenue collected from sublicenses

COMMENTS:

Neptune has a non-exclusive license agreement with the LIRR (the "License Agreement") to install, construct, operate and maintain a system of DC, AC and Fiber Optic cables ("Cable System"), that run along portions of LIRR's ROW on the Montauk and Central Branches. The License Agreement has a 30 year term that commenced on June 29, 2005, which was prior to the effective date of Sections 2895 et seq. of the Public Authorities Law (the "P.A.L.") applicable to dispositions of property by Public Authorities. The license fee was a one-time upfront payment in the amount of \$605,483.07 which was paid in full on the Commencement Date.

Pursuant to Sections 1.2 (b) and (c) of the License Agreement, Neptune is to use the Location solely and exclusively for communication in connection with its Cable System and is not permitted to sublicense to any telecommunications service providers.

The proposed amendment will grant Neptune the ability to sublicense its Cable System to telecommunications services providers non-exclusively, subject to a 60 day termination/revocation right, in consideration for paying to the LIRR, as additional license fees, 25% of Neptune's gross revenue collected from sublicenses. The LIRR will reserve the right on 60 days' prior notice to terminate Neptune's right to sublicense its Cable System and require that Neptune terminate/revoke any then existing sublicense agreements.

Neptune's cable network path runs from a converter station in Sayreville, New Jersey to another converter station in North Hempstead, New York. The approximate length used along portions of the LIRR's ROW is 30 feet along the Montauk Branch and 63.87 feet along the Central Branch for a total of 93.87 feet, which is .00026% of Neptune's entire cable network path. Therefore, 25% of the revenue collected would be equivalent to the occupancy of 16.55 miles of LIRR right of way, and as

Staff Summary

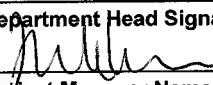
FINANCE COMMITTEE MEETING AMENDMENT OF LICENSE ALONG MONTAUK AND CENTRAL BRANCHES

Page 2 of 2

such this percentage formula will result in the LIRR receiving more revenues via the sublicenses than the LIRR would receive using its standard rate schedule based on linear footage.

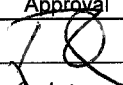
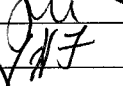
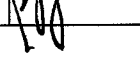
Based on the foregoing, MTA Real Estate requests authorization to amend the License Agreement on the above described terms and conditions.

Staff Summary

Subject ACQUISITION OF TEMPORARY EASEMENTS IN THOMASTON, NY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name SELINA STORZ/ANTHONY CAMPBELL

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/23/19	X		
2	Board	9/25/19	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")

GRANTOR: 333 East Shore Road Realty, LLC ("Grantor")

LOCATION: 310-333 East Shore Road, Section 2, Block 375, Lot 25A, Village of Thomaston, Town of North Hempstead, Nassau County, New York ("the Property")

ACTIVITY: Acquisition of temporary exclusive easement by the LIRR for construction staging together with temporary non-exclusive easement for access to the staging area needed in connection with the LIRR's Colonial Road Improvement Project

ACTION REQUESTED: Authorization to enter into temporary easement agreement

TERM: 29 Months with a right to extend on a Month to Month basis, if necessary, for the duration of project

SPACE: 5,193 square feet for the non-exclusive temporary easement area
8,146 square feet for the exclusive temporary easement

COMPENSATION: \$142,285.00 (one time up-front lump sum payment) for the 29 month term, and \$5,445.00 per month for any month-to-month extensions

COMMENTS:

LIRR requires both an exclusive temporary easement (the "Exclusive Easement Area") and a non-exclusive temporary easement (the "Non-Exclusive Easement Area") across the parking area of the Property. These easements are required to facilitate ongoing rehabilitation by LIRR of the Colonial Road Bridge and the pocket track.

The Property contains a two-story commercial office building and is adjacent to the LIRR right-of-way. The only feasible access to the Port Washington Branch right-of-way in the vicinity of the Colonial Road Bridge is across the Property's parking lot. As a result, the LIRR requires an exclusive temporary easement, for staging, with respect to the portion of Grantor's parking lot that is directly adjacent to the right-of-way. The LIRR also requires a non-exclusive temporary easement across other portions of the Property to access the exclusive temporary easement area.

An easement agreement between the LIRR and the Grantor for the temporary easements on the Property (the "Easement Agreement") was approved by the MTA Board on April 28, 2014 and executed July 1, 2014. In addition, an

Staff Summary



Metropolitan Transportation Authority

FINANCE COMMITTEE MEETING ACQUISITION OF TEMPORARY EASEMENTS IN THOMASTON, NY (Cont'd.)

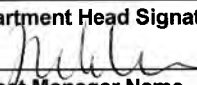
Page 2 of 2

extension was approved by the Board on May 20, 2015. The Easement Agreement as extended expired December 31, 2018 although the staging area continued to be used. Due to labor resource issues, the pocket track installation was deferred until November 2019 and, as such, the LIRR is now looking for an amendment and extension through May 30, 2021 (a total of 29 months from the prior agreement expiration).

After negotiations with the Grantor, the Grantor has agreed to accept as compensation \$142,285.00 for the fixed 29 month extended term, and \$5,445.00 per month for month-to-month extensions, if any. The proposed compensation is below the fair market value for the easement as estimated by an independent appraisal performed for MTA Real Estate. The LIRR will also restore the Property, at its expense, to its previous condition at the end of the term.

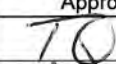


Based on the foregoing, authorization is requested for the LIRR to enter into a new temporary exclusive and non-exclusive easement with the owners of 333 East Shore Road, based on the terms and conditions herein described.

Staff Summary

Subject ACQUISITION OF WAREHOUSE BUILDING AT 225 CENTRAL AVENUE SOUTH, BETHPAGE
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ANDREW D. GREENBERG

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/23/19	X		
2	Board	9/25/19	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") and the Metropolitan Transportation Authority ("MTA")
SELLER: Cascelta Company LLC, a New York limited liability company
LOCATION: 225 Central Avenue South, Bethpage, New York
Nassau County Tax Map Section 49, Block 294, Lot 2 (the "Property")
ACTIVITY: Acquisition of fee simple title to the Property including early occupancy of a portion of the warehouse space
ACTION REQUESTED: Authorization to acquire the Property
SPACE: Approximately 86,374 square foot warehouse and office building configured with 78,082 square feet on the ground floor and an 8,292 square foot mezzanine situated on approx. 10.5 acres of improved and unimproved land.
COMPENSATION: \$20,000,000 plus early occupancy at a rental rate of \$1 per square foot per annum for the warehouse portion of the building until closing (detailed below).

COMMENTS:

LIRR's Procurement and Logistics Stores Department requires approximately 40,000 - 60,000 SF of additional warehouse and back of house office space to create a more efficient warehouse operation in the east end of Long Island. Currently, the Hillside Support Facility, which houses LIRR's main warehouse and stores facilities, has had its footprint reduced due to other critical operational space requirements and is at 100% capacity. Handling of material, which oftentimes requires multiple moves to access the required items, has become inefficient and time consuming. The Property, with its rail siding, is strategically located on LIRR's Main Line near the Main Line 2nd Track's westerly limits and Main Line 3rd Track's easterly limits.

The rail siding and overall location of the Property will provide convenient access to LIRR's south shore through Babylon at the easterly limits of the Central Branch. Furthermore, once reopened, the rail siding will serve as a Maintenance of Way equipment staging and material handling area to support LIRR operations and maintenance, construction,

Staff Summary

FINANCE COMMITTEE MEETING ACQUISITION AND LEASE-IN OF WAREHOUSE BUILDING AT 225 CENTRAL AVENUE SOUTH, BETHPAGE (CONT'D.)

Page 2 of 2

inspection, and weather management functions. In the short term, this new warehouse will alleviate current space constraints and support

rolling stock and infrastructure and maintenance projects from mid-Nassau County through Suffolk County. The LIRR's long term plan is to consolidate materials currently stored at the 610 Hicksville Road, Bethpage warehouse (the lease for which expires December 21, 2024) into this location. The LIRR will also realize improved efficiency and sustainability of its operations by enabling storage in eastern Nassau instead of requiring all material and equipment storage to occur further west, thus saving time, fuel and costs.

The MTA's exclusive broker, Newmark & Company Real Estate, Inc. d/b/a Newmark Grubb Night Frank ("Newmark"), narrowed the search to three locations of which locations: 225 Central Avenue South, in Bethpage, 999 South Oyster Bay Road in Bethpage, and 125 New South Road in Hicksville. The MTA and LIRR determined that 225 Central Avenue South provided superior rail access, significant land area for outdoor storage and was already improved with an existing warehouse and office building, and thus focused on acquiring 225 Central Avenue South as the most suitable for its needs.

The Property is currently used and occupied by an affiliate of the Seller, Kravet Inc, a Delaware corporation, which will continue to require the use of a portion of the Property comprised of the office space (approximately 38,516 square feet) and a fenced in portion of the warehouse space (approximately 6,974 square feet) for storage use through no later than October 31, 2021. It is anticipated that the closing of title to the Property will occur approximately six months after the contract of sale is entered into but in any event not later than June 30, 2020. However, Seller has agreed to accommodate the MTA's initial space requirements and provide early access and occupancy to the LIRR of the entire warehouse space (approximately 47,858 square feet) excluding the 6,974 square feet of fenced in warehouse, prior to the closing.

The negotiated purchase price of \$20,000,000, which was the lowest amount that Seller was willing to accept for the Property, is consistent with the estimated value of the Property as appraised by MTA Real Estate's independent appraiser. MTA Real Estate believes the proposed purchase of this particular property is desirable given that the Property, together with the rail spur, is ideally located, there are no environmental issues, and it has all the necessary amenities to accommodate LIRR's short and long-term needs, including the future consolidation of LIRR's facility at 610 Hicksville Road, Bethpage which expires 12/1/24, at a current rental rate of \$12.15 per square foot per annum. Moreover, MTA Real Estate confirmed with its condemnation counsel that acquiring the Property by condemnation, rather than through negotiation at the proposed purchase price, would be costlier for the MTA, in terms of compensation, expense and delay attributable to proceeding with a taking.

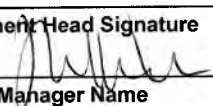
The purchase price will be paid for out of capital funds which were set aside for this project under the 2015-2019 capital budget.

Based on the foregoing, MTA Real Estate requests authorization for MTA on behalf of LIRR to acquire the Property on the above terms and conditions.

MTA NEW YORK CITY TRANSIT

Staff Summary



Subject LEASE AGREEMENT AT 1581 MYRTLE AVENUE
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ARTURO ESPINOZA

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/23/19	X		
2	Board	9/25/19	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: Musaid Nagi, Waleed Nagi, Fouad Mused (or an entity to be formed owned and controlled by said individuals)
LOCATION: 1581 Myrtle Avenue, Brooklyn, New York
ACTIVITY: Operation of a delicatessen and grocery store
ACTION REQUESTED: Authorization to enter into a lease
TERM: 10 years, with one 5-year option term at Lessee's sole discretion
SPACE: Approximately 1,500 square feet
RENT: \$42,000 in Lease Year 1 escalating each Lease Year thereafter as detailed below

COMMENTS:

The Location is a new, vacant, street-level space at 1581 Myrtle Avenue in Brooklyn. It was created following a 2009 rehabilitation of the Myrtle-Wyckoff Avenues subway station complex on the Canarsie and Jamaica Lines. It is a raw and unfinished space requiring significant capital improvements to utilize for commercial retail purposes. 1581 Myrtle Avenue was publicly offered by a Request for Proposals ("RFP") in May, 2018, seeking a 10-year lease term with one 5-year renewal option term. The property was competitively offered, and two proposals were submitted, both proposing below the appraised value.

Two proposals were received, and their offers are summarized below:

Proposer Name	Present Value at 7%
Musaid Nagi, Waleed Nagi, Fouad Mused	\$378,137
Murad Mused	\$345,972

At a 7% discount rate, the net present value of the rent proposed by Mr. Nagi's and his partners' is \$378,137, which was the higher of the two proposals. In addition, Messrs. Musaid Nagi, and his partners proposed to make capital improvements to the space costing at least \$325,000. While the fair market rental value estimated by an independent appraisal for the space was higher than the base rent proposed by Messrs. Nagi, Nagi and Mused, MTA Real Estate has determined that the proposed transaction will yield to NYCT the fair market value, taking into account the immediate and continuing value of permanent improvements that the tenant will pay for and the fact that the

Staff Summary

FINANCE COMMITTEE MEETING

Lease agreement at 1581 Myrtle Avenue (Cont'd.)

Location was competitively bid with two or more motivated potential tenants proposing which serves as reliable evidence of the true fair market value of the Location.

The rent schedule is summarized in the table below:

Lease Year	Annual Rent	PSF	Escalation
1	\$42,000.00	\$28.00	--
2	\$45,000.00	\$30.00	7.1%
3	\$48,000.00	\$32.00	6.7%
4	\$51,000.00	\$34.00	6.3%
5	\$54,000.00	\$36.00	5.9%
6	\$57,000.00	\$38.00	5.6%
7	\$60,000.00	\$40.00	5.3%
8	\$63,000.00	\$42.00	5.0%
9	\$66,000.00	\$44.00	4.8%
10	\$69,000.00	\$46.00	4.5%
Option Term			
11	\$72,000.00	\$48.00	4.3%
12	\$75,000.00	\$50.00	4.2%
13	\$78,000.00	\$52.00	4.0%
14	\$81,000.00	\$54.00	3.8%
15	\$84,000.00	\$56.00	3.7%

Mr. Musaid Nagi and his partners have operated a deli, Family Community Deli & Luncheonette Corp., in Manhattan since 2013.

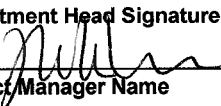
Background and credit investigations were performed on Family Community Deli & Luncheonette Corp. and on the individuals, Messrs. Musaid Nagi, Waleed Nagi, and Fouad Mused. They have good credit and sufficient, liquid financial resources to complete the proposed improvements and pay the rent offered.

A corporate entity will be formed following award in which each individual proposer will have approximately one-third ownership. In addition to providing the standard security deposit equal to three (3) month's base rent, Mr. Musaid Nagi will provide a limited guaranty of the tenant's obligations under the lease, including the obligation to perform the initial capital improvements.

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



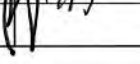
METROPOLITAN TRANSPORTATION AUTHORITY

Staff Summary

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

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/23/19	X		
2	Board	9/25/19	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")

LANDLORD: 111 Washington Avenue, LLC ("Landlord")

LOCATION: 111 Washington Avenue, Suite 209, Albany, NY ("Office Space")

USE: Office Space for MTA Government Affairs

ACTION REQUESTED: Authorization to enter into an amendment to extend the office lease

TERM: Five (5) years, with two additional one-year options to renew

SPACE: Approximately 720 square feet of office space and 80 square feet of storage space

BASE RENT: 1st year \$11,160.00 per annum / \$ 930.00 per month (\$15.50 per sf)

RENT COMMENCEMENT: December 1, 2019

RENT ESCALATION: 2% per annum starting the 2nd Year

TAX ESCALATION: MTA to pay its proportionate share over base year 2019.

OPERATING EXPENSES: MTA to pay its proportionate share over base year 2019.

PARKING SPACES: Landlord will provide two (2) parking spaces for the MTA's sole use, at a monthly charge of \$200.00 per space.

ELECTRICITY: At the MTA's expense, billed by the Landlord at a flat rate of approximately \$1,483.00 per annum for Year 2019, subject to annual CPI increases capped at 3% per annum.

WATER & SEWER: Landlord's responsibility (no separate metering).

HEAT & AIR CONDITIONING: Landlord will provide HVAC to the Office Space during scheduled business hours.

REPAIRS and MAINTENANCE: The MTA is responsible for all repairs and maintenance within the Office Space. Landlord is responsible for all repairs and maintenance of the building's structure, building systems and common areas.

Staff Summary

FINANCE COMMITTEE MEETING LEASE AMENDMENT FOR MTA GOVERNMENT AFFAIRS (Cont'd)

COMMENTS:

The MTA Government Affairs legislative office in Albany has occupied the Office Space at 111 Washington Avenue since 1987. The current lease will expire on November 31, 2019.

The Office Space is located across from the State Capitol/Governor's office and Legislative office building. The Office Space, which provides convenient, difficult to find parking, is also utilized for meetings and/or conferences by many MTA agency executives and staff when in Albany. MTA Real Estate conducted market research using LoopNet and CoStar real estate market data websites and determined that \$15.50 per sf is market rent.

Based on the foregoing, MTA Real Estate requests authorization to enter into an amendment to extend the lease on the above described terms and conditions.

INFORMATION ITEMS

Memorandum



Metropolitan Transportation Authority

State of New York

Date September 25, 2019

To Members of the Finance Committee

From John N. Lieber, Chief Development Officer

Re **Status of Month-to-Month Licenses for Passenger Amenities**

In June 1988 and later modified November 12, 2013, the MTA Board adopted policy #9, which allows the Real Estate Department to enter into month-to-month agreements for “passenger service oriented concessions without individual Committee or Board approval”. Attached is a status report of month-to-month agreements, which were executed pursuant to the policy.

NEW HOLDOVER TENANTS WHOSE AGREEMENTS HAVE RECENTLY BEEN EXTENDED

PENDING A REQUEST FOR PROPOSALS

Month: September 2019

NONE TO REPORT

Memorandum



Metropolitan Transportation Authority

State of New York

Date September 25, 2019

To Members of the Finance Committee

From John N. Lieber, Chief Development Officer

Re **Report on Agreements Entered into Directly by the Real Estate Department via the RFP or negotiation process with tenants in good standing or through the RFP process when 3 or more proposals have been received from responsible proposers for a standard retail location**

Attached is a listing of agreements entered into directly by the Real Estate Department during preceding months, pursuant to the Board's resolutions dated November 13, 2013 (Real Estate Policy #33).

For each such agreement entered into pursuant to Real Estate Policy #33, MTA Real Estate must have received at least three responsive bids from responsible proposers, and must have entered into agreement with the responsible proposer which offered the highest guaranteed rent, on a present value basis.

REPORT ON AGREEMENTS ENTERED INTO DIRECTLY BY THE REAL ESTATE DEPARTMENT PURSUANT TO BOARD POLICY

September 2019

Agency/Project Manager	Renewal/RFP Generated	Lessee	Location/Use	Term	Rental		Annual Increase	Size/Weekday Ridership	Price/SF	
					Year	Rent			Year	PSF
Leah Bassknight	RFP	BT TO GO GCT LLC dba Beer Table	MC-36 (305 sf) at Grand Central Terminal Retail Sale of high quality bottled and canned craft beers, ciders and non-alcoholic beverages	7 years	1	\$183,000.00	--	N/A	1	\$600.00
					2	\$188,490.00	3%		2	\$618.00
					3	\$194,144.70	3%		3	\$636.54
					4	\$199,969.04	3%		4	\$655.63
					5	\$205,968.11	3%		5	\$675.30
					6	\$212,147.15	3%		6	\$695.56
					7	\$218,511.56	3%		7	\$716.43
					Proposer name:		NPV @ 7% discount rate:			
BT TO GO LLC		\$1,070,991.00								
Beer World		\$866,418.00								
Alphabet City Beer		\$854,488.00								
Top Hops		\$632,019.00								

REPORT ON AGREEMENTS ENTERED INTO DIRECTLY BY THE REAL ESTATE DEPARTMENT PURSUANT TO BOARD POLICY

September 2019

Agency/Project Manager	Renewal/RFP Generated	Lessee	Location/Use	Term	Rental		Annual Increase	Size/Weekday Ridership	Price/SF	
					Year	Rent			Year	PSF
Leah Bassknight	RFP	TUMI Stores Inc.	MC-80 (760 sf) at Grand Central Terminal Retail Sale of luggage, travel bags, and travel related accessories	10 years	1	\$361,000.00	--	N/A	1	\$475.00
					2	\$371,830.00	3%		2	\$489.25
					3	\$382,984.90	3%		3	\$503.92
					4	\$394,474.45	3%		4	\$519.04
					5	\$406,308.68	3%		5	\$534.61
					6	\$418,497.94	3%		6	\$550.65
					7	\$431,052.88	3%		7	\$567.17
					8	\$443,984.47	3%		8	\$584.19
					9	\$457,304.00	3%		9	\$601.71
					10	\$471,023.12	3%		10	\$619.76
Proposer name:		NPV @ 7% discount rate:								
TUMI Stores Inc		\$2,859,310.07								
Krystal Klear Optical Inc.		\$2,618,526.06								
Hills Avenue		\$2,007,749.90								
Namaste Enterprises Inc.		\$601,960.01								

Memorandum



Metropolitan Transportation Authority

State of New York

Date September 25, 2019
To Members of the Finance Committee
From John N. Lieber, Chief Development Officer
Re **GCT's Vanderbilt Hall Events Forecast**

The following report will be presented to the Real Estate Committee by GCT Development on a monthly basis. The events forecast will show events planned for Vanderbilt Hall in the next three to four month period. This calendar will always be subject to last minute changes for technical or scheduling reasons.

2019 Vanderbilt Hall Events – September through December			
Event	Date	Description	Use
ADT	Septmeber 13	The event will include a smart tiny home that spotlights many of ADT’s smart home offerings.	Public
Interfaith Alliance for Safer Communities	September 16 - 27, 2019	The Exposition of Child Dignity in the Digital World will consist of informative displays that provide an interactive yet simple way of communicating the different aspects of online sexual abuse and exploitation of children.	Public
SmileDirectClub	September 29 - 30, 2019	The activation will include a live performance by Improv Everywhere where a woman will be “sleeping” and her teeth are being aligned as she sleeps. September 29: Load in September 30: Event	Public
Huggies	October 5, 2019	This event for Huggies new premium diaper line, with giveaways, massages for new parents, baby races, and playarea.	Public
Customer Appreciation Day	October 8, 2019	MNR Customer Service Event	Public

Santa Margherita	October 13 - 15, 2019	Wine tasting event. There will be a maze made out of faux grape vines, where guests can sample the wines. October 13: Load In October 14 - 15: Event Open	Public
Fujifilm	October 16 - 20, 2019	Similar to their event in 2018, FujiFilm will host a photo exhibition with over 10,000 photos. The photos will be on display in Vanderbilt Hall and on the Bridge.	Public
Universal Japan	October 31, 2019	Universal Studios Japan is interested in hosting an event in 2020 and would like to do a private test of their prototype (4 Mario boxes hung from a truss). This test will include, lighting, sound, pipe and drape, and projection.	Private
Car Event	November 1 - 7, 2019	Luxury car event with 5 cars on display	Public
2019 Holiday Fair	November 8 - December 29, 2019	Annual Holiday Fair with 40 vendors. November 8 - 15: Booth installation November 16 - 17: Vendor load in November 18 - December 24: Holiday Fair Open December 26 - 29: Load out	Public

Memorandum



Metropolitan Transportation Authority

State of New York

Date September 25, 2019
To Members of the Finance Committee
From John N. Lieber, Chief Development Officer
Re **GCT – Graybar Passage Retail Kiosks**

The following report will be presented by GCT Development office of the Real Estate Department whenever a new retail Permit Agreement has been entered into under the Retail Kiosk program approved by the MTA Board in January 2006.

GRAND CENTRAL TERMINAL
GRAYBAR PASSAGE RETAIL KIOSK PROGRAM
August through October 2019

LICENSEE	LICENSE DATES	USE	MONTHLY COMPENSATION
Lo Ella	09/01/19-10/31/19	Retail sale of Licensee produced jewelry.	\$3,100.00
Piq	08/01/19-10/31/19	Retail sale of Licensee branded collectibles, toys gag gifts and souvenirs	\$3,100.00
Lazy Jack	08/01/19-10/31/19	Retail sale of licensee produced men's and boy's accessories	\$3,100.00
Victoria Bekerman	08/01/19-10/31/19	Retail sale of licensee produced jewelry	\$3,100.00
Carnelian Knoll	09/01/19-10/31/19	Retail sale of Licensee produced jewelry	\$3,100.00
AJ Designs	08/01/19-10/31/19	Retail sale of Licensee produced jewelry	\$3,100.00

Staff Summary

Subject SHORT TERM PERMIT FOR USE OF PARKING SPACES AT METRO-NORTH'S HARRIMAN STATION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature
Project Manager Name STEPHEN BROWN

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/23/19		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")

PERMITTEE: Premium Outlet Partners, LP

LOCATION: Metro-North's Harriman Station Parking Facility

ACTIVITY: Short-term permit for parking spaces at Metro-North's Harriman Station

TERM: Three days, Saturday August 31 to Monday September 2, 2019

SPACE: 700 parking spaces located at Harriman Station

COMPENSATION: \$7,308

COMMENTS:

Pursuant to the Board-approved Real Estate Department Policy #26 governing temporary use of station parking facilities by for-profit corporations in connection with short-term parking activities, the Permittee, which owns the Woodbury Common outlet mall, was granted permission to use up to 700 spaces at the Location and to operate a shuttle bus for its employees from Saturday, August 31 to Monday, September 2, 2019.

Compensation was calculated pursuant to the aforementioned Board policy.

MTA Legal approved the Permit as to form and Permittee provided appropriate insurance coverage and indemnification.

Staff Summary

Subject PERMIT FOR ONE DAY EVENT AT THE CORTLANDT STATION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature
Project Manager Name ALICIA BIGGS

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/23/19		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")
PERMITTEE: Town of Cortlandt ("Town")
LOCATION: Cortlandt Station parking facility, Cortlandt, New York
ACTIVITY: Use of the parking lot for the Town's "Family Fun Day" event
TERM: Saturday, September 7, 2019, 2:00pm to 11:00pm
SPACE: Parking Lots 1 and 2 on the east side of the Cortlandt Station
COMPENSATION: \$1, payment waived

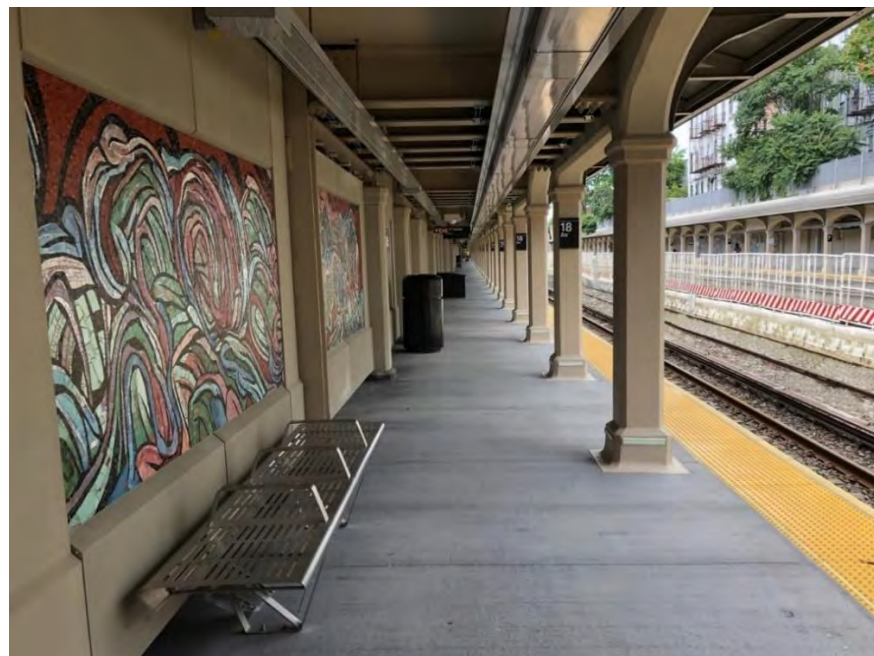
COMMENTS:

Pursuant to the Board-approved Real Estate Department Policy #25 governing the use of railroad facilities by municipal and not-for-profit corporations for non-commercial activities, the Town was granted permission to utilize the east side parking lots at the Cortlandt Station in connection with its "Family Fun Day" event, which was held on Saturday, September 7th, 2019.

MTA Legal approved the Permit as to form and Permittee provided appropriate insurance coverage and indemnification.

Procurement

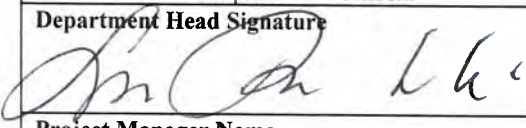
Steve Plochochi, Senior Vice President
Procurement and Supply Chain



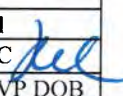


The 18 Av station is one of six stations on the Sea Beach N line in Brooklyn receiving improvements and structural upgrades. The above before and after pictures depict a reconstructed platform including a new tactile warning strip, architectural wall panels, new lighting and wireway, and a permanent artwork installation by artist Emilio Perez featuring glass mosaics. This station also received water leak remediation with polymer positive-side grouting. Other station improvements included an upgraded communications system, countdown clocks, Help Point intercoms, and security cameras.

PROCUREMENTS

The Procurement Agenda this month includes 15 actions for a proposed expenditure of \$94.4M.

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	9/23/19			
2	Board	9/25/19			

September 16, 2019			
Department Law and Procurement - MTACC			
Department Head Name Evan Eisland			
Department Head Signature 			
Internal Approvals			
	Approval		Approval
	President NYCT		President, MTACC 
	SVP Operations Support	X	Pres. MTA Bus/SVP DOB
X	Capital Prog. Management	X	Subways
	Law	X	Diversity/Civil Rights

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

PURPOSE

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

DISCUSSION

NYC Transit proposes to award Noncompetitive procurements in the following categories: NONE

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

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

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

<u>Procurements Requiring Two-Thirds Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)	3	\$ TBD M
<u>Schedules Requiring Majority Vote:</u>		
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	6	\$ 4.3 M
SUBTOTAL	9	\$ 4.3 M

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

<u>Schedules Requiring Majority Vote:</u>		
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$ 60.2 M
SUBTOTAL	1	\$ 60.2 M

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

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

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

NYC Transit proposes to award Ratifications in the following categories:

<u>Schedules Requiring Majority Vote:</u>		
Schedule K: Ratification of Completed Procurement Actions	5	\$ 29.9 M
SUBTOTAL	5	\$ 29.9 M
TOTAL	15	\$ 94.4 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.

SEPTEMBER 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

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

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

Contractor To Be Determined	Cost To Be Determined	<u>Staff Summary Attached</u>
Three years with two 1-year options		
1. Contract #s C-31389 (State)		↓
2. Contract #s C-31391 (Federal)		↓
RFP Authorizing Resolution for contractor services for miscellaneous structural repairs and debris protection installation on an as-needed basis.		

Contractor To Be Determined	Cost To Be Determined	<u>Staff Summary Attached</u>
Contract Term To Be Determined		
3 Contract #s C-30844-TBD		↓
RFP Authorizing Resolution for Infinite Quantity Asbestos Abatement and other environmental remediation services.		





Procurements Requiring Majority Vote:

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

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

	Horizon Healthcare Staffing, Corp.	\$4,348,640 (Aggregate Est.)	<u>Staff Summary Attached</u>
	Metro Urgent Medical Care of Brooklyn, PLLC		
	NY Doctors Urgent Care, PLLC		
4-9.	Contract #s 06%9659.2, 06%9663.2, 06%9664.2	\$1,382,888 (Est.)	↓
	Contract #s 6%17418.1, 6%17310.1,	\$1,387,151 (Est.)	↓
	Contract #s 6%18386.1	\$1,578,601 (Est.)	↓
Modification to the contracts for assessment services for Paratransit and Reduced-Fare MetroCard Eligibility, in order to exercise the contract options and extend the contract term of six estimated quantity contracts for an additional two years.			

Staff Summary

Item Number 1-2			
Department, Department Head Name SVP Procurement & Supply Chain, Stephen M. Plochochi			
			
Internal Approvals			
Order	Approval	Order	Approval
1	Materiel  9/11/19	6 	OPS 2/1/19
2 X	Law	7 	President 9/13/19
3 X	CFO		
4 X	CPM		
5 X	Subways		

SUMMARY INFORMATION	
Vendor Name RFP Authorizing Resolution	Contract Nos. C-31389 (State) C-31391 (Federal)
Descriptions Contractor Services for Miscellaneous Structural Repairs and Debris Protection Installation on an As-Needed Basis	
Total Amount Not to Exceed \$500 Million	
Contract Term (including Options, if any) Three years with two 1-year Options	
Option(s) included in Total Amt? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

Purpose

To request that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate, and that pursuant to subdivision 9(f) of Section 1209 of the Public Authorities Law, it is in the public interest to utilize a competitive Request for Proposal ("RFP") process to select multiple contractors to become signatories to Call Agreement contracts for Miscellaneous Structural Repairs and Debris Protection Installation on an as-needed basis at various locations throughout the New York City Transit System, for a period of three years, with two 1-year options.

Discussion

Work to be performed under these contracts will occur on subway, elevated, and viaduct structures at various NYC Transit and Staten Island Railway locations within the five boroughs and will consist of structural repairs of steel, concrete, masonry, and wood elements, including work along the right-of-way. Repairs to be performed under these contracts include (1) steel repair of beams, columns, girders, trusses, bridge girder bearings, struts, and bracings; (2) concrete repairs for spalls and cracks; replacement of deteriorated concrete areas and surfaces, encasements; and modifications to restore structural integrity of concrete elements; (3) repair of wood elements including canopy timber boards and rafters and mezzanine floorboards; and (4) repairs of cement block and solid masonry walls. These contracts will also address installation of debris protection, including netting systems under elevated structures.

Considering the scope of these as-needed construction projects cannot be readily determined at this time, the Call Agreement approach is best suited to address time-sensitive and safety-sensitive projects while maintaining competition.

During the contract term, selected contractors will be invited to participate on multiple specific construction work orders including the work described above, up to the aggregate amount of \$500 million. Separate funding will be obtained for each work order and awards will be made on a competitive basis. The duration for these contracts will be three years with two 1-year options.

NYC Transit seeks to utilize the RFP process for the qualification of signatory firms. Respondents to the Request for Qualifications will be assessed in accordance with evaluation criteria for relevant experience and general responsibility, including record of integrity and business ethics, requisite financial resources and safety record.

This competitive RFP method of selection and resulting Call Agreement contracts is in the public's interest and provides the Authority with the following benefits: (1) Immediate response and resolution to potential emergencies and other unforeseen situations utilizing pre-qualified contractors; (2) Price competition between selected contractors for each work order; and (3) Provides an alternative to issuing contract modifications to existing contracts.

Alternative

Use a standard competitive bidding process to award each as-needed construction project. This is not recommended as the proposed approach will facilitate a streamlined procurement process enabling the Authority to more quickly and efficiently react to program needs as they arise.

Impact on Funding



The aggregate budget for these contracts is \$500 million. Funding will be determined upon development of each work order.

Recommendation

It is recommended that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate, and that, pursuant to subdivision 9(f) of Section 1209 of the Public Authorities Law, it is in the public interest to utilize a competitive RFP process to select multiple contractors to become signatories to Call Agreement contracts for Miscellaneous Structural Repairs and Debris Protection Installation on an as-needed basis at various locations throughout the New York City Transit System, for a period of three years with two 1-year options.

Staff Summary

Page 1 of 2

Item Number 3			
Division, Division Head Name: SVP Procurement & Supply Chain, Stephen M. Plochochi			
			
Internal Approvals			
Order	Approval	Order	Approval
1	Materiel 9/11/19	6	President 13/9/19
2 X	Law	7	
3 X	CFO		
4 X	CPM		
5 	OPS 9/14/19		

SUMMARY INFORMATION	
RFP Authorizing Resolution	Contract Nos. C-30844-TBD
Description IQ Asbestos Abatement and Other Environmental Remediation Services	
Total Amount \$50,000,000 (aggregate est. pool)	
Contract Term (including Options, if any) Four years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

Purpose

To request that the Board determine that competitive bidding is impractical or inappropriate and that it is in the public interest to issue a competitive Request for Proposals ("RFP"), pursuant to subdivision 9(f) of Section 1209 of the Public Authorities Law, for procurement of multiple contractors to perform Indefinite Quantity ("IQ") Asbestos Abatement and Other Environmental Remediation Services at various NYC Transit facilities. Each selected contractor will be awarded two contracts, one federal and one state, with a portion of an estimated aggregate value of \$50 million and a four-year duration. These will be zero-dollar based contracts with no minimum guarantee of any assignments.

Discussion

Asbestos, lead, polychlorinated biphenyls (PCBs), mercury and other substances that pose environmental hazards can result in lengthy project delays if they are discovered after construction contract award. To prevent such delays, Capital Program Management is seeking to award multiple contracts for on-call asbestos abatement and environmental remediation services. These contracts will replace six previous contracts that will expire in August 2020. A market survey revealed that there are a sufficient number of firms with the capacity to meet all of NYC Transit's requirements.

Past experience has shown that it takes significantly longer to find qualified asbestos and environmental contractors through the bidding process, due to the number of firms that fail to meet NYC Transit's unique requirements. To avoid this delay, the Board has approved award of these contracts through the competitive RFP process for many years.

To provide an efficient best-value award, a one-step RFP is recommended. Firms will be notified by advertisement and can obtain the RFP package, which contains specifications, terms and conditions, evaluation criteria, and price proposal format.

Selection criteria will be based on qualifications, overall asbestos abatement and environmental remediation experience, business experience and stability, past performance on NYC Transit projects, availability of personnel and equipment to perform the work and unit prices.

The contracts to be awarded will be for four years with an estimated aggregate total of \$50 million. This will provide NYC Transit flexibility in assigning work based upon price, contractor staff availability at the time of assignment, and performance on current and prior assignments under these contracts. The intent is to ensure that NYC Transit will be able to respond rapidly and effectively to asbestos abatement and environmental remediation requirements while prudently managing these contracts.

Work orders will be issued to the contractor with the overall lowest price, unless NYC Transit determines that another contractor is better positioned or is uniquely qualified to perform a specific project. Since selected contractors will already be qualified, and unit prices established, the work order award process will be shortened considerably. A similar procedure was used for the previous contracts providing these services and has proven to be successful in issuing work orders in an expeditious manner.

Impact on Funding

The total estimated funding required for these contracts is \$50 million. Funding for these contracts is presently not in place but will be made available by WAR Certificate chargeable to the specific capital project for which the asbestos abatement and environmental remediation will be done. A WAR Certificate will be received prior to the award of any work order.

Alternatives

To solicit firms on a project-by-project basis to provide asbestos removal and other environmental remediation services using the formal competitive bidding process. Not recommended, as the process would cause significant delays in addressing environmental remediation work, as well as cause significant delays in Capital Construction and Sandy Repair and Resiliency projects, thus increasing the cost of construction.

Recommendation

That the Board determine that competitive bidding is impractical or inappropriate and that it is in the public interest to issue a competitive RFP, pursuant to subdivision 9(f) of Section 1209 of the Public Authorities Law, for procurement of multiple contractors to perform IQ Asbestos Abatement and Other Environmental Remediation Services at various NYC Transit facilities. Each selected contractor will be awarded two contracts, one federal and one state, with a portion of an estimated aggregate value of \$50 million and a duration of four years.

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: 4–9

Vendor Names (Locations) Horizon Healthcare Staffing Corp. (Hicksville, New York) Metro Urgent Medical Care of Brooklyn, PLLC (New Windsor, New York) NY Doctor's Urgent Care, PLLC (New Windsor, New York)	
Description Assessment Services for Paratransit and Reduced-Fare MetroCard Eligibility	
Contract Terms (including Options, if any) January 7, 2015–January 6, 2020 (Horizon) February 1, 2017–January 6, 2020 (Metro) June 30, 2017–January 6, 2020 (NY Doctors)	
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 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, Craig Cipriano	

Contract Number	Mod. #
06%9659, 06%9663, 06%9664 (Horizon)	2
6%17418, 6%17310 (Metro)	1
6%18386 (NY Doctors)	1
Original Amount: \$18,592,288	
06%9659 - \$3,388,483 (Horizon - Brooklyn) 06%9663 - \$3,702,253 (Horizon - Bronx) 06%9664 - \$1,613,501 (Horizon - Staten Island) 6%17418 - \$4,495,373 (Metro - Queens) 6%17310 - \$2,989,078 (Metro - Brooklyn) 6%18386 - \$2,403,600 (NY Doctors - Manhattan)	
Prior Modifications: \$0	
Prior Budgetary Increases: \$7,163	
Current Amount: \$18,599,451	
This Request: \$4,348,640	
06%9659 - \$ 848,117 (Horizon - Brooklyn) 06%9663 - \$ 462,129 (Horizon - Bronx) 06%9664 - \$ 72,642 (Horizon - Staten Island) 6%17418 - \$ 754,544 (Metro - Queens) 6%17310 - \$ 632,607 (Metro - Brooklyn) 6%18386 - \$1,578,601 (NY Doctors - Manhattan)	
% of This Request to Current Amount: 23.4%	
% of Modifications (including This Request) to Original Amount: 23.4%	

Discussion:

These modifications are to exercise the contract options to extend the term of six estimated quantity, miscellaneous service contracts for an additional two years, for the period of January 7, 2020 to January 6, 2022, for provision of eligibility assessment services for the Department of Buses, Paratransit Division (“Paratransit”) and for Revenue Control, Division of Reduced-Fare MetroCard (“Reduced-Fare”), for an additional total estimated amount of \$4,348,640.

Federal statutes and regulations require all public transit agencies that provide paratransit transportation services in accordance with the Americans with Disabilities Act (“ADA”) to establish a process for assessing applicant eligibility for the program. NYC Transit complies with these regulations by utilizing the services of assessment centers. There are six assessment center facilities, one in each of the five boroughs, with Brooklyn hosting two locations as it receives the highest number of applicants. The incumbent contractors perform these eligibility assessments in their own facilities utilizing medical professionals who conduct in-person evaluations to assess how an applicant’s disability may or may not prevent them from using fixed-route bus and subway transportation. The assessment centers’ findings are provided in a report format to Paratransit’s Eligibility Determination Unit, which then makes the determination regarding eligibility, based on all information provided, including the assessment center report and the initial application form complete with doctor’s notes or other information applicants may provide in substantiation of their claim for program eligibility. The assessment centers are also utilized for individuals appealing a prior determination of non-eligibility for Reduced-Fare MetroCard privileges.

A competitive Request for Proposal (“RFP”) conducted in 2014 resulted in awards to: (1) Horizon Healthcare Staffing Corp. (“Horizon”) to operate in Brooklyn, Bronx, and Staten Island; (2) Go Medical Services PLLC. (“Go Medical”) to operate in Brooklyn and Queens; and (3) AHRC Healthcare Inc. d/b/a Access Community Health Center (“Access”) to operate in Manhattan.

Subsequent to award, the contracts with Go Medical and Access were replaced, as both contractors had become increasingly deficient in their work performance. Go Medical’s contracts for Brooklyn and Queens were assigned effective February 1, 2017, to Metro Urgent Medical Care of Brooklyn, PLLC (“Metro”), as Metro served as a performance and completion guarantor of the contract. Access’s contract for Manhattan was replaced by NY Doctors Urgent Care, PLLC (“NY Doctors”) effective June 30, 2017, by way of an Immediate Operating Need (“ION”). Eventually both Go Medical and Access went out of business.

Option year pricing for Horizon and Metro was predicated on the original competitively solicited and negotiated RFP, which was found to be fair and reasonable. Similarly, the ION was also competitively negotiated, and included pricing for the two option years which were found to be fair and reasonable.

Although there was price competition and these awards were found to be fair and reasonable, Procurement requested further price reductions, which were offered by Horizon and NY Doctors. Metro examined its prices and concluded that they could not be further reduced.

Collectively, the total estimated expenditure for exercising the option for all six contracts is approximately \$8,458,889. Approximately \$4,110,249 will remain in the contracts at the end of the base-term in January 2020. Therefore only \$4,348,640 is required to cover costs for the option period.

NYC Transit’s Office of the Controller performed a financial review of each firm and found that there is reasonable assurance that Horizon, Metro, and NY Doctors are financially qualified to perform these contract modifications.

SEPTEMBER 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote cont'd:

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

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

- | | | |
|--|---------------------|--------------------------------------|
| 1. Phase 2 Partnership,
Joint Venture of
of WSP USA and STV Inc.
Contract # CM-1190 | \$60,152,169 | <u>Staff Summary Attached</u> |
|--|---------------------|--------------------------------------|

Exercise Option 4 under the contract for (i) the preparation of contract documents for (a) as many as three Design Build packages for the construction of the ancillary structures and fit out of the stations and ancillary structures; and (b) one Design Build package for the installation of track, traction power, signal, and communication systems in the stations and tunnels and commissioning of the systems; and (ii) providing construction phase services with respect to each such design package.

Item Number: 1

Vendor Name (Location) Phase 2 Partnership, Joint Venture of WSP USA and STV Inc. (New York, New York)	
Description Consultant Design Services for Phase 2 of Second Avenue Subway – Exercise of Option	
Contract Terms (including Options, if any) December 30, 2016 – June 29, 2024	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" 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: Exercise Option
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: Tim Gianfrancesco, Second Avenue Subway Phase 2	

Contract Number	AWO/Mod. #
CM-1190	Option No. 4
Original Amount:	\$120,453,095
Prior Modifications:	\$0
Prior Budgetary Increases:	\$0
Current Amount:	\$120,453,095
This Request:	\$60,152,169 (Option)
% of This Option to Current Amount:	N/A
% of This Option to Original Amount:	N/A

Discussion:

This contract is for consultant design services for the Second Avenue Subway (“SAS”) Phase 2 Project. MTA Capital Construction (“MTACC”) requests Board authorization to exercise Option No. 4 under the contract for (i) the preparation of contract documents for (a) as many as three Design Build packages for the construction of the ancillary structures and fit out of the stations and ancillary structures; and (b) one Design Build package for the installation of track, traction power, signal, and communication systems in the stations and tunnels, and commissioning of the systems; and (ii) providing construction phase services with respect to each such design package. The price for Option 4 is \$60,152,169.

On November 16, 2016, the Board approved the competitively-solicited Contract CM-1190, which was awarded to the Phase 2 Partnership (“P2P”), a joint venture of WSP USA and STV Inc., to provide consultant design services for Phase 2 of the SAS Project. The base contract is for a not-to-exceed cost of \$120,453,095 and a duration of 90 months. The base contract includes five tasks: (1) Update the existing Preliminary Engineering Design to Extended Preliminary Engineering; (2) Support the Supplemental Environmental Review process and prepare FTA New Starts applications; (3) Recommend a contract packaging structure and documents; (4) Prepare a design package for a Design Bid Build utility relocation and site preparation contract and provide related construction phase services; and (5) Prepare design packages for one or more Design Build packages for tunnel construction and the civil work and structural shell construction of the three stations and provide related construction phase services.

The contract also provides for four options to be exercised within 24 months of the award of the contract, each providing for P2P to prepare as many as three design packages (one for each station) for the construction of ancillary structures and the fit-out of the stations and ancillary structures with architectural finishes and mechanical, electrical, plumbing, and conveyance systems and one design package for the installation of track, traction power, signal, and communication systems in the stations and tunnels and the commissioning of the systems (the Track/Traction Work).

Each option contains a different combination of Design Bid Build packages and Design Build packages so that the MTA, with the assistance of P2P, could evaluate each scenario before selecting one. Each option also includes construction phase services for the associated construction packages. At the time the Board approved the base contract, the Board was advised that at the appropriate time, and based upon the evaluations performed, MTACC would return to the Board for approval to exercise the appropriate option.

Option No. 4, which provides for the preparation of only Design Build packages, has been determined to be the appropriate option because the Design Build method is the most efficient and cost-effective way to proceed and this method complies with NY State's recently enacted legislation requiring that all contracts above \$25 million use the Design Build delivery method. The other three options will not be exercised. The price of Option 4, as negotiated and specified in the contract, is \$60,152,169.

A careful review of the Extended Preliminary Engineering design upon its completion in December 2018 identified opportunities for reducing the cost of the project. Accordingly, the scope of the base contract was amended to include advancing seven cost savings concepts to Extended Preliminary Engineering design. This exercise pushed the completion of Extended Preliminary Engineering design to June 2019, resulting in the expiration of the twenty-four-month period for the exercise of the contract options. P2P has agreed, however, to extend the time period to exercise the options to December 30, 2019 without change to the option prices negotiated and specified in the contract, which for Option 4 is \$60,152,169. MTACC's updated estimate establishes that this price remains fair and reasonable.

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

Impact on Funding

Funding is available in the 2015–2019 Capital Program

Recommendation

It is recommended that the Board authorize the exercise of Option No. 4 for the amount of \$60,152,169.

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

SEPTEMBER 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 estimated to be greater than \$1,000,000.)

- | | | | |
|----|---|--------------------------------|--------------------------------------|
| | John P. Picone, Inc. | \$4,280,000 (Aggregate) | <u>Staff Summary Attached</u> |
| 1. | Contract# A-36090.292 | \$1,280,000 | ↓ |
| 2. | Contract# A-36090.304 | \$3,000,000 | ↓ |
| | Modification to the contract for the renewal of six stations and line structure repair on the Sea Beach line; in order to perform repair/replacement of structural steel at the Fort Hamilton Parkway Station Control House and water leak remediation with polymer positive-side grouting at the Bay Parkway, 20th Avenue, 18th Avenue and New Utrecht Avenue stations' northbound and southbound platforms. | | |
| 3. | L. K. Comstock & Company | \$18,650,000 | <u>Staff Summary Attached</u> |
| | Contract# S-32176.19 | | |
| | Modification to the contract for the modernization of the Kings Highway Interlocking - Culver Line/ 6th Avenue Line; in order to furnish and install two double crossovers and two single crossovers. | | |
| 4. | New Flyer of America, Inc. | \$3,374,124 | <u>Staff Summary Attached</u> |
| | Contract# B-40671.1 | | |
| | Modification to the contract to furnish and deliver 110 low-floor 60-foot articulated Compressed Natural Gas ("CNG") buses; in order to incorporate a series of technical changes on 110 low-floor 60-foot articulated CNG buses. | | |
| 5. | Turtle & Hughes, Inc. | \$3,577,121 | <u>Staff Summary Attached</u> |
| | Contract# 6%24218 | | |
| | Five-year contract with two, five-year options | | |
| | Sag Corrector Service agreement. | | |

Schedule K: Ratification of Completed Procurement Actions

Item Number: 1-2

Vendor Name (Location) John P. Picone, Inc. (Lawrence, New York)
Description Renewal of Six Stations and Line Structure Repair on the Sea Beach Line, Borough of Brooklyn
Contract Term (including Options, if any) December 30, 2014–October 31, 2019
Option(s) included in Total Amt? <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	AWO/Mod. #s
A-36090	292, 304
Original Amount:	\$ 188,761,000
Prior Modifications:	\$ 19,155,008
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 207,916,008
This Request:	\$ 4,280,000
Mod. 292: \$1,280,000 Mod. 304: \$3,000,000	
% of This Request to Current Amt.:	2.1%
% of Modifications (including This Request) to Original Amount:	12.4%

Discussion:

These retroactive modifications are for repair/replacement of structural steel at the Fort Hamilton Parkway Station Control House D-3; and water leak remediation with polymer positive-side grouting at the Bay Parkway, 20th Avenue, 18th Avenue, and New Utrecht Avenue stations' northbound and southbound platforms.

The base contract provides for the renewal of six stations along the Sea Beach line in Brooklyn: 8th Avenue, Fort Hamilton Parkway, New Utrecht Avenue, 18th Avenue, 20th Avenue, and Bay Parkway. The work includes concrete repairs; repair of steel structural members; replacement of all interior/exterior stairs, windows, and doors; replacement/upgrade of existing electrical, security, and signal systems; demolition and replacement of platform columns, tunnel arches, parapets, canopies, and concrete platform slabs; construction of four new Americans with Disabilities Act ("ADA")-compliant elevators at New Utrecht Station; and construction of an ADA-compliant ramp at the 8th Avenue station's northbound platform. (This has since changed to an elevator.)

Fort Hamilton Parkway Control House D-3 Steel Repair/Replacement

Modification 292: The base contract requires demolition and replacement of the top layer of the concrete floor ("topping slab") in Fort Hamilton Parkway Station Control House D-3, with the existing concrete structural slab and steel framing beneath to remain. During removal of the topping slab, it was discovered that several support girders and secondary beams were severely deteriorated and exhibited section loss in the exposed top flanges of the girders. Prior modifications were issued for the demolition of the structural slab and concrete encasement surrounding the steel to determine the full extent and severity of the deterioration as well as facilitate the repair design. This modification provides for the repair/replacement of deteriorated steel girders, columns, filler beams, and associated steel members beneath the structural slab of Control House D-3. Subsequent modifications will address the replacement of the concrete structural slab and removal of the protective demolition shield below the Control House and above the tracks. The contractor submitted its proposal in the amount of \$1,522,887. The revised in-house estimate is \$1,216,742. Negotiations resulted in the agreed-upon lump-sum price of \$1,280,000. Savings of \$242,887 were achieved.

Water Leak Remediation with Polymer Positive-Side Grouting

Modification 304: The Sea Beach line was constructed in 1914, and thereby lacks modern waterproofing behind the retaining walls and platform walls and above the platform canopies. Due to access issues with private property owners at these stations, it was not feasible to include typical membrane waterproofing which would require excavation to expose the station structures. The base contract requires localized repair of active water leaks at the Bay Parkway, 20th Avenue, 18th Avenue, and New Utrecht Avenue stations. These localized repairs were attempted on the northbound platforms but were ineffective due to the age and porosity of the existing concrete. Given the recent success of utilizing polymer positive-side grouting at other locations within the NYC Transit system, this alternative waterproofing approach was tested at several locations on the Sea Beach line. Based on the successful test results, it was determined that polymer positive-side grouting was the best option to mitigate water intrusion. This modification provides for polymer positive-side grouting at the Bay Parkway, 20th Avenue, 18th Avenue, and New Utrecht Avenue stations on the northbound and southbound platforms. The contractor submitted its proposal in the amount of \$4,029,010. The revised in-house estimate is \$2,960,330. Negotiations resulted in the agreed-upon lump-sum price of \$3,000,000 and no impact to the project schedule. Savings of \$1,029,010 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 both modifications commenced immediately to maintain the stations' reopening dates. The VP, Materiel, authorized payments up to the negotiated amounts for work completed prior to the approval of these modifications.

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

Schedule K: Ratification of Completed Procurement Actions



Item Number: 3

Vendor Name (Location) L.K. Comstock & Company (East Farmingdale, New York)
Description Signal System Modernization of Kings Highway Interlocking, Culver Line / IND 6th Avenue Line, Brooklyn
Contract Term (including Options, if any) October 17, 2016–May 16, 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	AWO/Mod. #
S-32176	19
Original Amount:	\$ 98,443,000
Prior Modifications:	\$ 290,783
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 98,733,783
This Request:	\$ 18,650,000
% of This Request to Current Amount:	18.9%
% of Modifications (including This Request) to Total Amount:	19.2%

Discussion:

This retroactive modification is for the replacement of two double crossovers and two single crossovers within the Kings Highway Interlocking along the Culver line in Brooklyn, including replacement of existing wood ties with fiber-reinforced foam urethane ties, new rails and associated track work.

The base contract provides for the signal system modernization of the Kings Highway Interlocking on the 6th Avenue line (IND) in Brooklyn, and the upgrade of the train tracking system for Staten Island Railway (“SIR”). Work consists of (1) the removal of existing equipment; (2) furnishing and installing new signal equipment, signal heads, automatic stop machines, switch machines, indication and interlocking control panels, track circuits, code systems, Computer-Based Train Control (“CBTC”)–ready solid-state interlocking, new switch configuration, fiber-optic communication; (3) track and DC work; and for SIR (4) furnishing of a new train-tracking software system.

Subsequent to contract award, Maintenance of Way Track Engineering reassessed the condition of the four crossovers within the Kings Highway Interlocking in part to determine whether contractually required spot repairs of the track would be sufficient to enable the installation of 12 new switch machines required by contract, and whether additional repairs within the crossovers would be necessary. The inspection found numerous track ties throughout the crossovers to be in poor condition (heavily weathered, split and/or hollowed) and not suitable for the installation/mounting of new equipment required by the contract. This modification is for the full replacement of these four crossovers including replacement of existing wood ties with fiber-reinforced foam urethane ties, new rails and associated track work.

The NYC Transit President notified the MTA Board of this modification by email in November 2018, explaining that this additional work was initially planned to be performed after the interlocking modernization and after CBTC installation. This approach was based on previous condition assessments indicating that replacement of the crossovers was not immediately necessary. However, as indicated above, the current conditions necessitated more near-term replacement. By upgrading the crossovers in conjunction with the ongoing Kings Highway project, NYC Transit will achieve efficiencies by utilizing the existing contractor, taking advantage of existing service outages, and mitigating customer impact. In contrast, issuing a new contract to address this additional work would not be practical, as (1) award would not be made in time to take advantage of currently planned service outages, and (2) performing the crossover work after the CBTC installation would require the removal and reinstallation of newly installed signal equipment, which would add complexity, be less cost effective, and impact customers twice.

In order to mitigate the 12-month lead time associated with the fabrication of track materials required for the new crossovers, it was necessary to direct the contractor to proceed with material procurement. Approval to direct the contractor and process this modification on a retroactive basis was obtained from the SVP, Capital Program Management. Installation is currently scheduled for March 2020.

L.K. Comstock & Company (“Comstock”) submitted its proposal in the amount of \$22,093,980. The in-house estimate was \$17,361,000. Negotiations resulted in the agreed-upon lump-sum price of \$18,650,000 and no impact to the project schedule. Savings of \$3,443,980 were achieved. Capital Program Management and Procurement found this price to be fair and reasonable.

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

Item Number: 4

Vendor Name (Location) New Flyer of America, Inc. (St. Cloud, Minnesota)
Description Furnish and Deliver 110 Low-Floor 60-foot Articulated Compressed Natural Gas (CNG) buses
Contract Term (including Options, if any) May 31, 2017–December 31, 2023
Option(s) included in Total Amt? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: 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: Department of Buses, Craig Cipriano

Contract Number B-40671	AWO/Mod. # 1
Original Amount:	\$ 95,039,286
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 95,039,286
This Request:	\$ 3,374,124
% of This Request to Current Amt.:	3.6%
% of Modifications (including This Request) to Original Amount:	3.6%

Discussion:

This retroactive modification is to incorporate a series of technical changes on 110 low-floor 60-foot articulated Compressed Natural Gas (“CNG”) buses from New Flyer of America, Inc. (“New Flyer”).

The base contract is a sole-source negotiated contract which was approved by the Board in January 2017 and awarded to New Flyer in April 2017 for the estimated total of \$95,039,286; New Flyer is the only manufacturer of articulated CNG buses in North America. Delivery of these buses began in June 2018 and was completed in February 2019.

This modification will memorialize these technical changes requested by NYC Transit’s Department of Buses (“DOB”) that enhanced the bus’s emissions profile and customer amenities, as well as optimize performance and improve the reliability and maintainability of various mechanical and electrical systems. It should be noted that the majority of these changes were incorporated on the production line. However, a few of the changes were incorporated after the manufacture of the five pilot buses resulting in the need to retrofit these buses at the production facility. The three most significant changes which accounted for over 80 percent of total modification price include the upgrade of the bus engine, the installation of Digital Information Screens (“DIS”) to enhance the customer communication experience by providing audio/visual route and stop information as well as service advisories and the enhancement of the Bus Camera Security System (“BCSS”).

The upgrade of the bus engines to the 2018 EPA-compliant Cummins L9N ISL-G NZ was required because the engine manufacturer did not receive final approval of its 2018 EPA-compliant CNG engine until December 2017 which was subsequent to award of this contract. As a result, a number of enhancements and modifications were made to the engines. The installation of the Vianova DIS system was not included at time of award because DOB was in the process of conducting a test and evaluation of the DIS systems, which began in 2016 and concluded in late 2017. Upon completion of the test and evaluation, Vianova and two other vendors were qualified. The Vianova DIS was subsequently incorporated into these buses. The BCSS was enhanced with five additional cameras (four exterior and one interior driver facing camera) as part of an ongoing effort to improve the security for passengers and employees.

Through negotiations that focused on technical changes as well as pricing mark-ups and overhead rates for each of these changes, Procurement obtained a final price of \$3,374,124. The final pricing for this modification has been found to be fair and reasonable.

Item Number: 5

Vendor Name (Location) Turtle & Hughes, Inc. (Linden, New Jersey)	Contract Number 6%24218	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description Sag Corrector Service Agreement	Total Amount: \$3,577,121	
Contract Term (including Options, if any) Five Years (with two additional five-year options)	Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a	Requesting Dept./Div., Dept./Div. Head Name: Department of Subways, Sally Librera	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive		
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:		

Discussion:

It is requested that the Board ratify a contract award made pursuant to the declaration of an Immediate Operating Need ("ION") requested by the Department of Subways and approved by the Vice President Materiel, for a Sag Corrector Service Agreement in the total estimated amount of \$3,577,121 to Turtle & Hughes, Inc. ("T&H").

This procurement addresses the need to ensure a reliable and consistent supply of power to the signal system. Disruptions in power can result in shutdowns, and surges in power can destroy signal equipment. Specialty electrical equipment, designed to eliminate disruptions (sags) in the electric power provided to the signal system, were furnished and installed in approximately 384 locations throughout NYC Transit's subway system by Con Edison, pursuant to a 2017 directive from the New York State Public Service Commission. These "sag correctors" are manufactured by Rockwell Automation ("Rockwell"), and were supplied by T&H.

T&H is Rockwell's sole distributor and authorized service contractor in the New York and mid-Atlantic region. Since the firmware and software installed in the sag correctors is proprietary to Rockwell, and it does not have any other authorized distributors or technical support providers in the area, the contract was negotiated as a sole-source procurement with T&H. Under the terms of the contract, T&H will provide (1) onsite scheduled and emergency technical support; (2) remote technical support; (3) inventory management to ensure delivery of needed parts within 24 hours; (4) warranty and repair services; (5) obsolescence management; and (6) training of in-house forces on basic maintenance and troubleshooting. The contract also contains two options, exercisable at the discretion of NYC Transit, for two additional five-year terms, thereby providing available support for a period of 15 years, commensurate with the sag correctors' current estimated total lifespan. Board approval will be sought prior to exercising either of these five-year options.

Following extensive negotiations, T&H submitted its final proposal in the amount of \$3,577,121. The in-house estimate was \$3,599,981. Procurement, together with the Cost/Price Analysis group, concluded that the pricing was fair and reasonable.

In connection with a previous contract awarded to T&H, T&H was found to be responsible notwithstanding significant adverse information ("SAI") pursuant to the All-Agency Responsibility Guidelines, and such responsibility finding was approved by the MTA Chairman & CEO in consultation with the MTA General Counsel in March 2019. No new SAI has been found relating to T&H and T&H has been found to be responsible.



Metro-North Railroad



Action Item

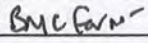

Staff Summary

Subject NYSDOT Grant for Connecting Services	
Department Operations Planning and Analysis	
Department Head Name Ben Cornelius	
Department Head Signature 	
Project Manager Name Edilma Jarvis	Program Manager Name

Date August 26, 2019
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref#

Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm. Mtg.	9/23	X		
2	MTA Finance Mtg	9/23	X		
3	MTA Board Mtg.	9/25	X		

Internal Approvals			
Order	Approval	Order	Approval
4	President 		
3	VP Financial Admin 		

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	VP Planning 					2	General Counsel 
	Press						

Narrative

PURPOSE:

To obtain MTA Board approval to enter into a contract to accept up to \$365,000 in a Congestion Mitigation/Air Quality (CMAQ) grant from the New York State Department of Transportation (NYSDOT) to support connecting services, covering the period from October 1, 2019 through September 30, 2020.

DISCUSSION:

Metro-North has worked with NYSDOT to implement various projects to improve access to Metro-North stations. These projects, which include connecting buses (e.g. Hudson Link, Newburgh-Beacon Shuttle, Dutchess LOOP, HART, etc.), the Haverstraw-Ossining Ferry, the Newburgh-Beacon Ferry and Guaranteed Ride Home programs, create station access/egress and increase ridership and revenue for the Railroad, as well as reduce the number of single occupancy vehicles on the roads.

Over the past fifteen years, Metro-North has received over \$4 million from similar NYSDOT (CMAQ) grants. These funds have been used for a variety of operational and marketing activities: providing customer information (e.g. signage, kiosks, pocket timetables, etc.); marketing/advertising to launch and support these services; supporting Metro-North's Guaranteed Ride Home programs; for customer parking and miscellaneous operational improvements. Metro-North plans to use the funds from the new CMAQ grant in a similar fashion, working with our regional partners to maintain service quality and improve station access.

BUDGET IMPACT:

No budget impacts. These monies allow for projects that would not otherwise be implemented.

RECOMMENDATION:

That the MTA Board grant approval to enter into a contract to accept up to \$365,000 in a Congestion Mitigation/Air Quality (CMAQ) grant from the New York State Department of Transportation (NYSDOT) to support connecting services, covering the period from October 1, 2019 through September 30, 2020.

The legal name of MTA Metro-North Railroad is Metro-North Commuter Railroad Company



Metro-North Railroad

Procurements

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.



Subject	Request for Authorization to Award Various Procurements				
Department	Procurement and Material Management				
Department Head Name	Anthony Gardner, Acting Sr Director				
Department Head Signature					
Project Manager Name					
Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	9-23-19	x		
2	MTA Board Mtg.	9-25-19	x		

Date			
Vendor Name Various			
Contract Number Various			
Contract Manager Name Various			
Table of Contents Ref #			
Internal Approvals			
	Approval		Approval
X	President 	X	Executive Director Management & Budget 
X	Executive Vice President 	X	V.P. Capital Programs 
X	Sr. V.P. Operations 		
X	V.P. & General Counsel 		

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>	<u>NONE</u>	

<u>Schedules Requiring Majority Vote</u>	<u>NONE</u>
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SUB TOTAL:

MNR proposes to award competitive procurements in the following categories:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts) <ul style="list-style-type: none"> Request to Use RFP Process 	1	TBD

<u>Schedules Requiring Majority Vote</u>	<u>NONE</u>
--	-------------

SUB TOTAL:	1	TBD
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MNR presents the following procurement actions for Ratification:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	<u>NONE</u>
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<u>Schedules Requiring Majority Vote</u>	<u>NONE</u>
--	-------------

SUB TOTAL:		
TOTAL:	1	TBD

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.)

SEPTEMBER 2019

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

B. Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)
(Staff Summaries only required for items estimated to be greater than \$1 million)

1. Request to Use RFP Process TBD Staff Summary Attached
Three New Traction Power Substations

MTA Metro-North Railroad requests that the Board adopt a resolution declaring that competitive, sealed bidding is impractical or inappropriate and that it is therefore, in the public interest to use the competitive Request for Proposal (RFP) process, pursuant to Public Authorities Law Section 1265-a, for the design build of three traction power substations at MNR's Golden Bridge, Croton Falls and Katonah stations.

The three new substations will harden electrical infrastructure in districts of critical need and will be able to provide wider coverage in case of the failure of an adjacent substation. The locations for these three new substations were selected and procured by MTA Real Estate for ease of substation construction and transmission of DC traction power along MNR's upper Harlem Line.

This procurement will be funded by the 2015-2019 MNR Capital Program.

Staff Summary

Item Number B					
Dept. & Dept. Head Name: Procurement & Material Management, Anthony Gardner, Acting Sr. Director					
Division & Division Head Name: Executive Vice President, Susan Doering					
Board Reviews					
Order	To	Date	Approv	Info	Other
1	M-N Comm.Mtg.	9-23-19	x		
2	MTA Board Mtg.	9-25-19	x		
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	Executive Director Mgmt. & Budget		
X	Sr. V.P. Operations				
X	V.P. & General Counsel				
X	V.P. Capital Programs				

SUMMARY INFORMATION	
Vendor Name TBD	Contract Number 156171
Description Request to use the RFP Process - Three New Traction Power Substations	
Total Amount TBD	
Contract Term (including Options, if any)	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION:

MTA Metro-North Railroad requests that the Board adopt a resolution declaring that competitive, sealed bidding is impractical or inappropriate and that it is therefore, in the public interest to use the competitive Request for Proposal (RFP) process, pursuant to Public Authorities Law Section 1265-a, for the design build of three traction power substations at MNR's Golden Bridge, Croton Falls and Katonah stations.

II. DISCUSSION:

In 2004, a MNR Traction Power Study – DC Territory conducted by SYSTRA Engineering Inc. included a power substation strategy which recommended significant MNR traction power capital improvements. The improvements recommended in the study are to be implemented in phases through the year 2029. The improvements include normal replacement of existing substations, installation of additional traction substations where necessary and installation of composite aluminum third rail in many sections to lower the electrical resistance between substation and train.

The MNR traction power system cannot reliably handle the current and future operations. Capital improvements, in the form of additional new substations, are needed. The current Harlem Line operation, with its pronounced ridership growth over the last two decades, shows much greater stress on the existing DC traction power system. This is highly undesirable for normal operations and has been addressed in formulating the traction power improvements strategy.

The three new substations will harden electrical infrastructure in districts of critical need and will be able to provide wider coverage in case of the failure of an adjacent substation. The locations for these three new substations were selected and procured by MTA Real Estate for ease of substation construction and transmission of DC traction power along MNR's upper Harlem Line.

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

The MTA Department of Diversity and Civil Rights (DDCR) will be consulted to determine the appropriate MBE/WBE and SDVOB goals.

IV. **IMPACT ON FUNDING:**

This procurement will be funded by the 2015-2019 MNR Capital Program.

V. **ALTERNATIVES:**

The alternative is to use a sealed competitive bidding process; however, this alternative is not recommended, as it would require MNR to first obtain 100% designs of the work to be implemented, consequently losing the advantages of a design/build construction methodology. The use of a design build process shall allow the contractor to utilize their specific expertise to adapt the base design to the individual stations, optimizing design efficiencies.

LONG ISLAND RAIL ROAD

PROCUREMENTS

FOR

BOARD ACTION

September 25, 2019

Staff Summary



Subject: Request for Authorization to Award Various Procurements						Date <div style="text-align: center;">September 25, 2019</div>			
Department Procurement and Logistics									
Department Head Name Dennis L. Mahon, Chief Procurement and Logistics Officer									
Department Head Signature 									
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LI Committee	9.23.19				X	President		
2	MTA Board	9.25.19							

PURPOSE:

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Long Island Rail Road Committee of these procurement actions.

DISCUSSION:

LIRR proposes to award Non-Competitive Procurements in the following # of Actions \$ Amount

None

LIRR proposes to award Competitive Procurements in the following # of Actions \$ Amount

Schedule B: Competitive Requests for Proposals

	1	\$TBD
SUBTOTAL:	1	\$TBD

LIRR proposes to award Ratifications in the following categories: # of Actions \$ Amount

None

TOTAL:	<u>1</u>	<u>\$TBD</u>
---------------	----------	--------------

BUDGET IMPACT:

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

RECOMMENDATION:

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

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

SEPTEMBER 2019

MTA LONG ISLAND RAIL ROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

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

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

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

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public's best interest to use the design-build Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a contract to replace the Ocean Avenue substation. with an option to replace the Bellmore substation, which are operating beyond their useful life.

LIRR's 2015-2019 Capital Program includes replacement of up to two traction power substations that are past their useful life. With this procurement, the Ocean Avenue Substation, with the option for the Bellmore Substation replacement, will be the final substations replaced under the current capital program. The contractor will design, fabricate, deliver, install, integrate and test the modular substations including building enclosures, equipment, cabling and supervisory control systems. In addition, the contractor will be responsible for the design & construction of the foundation system and final site finishing. LIRR Forces will connect the substation to the LIRR power and communications infrastructure by installing conduit, cable, switches and terminations.

Staff Summary



Item Number: 1					
Dept & Dept Head Name: Procurement & Logistics, Dennis Mahon					
Department Head Signature & Date					
Division & Division Head Name: Program Management, Paul Dietlin					
Division Head Signature & Date					
Board Reviews					
Order	To	Date	Approval	Info	Other
	LI Committee	9.23.19			
2	MTA Board	9.25.19			
Internal Approvals					
Order	Approval	Order	Approval		
5	President	2	Sr. VP/Operations		
4	VP/Gen'l Counsel & Sec'y	1	Sr. VP/Engineering		
3	VP/CFO				

SUMMARY INFORMATION	
Vendor Name TBD	Contract Number TBD
Description Design Build Replacement of Ocean Avenue Substation with Option for Bellmore Substation.	
Total Amount \$TBD	
Contract Term (including Options, if any) TBD	
Options(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 type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other	

Narrative

I. PURPOSE/RECOMMENDATION:

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public's best interest to use the design-build Request for Proposals (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a contract to replace the Ocean Avenue substation, with an option to replace the Bellmore substation, both of which are operating beyond their useful life.

II. DISCUSSION:

LIRR's 2015-2019 Capital Program includes replacement of up to two traction power substations that are past their useful life. With this procurement, the Ocean Avenue substation, with the option for the Bellmore substation replacement, will be the final substations replaced under the current capital program. The successful contractor will design, fabricate, deliver, install, integrate and test the modular substations including building enclosures, equipment, cabling and supervisory control systems. In addition, the successful contractor will be responsible for the design and construction of the foundation system and final site finishing. LIRR force will connect the substation to the LIRR power and communications infrastructure by installing conduit, cable, switches and terminations.

The utilization of the RFP procurement process will allow LIRR to (a) better assess which proposers are capable of performing the work within the schedule, (b) assess the qualifications of prospective contractors; and (c) negotiate the best price as against the terms and conditions to arrive at a best value determination for award. Additionally, the RFP process gives LIRR the ability to negotiate and evaluate terms other than price alone, such as a proposer's past performance and technical experience on similar traction power replacement projects, qualifications of key personnel and safety records. Since the successful contractor will be responsible for both civil/site work and design and supply of the substation, the RFP process afford LIRR greater opportunity will enable LIRR to conduct face to face meetings and probe critical areas of the work with proposers to ensure that the proposer that is ultimately selected for award of the contract has a strong understanding of LIRR's scope of work as well as a solid technical approach to completing the project on-time and within budget while ensuring a

Staff Summary



Long Island Rail Road

Page 2 of 2

high-quality product. The MTA Board has previously authorized use of the RFP process in connection with power substation projects, the most recent being LIRR's Meadowbrook Substation.

III. D/M/WBE INFORMATION:

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

IV. IMPACT ON FUNDING:

Funding for this project is included in LIRR's 2015-2019 Capital budget.

V. ALTERNATIVES:

The alternative is to use the Invitation for Bid (IFB) procurement method. The IFB procurement method does not allow the LIRR the opportunity to negotiate costs or select a contractor based upon past experience, technical capability and/or proposed work completion schedule. In addition, the IFB process does not allow for meaningful dialogue with the contractor until after award, thereby preventing the LIRR from negotiating improvements to the construction schedule and incorporating more efficient means and methods into the contract.



Bridges and Tunnels

Procurements September 2019

Staff Summary

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

Date	09/06/19
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	President	9/09/19			
2	MTA B&T Committee	9/23/19			
3	MTA Board	9/25/19			

Internal Approvals			
Order	Approval	Order	Approval
	President		VP & Chief Financial Officer
	Executive Vice President		VP Operations
	VP & Chief of Staff		VP & Chief Engineer
	SVP & General Counsel		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: None

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

Schedules Requiring Two-Thirds Vote:

Schedule C: Competitive Request for Proposals

of Actions

2

\$ Amount

\$167.8M

Schedule Requiring Majority Vote:

Schedule F: Personal Service Contracts

6

\$ 24.7M

Schedule H: Modification to personal Service Contract and Miscellaneous Service Contract

1

\$ 4.3M

SUBTOTAL

9

\$196.8M

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

TOTAL

9

\$196.8M

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.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2019

MTA BRIDGES & TUNNELS

Procurements Requiring Two-Thirds Vote:

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

- | | | |
|------------------------------------|------------------------|--------------------------------------|
| 1. Judlau Contracting, Inc. | \$47,825,000.00 | <u>Staff Summary Attached</u> |
| Contract No. RK-23C | | |

1 year, 3 months – Competitive RFP

B&T is seeking Board approval under the All Agency General Contract Procurement Guidelines to award a competitively solicited public work contract for Design-Build Services for the New Harlem River Drive Connector Ramp.

- | | | |
|-------------------------------|-------------------------|--------------------------------------|
| 2. Various Contractors | \$120,000,000.00 | <u>Staff Summary Attached</u> |
| Contract No. GFM-527 | | |

4 years – Competitive RFP

B&T is seeking Board approval under the All Agency General Contract Procurement Guidelines to award public work contracts via the competitive RFP process for Miscellaneous Construction on an As-Needed Basis.

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. Hardesty & Hanover Construction Services, LLC | \$2,845,771.00 | <u>Staff Summary Attached</u> |
| Contract No. PSC-19-3024 | | |

3 years – Competitive RFP

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract for construction administration, inspection and design oversight services for Project RK-66, Design-Build of Electrical Upgrades at the Robert F. Kennedy Bridge.

- | | | |
|---|-----------------------|--------------------------------------|
| 2. Greenman-Pedersen, Inc. (GPI) | \$3,320,648.14 | <u>Staff Summary Attached</u> |
| Contract No. PSC-18-3023 | | |

2 years 9 months – Competitive-RFP

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract for Construction Administration, Inspection and Design Oversight Services for Project BW-07/BW-32, Design-Build Services for Fender Protection and Fire Standpipe Systems at the Bronx-Whitestone Bridge.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2019

3. **RAD/EnTech JV** **\$3,365,791.00** **Staff Summary Attached**
Contract No. PSC-18-3020

2 years, 9 months – Competitive RFP

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract for Construction Administration and Inspection Services for Project HH-07A/HH-30, Structural Rehabilitation and Painting at the Henry Hudson Bridge.

4. **Gannet Fleming Engineers & Architect, P.C.** **\$3,351,517.30** **Staff Summary Attached**
Contract NO. PSC-19-3031

2 years – Competitive RFP

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract to provide Master Planning and Advanced Designs services for the Rehabilitation of the Tunnel Support Buildings at the Hugh L. Carey Tunnel and Queens-Midtown Tunnel.

5. **LiRo Engineers** **\$4,021,762.00** **Staff Summary Attached**
Contract No. PSC-19-3028

1 year, 9 months – Competitive RFP

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract for Construction Administration and Inspection Services for Project RK-23C, Design-Build Services for the New Harlem River Drive Connector at the Robert F. Kennedy Bridge.

6. **Greenman-Pedersen, Inc (GPI)/M&J Engineers, P.C JV** **\$7,810,639.40** **Staff Summary Attached**
Contract No. PSC-18-3022

3 years, 4 months – Competitive RFP

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract for Construction Administration and Inspection Services for RK-20 - Main Bridge Cable Inspection and Rehabilitation at the RFK Bridge and RK-19/70 - Phase 1A Structural Rehabilitation at the Robert F. Kennedy Bridge.

H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded

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

1. **Thornton Tomasetti, Inc** **\$4,272,683.18** **Staff Summary Attached**
Contract No. PSC-15-2977

3 years, 5 months – Competitive RFP

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to amend this contract with Thornton Tomasetti, Inc for funding to provide construction support services for Project TN-53, Rehabilitation and Seismic Retrofit of the Approach Viaducts and Rehabilitation of the Lower Garage at the Throgs Neck Bridge.

Staff Summary

Page 1 of 2

Item Number						SUMMARY INFORMATION			
Dept & Dept Head Name: Engineering and Construction, Joe Keane, P.E. <i>Joe Keane</i>						<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%; padding: 5px;">Vendor Name Judlau Contracting, Inc.</td> <td style="width: 30%; padding: 5px;">Contract Number RK-23C</td> </tr> </table>		Vendor Name Judlau Contracting, Inc.	Contract Number RK-23C
Vendor Name Judlau Contracting, Inc.	Contract Number RK-23C								
Division & Division Head Name: Engineering and Construction, William Neubauer, P.E. <i>William Neubauer 9/4/19</i>						Description: Design-Build Services for New Harlem River Drive Connector Ramp			
Board Reviews						Total Amount \$47,825,000.00			
Order	To	Date	Approval	Info	Other	Contract Term (including Options, if any) 15 months			
1	President	09/09/19				Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
2	MTA B&T Committee	09/23/19							
3	MTA Board	09/25/19							
Internal Approvals						Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive			
Order	Approval	Order	Approval	Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:					
1	Vice President & Chief Financial Officer <i>[Signature]</i>	4	Vice President & Chief of Staff	Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:					
2	Sr. Vice President & General Counsel <i>[Signature]</i>	5	President <i>[Signature]</i>						
3	Vice President & Chief Procurement Officer <i>[Signature]</i>								

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency General Contract Procurement Guidelines to award a competitively solicited public work contract for Design-Build Services for New Harlem River Drive Connector Ramp to Judlau Contracting, Inc. (Judlau) for a period of 15 months in the negotiated amount of \$47,825,000.00. In accordance with the MTA Design-Build Best Practice Guidance and in order to enhance competition and defray proposal costs, this solicitation included stipends in the amount of \$75,000 to be paid to each unsuccessful proposer whose proposal met defined proposal standards. Accordingly, approval is also requested to pay stipends totaling \$150,000 to the two unsuccessful proposers.

II. DISCUSSION

In July 2016, the Board authorized B&T to enter into a competitive Request for Proposal (RFP) process for design-build (D-B) services for a New Harlem River Drive Connector Ramp. The work requires the design and construction of a new direct connector ramp from the Robert F. Kennedy Bridge Manhattan approach to the northbound Harlem River Drive including associated drainage, roadway lighting, signage, dry fire standpipe, pavement markings, traffic barriers, etc.

The service requirements were publicly advertised; eleven firms submitted qualification information and based on a review of their qualifications, four firms were deemed qualified to receive the RFP. Three firms submitted proposals: DeFoe Corp. (DeFoe) - \$57,830,000, Judlau Contracting, Inc. (Judlau) - \$45,500,000, and Skanska USA Civil Northeast, Inc.

(rev. 4/07/10)

Staff Summary

Page 2 of 2

(Skanska) - \$51,600,000. The proposals were evaluated against established criteria set forth in the RFP, including proposed price, D-B technical approach, schedule, D-B experience, key personnel, and management approach.

In accordance with the MTA Design-Build Best Practice Guidance, Technical Proposals were evaluated by the Selection Committee (SC) prior to evaluation of the cost proposals. The SC unanimously recommends Judlau as the highest rated firm based on several factors: (i) technical innovations resulting in overall cost savings, (ii) an aggressive schedule, (iii) a successful historical working relationship between Judlau and its proposed design engineering firm, Parsons Transportation Group (PTG), (iv) the most advantageous price; and (v) a commitment to achieving the M/WBE and SDVOB goals. The other shortlisted firms provided responsive proposals, which were viewed as technically acceptable, however, Judlau's proposed schedule, technical approach and price best optimized efficiencies available via the design-build process.

Judlau submitted a proposal in the amount of \$45,500,000 and an aggressive schedule of 15 months which shall become the Contract substantial completion duration (3 months shorter than the RFP requirement to complete within 18 months). The requirements include allowances totaling \$3,450,000 for various contingencies and potential project risks including utility interferences and unknown site conditions. The Engineer recommends inclusion of early completion incentives of up to \$2,500,000 in order to minimize public and community impacts and to maximize project benefits. Negotiations were conducted with Judlau, which included discussion of technical requirements, design assumptions, and construction approach. Through negotiations B&T and Judlau agreed to the contract amount totaling \$47,825,000.00, which is 8.9% below the estimate of \$52,085,429.00, inclusive of revised allowances. The negotiated Judlau proposal is deemed the best value and in B&T's best interest.

Judlau was found to be responsible notwithstanding significant (SAI) pursuant to All-Agency Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel in December 2013.

III. D/M/WBE INFORMATION

The Department of Diversity and Civil Rights (DDCR) has established goals of 15% MBE, 15% WBE and 6% SDVOB for this contract. Judlau Contracting, Inc. has submitted MWBE/SDVOB utilization plans that are currently under review with the MTA Department of Diversity & Civil Rights. This contract will not be awarded without approval from DDCR. Judlau Contracting, Inc. has achieved its MWDBE/SDVOB goals on previously completed MTA contracts.

IV. IMPACT ON FUNDING

Funding is available in the 2015-2019 Capital Program, Project D702RK-23C, task D03636. The two Design-Build Stipends totaling \$150,000 are funded under the 2015-2019 Capital Program under Project RK-23C.

V. ALTERNATIVES

There are no recommended alternatives. The Authority does not possess the resources required to perform these services.

Staff Summary

Page 1 of 3

Item Number						SUMMARY INFORMATION																									
Dept & Dept Head Name: Engineering and Construction, Joseph Keane, P.E. <i>Joe Keane</i>						<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%; padding: 5px;"> Vendor Name Various </td> <td style="width: 30%; padding: 5px;"> Contract Number GFM-527 </td> </tr> </table>		Vendor Name Various	Contract Number GFM-527																						
Vendor Name Various	Contract Number GFM-527																														
Division & Division Head Name: Engineering and Construction, Aris Stathopoulos, P.E. <i>Aris Stathopoulos</i>						Description Miscellaneous Construction on an As-Needed Basis																									
<div style="text-align: center; border: 1px solid black; padding: 5px; margin: 5px 0;">Board Reviews</div> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 8%;">Order</th> <th style="width: 12%;">To</th> <th style="width: 12%;">Date</th> <th style="width: 12%;">Approval</th> <th style="width: 8%;">Info</th> <th style="width: 8%;">Other</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>President</td> <td style="text-align: center;">9/9/19</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">2</td> <td>MTA B&T Committee</td> <td style="text-align: center;">9/23/19</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">3</td> <td>MTA Board</td> <td style="text-align: center;">9/25/19</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						Order	To	Date	Approval	Info	Other	1	President	9/9/19				2	MTA B&T Committee	9/23/19				3	MTA Board	9/25/19				Total Amount Aggregate Total: GFM-527 \$120,000,000	
Order	To	Date	Approval	Info	Other																										
1	President	9/9/19																													
2	MTA B&T Committee	9/23/19																													
3	MTA Board	9/25/19																													
<div style="text-align: center; border: 1px solid black; padding: 5px; margin: 5px 0;">Internal Approvals</div> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 8%;">Order</th> <th style="width: 22%;">Approval</th> <th style="width: 8%;">Order</th> <th style="width: 22%;">Approval</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Vice President & Chief Financial Officer <i>[Signature]</i></td> <td style="text-align: center;">4</td> <td>Vice President & Chief of Staff <i>[Signature]</i></td> </tr> <tr> <td style="text-align: center;">2</td> <td>Sr. Vice President & General Counsel <i>[Signature]</i></td> <td style="text-align: center;">5</td> <td>President <i>[Signature]</i></td> </tr> <tr> <td style="text-align: center;">3</td> <td>Vice President & Chief Procurement Officer <i>[Signature]</i></td> <td></td> <td></td> </tr> </tbody> </table>						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 Officer <i>[Signature]</i>			Contract Term (including Options, if any) Four (4) years									
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 Officer <i>[Signature]</i>																														
						Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																									
						Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																									
						Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive																									
						Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:																									
						Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: Funding Source to be allocated by Work Order.																									

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All-Agency Procurement Guidelines to award public work contracts via the competitive RFP process for Miscellaneous Construction on an As-Needed Basis to the fourteen firms listed below for the aggregate amount of \$120,000,000 for a duration of four years.

Contract GFM-527 - Fourteen (14) firms selected:

- Ahern Painting Contractors, Inc.
- D'Onofrio General Contractors Corp.
- E.E. Cruz & Company, Inc.
- Ecco III Enterprises, Inc.
- El Sol Contracting & Construction Corp.
- Judlau Contracting, Inc.

Staff Summary

Page 2 of 3

- Masterpiece US Inc.
- Navillus Tile, Inc. dba Navillus Contracting
- Paul J. Scariano, Inc.
- Posillico Civil, Inc.
- Railroad Construction Company, Inc.
- Restani Construction Corp.
- Skanska Koch Inc.
- Unicorn Construction Enterprises, Inc.

II. DISCUSSION

In June 2018, the Board authorized the use of the competitive Request for Proposal (RFP) process in order to procure miscellaneous construction services on an as-needed basis. The requirements were publicly advertised. A RFP was issued and the committee selection process was conducted.

During the contract term, as a Scope of Work for each miscellaneous work order is identified, the contracted firms will be provided with the scope, a site tour will be conducted and bids shall be submitted. The contractor submitting the lowest bid shall be awarded that specific work order. Since most of the construction projects are small-scale and/or involve urgently needed repairs, it would be inefficient, time-consuming and not meet the agency's expedited needs to conduct separate competitively bid solicitations for each project.

The selection of contractors to be awarded these as-needed contracts was accomplished by a one-step RFP process. The firms were evaluated against established criteria including proposer's record of performance, qualifications of firm's specific personnel proposed, safety record and quality assurance program. Fifteen proposals were received on January 10, 2019.

Based on the established criteria, B&T's Selection Committee chose fourteen firms (Ahern, D'Onofrio, E.E. Cruz, Ecco III, El Sol, Judlau, Masterpiece, Navillus, Scariano, Posillico, Railroad Construction, Restani, Skanska Koch and Unicorn).

Ahern was found to be responsible notwithstanding significant adverse information (SAI) pursuant to All Agency Guidelines and such responsibility finding was approved by the MTA Managing Director in consultation with the MTA General Counsel in April 2018. E.E. Cruz was found to be responsible notwithstanding significant adverse information (SAI) pursuant to All Agency Guidelines and such responsibility finding was approved by the MTA Managing Director in consultation with the MTA General Counsel in December 2018. Paul J. Scariano was found to be responsible notwithstanding significant adverse information (SAI) pursuant to All Agency Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel in February 2016. Skanska Koch's affiliated company (Skanska USA Civil Northeast, Inc.) was found to be responsible notwithstanding SAI pursuant to All Agency Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel in July 2011. Judlau was found to be responsible notwithstanding SAI pursuant to All Agency Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel in December 2013. All of the selected firms were determined to be responsive and responsible contractors with extensive backgrounds of prior and current public agency work.

It is recommended that the Board authorize B&T to enter into contracts with the above selected firms.

III. D/M/WBE INFORMATION

The MTA DDCR established the following goals of 15% MBE, 15% WBE and 6% SDVOB for this as-needed procurement. Individual contracts will not be awarded until each firm's MWBE/SDVOB utilization plan has been approved by DDCR.

(rev. 1/22/14)

Staff Summary

Page 3 of 3

Ahern, EE Cruz, Ecco III, El Sol, Judlau, Masterpiece, Navillus Tile, Paul J. Scariano, Railroad Construction, Restani Construction and Unicorn Construction have achieved their MWDBE/SDVOB goals on previously completed MTA contracts. D'Onofrio, Posillico Civil, and Skanska Koch have not completed any MTA contracts with MWDBE/SDVOB goals, therefore; no assessment of their MWDBE/SDVOB performance can be determined at this time.

IV. IMPACT ON FUNDING

Funding under B&T contract GFM-527 will be provided in the Capital and Operating budgets in the amount of \$120,000,000.00 and will be established for each individual work order prior to its issuance.

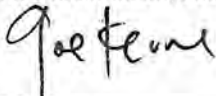



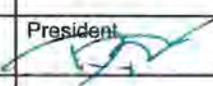

V. ALTERNATIVES

There are no recommended alternatives. The Authority does not have the resources to perform this work with in-house forces.

(rev. 1/22/14)

Staff Summary

Page 1 of 2

Item Number					
Dept & Dept Head Name: Engineering and Construction, Joe Keane, P.E. <div style="text-align: center; margin-top: 10px;">  </div>					
Division & Division Head Name: Engineering and Construction, William Neubauer, P.E. <div style="text-align: center; margin-top: 10px;">  9/3/19 </div>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	09/09/19			
2	MTA B&T Committee	09/23/19			
3	MTA Board	09/25/19			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer 	4	VP & Chief of Staff		
2	General Counsel  APPROVED FOR MMT	5	President 		
3	Chief Procurement Officer  BB				

SUMMARY INFORMATION	
Vendor Name Hardesty & Hanover Construction Services, LLC	Contract No. PSC-19-3024
Description: Construction Administration, Inspection and Design Oversight Services for Project RK-66, Design-Build of Electrical Upgrades at the RFK Facility	
Total Amount \$ 2,845,771	
Contract Term (including Options, if any) Three years (through 11/30/22)	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract for construction administration, inspection and design oversight services for Project RK-66, Design-Build of Electrical Upgrades at the RFK Facility (Contract PSC-19-3024) to Hardesty & Hanover Construction Services, LLC in the negotiated contract amount of \$2,845,771 and for a duration of approximately three years through November 30, 2022.

II DISCUSSION

B&T requires the services of a Consultant to provide construction administration, inspection and design oversight services for Project RK-66, Design-Build of Electrical Upgrades at the RFK Facility.

The Scope of Work includes upgrades to existing electrical power services to enhance the reliability and redundancy of critical tolling systems throughout the Facility. In addition, the project provides for the replacement of existing boilers that provide heat to the Robert Moses Building. All new installations will be designed to meet new design flood elevations.

The requirements for these services were publicly advertised. Four firms submitted qualification information for review and evaluation by the selection committee. Three firms were chosen to receive the RFP based on a review of those qualifications

Staff Summary

Page 2 of 2

and two submitted proposals: WSP USA, Inc. (WSP) (\$3,903,274) and Hardesty & Hanover Construction Services, LLC (H&H) (\$2,933,984).

The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the Project's technical requirements, expertise of proposed personnel, oral presentations and cost. Based on its review of all submittals and consideration of proposed costs, the Selection Committee (SC) recommended that B&T enter into negotiations with H&H.

The SC recommendation is based on the following: H&H demonstrated complete understanding of the project and proposed the best approach to perform the oversight functions for Project RK-66. H&H proposed experienced personnel, and demonstrated experience with similar design-build projects including B&T Projects RK-21, RK-07 and VN-89/30. The other firm provided a responsive proposal, which was viewed as technically acceptable, however, did not display as clear an understanding of the project electrical system testing and inspection requirements.

H&H submitted a cost proposal in the amount of \$2,933,984. The Engineer's estimate is \$2,711,428. Negotiations resulted in B&T and H&H agreeing to the negotiated amount totaling \$2,845,771.00, which is 4.95% higher than the Engineer's estimate and is fair and reasonable. H&H's proposal is deemed most advantageous to B&T. H&H is considered a responsible consultant.

III. DBE/MBE/WBE/SDVOB INFORMATION

The Department of Diversity and Civil Rights (DDCR) has established goals of 15% MBE, 15% WBE and 6% SDVOB for this contract. Hardesty and Hanover (H&H) has submitted an MWBE/SDVOB utilization plan that meets the required 36% MWBE/SDVOB goal requirement. H&H has achieved its previous MWBE/SDVOB goals on previous MTA contracts.

IV. IMPACT ON FUNDING

A new capital project for this work will be created under category ED04 of B&T's Sandy Mitigation program in the 2010-2014 Capital Program. This scope was previously approved in the 2015-2019 Capital Program but will now be carried out under the 2010-2014 Resiliency Program due to the nature of the work scope, which addresses power mitigation needs at the RFK Bridge. Budget authority will be transferred from two existing projects, Hugh Carey Tunnel – GIVB Mitigation – Raise Seawalls (ED050303) and Restore Hugh L. Carey Tunnel – Structural (ED010228) in B&T's Sandy Recovery program in the 2010-2014 Capital Program.

V. ALTERNATIVES

There are no recommended alternatives. B&T does not have the resources required to perform services.

Staff Summary

Page 1 of 2

Item Number					
Dept & Dept Head Name: Engineering & Construction Department, Joe Keane, P.E. <i>Joe Keane</i>					
Division & Division Head Name: Engineering & Construction Department, Aris Stathopoulos, P.E. <i>Aris Stathopoulos</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	9/9/19			
2	MTA B&T Committee	9/23/19			
3	MTA Board	9/25/19			
Internal Approvals					
Order	Approval	Order	Approval		
1	Vice President & Chief Financial Officer <i>Off for Dir. Aris Stathopoulos</i>	4	Vice President & Chief of Staff <i>SM</i>		
2	Sr. Vice President & General Counsel <i>BB</i>	5	President <i>Joe Keane</i>		
3	Vice President & Chief Procurement Officer <i>BB</i>				

SUMMARY INFORMATION	
Vendor Name: Greenman-Pedersen, Inc. (GPI)	Contract Number PSC-18-3023
Description: Construction Administration, Inspection, and Design Oversight Services for Project BW-07/BW-32, Design-Build Services for Fender Protection and Fire Standpipe Systems at the Bronx-Whitestone Bridge (BWB)	
Total Amount \$3,320,648.14	
Contract Term (including Options, if any) Two (2) Years, Nine (9) months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract for Construction Administration, Inspection and Design Oversight Services for Project BW-07/BW-32, Design-Build Services for Fender Protection and Fire Standpipe Systems at the Bronx-Whitestone Bridge (BWB), to Greenman Pedersen, Inc. (GPI), located at 325 West Main Street, Babylon, NY 11702, in the negotiated amount of \$3,320,648.14 for a duration of two (2) years, nine (9) months.

II. DISCUSSION

B&T requires the services of a consulting engineering firm to provide construction administration, inspection and design oversight services necessary to assist B&T's Engineering and Construction Department for the oversight of Project BW-07/BW-32. The required services include: (i) review Design-Builder compliance with Contract requirements; (ii) provide design quality assurance oversight reviews; (iii) review design submittals; (iv) monitor progress of the Design-Build Contract work; (v) provide construction quality assurance oversight including independent confirmatory inspection and testing; (vi) provide on-site support to the Engineer; (vii) evaluate Design-Builder's payment requests; and (viii) monthly project reporting.

The service requirements were publicly advertised; four (4) firms submitted qualification information and based on their qualification all four (4) firms were deemed qualified to receive the RFP. All four firms submitted proposals: AECOM (\$5,229,739.54), Henningson, Durham & Richardson (HDR) (\$3,044,875.05), Greenman-Pedersen, Inc. (\$3,421,672.65), and LiRo Engineers, Inc. (\$3,769,649). The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements, expertise of proposed personnel and cost.

Staff Summary

The Selection Committee unanimously recommended that B&T enter into negotiations with GPI. Although, HDR submitted the lowest proposed cost it was deemed not sufficient in terms of hours to meet the requirements of the Project. GPI demonstrated best understanding of the work scope, associated risks and the required contractor coordination necessary for the successful completion of the Project. They were deemed most qualified and provided a more experienced staff compared to the other proposers. Specifically, they demonstrated an extensive knowledge base regarding bridge fender construction and proposed experienced marine design/structural engineers.

GPI submitted a cost proposal of \$3,421,672.65. The negotiated amount of \$3,320,648.14 is 10.74% below the Engineer's Estimate of \$3,720,000 and is deemed to be fair and reasonable. GPI's proposal is deemed most advantageous to B&T.

GPI was found to be responsible notwithstanding significant adverse information (SAI) pursuant to the All-Agency Responsibility Guideline and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel in December 2014.

III. D/M/WBE INFORMATION

The Department of Diversity and Civil Rights (DDCR) has established goals of 15% MBE, 15% WBE and 6% SDVOB for this contract. Greenman Pederson, Inc (GPI) has submitted an MWBE/SDVOB utilization plan that exceeds the required 36% MWBE/SDVOB goal. GPI has not completed any MTA contracts with MWDBE/SDVOB goals, therefore; no assessment of their MWDBE/SDVOB performance can be determined at this time.

IV. IMPACT ON FUNDING

Funding is available in the 2015-2019 Capital Program under Project BW-07 (Task D03810 - \$2,670,192.99) and Project BW-32 (Task D03550 - \$650,455.15).

V. ALTERNATIVES

There are no recommended alternatives. B&T does not possess the resources required to perform these services.

Staff Summary

Page 1 of 2

Item Number						SUMMARY INFORMATION	
Dept & Dept Head Name: Engineering and Construction, Joe Keane, P.E. <i>Joseph Keane for JK</i>						Vendor Name RAD/EnTech, JV	
Division & Division Head Name: Engineering and Construction, William Neubauer, P.E. <i>William Neubauer 9/15/19</i>						Contract No. PSC-18-3020	
Description Construction Administration and Inspection Services for Project HH-07A/HH-30, Structural Rehabilitation and Painting at the Henry Hudson Bridge						Total Amount \$3,365,791.00	
Board Reviews						Contract Term (including Options, if any) Two years, nine months (through 7/31/22)	
Order	To	Date	Approval	Info	Other	Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
1	President	9/9/19				Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
2	MTA B&T Committee	9/23/19				Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
3	MTA Board	9/25/19				Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Internal Approvals						Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Order	Approval	Order	Approval				
1	Chief Financial Officer <i>[Signature]</i>	4	Chief of Staff <i>[Signature]</i>				
2	General Counsel <i>[Signature]</i>	5	President <i>[Signature]</i>				
3	Chief Procurement Officer <i>[Signature]</i>						

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All-Agency Service Contract Procurement Guidelines to award a personal service contract for Construction Administration and Inspection Services for Project HH-07A/HH-30, Structural Rehabilitation and Painting at the Henry Hudson Bridge to RAD/EnTech, JV in the negotiated amount of \$3,365,791.00 and for a duration of approximately two years, nine months through July 31, 2022.

II. DISCUSSION

B&T requires the services of a consulting engineering firm to provide construction administration and inspection (CA&I) services necessary to assist B&T's Engineering and Construction Department for the oversight of Project HH-07A/HH-30, Structural Rehabilitation and Painting at the Henry Hudson Bridge. The required CA&I services include: pre-construction; review of technical requirements; construction administration and inspection; and project closeout. The construction scope includes but is not limited to: (i) structural steel repairs and strengthening; ii) overcoat painting; and (iii) installation of protective shielding and work platform.

The requirements were publicly advertised. Four (4) firms submitted qualification information for review and evaluation by the selection committee. Three (3) firms were chosen to receive the RFP based on a review of those qualifications and all three submitted proposals: RAD/EnTech, JV (\$3,508,011.00), LiRo Engineers, Inc. (\$4,599,116.00) and STV Incorporated (\$4,491,308.00). The proposals were evaluated against established criteria set forth in the RFP including technical work proposed, depth of understanding of the project, qualifications of the specific personnel proposed and cost. Based on the committee's review of all submittals and its consideration of proposed costs, the committee selected RAD/EnTech, JV.

Staff Summary

Page 2 of 2

The Selection Committee unanimously recommended that B&T enter into negotiations with RAD/EnTech, JV. The other firms provided responsive proposals with qualified Resident Engineers and teams, which were viewed as technically acceptable. However, RAD/EnTech, JV best demonstrated an in-depth knowledge of the facility and an understanding of project risks including project access, coordination with ongoing projects, and community and Metro-North Commuter Rail Road (MNCRR) concerns. RAD/EnTech, JV's key personnel were deemed the most qualified and have extensive direct hands on experience working on projects of similar size and complexity. Lastly, RAD/EnTech, JV's proposal was the lowest cost and the closest in terms of Man-Hours to our Engineer's Estimate.

RAD/EnTech, JV submitted a cost proposal in the amount of \$3,508,011.00. The negotiated amount of \$3,365,791.00 is 0.35% below the Engineer's Estimate of \$3,377,608.00 and is deemed to be fair and reasonable. The total contract amount includes an allowance of \$150,000.00, and, based on the results of the inspection, services provided under the allowance may include independent confirmatory inspection and testing of: (i) structural steel; (ii) concrete; (iii) the shop applied paint system for the new steel; and (iv) a registered consulting arborist. These services will be provided via work orders on an as-needed basis. The allowance is based on historical costs and will permit B&T to quickly respond to the needs of the facility. RAD/EnTech, JV's negotiated proposal is deemed most advantageous to B&T and RAD/EnTech, JV is determined to be responsible.

III. D/M/WBE INFORMATION

The Department of Diversity and Civil Rights (DDCR) has established goals of 15% MBE, 15% WBE and 6% SDVOB for this contract. RAD/EnTech, JV has submitted an MWBE/SDVOB utilization plan that meets the required 36% MWBE/SDVOB goal. RAD/EnTech, JV has not completed any MTA contracts with MWDBE/SDVOB goals, therefore; no assessment of their MWDBE/SDVOB performance can be determined at this time.

IV. IMPACT ON FUNDING

Funding in the proposed amount of \$3,365,791.00 is available in the 2015-2019 Capital Program under Project D701HH07 Task D03769 in the amount of \$2,333,855.00 and Project D707HH30 Task D03788 in the amount of \$1,031,936.00.

V. ALTERNATIVES

There are no recommended alternatives.

Staff Summary

Page 1 of 2

Item Number						SUMMARY INFORMATION			
Dept & Dept Head Name: Engineering & Construction Department, Joe Keane, P.E. 						<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%; padding: 5px;"> Vendor Name Gannett Fleming Engineers and Architects, P.C. </td> <td style="width: 30%; padding: 5px;"> Contract Number PSC-19-3031 </td> </tr> </table>		Vendor Name Gannett Fleming Engineers and Architects, P.C.	Contract Number PSC-19-3031
Vendor Name Gannett Fleming Engineers and Architects, P.C.	Contract Number PSC-19-3031								
Division & Division Head Name: Engineering & Construction Department, Romolo DeSantis, P.E. 						Description: Master Plan and Design for the Rehabilitation of the Tunnel Support Buildings at the Hugh L. Carey Tunnel and Queens-Midtown Tunnel			
Board Reviews						Total Amount \$3,351,517.30			
Order	To	Date	Approval	Info	Other	Contract Term (including Options, if any) Two (2) years			
1	President	9/9/19				Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
2	MTA B&T Committee	9/23/19				Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
3	MTA Board	9/25/19				Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive			
Internal Approvals						Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:			
Order	Approval	Order	Approval	Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:					
1	Chief Financial Officer 	4	Vice President and Chief of Staff						
2	General Counsel 	5	President 						
3	Chief Procurement Officer 								

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract to provide Master Planning and Advanced Design services for the Rehabilitation of the Tunnel Support Buildings at the Hugh L. Carey Tunnel (HLCT) and Queens-Midtown Tunnel (QMT) to Gannett Fleming Engineers and Architects, P.C. (GF) in the not-to-exceed amount of \$3,351,517.30, for a duration of two (2) years.

II. DISCUSSION

B&T requires the services of an engineering consultant firm to develop a Master Plan and advance designs to rehabilitate all support buildings at the HLCT and QMT. The Master Plan will include recommendations and schedules for: preventative maintenance; element replacements; site space usage and storage enhancements; safety improvements; code compliance; and maintaining the facilities' buildings in a state of good repair. Additionally, the Consultant shall provide design services to concurrently prepare biddable construction documents for various facility needs at the HLCT and QMT.

The service requirements were publicly advertised. Five (5) firms submitted qualification information for review and evaluation by the selection committee and four (4) firms were selected to receive the Request for Proposal (RFP) based on a review of the qualifications. All four (4) firms submitted proposals: GF (\$3,351,517.30), LiRo Architects + Planners, P.C., (\$4,648,246.88) SYSTRA Engineering, Inc. (\$4,541,433.78) and WSP USA, Inc. (\$2,740,471.96). The proposals include allowances for planning and design services totaling \$1,600,000.

Staff Summary

The proposals were evaluated against established criteria set forth in the RFP, including technical work proposed, depth of understanding of the project, qualifications of the firm for specific personnel proposed and cost. Accordingly, the selection committee unanimously recommended that negotiations be conducted with GF who presented a well-developed and concise approach for completing the Master Planning requirements. GF established separate task leaders for the Master Plan and Design Phases. GF was the only proposer to include industrial engineering (IE) personnel on their team. The IE personnel have demonstrated experience delivering a Master Plan with similar requirements. The proposed team has in depth experience with B&T's tunnel facilities (e.g. vent buildings under Project QM-81, Rehabilitation of Tunnel Controls and Communications System at the QMT and HLCT; inspections and asset inventory condition assessments (AICA) at both facilities). Additionally, GF has performed services for the PANYNJ at the Holland and Lincoln Tunnel ventilation buildings, façade restoration at B&T's Robert Moses Building and elevator upgrades at Grand Central Station, all of which are relevant to the required master planning and advanced design services. Finally, GF's level of effort in terms of hours was closest to the Engineer's Estimate, which reflects their efficiency and superior understanding of the Project as compared to the other proposers.

WSP's proposed structural and mechanical personnel demonstrated facility knowledge but did not present the same level of understanding to the planning requirements to improve the facilities' buildings, which operate 24/7. The project team did not demonstrate in depth master planning experience. Lastly, the proposed effort in terms of hours and overall cost was understated (33% and 39% respectively) when compared to the Engineer's Estimate and determined insufficient to meet the requirements of the Project.

SYSTRA proposed the second highest cost. They appeared capable of performing the project requirements but did not demonstrate the same level of expertise and direct B&T experience as compared to GF.

LiRo proposed the highest cost and level of effort in terms of hours, approximately 60% greater than the estimated hours. LiRo demonstrated strong capabilities in virtual design and modeling but their proposal did not demonstrate the same level of project understanding as compared to GF.

GF submitted a cost proposal in the amount of \$3,351,517.30 for the Master Plan and Design services inclusive of the allowances. The Engineer's estimate is \$4,492,047.00. B&T requests approval in the not-to-exceed amount of \$3,351,517.30, which is 25.4% below the estimate and is considered fair and reasonable. GF is considered a responsible consultant.

II. MWBE/SDVOB INFORMATION

The Department of Diversity and Civil Rights (DDCR) has established goals of 15% MBE, 15% WBE and 6% SDVOB for this contract. GF has submitted an MWBE/SDVOB utilization plan that is currently under review with DDCR. This contract will not be awarded without approval from DDCR. GF has achieved its MWBE/SDVOB goals on previous MTA contracts.

III. IMPACT ON FUNDING

Funding is available in the 2015-2019 Capital Program as follows: Project HC-80, Task D03760 (\$1,735,156.54), Project QM-36, Task D03547 (\$1,616,360.76).

IV. ALTERNATIVES

There are no recommended alternatives. B&T does not possess the resources required to perform these services.

Staff Summary

Page 1 of 2

Item Number					
Dept. & Dept. Head Name: Engineering & Construction Department, Joe Keane, P.E. <i>Joe Keane</i>					
Division & Division Head Name: Engineering & Construction Department, William Neubauer, P.E. <i>William Neubauer 9/4/19</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	9/9/19			
2	MTA B&T Committee	9/23/19			
3	MTA Board	9/25/19			
Internal Approvals					
Order	Approval	Order	Approval		
1	Vice President & Chief Financial Officer <i>[Signature]</i>	4	Vice President & Chief of Staff		
2	Sr. Vice President & General Counsel <i>[Signature]</i>	5	President <i>[Signature]</i>		
3	Vice President & Chief Procurement Officer <i>BB</i>				

SUMMARY INFORMATION	
Vendor Name: LiRo Engineers, Inc.	Contract Number PSC-19-3028
Description: Construction Administration and Inspection Services for Project RK-23C, Design-Build Services for the New Harlem River Drive (HRD) Connector Ramp	
Total Amount \$4,021,762	
Contract Term (including Options, if any) One (1) year, nine (9) months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract for Construction Administration and Inspection Services for Project RK-23C, Design-Build Services for the New Harlem River Drive (HRD) Connector Ramp to LiRo Engineers, Inc. (LiRo), in the not-to-exceed amount of \$4,021,762 for a duration of one (1) year, nine (9) months.

II. DISCUSSION

B&T requires the services of a consulting engineering firm to provide construction administration and inspection (CA&I) services necessary to assist B&T's Engineering and Construction Department for the oversight of Project RK-23C, Design-Build Services for the Harlem River Drive Connector Ramp. The required CA&I services include: pre-construction services; construction administration, inspection and testing; independent confirmatory inspection and testing; and post construction and project close-out. These services are required to support the design-build construction for a new connector ramp from the Manhattan Approach of the RFK Bridge just west of the Harlem River Lift Span (HRLS), to the northbound HRD. The scope of work for the design-build contract includes but is not limited to: (i) investigation, design and construction of a Connector Ramp from HRLS to HRD including new piles, pile caps, columns, pier caps and ramp superstructure; (ii) drainage and roadway lighting; (iii) sign structures; and (iv) pavement and appurtenances.

The service requirements were publicly advertised; five (5) firms submitted qualification information and based on their qualifications four (4) firms were deemed qualified to receive the RFP. All four (4) firms submitted proposals: EnTech Engineers, PC (EnTech) (\$5,122,223), KS Engineers, PC (KSE) (\$2,375,050), LiRo Engineers, Inc. (LiRo)

Staff Summary

(\$4,021,762), and STV Incorporated (STV) (\$4,278,252). The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements, expertise of proposed personnel and cost. The Selection Committee unanimously recommended that B&T commence negotiations with LiRo. LiRo's proposal demonstrated a thorough understanding of the required work and proposed the strongest project team. LiRo's proposed the second lowest cost and their proposed level of effort in terms of hours is commensurate with the Engineer's Estimate.

KSE proposed the lowest cost, however, their proposed level of effort in terms of hours was understated and could not meet the requirements of the Contract. The proposal did not demonstrate a strong understanding of the project as compared to LiRo. Additionally, KSE's proposed project team's experience working on B&T projects was limited, except for the Project Manager. EnTech proposed the highest cost and their proposed level of effort in terms of hours was overstated. EnTech's proposed Resident Engineer and Civil Engineers lacked substantive design-build experience. STV's proposal compared favorably to the Engineer's Estimate in terms of cost and hours, however, their proposed personnel were not deemed as strong when compared to LiRo.

LiRo submitted a cost proposal in the amount of \$4,021,762. The Engineers Estimate is \$5,020,000. B&T requests approval in the not-to-exceed amount of \$4,021,762, which is 20% below the estimate and is considered fair and reasonable. LiRo is considered a responsible consultant.

III. D/M/WBE INFORMATION

The Department of Diversity and Civil Rights (DDCR) has established goals of 15% MBE, 15% WBE and 6% SDVOB for this contract. LiRo has submitted an MWBE/SDVOB utilization plan that meets the 36% MWBE/SDVOB required goal. LiRo has achieved its previous MWBE/SDVOB goals on previous MTA contracts.

IV. IMPACT ON FUNDING

Funding is available in the 2015-2019 Capital Program under Project RK-23C (Task D03634 - \$4,021,726).

V. ALTERNATIVES

There are no recommended alternatives. B&T does not possess the resources required to perform these services.

Staff Summary

Page 1 of 2

Item Number					
Dept. & Dept. Head Name: Engineering & Construction Department, Joe Keane, P.E. <i>Permits to Act for JTC</i>					
Division & Division Head Name: Engineering & Construction Department, William Neubauer, P.E. <i>William Neubauer 8/30/19</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	9/9/19			
2	MTA B&T Committee	9/23/19			
3	MTA Board	9/25/19			
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 Officer <i>BB</i>				

SUMMARY INFORMATION	
Vendor Name: Greenman-Pedersen, Inc. (GPI)/M&J Engineering, P.C.(M&J), Joint Venture	Contract Number PSC-18-3022
Description: Construction Administration and Inspection Services for RK-20 - Main Bridge Cable Inspection and Rehabilitation at the RFK Bridge and RK-19/70 - Phase 1A Structural Rehabilitation at the RFK Bridge	
Total Amount \$7,810,639.40	
Contract Term (including Options, if any) Three (3) Years, Four (4) months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a personal service contract for Construction Administration and Inspection Services for RK-20 - Main Bridge Cable Inspection and Rehabilitation at the RFK Bridge and RK-19/70 - Phase 1A Structural Rehabilitation at the RFK Bridge, to Greenman Pedersen, Inc./M&J Engineering P.C. (GPI/M&J, JV), in the negotiated not-to-exceed amount of \$7,810,639.40 for a duration of Three (3) years, Four (4) months.

II. DISCUSSION

B&T requires the services of a consulting engineering firm to provide construction administration and inspection (CA&I) services necessary to assist B&T's Engineering and Construction Department for the oversight of Project RK-20 and RK-19/70-Phase 1A. The required CA&I services include: pre-construction services; construction administration, inspection and testing; independent confirmatory inspection and testing and; post construction and project close-out. The construction Scope of Work includes but is not limited to: (i) in-depth inspection of the main cables; (ii) erection of aerial work platforms; (iii) strengthening of superstructures; (iv) abatement of lead containing materials; (v) structural painting; (vi) maintenance and protection of traffic (MPT).

The service requirements were publicly advertised; five (5) firms submitted qualification information and based on their qualifications three (3) firms were deemed qualified to receive the RFP. All three firms submitted proposals: GPI/M&J JV (\$8,862,058.76), Hardesty & Hanover Construction Services, LLC (H&H) (\$9,951,774), and Henningson, Durham & Richardson (HDR) (\$6,661,340.62). The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements, expertise of proposed personnel and cost. The Selection

Staff Summary

Committee unanimously recommended that B&T enter into negotiations with GPI/M&J, JV. GPI/M&J, JV's proposal reflected a complete understanding of the project scope and proposed the strongest overall project team as compared to the other consultants. Additionally, during oral presentation, GPI/M&J, JV exhibited the strongest understanding of the scope of work, safety issues and the construction risks associated with the projects. Although, HDR submitted the lowest proposed cost, their technical proposal and oral presentation did not demonstrate that they had a complete understanding of the technical aspects of the job, which had resulted in their significant under estimation of the project costs. In addition, HDR's proposed key project staff are lacking in relevant project experience.

GPI/M&J, JV submitted a cost proposal of \$8,862,058.76. The negotiated amount of \$7,810,639.40 is 2.37% below the Engineer's Estimate of \$8,000,000 and is deemed to be fair and reasonable. The GPI/M&J, JV is considered a responsible consultant notwithstanding GPI's significant adverse information (SAI) pursuant to the All-Agency Responsibility Guideline and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel in December 2014. M&J has been deemed as a responsible consultant.

III. D/M/WBE INFORMATION

The Department of Diversity and Civil Rights (DDCR) has established goals of 15% MBE, 15% WBE and 6% SDVOB for this contract. GPI/M&J, JV has submitted an MWBE/SDVOB utilization plan that exceeds the required 36% MWBE/SDVOB goal. GPI/M&J, JV has not completed any MTA contracts with MWDBE/SDVOB goals, therefore, no assessment of their MWDBE/SDVOB performance can be determined at this time.

IV. IMPACT ON FUNDING

Funding is available in the 2015-2019 Capital Program under Project RK-19 (Task D03595 - \$4,620,761.91), RK-20 (Task D03610 - \$970,291.07) and RK-70 (Task D03664 - \$1,748,279.71 & Task D03672 - \$471,306.71).

V. ALTERNATIVES

There are no recommended alternatives. B&T does not possess the resources required to perform these services.

Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts

Item Number:

Vendor Name (& Location) Thornton Tomasetti, Inc.		Contract Number PSC-15-2977	AWO/Modification#
Description Design and Construction Support Services for Project TN-53, Rehabilitation and Seismic Retrofit of the Approach Viaducts and Rehabilitation of the Lower Garage at the Throgs Neck Bridge			
Contract Term (including Options, if any) July 29, 2016 –December 31, 2019		Original Amount: \$5,386,148.56	
Option(s) included in Total Amount <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Modifications: \$0.00	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Prior Budgetary Increases: \$0.00	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		Current Amount: \$5,386,148.56	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		This Request: \$4,272,683.18	
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Joe Keane, P.E.		% of This Request to Current Amount: 79.3%	
		% of Modifications (including This Request) to Original Amount: 79.3%	

Discussion:

B&T is seeking Board approval under the All Agency Service Contract Procurement Guidelines ("All Agency Guidelines") to amend this contract with Thornton Tomasetti, Inc. (TTI) for funding to provide construction support services (CSS) for Contract PSC-15-2977, Design and Construction Support Services for Project TN-53, Rehabilitation and Seismic Retrofit of the Approach Viaducts and Rehabilitation of the Lower Garage at the Throgs Neck Bridge, in the negotiated amount of \$4,272,683.18. Consistent with the All Agency Guidelines, this amendment constitutes a substantial change.

In July 2016, subsequent to Board approval, the Contract was awarded to TTI for the phased design services, which included: (i) repair of steel superstructure elements of the Bronx and Queens Approach Viaducts, (ii) investigation and repair of concrete substructure elements of the approach viaducts, (iii) seismic assessment and retrofit designs to upgrade the approach viaduct structures and the Lower Garage to current seismic criteria and structural rehabilitation of the Lower Garage. The scope also included CSS, which was not funded since the required level of effort could not be reasonably determined until the design was completed. At that time, B&T informed the Board that a request for CSS funding would be submitted for approval at a future date. The Project TN-53 design is complete and the award of the construction contract is anticipated for the fourth quarter 2019. Also, an extension of time (4 years) through December 31, 2023 is required for TTI's ongoing services through the anticipated construction completion and closeout of Project TN-53.

The construction scope for Project TN-53 includes structural and electrical rehabilitation of the 4,700 foot Bronx Approach Viaduct, the 1,776 foot Queen Approach Viaduct and Bronx Approach bridge pier rehabilitation within the grounds of the SUNY Maritime College.

TTI submitted a proposal in the amount of \$4,444,999.43. The Engineer's estimate is \$4,171,799.00. Negotiations resulted in B&T and TTI agreeing to the negotiated amount totaling \$4,272,683.18, which is 2.4% above the Engineer's estimate and is fair and reasonable. The total amount of \$4,272,683.18 includes allowances for additional services in the amount totaling \$320,000.00. Funding is available in the 2015-2019 Capital Program under Project TN-53, Task D03689/CSS.