

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 \$485.5M.

Subject	Request for Authorization to Award Various Procurements				
Department	MTA Procurement				
Department Head Name	Lisette Camilo				
Department Head Signature					
Project Manager Name	Rose Davis				
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	02/23/26			
2	Board	02/25/26			

February 24, 2026			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	President NYCT		Pres. MTA Bus/SVP DOB
	CFO	X	Subways
	Law	X	Diversity/Civil Rights

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

PURPOSE

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

DISCUSSION

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

<u>Procurements Requiring Two-Thirds Vote:</u>	<u># of</u>	<u>\$ Amount</u>
	<u>Actions</u>	
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	2	\$ 16.2M
SUBTOTAL	2	\$ 16.2M

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

<u>Procurements Requiring Majority Vote:</u>	<u># of</u>	<u>\$ Amount</u>
	<u>Actions</u>	
Schedule G: Miscellaneous Service Contracts	1	\$ 469.3 M
SUBTOTAL	1	\$ 469.3 M

NYC Transit proposes to award Ratifications in the following categories: None

TOTAL	3	\$ 485.5 M
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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.

FEBRUARY 2026

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

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

1. **Siemens Mobility, Inc** **\$9,180,407** *Staff Summary Attached*
Four Years
Contract # CMM-1467.9
Contract award for Software and System Maintenance and Support Services for the Automatic Train Supervision system on the A-Division for MTA IT; Modification for contract extension and additional funding.

2. **Siemens Mobility, Inc** **\$7,042,131** *Staff Summary Attached*
Four Years
Contract # CMM-589.4
Contract award for Software and System Maintenance and Support Services for the Public Address/Customer Information Signs System, Phase II (“PA/CIS II”) for MTA IT; Modification for contract extension and additional funding.

Item Number: 1

Vendor Name (Location) Siemens Mobility, Inc (New York, New York)
Description: System Software and Enhancement Support Services For the ATS-A System
Contract Term (including Options, if any) June 1, 2007–March 27, 2026
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input 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: Sole-Source
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Department: MTA IT, Rafail Portnoy

Contract Number CMM-1467	AWO/Mod. # 9
Original Amount:	\$ 20,456,582
Prior Modifications:	\$ 42,845,305
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 63,301,887
This Request:	\$ 9,180,407 (estimated)
% of This Request to Current Amount:	14.5%
% of Modifications (including This Request) to Original Amount:	354.3%

Discussion:

NYC Transit is seeking Board approval to extend Contract CMM-1467 with Siemens Mobility, Inc. (“Siemens”) for a period of four years (March 27, 2026–March 27, 2030) for the continuation of Software and System Maintenance and Support Services for the Automatic Train Supervision system on the A-Division (“ATS-A”) for MTA IT. Additional funding of \$9,180,407 is required for this modification.

The ATS-A system provides centralized train traffic control, real-time train tracking, automated vehicle identification, and computer-aided automatic routing and dispatching for NYC Transit’s A-Division subway lines. The ATS-A system authorizes and controls train movements and is critical to the safe operation of the A-Division. The original design/build contract for the ATS-A system was competitively solicited and awarded to Siemens under contract S-32333 in 1997. This maintenance and support contract was approved by the Board and awarded to Siemens on a sole-source basis because Siemens designed and coded the ATS-A software system that is configured to NYC Transit’s signaling procedures and rules and the software applications include its proprietary code. Consequently, as designer and developer of both the system hardware and software, Siemens is uniquely qualified to maintain the system.

The contract covers software support and emergency response as well as a provision for task orders for system enhancements. While in-house forces are able to respond and support a wide range of situations, Siemens’ support is necessary for complex and/or critical failures, software patch development, and software upgrades. Under this contract, Siemens provides software support and emergency response services related to critical system failures. This provision ensures availability and guaranteed response times from Siemens for 24/7 emergency support. Siemens is required to respond to emergency calls within 15 minutes of the call and start work within two hours. Software enhancements and new initiative support services are implemented through the issuance of task orders. Task orders address the need for corrections, enhancements, and changes to the software environment resulting from design and field changes to the signal system.

This Board-approved sole-source contract was originally awarded on June 1, 2007, for a three-year base term, including two 1-year options, in the combined total amount of \$35,011,315. Since that time, eight modifications, obtaining Board approval where required, have variously added approximately 15 years to the contract term and \$28,290,572 in funding.

Under this Modification 9, the expiration date of the contract will be extended for four years (March 27, 2026–March 27, 2030). This contract extension includes a provision for a monthly service fee of \$26,332 valued at an expected expenditure of \$1,263,919 for the four-year extension. This provision ensures availability and guaranteed response times from Siemens for 24/7 emergency support. Siemens is required to respond to emergency calls within 15 minutes of the call and start work within 2 hours. In addition to the monthly service fee, a pool of 5,187 hours per year spread among five engineering titles valued at \$7,916,488 has been established for this extension to ensure availability of engineering resources for planned task orders for various system upgrades and enhancements over the four-year period. This amount is guaranteed to Siemens and will be utilized to fund task orders issued under the contract. All support services and task orders are based on labor rates and terms and conditions established in the contract.

Siemens’ labor rates were negotiated in 2014 with input and analysis from MTA Audit and the Cost/Price Analysis unit. The labor rates have been subjected to an annual adjustment based upon the agreed upon PPI established in the contractual pricing agreement and will continue to be adjusted accordingly through the extended contract term. Therefore, the pricing has been found fair and reasonable.

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

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

Siemens has the experience, technical capability, and resources to perform this contract. The user departments for this contract have found Siemens' performance to be satisfactory during the contract's present term.

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.

Impact on Funding

This requirement will utilize Operating Funds available under MTA IT's budget.

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: 2

Vendor Name (Location) Siemens Mobility, Inc (New York, New York)
Description: System Software and Enhancement Support Services For the PA/CIS II System
Contract Term (including Options, if any) May 1, 2014–April 30, 2026
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input 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: Sole-Source
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Department: MTA IT, Rafail Portnoy

Contract Number CMM-589	AWO/Mod. # 4
Original Amount:	\$ 12,838,471
Prior Modifications:	\$ 14,000,000
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 26,838,471
This Request:	\$ 7,042,131 (estimated)
% of This Request to Current Amount:	26.2%
% of Modifications (including This Request) to Original Amount:	163.9%

Discussion:

NYC Transit is seeking Board approval to extend Contract CMM-589 with Siemens Mobility, Inc. (“Siemens”) for a period of four years (April 30, 2026–April 30, 2030) for the continuation of Software and System Maintenance and Support Services for the Public Address / Customer Information Signs System, Phase II (“PA/CIS II”) for MTA IT. Additional funding in the amount of \$7,042,131 is required for this modification.

PA/CIS II is a public-facing system that delivers real-time train arrival as well as service disruption information and public service announcements to NYC Transit’s ridership. PA/CIS II is an integrated system of hardware and software with operator consoles and software test facility at the Rail Control Center, with backup systems at the Backup Command Center. The system software was developed by Siemens and uses the SONET/ATM Network for its communications backbone. The system delivers audio and visual train location/movement data to platform and control area signs along with public announcements. PA/CIS II now delivers audio and visual data to 177 stations along the A Division lines including 21 stations on the Flushing line. Audio and visual public announcements are delivered to 99 stations along the B Division lines. The original design/build contract for the PA/CIS II system was competitively solicited and awarded to Siemens under contract W-32658 in 2003. This maintenance and support contract was approved by the Board and awarded to Siemens on a sole-source basis because Siemens designed and developed the PA/CIS II software system that is configured to NYC Transit signaling procedures and rules and the software applications include its proprietary code. Consequently, as designer and developer of both the system hardware and software, Siemens is uniquely qualified to maintain the system.

The contract covers software support and emergency response as well as a provision for task orders for system enhancements. While in-house forces are able to respond and support a wide range of situations, Siemens’ support is necessary for complex and/or critical failures, software patch development, and software upgrades. Under this contract, Siemens provides software support and emergency response services related to critical system failures. This provision ensures availability and guaranteed response times from Siemens for 24/7 emergency support. Siemens is required to respond to emergency calls within 90 minutes of the call and start work within two hours. Software enhancements and new initiative support services are implemented through the issuance of task orders. Task orders address the need for corrections, enhancements, and changes to the software environment resulting from design and field changes to the signal system.

This Board-approved sole-source miscellaneous service contract was originally awarded on May 1, 2014, for a three-year base term, including a two-year option, in the combined total amount of \$12,838,471. Since that time, three modifications, obtaining Board approval where required, have variously added seven years to the contract term and \$14 million in funding.

Under this Modification 4, the contract expiration date will be extended for four years, from April 30, 2026, through April 30, 2030. This contract extension includes a provision for a software support monthly service fee at an average value of \$16,200 or \$777,614 for the four-year extension. This provision ensures availability and guaranteed response times from Siemens for 24/7 emergency support and covers all administrative, resourcing, and licensing expenses. Siemens is required to respond to emergency calls within 90 minutes and start work within two hours. In addition to the monthly service fee, a pool of 20,060 hours spread among six engineering titles valued at \$6,246,518 has been established for this extension to ensure availability of engineering resources for planned task orders for various system upgrades and enhancements over the four-year period. This value is guaranteed to Siemens and will be used toward task orders issued under the contract. All support services and task orders are based on labor rates and terms and conditions established in the contract.

Siemens' labor rates were negotiated in 2014 with input and analysis from MTA Audit and the Cost/Price Analysis unit. The labor rates have been subjected to an annual adjustment based upon the agreed upon PPI established in the contractual pricing agreement and will continue to be adjusted accordingly through the extended contract term. Therefore, the pricing has been found fair and reasonable.

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

Siemens has the experience, technical capability, and resources to perform this contract. The user departments for this contract have found Siemens' performance to be satisfactory during the contract's present term.

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

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.

Impact on Funding

This requirement will utilize Operating Funds available under MTA IT's budget.

FEBRUARY 2026

LIST OF COMPETITIVE 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.	ABBA Local Transportation, Inc.	\$117,319,463	<i>Staff Summary Attached</i>
2.	Corporate Transportation Group, LTD	\$117,319,463	↓
3.	D&J Service, Inc.	\$117,319,463	↓
4.	VGM GOV BIZ, LLC	\$117,319,463	↓

Contract Terms: Three years + (up to two) 2-year options

Contract #s TBD / TBD / TBD / TBD

Contract awards for the provision of Access-A-Ride (“AAR”) Paratransit Supplemental Service.

Schedule G: Miscellaneous Service Contracts



Item Number: 1-4

Vendor Name (Location) ABBA Local Transportation, Inc. (Brooklyn, New York) Corporate Transportation Group, LTD (Brooklyn, New York) D&J Service, Inc. (Bronx, New York) VGM GOV BIZ, LLC (Long Island City, New York)	Contract Numbers ABBA: TBD CTG: TBD D&J: TBD VGM: TBD															
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																
Description Access-A-Ride Paratransit Supplemental Service																
Contract Term (including Options, if any): Five years; Option up to 2 years																
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 checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: Sole-Source																
Total Estimated Amount: \$ 469,277,852 <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">ABBA:</td> <td style="width: 35%;">Base: \$48,154,373</td> <td style="width: 35%;">Option: \$69,165,090</td> </tr> <tr> <td>CTG:</td> <td>Base: \$48,154,373</td> <td>Option: \$69,165,090</td> </tr> <tr> <td>D&J:</td> <td>Base: \$48,154,373</td> <td>Option: \$69,165,090</td> </tr> <tr> <td>VGM:</td> <td>Base: \$48,154,373</td> <td>Option: \$69,165,090</td> </tr> <tr> <td></td> <td style="text-align: right;">\$192,617,491</td> <td style="text-align: right;">\$276,660,361</td> </tr> </table>		ABBA:	Base: \$48,154,373	Option: \$69,165,090	CTG:	Base: \$48,154,373	Option: \$69,165,090	D&J:	Base: \$48,154,373	Option: \$69,165,090	VGM:	Base: \$48,154,373	Option: \$69,165,090		\$192,617,491	\$276,660,361
ABBA:	Base: \$48,154,373	Option: \$69,165,090														
CTG:	Base: \$48,154,373	Option: \$69,165,090														
D&J:	Base: \$48,154,373	Option: \$69,165,090														
VGM:	Base: \$48,154,373	Option: \$69,165,090														
	\$192,617,491	\$276,660,361														
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:																
Requesting Department: Department of Paratransit, Rachel Cohen, VP																

Discussion:

NYC Transit is seeking Board approval to award four estimated quantity miscellaneous service contracts for the provision of Access-A-Ride (“AAR”) Paratransit Supplemental Service to ABBA Local Transportation, Inc. (“ABBA”), Corporate Transportation Group, LTD (“CTG”), D&J Service, Inc. (“D&J”), and VGM GOV BIZ, LLC (“VGM”) in the combined total estimated amount of \$469,277,852 for up to seven years. The base term for each of these contracts is three years with options to extend the contracts for up to an additional four years. The Board is also requested to authorize the Assistant Deputy Chief Procurement Officer to approve the exercise of these options if warranted.

The MTA provides AAR Service through dedicated and non-dedicated service models. The dedicated service model consists of contractors referred to as Primary Carriers, who provide AAR Service using MTA-owned vehicles leased to the contractor. Under non-dedicated AAR service contracts (e.g., Broker Car Service), the contractor provides AAR services using its own vehicles, which may also be used in connection with their other business. In supplemental service, pursuant to the non-dedicated model, the contractor utilizes its own fleet of lift-equipped accessible vehicles to operate AAR service each day the MTA assigns trips to the contractor. Sedans or other vehicles without a wheelchair lift are not utilized in the Supplemental service model. Supplemental service providers exclusively provide AAR service for the service hours during which NYC Transit schedules their vehicles for paratransit trips and may perform other transportation operations outside of that period utilizing the same fleet. The existing Supplemental service mode allows Contractors to utilize either NYC Department of Transportation (“DOT”) regulated vehicles with lifts or NYC Taxi and Limousine Commission (“TLC”) regulated wheelchair accessible vehicles to perform the service. The Scope of Work has been modified to exclude the use of TLC vehicles going forward in order to maximize NYC Transit’s ability to leverage the supplemental fleet to meet the growing demand for paratransit service, including lift-equipped vehicles.

The AAR Paratransit Supplemental Service Request for Proposals (“RFP”) 505340 was released on May 1, 2025. A total of 74 firms were notified of the procurement opportunity. The pre-proposal conference was held on May 8, 2025. A total of 22 proposals were received on May 29, 2025. The Selection Committee (“SC”), whose members were drawn from Procurement, the Department of Paratransit, the Department of Buses, and the Office of Management and Budget, evaluated all 22 written proposals against the following criteria: (1) Overall Technical Qualifications to provide the Service, (2) Proposer’s relevant experience and demonstrated ability to perform the full range of tasks associated with providing paratransit service, (3) Proposer’s approach and methodology to satisfy performance requirements under the Scope of Work, (4) Proposer’s approach to Diversity Practices, and (5) Pricing and other relevant matters. Subsequent to advertisement, the Scope of Work was revised via addendum to limit the vehicle type to lift-equipped vehicles only. All Proposers were given the opportunity to submit an updated proposal. Seventeen proposals were eliminated by the SC prior to negotiations, as they did not demonstrate an understanding of the Scope of Work and/or provide required information in key areas.

Five Proposers were invited for negotiations: ABBA, CTG, D&J, VGM, and Gogo Bus Tours, Inc. Best and Final Offers (“BAFOs”) were requested and received from all five. After review of the BAFOs, the SC unanimously recommended awards to four Proposers: ABBA, CTG, D&J, and VGM, as these companies provided the best value for the Authority.

This RFP yielded annualized cost savings of approximately \$5.9 million when compared to the existing Supplemental program, which equates to approximately \$17.8 million in savings over the base contract term of three years. The existing Supplemental service average Vehicle Service Hour (“VSH”) price is \$101.36 (YTD 2025), and payment is based on a guaranteed 10-hour per-vehicle shift regardless of the number of daily VSHs that the contractor is scheduled for paratransit service. The new average VSH price resulting from this competitive RFP is \$92.39, and payment will be based on actual VSHs performed from daily manifest(s) provided by Paratransit. When calculating savings, Supplemental service previously provided under the TLC model was excluded in order to achieve an accurate comparison.

ABBA, CTG, D&J, and VGM have certified that pursuant to EO 16, they are not doing business in Russia.

ABBA, CTG, D&J, and VGM are incumbents of AAR service and are performing satisfactorily in their current capacities.

The contract terms have been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, have been included in the contract terms and conditions. ABBA, CTG, D&J, and VGM have certified that they are compliant with the MTA cybersecurity provisions.

M/W/DBE Information

The MTA Division of Diversity and Civil Rights (“DDCR”) have established MWBE and SDVOB goals for this contract as follows: 15 percent MBE, 15 percent WBE, and 6 percent SDVOB goals. DDCR reviewed the Proposers’ utilization plans and issued conditional approvals, pending additional information to be submitted after Notice of Award.

Impact on Funding

Funds are available in the Department of Paratransit Operating Budget under Account No. 208471, Function Code 120, and Responsibility Center 3041.

Alternatives

Conducting another RFP for this service would not likely yield better pricing or terms.

Recommendation

It is recommended that the Board approve the award of four estimated quantity miscellaneous service contracts for the provision of AAR Paratransit Supplemental Service to ABBA, CTG, D&J, and VGM in the combined total estimated amount of \$469,277,852 through March 31, 2033.