

NYCT Committee
ACTIONS and PRESENTATIONS
SUMMARY for OCTOBER 2022

| Responsible Department | Vendor Name | Total Amount | Summary of action |
|------------------------|--------------------------------------------|-----------------|----------------------------------------------------------------------------------------------------------------|
| NYCT | Coach & Equipment/Fenton Mobility Products | \$4,101,721 | Purchase of 40 Paratransit vehicles (20 Cutaway buses and 20 vans) |
| NYCT | Plasser American Corporation | \$7,165,000 | Renewal of a maintenance agreement on Plasser-manufactured equipment for NYCT, LIRR, and MNR for five years |
| NYCT | C2K Partners | \$32,314,258 | Modification of the R211 Consultant Contract to increase funding for additional engineering consulting support |
| NYCT | Kawasaki Rail Car | \$1,782,497,142 | Exercise of Option to purchase additional R211 Subway Cars |



New York City Transit Procurements

Louis Montanti, MTA Deputy Chief Procurement Officer – Procurement Operations



PROCUREMENTS

The Procurement Agenda this month includes 5 actions for a proposed estimated expenditure of \$1,826.1M.

| | |
|----------------------------------|---------------------------------------------------------|
| Subject | Request for Authorization to Award Various Procurements |
| Department | MTA Procurement |
| Department Head Name | Kuvershen Ayer |
| Department Head Signature | <i>Kuvershen Ayer</i> |
| Project Manager Name | Rose Davis |

| |
|----------------------------------|
| October 20, 2022 |
| Department |
| Department Head Name |
| Department Head Signature |

| Board Action | | | | | |
|--------------|-----------|----------|----------|------|-------|
| Order | To | Date | Approval | Info | Other |
| 1 | Committee | 10/24/22 | | | |
| 2 | Board | 10/26/22 | | | |
| | | | | | |
| | | | | | |

| Internal Approvals | | | |
|-----------------------------------------------------------------------------------|--------------------------|-------------------------------------------------------------------------------------|------------------------|
| | Approval | | Approval |
|  | President NYCT |  | Deputy CFO |
| X | COO | X | Subways |
| X | Capital Prog. Management | X | Diversity/Civil Rights |
| X | Law | | |

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

PURPOSE

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

DISCUSSION

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

| <u>Procurements Requiring Two Thirds Vote:</u> | <u># of Actions</u> | <u>\$ Amount</u> |
|----------------------------------------------------------------|---------------------|------------------|
| Schedule A: Noncompetitive Purchases and Public Work Contracts | 1 | \$ 7.2 M |
| SUBTOTAL | 1 | \$ 7.2 M |

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 H: Modifications to Personal/Miscellaneous Service Contracts | 1 | \$ 32.3 M |
| Schedule I: Modifications to Purchase and Public Works Contracts | 1 | \$ 1,782.5 M |
| SUBTOTAL | 2 | \$ 1,814.8 M |

NYC Transit proposes to award Ratifications in the following categories:

| <u>Schedules Requiring Two-Thirds Vote:</u> | | |
|-----------------------------------------------------------|---|--------------|
| Schedule D: Ratification of Completed Procurement Actions | 2 | \$ 4.1 M |
| SUBTOTAL | 2 | \$ 4.1 M |
| TOTAL | 5 | \$ 1,82 6.1M |

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.

OCTOBER 2022

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Noncompetitive Purchases and Public Work Contracts

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

- | | | |
|----------------------------------------|--------------------|--------------------------------------|
| 1. Plasser American Corporation | \$7,165,000 | <u>Staff Summary Attached</u> |
| Five Years | | |
| Contract # SSE 386665 | | |

Multi-agency estimated quantity contract for the purchase of replacement parts, repair services, troubleshooting, and training for various Maintenance-of-Way equipment for NYC Transit, Long Island Rail Road, and Metro-North Railroad.

Schedule A: Noncompetitive Purchases and Public Work Contracts



Item Number: 1

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|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| Vendor Name (Location) Plasser American Corporation (Chesapeake, Virginia) |
| Description Purchase of Replacement Parts and As-Needed Repair of Plasser-manufactured Maintenance-of-Way Equipment |
| Contract Term (including Options, if any): Five Years |
| Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" 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: Negotiation |

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Contract Number SSE 386665 | Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Total Estimated Amount: NYCT: \$4,500,000 LIRR: \$1,165,000 MNR: \$1,500,000 | \$7,165,000 |
| Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | |
| Requesting Department: Department of Subways; Demetrius Crichlow | |

Discussion:

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law Section 1209, Subsection 9(b) due to the existence of a single responsible source, and approve the award of a multi-agency estimated quantity contract to Plasser American Corporation (“Plasser”) for the purchase of replacement parts, repair services, troubleshooting, and training for various Maintenance-of-Way equipment (“Equipment”) for NYC Transit, Long Island Rail Road (“LIRR”), and Metro-North Railroad (“MNR”). The sole-source advertisement for this requirement did not receive any responses.

Plasser has manufactured various pieces of Equipment in use at MTA including track geometry cars, ballast regulators, and track stabilizers, among others. All Equipment and related subsystems were manufactured by Plasser or other subsystem suppliers and integrated by Plasser. MTA Agency personnel perform basic maintenance and repair of the Equipment. However, Equipment that is unable to be repaired by MTA personnel will be repaired by Plasser. The Equipment is comprised of sophisticated electronic and mechanical devices specifically designed to perform various functions required for installing, testing, and maintaining each agency’s track system. Plasser is a worldwide leader in the transit and railroad industries. All parts and services that Plasser provides on this contract are performed by and/or proprietary to Plasser. Only Plasser has the factory-trained personnel capable of properly troubleshooting its Equipment, recommending and/or performing repair work, and training in-house forces in the appropriate repair procedures. Replacement parts will be installed either by trained MTA agency personnel tasked with the responsibility of day-to-day maintenance, or by Plasser, if required.

NYC Transit’s equipment includes four track geometry cars, eight switch and production tampers, and four ballast distributors/regulators. LIRR’s equipment includes one track geometry car, three ballast regulators, three track stabilizers, three switch and production tampers, twelve switch panel handling units, and eight ballast hopper cars. MNR’s equipment includes one track geometry car, two production tampers four track stabilizers, three catenary maintenance vehicles, and two catenary wire reel trailers. Any additional Plasser Equipment acquired by the agencies during the term of this agreement will be covered under this contract.

Pricing on this contract for all agencies is based on various fixed discounts from the *Plasser Parts and Service Price List* through the length of the contract term. The price list is published to the industry and uniform for all customers. Through price negotiations, cost avoidance of \$179,125 was achieved. Plasser has certified that the MTA agencies receive a greater discount on Plasser parts than any other transit agency in North America and that the MTA agencies are receiving its most favored customer pricing for both parts and service. The pricing offered by Plasser for this procurement action has been found fair and reasonable.

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.

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

Award of this procurement action is subject to approval by the Office of the New York State Comptroller.

Impact on Funding

This requirement will utilize Operating funding.

OCTOBER 2022

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

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

- | | | |
|--------------------------------------------------------------------|---------------------|--------------------------------------|
| 2. C2K Partners | \$32,314,258 | <u>Staff Summary Attached</u> |
| 126 Months + 2 Options | | |
| Contract # R84505 | | |
| Post-award consulting services for the R34211 subway car contract. | | |

I. Modifications to Purchase and Public Work Contracts

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

- | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------------------------|
| 3. Kawasaki Rail Car, Inc. | \$1,782,497,142 | <u>Staff Summary Attached</u> |
| 10 years, 3 months | | |
| Contract # R34211 AWO 81 | | |
| Exercise an option to purchase 640 additional subway cars and related non-car items such as spare parts special tools, diagnostic test equipment, technical documentation, and training for NYC Transit Department of Subways. | | |

Item Number: 2

| |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Vendor Name (Location) C2K Partners (New York, New York) |
| Description: Post Award Consulting Services for the R211 Subway Car Contract |
| Contract Term (including Options, if any) 126 months (includes two options) |
| 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: Modification |
| Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other: |
| Requesting Department: Department of Subways, Demetrius Crichlow |

| | |
|------------------------------------------------------------------------|----------------------------|
| Contract Number R84505 | Modification # 6 |
| Original Amount: | \$62,623,706 |
| Prior Modifications: | (\$1,883,688) |
| Current Amount: | \$60,740,018 |
| This Request: | \$32,314,258 |
| % of This Request to Current Amount: | 53.2% |
| % of Modifications (including This Request) to Original Amount: | 48.6% |

Discussion:

NYC Transit is seeking Board approval to award Modification 6, Post Award Consulting Services for the R34211 Subway Car Contract, to C2K Partners (“C2K”), a joint venture comprised of LTK Engineering Services of New York LLP and CH2M Hill New York, Inc. (“CH2M”) in the estimated amount of \$32,314,258. The R34211 Subway Car Contract is for the design, manufacturing, and delivery of 535 subway cars comprising 440 closed-end cars (R211A), 20 open gangway cars (R211T) for NYC Transit’s “B” Division, and 75 cars (R211S) for Staten Island Railway.

Based on a competitive Request for Proposals (“RFP”) solicitation, and after obtaining Board approval, the original contract (R84505) was awarded to C2K on March 1, 2018, in the amount of \$62,623,706. Support services under this contract include project management, quality management, and negotiations support. C2K also supports NYC Transit with (1) industrial design, car mock-up reviews, and on-site engineering reviews; (2) Buy America and U.S. Employment Plan audits; (3) various inspection services including first article inspection, pre-shipment inspection, on-site inspection; and (4) testing services.

There have been five previous modifications to this contract: (1) incorporating certain discounts on travel expenses, (2) addressing a cost reduction, (3) adjusting the overhead rate of one of the subconsultants, (4) provide additional consulting support for procurement activities for the R211 Option 1 negotiations, and (5) other administrative functions in support of the R34211 contract. The total value of these modifications was a credit of \$1,883,688. NYC Transit will be coming to the subsequent Board for the approval to exercise Option 1 to provide consulting support for Option 1 for the R34211 Contract.

Under this modification, the Department of Subways, Division of Car Equipment (“DCE”) is requesting additional engineering consultant support for the following reasons: (1) DCE has recently lost a considerable number of personnel through attrition, which has contributed to an overall loss of institutional knowledge. Thus, acquiring additional engineering consultant services will ensure adequate staffing for NYC Transit in support of the R34211 Contract; and (2) as work under the R34211 Contract progressed, the car manufacturer experienced project delays, which are currently under review from the excusability standpoint by NYC Transit. These delays have led to a substantial increase in the required consultant support for engineering and quality assurance oversight.

C2K submitted its proposal of \$32,830,149, based on the projected activities in accordance with the R211 production schedule and the estimated annual rate adjustment calculated based on a price index formula set forth in the R84505 Contract. Negotiations resulted in the final price of \$32,314,258. Procurement and NYC Transit’s Cost Price Analysis Unit have determined the price to be fair and reasonable.

CH2M has been 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 CEO in consultation with the MTA General Counsel in December 2013¹. No new SAI has been found relating to CH2M and CH2M has been found to be responsible.

The contract resulting from this procurement action has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law regulations. The Authority is working with the consultant to include applicable cybersecurity requirements prior to the execution of this modification.

C2K has certified that pursuant to EO 16 it is not doing business in Russia.

Impact on Funding:

This modification will be funded from within projects’ surplus and from the 2015 – 2019 Program contingency.

¹ CH2M was acquired by Jacobs on December 15, 2017. No SAI has been found for Jacobs.

Schedule I: Modifications to Purchase and Public Work Contracts



Item: 3

| |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Vendor Name (Location) Kawasaki Rail Car, Inc. (Yonkers, New York) |
| Description 440 new closed-end subway cars and 20 Open Gangway subway cars for the "B" Division, 75 cars for Staten Island |
| Contract Term (including Options, if any) January 2018–April 2028 |
| Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" 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: Modification |
| Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other: |
| Requesting Department: Department of Subways, Demetrius Crichlow |

| | |
|------------------------------------------------------------------------|--------------------------|
| Contract Number R34211 | AWO/Mod. #: 81 |
| Original Amount: | \$ 1,444,997,948 |
| Prior Modifications | \$ 19,147,506 |
| Prior Budgetary Increases: | \$ 0 |
| Current Amount: | \$ 1,464,145,454 |
| This request: | \$ 1,782,497,142 |
| % of This Request to Current Amount: | 121.7% |
| % of Modifications (including This Request) to Original Amount: | 124.7% |

Discussion:

This modification is for the exercise of a federally funded option to purchase 640 additional subway cars and related non-car items such as spare parts, special tools, diagnostic test equipment, technical documentation, and training for NYC Transit’s Department of Subways from Kawasaki Rail Car, Inc. (“Kawasaki”) in the estimated amount of \$1,782,497,142.

In January 2018, the Board authorized the award of Contract R34211 to Kawasaki to design, build, and deliver 535 subway cars comprised of 440 closed-end cars (R211A), 20 Open Gangway (R211T) cars for NYC Transit “B” Division, and 75 cars for Staten Island Railway, as well as related non-car items such as spare parts, special tools, diagnostic test equipment, technical documentation, and training in the amount of \$1,444,997,948. The contract includes two options: Option 1 for 640 cars and Option 2 for 333 or 437 cars. This action is to exercise Option 1. Delivery of cars under Option 1 is anticipated from February 2025 through December 2026. All Option 1 cars are configured in five-car operating units.

The cars to be purchased under Option 1 will provide replacements for the R46 fleet that runs on the A and C lines. These cars, like the cars in the base contract, will be Communications-Based Train Control (“CBTC”) equipped and facilitate the continued expansion of CBTC on the 8th Avenue line.

Throughout the course of this contract, modifications were made, which in some instances impacted the cost of the option cars. These costs were reviewed by NYC Transit and are contained in the cost of the cars.

The pricing for option cars is subject to an adjustment formula resulting from changes in labor and material cost indices, currency exchange rates, and other agreed-upon factors included in the base contract. The option pricing was considered fair and reasonable at the time of the contract award (2018). Therefore, since Option 1 pricing has been escalated according to indices and adjusted to reflect currency changes already included in the base contract, the option price is considered to be fair and reasonable. The proposed escalated price was \$1,811,514,132 in advance of negotiations.

Negotiations for this option were necessary based on Kawasaki’s requested changes to the original terms of the contract. NYC Transit and Kawasaki explored mutually beneficial commercial alternatives which centered around Kawasaki’s requested increase in the advance payment, as well as aspects of the delivery schedule that differed from what was originally proposed and agreed to as part of the base contract. The net savings after negotiations, and after credits are applied and adjustments made from the original proposal totals \$29,016,990. The FTA has been notified of the advance payments as well as the security requirements for the performance of the work, to secure its concurrence. All advance payments will be collateralized.

Schedule I: Modifications to Purchase and Public Work Contracts



Kawasaki has the experience, technical capability, resources, and facilities to perform the work required. The Controller's Office found that there was reasonable assurance that Kawasaki can perform the work under this option.

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

This contract was evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, any applicable cybersecurity requirements, to the extent required, have been included in the base contract.

MBE/WBE/TVM

Because this contract is FTA funded, the FTA Transit Vehicle Manufacturer program applies. Kawasaki complies with this FTA program.

Impact on Funding

This Option is funded with FTA funds. This project is included in the approved 2020–2024 Capital Program.

OCTOBER 2022

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.)

4. **Coach & Equipment Manufacturing Corp.** \$4,101,721 (aggregate) **Staff Summary Attached**
 Three months

5. **Fenton Mobility Products**

Six months

Contract #s 6%19338

6%30440

 Ratification of an Immediate Operating Need to approve the purchase of 20 Paratransit Ford Cutaway buses manufactured by Coach & Equipment Mfg. Corp. and 20 Paratransit Ford Transit vans from Fenton Mobility Products Inc.

Schedule D: Ratification of Completed Procurement Actions



Item Numbers: 4–5

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Vendor Names (Locations) Coach & Equipment Mfg. Corp. (Penn Yan, New York) Fenton Mobility Products Inc. (Randolph, New York) | Contract Numbers 6%30329 6%30440 | Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Description Purchase of 20 Paratransit Ford Cutaway Buses Purchase of 20 Paratransit Ford Transit Vans | Total Amount: (Coach & Equipment Mfg.) \$2,170,000 \$4,101,721 (Fenton Mobility Products) \$1,931,721 | |
| Contract Term (including Options, if any). July 2022–October 2022 August 2022–February 2023 | Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | |
| Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a | Requesting Department Department of Paratransit, Christopher Pangilinan | |
| 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: Immediate Operating Need | | |

Discussion:

It is requested that the Board formally ratify the declaration of an Immediate Operating Need (“ION”) approved by the Deputy Chief Procurement Officer, MTA Procurement, waiving formal competitive bidding pursuant to Article III, Paragraph A, of the All-Agency Procurement Guidelines and Public Authorities Law 1209 subsection 9(a) and approve the purchase of 20 Paratransit Ford Cutaway buses manufactured by Coach & Equipment Mfg. Corp. (“C&E”) and 20 Paratransit Ford Transit vans from Fenton Mobility Products Inc. (“FMPI”).

Paratransit transportation service is a federally mandated service in accordance with the Americans with Disabilities Act of 1990. NYC Transit operates this service under the name Access-A-Ride (“AAR”), providing origin-to-destination, demand-response, shared-ride transportation for individuals with disabilities who cannot use fixed-route public buses and subways. Under this model, NYC Transit procures vehicles and leases them to dedicated service providers so that a standard, safe and uniform vehicle is operated by all AAR providers. NYC Transit’s Paratransit fleet consists of 1,313 vehicles, made up of 859 Ford E-350 cutaway buses, 427 MV-1 vehicles, 17 Ford Transit vans, and 10 Ford Transit cutaway buses.

Paratransit recently secured funding to procure 288 Ford E-350 cutaway buses and 72 Ford Transit vans to replace vehicles which have been damaged or reached the end of their useful life. Supply chain issues currently affecting the automotive and truck industries are causing delivery of new vehicles to take between 12 and 18 months from contract award. Due to the urgent need for vehicles, a market survey was conducted to determine the possibility of acquiring vehicles faster than 12–18 months. Out of nine vendors contacted, only C&E and FMPI indicated that they were able to provide a small quantity of vehicles on an expedited schedule. Both manufacturers have previously delivered quality, durable products, to the MTA which have successfully navigated the harsh operating environment of NYC roads. Due to an urgent need to replace vehicles, an Immediate Operating Need was declared to purchase 20 Paratransit Ford Cutaway buses from C&E and 20 Paratransit Ford Transit vans from FMPI.

Procurement solicited both vendors. Pricing of \$110,183 per bus was received from C&E. Through discussions, C&E offered a price reduction of \$1,683 per bus resulting in a total savings of \$33,660. The cutaway buses will be delivered by October 31, 2022. Pricing of \$96,886 per van was received from FMPI. Through discussions, FMPI offered a price reduction of \$300 per van resulting in a total savings of \$6,000. The vans will be delivered by February 28, 2023.

Procurement, Paratransit, and MTA’s Cost/Price Analysis Unit have determined the final prices to be fair and reasonable. The Office of the Controller performed a financial review and found there is reasonable assurance that both C&E and FMPI are financially qualified to perform this contract.

Both C&E and FMPI have certified that pursuant to EO 16 they are not doing business in Russia.

Impact on Funding

Funds are available in the project for the purchase of 288 Ford E-350 cutaway buses and 72 Ford Transit vans.