

New York City Transit Procurements

Louis Montanti, MTA Deputy Chief Procurement Officer – Procurement Operations

PROCUREMENTS

The Procurement Agenda this month includes 3 actions for a proposed estimated expenditure of \$305.2M.

Subject Request for Authorization to Award Various Procurements						November 12, 2025				
Department MTA Procurement						Department				
Department Head Name Lisette Camilo						Department Head Name				
Department Head Signature						Department Head Signature				
Project Manager Name Rose Davis						Internal Approvals				
Board Action										
Order	To	Date	Approval	Info	Other		Approval		Approval	
1	Committee	11/19/25					President NYCT		Pres. MTA Bus/SVP DOB	
2	Board	11/19/25					SVP Operations Support		Subways	
							Law		Diversity/Civil Rights	
Internal Approvals (cont.)										
Order	Approval		Order	Approval		Order	Approval		Order	Approval

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

DISCUSSION
NYC Transit proposes to award Noncompetitive Procurements in the following categories:

<u>Schedules Requiring Majority Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule G: Miscellaneous Service Contracts	1	\$ 40.2 M
SUBTOTAL	1	\$ 40.2 M

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

<u>Schedules Requiring Majority Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule I: Modifications to Purchase and Public Works Contracts	1	\$ 257.6 M
SUBTOTAL	1	\$ 257.6 M

NYC Transit proposes to award Ratifications in the following categories:

<u>Schedules Requiring Two-Thirds Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule D: Ratification of Completed Procurement Actions	1	\$ 7.4 M
TOTAL	3	\$ 305.2 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 regarding 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

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.

NOVEMBER 2025

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

- | | | |
|--|---------------------|--------------------------------------|
| 1. Clever Devices LTD | \$40,194,597 | <i>Staff Summary Attached</i> |
| Five years | | |
| Contract # 6%37333 | | |
| Contract for the provision of software maintenance and support services related to the Intelligent Vehicle Network (“IVN”) system. | | |

Schedule G: Miscellaneous Service Contracts



Item Number: 1

Vendor Name (Location) Clever Devices LTD (Woodbury, New York)	Contract Number 6%37333	Renewal? ☒ Yes ☐ No
Description Software Warranty, Maintenance and Support Services for Clever Devices Intelligent Vehicle Network System	Total Amount (including options): \$40,194,597	
Contract Term (including Options, if any) January 1, 2026–December 31, 2031	Funding Source ☒ Operating ☐ Capital ☐ Federal ☐ Other:	
Option(s) included in Total Amount? ☐ Yes ☐ No ☒ n/a	Requesting Department Department of Buses, Frank Farrell	
Procurement Type ☐ Competitive ☒ Noncompetitive		
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Sole Source		

Discussion:

It is requested that the Board declare, pursuant to the All-Agency Service Contract Procurement Guidelines, that a competitive selection process is inappropriate due to the existence of a single responsible source, and approve the award of a five-year noncompetitive miscellaneous service contract to Clever Devices LTD (“Clever Devices”) for the provision of software maintenance and support services related to the Intelligent Vehicle Network (“IVN”) system in the estimated total amount of \$40,194,597. Clever Devices is the manufacturer of IVN hardware and software and does not have any authorized agents to provide the required items and services.

The IVN system was originally purchased by NYC Transit and MTA Bus Company (“MTABC”) in 2008 from Clever Devices through a sole-source procurement in order to address concerns associated with the active high-temperature regeneration exhaust process being used on buses with EPA 2007 and later model diesel engines, which generates extremely high exhaust temperatures. After extensive analysis and evaluation, NYC Transit and MTABC strategically determined to use the IVN system to automatically disable and enable the regeneration process based on geographic location. The IVN system was subsequently used to provide automated public service announcements and assist in the development of maintenance strategies through the collection and upload of data from key systems on the buses when they returned to the depot. In 2016, the IVN system was further leveraged at the request of NYC Transit to make it an open platform on which NYC Transit and MTABC have subsequently installed applications developed by the NYC Transit and third-party developers (e.g., Traffic Signal Priority and Automated Passenger Counters). It should also be noted that the IVN system is interconnected with the New Bus Radio System and the New Fare Payment System, both of which are now fully deployed across the entire bus fleet.

Since 2008, specifications for all new buses purchased for NYC Transit and MTABC have included the IVN system. As of November 2025, all buses in service are equipped with the IVN system.

This contract requires Clever Devices to continue providing software maintenance, system configuration and optimization services as well as field and hardware support services as well as Open IVN application certification, deployment and software maintenance services.

In addition to the previously existing work, the contract will require Clever Devices to provide software development and maintenance services to support Clever Devices’ software and hardware deployed as part of the New Bus Radio System.

Clever Devices submitted a proposal in the total amount of \$40,694,164, of which \$23,331,255 (65 percent) is for previously existing scope and \$14,362,909 (35 percent) is for new requirements. It should be noted that Clever’s initial proposal was based on a CPI increase of its pricing from the current contract. Negotiations were conducted between Procurement, Clever Devices and the Cost Price Analysis Unit (“CPAU”), which focused on Clever’s CPI increase and labor rates. Subsequent to these negotiations, Clever Devices submitted its Final Proposal in the amount of \$40,194,597 which will result in a savings of \$499,568 (1.2 percent) from its initial proposal. The prices in this Final Proposal have been deemed fair and reasonable based on the combination of negotiations and a CPAU’s review.

This contract is subject to review and approval of the Office of the New York State Comptroller, and an award will not be made prior to this approval.

Clever Devices has certified pursuant to EO 16 that it does not do business in Russia.

Schedule G: Miscellaneous Service Contracts



The underlying contract awarded to Clever Devices is being evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Cybersecurity language as agreed to by Clever Devices and the Authority will be included in the contract terms and conditions prior to award.

Impact on Funding

This contract will utilize Operating funds.



NOVEMBER 2025

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

I. Modification to Purchase and Public Work Contracts

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

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|--------------------------------------|----------------------|--------------------------------------|
| 1. New Flyer of America, Inc. | \$257,602,924 | <i>Staff Summary Attached</i> |
|--------------------------------------|----------------------|--------------------------------------|

108 months from Notice of Award

Contract # B40666-2 Mod. 9

Contract for the purchase of 110 low-floor 40-foot diesel-electric hybrid buses; Modification to purchase 219 low-floor 40-foot Option Buses (161 diesel-electric hybrid and 58 clean diesel) in order to exercise the option for 558 Option Buses.

Schedule I: Modifications to Purchase and Public Work Contracts

Item Number: 1

Vendor Name (Location) New Flyer of America, Inc. (St. Cloud, Minnesota)	Contract Number B40666-2	AWO/Mod. # Mod 9
Description Furnish and Deliver 110 low-floor 40-foot diesel-electric hybrid buses with up to 558 Option Buses	Original Amount:	\$ 86,555,608
	Option Amount:	\$ 248,365,457
	Total Amount:	\$ 334,921,065
Contract Term (including Options, if any) 108 months from Notice of Award	Prior Modifications:	\$ 1,136,213
	Prior Budgetary Increases:	\$ 0
Option(s) included in Total Amount? ☒ Yes ☐ No ☐ n/a	Current Amount:	\$ 336,057,278
Procurement Type ☒ Competitive ☐ Noncompetitive		
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Modification	This Request:	\$ 257,602,924
Funding Source ☐ Operating ☒ Capital ☐ Federal ☐ Other:	% of This Request to Current Amount:	76.65%
Requesting Department: Department of Buses, Frank Farrell	% of Modifications (including This Request) to Original Amount:	298.93%

Discussion:

It is requested that the Board approve the award of Modification No. 9 to Contract B40666-2 to exercise an option for the purchase of 219 low-floor 40-foot Option Buses (161 diesel-electric hybrid and 58 clean diesel) from New Flyer of America, Inc. ("New Flyer") in the estimated amount of \$257,602,924.

The base contract was the result of a competitively solicited and negotiated Request for Proposal ("RFP") for the purchase of 275 low-floor 40-foot diesel-electric hybrid ("hybrid") buses to replace buses that were beyond their 12-year service life as well as related items such as spare parts, special tools and equipment, diagnostic testing, technical documentation, and training. The original RFP resulted in a split award approved by the Board in December 2019 between New Flyer and Nova Bus. Contract B40666-2 was awarded to New Flyer in the base amount of \$86,555,608 for 110 hybrid buses. The award also included options to purchase up to 558 additional Option Buses, which could be unilaterally exercised by the Authority. Contract modifications to purchase additional buses were subsequently awarded to New Flyer for a total of 339 Option Buses (84 hybrid and 255 clean diesel). New Flyer completed delivery of the 449 Base and Option Buses previously awarded under this contract in May 2024.

The 219 Option Buses that are the subject of this modification will replace buses that are beyond their 12-year service life. This award to New Flyer will consist of 161 low-floor 40-foot hybrid buses in the estimated amount of \$202,494,066 (\$1,257,727 per bus); 58 low-floor 40-foot clean diesel buses in the estimated amount of \$52,511,687 (\$905,374 per bus); \$2,597,171 for diagnostic tools and manuals, training, and spare parts for a total award amount of \$257,602,924. Pricing for these Option Buses is based on the price per bus competitively obtained in the base contract to which an adjustment formula, also established in the base is applied, reflecting changes in labor and material cost indices, currency exchange rates, and other agreed-upon factors.

Procurement, the Department of Buses, and NYC Transit's Cost-Price Analysis Unit have determined the final price to be fair and reasonable.

These buses will be outfitted with new features including driver enclosure, OMNY, and Automated Camera Enforcement.

New Flyer will deliver the 161 hybrid Option Buses starting Q2 2027 and concluding in Q4 2028 and 58 clean diesel Option Buses starting Q4 2026 and concluding in Q1 2027.

New Flyer has committed to meeting a New York State Content of 10.5 percent for the 161 hybrid buses and 11.5 percent for the 58 clean diesel buses.

New Flyer has certified that pursuant to Executive Order No. 16, it is not conducting business in Russia.

The modification resulting from this procurement has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. New Flyer has not committed to all of the MTA's cybersecurity requirements but has agreed to review its cybersecurity framework to continuously improve its cybersecurity protections throughout the term of the contract.

M/W/DBE Information

The MTA Department of Diversity and Civil Rights (DDCR) has established zero percent MWBE and zero percent SDVOB goals on this contract as, historically, there has been limited M/WBE/SDVOB attainment due to lack of subcontracting availability.

Impact on Funding

These Option Buses for NYC Transit will be funded with 100 percent MTA funds. Funds have been approved in the MTA 2025–2029 Capital Program. No award shall be made until WAR certificates have been secured.

Alternatives

There are no alternatives. There is no reason to believe that conducting another solicitation will result in a better outcome.

Recommendation

It is recommended that the Board approve the award of Modification No. 9 to Contract B40666-2 for the purchase of 219 Option Buses as well as related items such as special tools and equipment, spare parts, and training for NYC Transit from New Flyer in the estimated amount of \$257,602,924.

NOVEMBER 2025

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions

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

- | | | |
|---|--------------------|-------------------------------|
| 1. Standard Steel LLC
Six months
Contract# 6-36575 | \$7,350,000 (est.) | <i>Staff Summary Attached</i> |
| Contract for the procurement of 3,000 subway car wheels; Ratification of an Immediate Operating Need. | | |

Schedule D: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (Location) Standard Steel LLC (Burnham, Pennsylvania)	Contract Number 6-36575	Renewal? ☐ Yes ☒ No
Description Purchase of 3,000 subway car wheels (wheels)	Total Amount: \$7,350,000 (est.)	
Contract Term (including Options, if any) July 2025–December 2025	Funding Source ☒ Operating ☐ Capital ☐ Federal ☐ Other:	
Option(s) included in Total Amount? ☐ Yes ☐ No ☒ n/a	Requesting Department: Department of Subways, William Amarosa	
Procurement Type ☐ Competitive ☒ Noncompetitive		
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Immediate Operating Need		

Discussion:

NYC Transit requests that the Board formally ratify the declaration of an Immediate Operating Need (“ION”) approved by the Deputy Chief Procurement Officer, MTA Procurement, waiving competitive bidding pursuant to Article III, Paragraph B(1) of the All-Agency Procurement Guidelines and Public Authorities Law 1209, subsection 9(a) and approve the award of an estimated quantity contract made to Standard Steel LLC (“Standard Steel”) for the procurement of 3,000 subway car wheels (“wheels”). The award was made July 8, 2025, for a term of six months.

Wheels are one of the most critical components for the maintenance of NYC Transit’s subway car fleet and are on the Qualified Products List (“QPL”). The QPL is a list of NYC Transit inventory items requiring the purchase of pre-qualified products for reasons of safety, compatibility, and maintenance reliability. Three manufacturers are approved on the QPL to supply wheels: Nippon Steel (located in Japan), Standard Steel (US), and Bonatrans (the Czech Republic).

In order to meet operational requirements, in 2023, NYC Transit conducted a competitive procurement resulting in the issuance of two concurrent 36-month estimated quantity contracts to approved suppliers to ensure a timely and sufficient supply of wheels: one to Transit Sourcing Services Inc. (“TSS”) for 15,000 wheels (supplying wheels manufactured by Bonatrans) and one to Standard Steel for 10,000 wheels (supplying wheels manufactured by Nippon Steel).

During 2024, subway cars operating out of certain locations were experiencing accelerated wheel wear. While steps have been taken to mitigate this issue, the need for wheels increased and Procurement reached out to the contracted vendors. Discussions with TSS and Bonatrans resulted in Bonatrans expediting deliveries and increasing its wheel production. However, these improvements were not enough to fully satisfy DCE’s increased demand. Procurement also requested that Nippon Steel increase its monthly output, but Nippon advised that it cannot provide additional wheels due to various supply chain issues and capacity limitations. The only remaining supplier, Standard Steel, advised that it has the capacity to deliver 3,000 wheels to NYC Transit out of its facility in Burnham, Pennsylvania, starting 90 days after receipt of the order.

As a result, the Division of Car Equipment (“DCE”) requested the MTA Deputy Chief Procurement Officer approve the declaration of an ION that allowed Procurement to noncompetitively engage an additional approved wheel supplier to provide 3,000 wheels to satisfy DCE’s ongoing Scheduled Maintenance System and normal maintenance requirements. Accordingly, Procurement requested a quotation from Standard Steel for 3,000 wheels. Standard Steel submitted its original quote in the amount of \$3,250 per wheel. Through persistent engagement and repeated requests for cost reduction, Procurement successfully received a price concession to \$2,450 per wheel. This resulted in savings of \$800 per wheel or \$2.4 million. The MTA Cost Price Analysis Unit was requested to perform an urgent review of current market conditions and the cost data supplied by Standard Steel in order to make a fair and reasonable determination. Based on its review, it was determined that Standard Steel’s price of \$2,450 per wheel is fair and reasonable. On July 8, 2025, a six-month estimated quantity contract, guaranteeing 3,000 wheels, was issued to Standard Steel. Deliveries commenced in October 2025 and will conclude in December 2025.

The Office of the Controller conducted a financial review and found there is reasonable assurance that Standard Steel is financially qualified to perform this contract.

Standard Steel has certified that it is compliant with the contract’s cybersecurity requirements.

Standard Steel has certified that pursuant to EO 16 it is not doing business in Russia.

Schedule D: Ratification of Completed Procurement Actions



Standard Steel has the experience, technical capability, and resources to perform this contract.

Impact on Funding

This requirement will utilize Operating funds.