MEETING AGENDA
METROPOLITAN TRANSPORTATION AUTHORITY BOARD
July 25, 2012 9:30 a.m.
347 Madison Avenue
Fifth Floor Board Room
New York, NY

AGENDA ITEMS

1. PUBLIC COMMENTS PERIOD

2. APPROVAL OF MINUTES
   - MTA Regular Board Meeting of June 27, 2012
   - NYCT/MaBSTOA/SIR/Bus Company Regular Board Meeting of June 27, 2012
   - MTA Metro-North Railroad Regular Board Meeting of June 27, 2012
   - MTA Long Island Rail Road Regular Board Meeting of June 27, 2012
   - Triborough Bridge & Tunnel Authority Regular Board Meeting of June 27, 2012
   - MTA Capital Construction Regular Board Meeting of June 27, 2012

3. COMMITTEE ON FINANCE
   - MTA HQ Procurements
     - Non-Competitive
     - Competitive
     - Ratifications (no items)
   - Real Estate Items

4. COMMITTEE ON TRANSIT OPERATIONS
   - Action Items
     - Subway Structural Rehabilitation – 4th Avenue Line
     - Appointment of Hearing Officers
   - Procurements
     - Non-Competitive
     - Competitive
     - Ratifications

5. COMMITTEE ON BUS OPERATIONS
   - Procurements
     - Non-Competitive
     - Competitive
     - Ratifications

6. COMMITTEES ON METRO-NORTH RAILROAD & LIRR
   - Action Item
     - Parking Rehabilitation Projects
   - Procurements
     - Non-Competitive
     - Competitive
     - Ratifications
7. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS
   Procurements
   Non-Competitive (no items) 142
   Competitive 144
   Ratifications 149

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

9. CFO PRESENTATION TO A JOINT SESSION OF THE
   BOARD & FINANCE COMMITTEE
   2012 Mid-Year Forecast
   2013 Preliminary Budget
   July Financial Plan 2013-2016
   Associated Action Items

Date of next MTA Board meeting: Wednesday September 26, 2012 at 9:30 a.m.
Metropolitan Transportation Authority
Minutes of
Regular Board Meeting
347 Madison Avenue
New York, NY 10017

Wednesday, June 27, 2012
9:30 a.m.

The following members were present:

Hon. Joseph J. Lhota, Chairman and CEO
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Fernando Ferrer
Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Mark Page
Hon. Ed Watt

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member Norman Brown, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President, NYCTA, Helena Williams, President, Long Island Railroad, Howard Permut, President, Metro-North Rail Road, James Ferrara, President, TBTA, Darryl Irick, President, MTA Bus Company, and Michael Horodniceanu, President, MTA Capital Construction, 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, 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. **PUBLIC SPEAKERS.** There were thirteen (13) speakers, none of whom addressed items specific to the MTA agenda. The speakers listed below addressed matters related to MTA programs. Refer to the other agencies’ minutes of this date for the list of speakers, and to the video recording of the meeting produced by the MTA and maintained in MTA records for the content of the speakers’ statements.

   Robert W. Parchment, President, Parchment Plumbing & Heating  
   Yvonne Johnson, Vice President, Reality Construction  
   Jeffrey Smalls, President, Smalls Electric  
   Bill Howell, President, Howell Enterprises  
   Raymond Rivera, President, Park Avenue Building Supplies

2. **CHAIRMAN’S REMARKS.**

   Chairman Lhota acknowledged the passing of former Board member Alfred E. Werner, on June 12th, noting his 23 years of service on the MTA Board.

   Chairman Lhota welcomed former Governor David A. Paterson to his first official Board meeting, noting that Governor Paterson will be a strong advocate for the riders, the system and for all New Yorkers.

   Chairman Lhota addressed the MTA’s environmental achievements, including the MTA’s efforts to increase its energy-efficiency and reduce its internal carbon footprint. The Chairman commented on the MTA’s recently released report finding that the average MTA trip saves the planet more than ten (10) pounds of greenhouse gas emissions and noted that MTA moves more than eight and a half million people by transit every day. Chairman Lhota further noted that, working with its partners at the New York Power Authority, MTA has implemented over 100 energy-efficiency projects in its facilities and along the right-of-way, including projects implemented by NYCTA, MNR, LIRR, and B&T.

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on May 23, 2012.

4. **COMMITTEE ON FINANCE.**

   A. **Action Items.** Upon motion duly made and seconded, the Board approved the following action items, described in further detail in the staff summaries and documentation filed with the meeting materials. Board member Allen Capelli voted in opposition to item # 2 below.
1. **Transportation Revenue Bonds, Series 2012E.** Approved the resolution and other documentation and activities in connection with the issuance of bonds in an aggregate principal amount necessary to provide net proceeds (exclusive of premiums) sufficient to fund up to $1 billion of capital projects contained in approved capital programs of the transit, bus, and commuter systems.

2. **2012 State Public Work Enforcement Fund ("PWEF") Assessment.** Approved the payment of the State assessment, on behalf of the MTA and its constituent agencies, for the PWEF for calendar year 2012, including the adjustment for the 2011 overpayment, to the State Department of Labor.

3. **Paratransit Cost Savings Initiative.** Approved a resolution adopting tariff changes to enable implementation of the Paratransit cost savings initiative related to the provision of zero fare MetroCards to Paratransit eligible customers.

B. **Procurement Items.** Upon motion duly made and seconded, the Board approved the following procurement items, described in further detail in the staff summaries and documentation filed with the meeting materials.

1. **Marsh USA, Inc. – All-Agency Master Broker Services – No. 11257-0100.** Approved the award of a competitively negotiated contract to provide services related to the procurement/maintenance of insurance and other miscellaneous services (Master Broker Services) in support of the MTA’s All-Agency Risk Management Program for a period of five (5) years from August 1, 2012 through July 31, 2017 at a total cost not-to-exceed $9,245,195, which includes a contingency of $2,000,000.

2. **ImageMaster, Inc. – Printing and Delivery of Financial and Legal Bond Documents – No. 12076-0100.** Approved the award of a competitively negotiated, 60 month contract with ImageMaster, Inc. to print and deliver on an as-needed basis, hard and electronic copies of bond documents (Official Statements and other financing documents), which are required for the issuance of bonds under MTA’s capital and non-capital program debt financings, at a total cost not-to-exceed $268,000.

C. **Real Estate Items.** Upon motion duly made and seconded, the Board approved the following real estate items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

**New York City Transit Authority**

1. License agreement with Teleport Communications New York for the continued operation and maintenance of one 144-strand fiber optic cable and one 216-strand fiber optic cable running from the intersection of Fulton Street and Water Street in Manhattan, through NYCTA’s Cranberry Street tunnel to Jay Street/Borough Hall subway station in Brooklyn, N.Y.

- 3 -

Regular Board Meeting
June 27, 2012
2. License agreement with Teleport Communications New York for the continued operation and maintenance of one 16-strand fiber optic cable and one 432-strand fiber optic cable running approximately 4,881 linear feet in NYCTA’s Clark Street tunnel from Manhattan to Brooklyn, N.Y.

3. License agreement with Light Tower Fiber Long Island LLC for the continued operation and maintenance of one 864-strand fiber optic cable running from NYCTA’s vent shaft building at Fulton Street in Manhattan, through NYCTA’s Cranberry Street tunnel, to NYCTA’s vent shaft building at Furman Street in Brooklyn, N.Y.

4. Lease with Vanessa Vitiello for the retail sale of fruit, vegetables and flowers at 1498 Sheepshead Bay Road, Brooklyn, N.Y.

5. Lease with Bazlor Rob Hazari and Ayub Ali for the operation of newsstands on the uptown and downtown platforms located at the 51st Street Station, Lexington Avenue Line, Manhattan, N.Y.

6. License agreement with Jai Bajrang Newsstand Corp. for the operation of newsstands located at the 34th Street-Herald Square Station, Manhattan, N.Y.

7. Lease with Golden Gourmet Corp. for the operation of a deli located at 1501 Sheepshead Bay Road, Brooklyn, N.Y.

8. Lease modification and extension agreement with Kaufman 8th Avenue Associates for the continued occupancy of NYCTA’s Union Assistance Program at 519 8th Avenue, New York, N.Y.

**Metropolitan Transportation Authority**

9. License agreement with Edison NY Parking LLC, as licensor, at the Hippodrome Garage at 1120 Avenue of the Americas, New York, N.Y. for parking MTA vehicles and bicycles, due to the temporary closure of the Grand Central Terminal Garage in connection with East Side Access construction.

**Metro-North Railroad**

10. License agreement with AT&T Corp. for the non-exclusive license for the continued operation and maintenance of one 24-strand fiber optic cable on approximately 4,860 linear feet of Metro-North’s right of way north of the Poughkeepsie station.

11. Easement agreements with The Village of Pelham and Pico Electronics Inc. for access by Metro-North Railroad to a new circuit breaker house, which easements are located at 195 Sparks Avenue (Section 163.51, Block 1, Lot 70 (“Village Easement 1“) and Section 163.43, Block 1, Lot 2 (Village Easement...
2), and at 143 Sparks Avenue (Section 163.43, Block 1, Lot 1 (Pico Easement)), Town of Pelham, Westchester County, N.Y.

12. Lease modification and extension agreement with Garrison Station Plaza, Inc. for the long-term continued occupancy and renovation by Metro-North Railroad of the Garrison Station Parking Lot at Philipstown, Putnam County, N.Y.

**Long Island Rail Road**

13. License agreements with J.T.E. Enterprises, Inc.; L.I. Carolina Express, Inc.; All Seasons Management Corp.; David Enterprises, Inc.; Village Car Service, Inc.; and LI Yellow Cab Corp. for the operation of taxi dispatch offices and taxi parking spaces located at Amityville Station; Copiague Station; Westbury Station; Bay Shore Station; Kings Park Station; Lynbrook Station; Ronkonkoma Station and Hicksville Station.

14. License agreement with Strahl & Pitsch, Inc. for use of a portion of LIRR Babylon Branch adjacent to Great East Neck Road in West Babylon, N.Y. for vehicular access.

15. Disposition by LIRR of a 1.49-acre parcel of property to the Town of Babylon in exchange for a 2.16-acre parcel owned by the Town of Babylon, in support of the Wyandanch Rising project.

**Long Island Rail Road/Staten Island Rapid Transit Operating Authority (SIRTOA)**

16. Lease agreement with Buckeye Pipe Line Company, L.P. for the continued operation and maintenance of two 12-inch pipelines (LIRR: Montauk Branch right-of-way between Blissville Yard and Fresh Pond Junction; SIRTOA: right-of-way crossing in the vicinity of interstate 278) used to transport high pressure jet fuel to Kennedy and LaGuardia Airports, Queens, N.Y.

5. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board voted to convene an executive session to consider matters concerning Section 105(i)(e) of the New York State Public Officers Law. Board member Jeffrey Kay was absent for the executive session. Upon motion duly made and seconded, the Board approved resolutions providing for: (i) amendments to the MTA 20-Year Police Retirement Program; (ii) amendments of the MaBSTOA Pension Plan; (iii) amendments of the MTA Defined Benefit Pension Plan and the MaBSTOA Plan; and (iv) amendments to select sections of the MTA Defined Benefit Pension Plan. Board member Charles Moerdler voted in opposition to the provisions of the amendments of the MTA 20-Year Police Retirement Program and the MaBSTOA Pension Plan related to creation of a new Tier reflective of the general terms and conditions of New York State's new Tier 6. Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.
6. ADJOURNMENT. Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:40 a.m.

Respectively 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

Wednesday, June 27, 2012
9:30 a.m.

The following members were present:

Hon. Joseph J. Lhota, Chairman and CEO
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Fernando Ferrer
Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Mark Page
Hon. Ed Watt

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly,
MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew
Albert, Board Member Norman Brown, Board Member Vincent Tessitore, Jr., Thomas
Prendergast, President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard
Permut, President, Metro-North Rail Road, James Ferrara, President, TBTA, Darryl Irick,
President, MTA Bus Company, and Michael Horodniceanu, President, MTA Capital
Construction, also attended the meeting.
1. **CHAIRMAN LHOTA CALLED THE MEETING TO ORDER**

2. **PUBLIC COMMENT PERIOD**

Eleven (11) public speakers addressed NYC Transit/MTA Bus issues.

William Colton spoke against the cuts to the B64 line made in 2010.

Mario D’Elia urged the Board to restore previously cut services to the B64 line.

Robert W. Parchment, President, Parchment Plumbing and Heating, expressed his support for the mentor program and discussed its positive impact on his business and the community.

Yvonne Johnson, President, Reality Construction Program, thanked the MTA and the Board for their support for the mentor program which enabled her company to be successful.

Jeffrey Smalls, President, Smalls Electric, discussed the mentor program and the opportunities it afforded him and the people in his community.

Bill Howell, President, Howell Enterprises, welcomed former governor David Patterson to the Board.

Robert Cohen urged the Board to put back the M34 bus stops at Lexington and Madison Avenue, and to change the M34A back to the M16.

Jennifer Thorpe Mascon, Southern Brooklyn Democrats, asked the Board to restore full service to the bus lines that were the B64, B4, and B2 and to restore service to several express buses from Brooklyn into Manhattan.

JP Patafio, TWU, Local 100 urged the Board to restore bus service in Brooklyn.

Raymond Rivera, President, Park Avenue Building Supplies, thanked Michael Garner and the Board for the opportunity to provide services for the MTA.

Robert Berrios asked the Board to improve service on the B61 and to restore the B77 and B71.

3. **CHAIRMAN LHOTA’S COMMENTS**

Details of Chairman Lhota’s comments are set forth in minutes recorded by the MTA, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

4. **MINUTES**

Upon motion duly made and seconded, the Board unanimously approved the minutes of the regular board meeting of MTA NYC Transit, the Manhattan and Bronx Surface Transit
Operating Authority, the Staten Island Railway Transit Operating Authority, and MTA Bus Company held on May 23, 2012.

5. COMMITTEE ON FINANCE

Real Estate Action Item(s):

MTA New York City Transit: Upon motion duly made and seconded, the Board voted to approve: (i) a License Agreement with Teleport Communications New York for the continued operation and maintenance of an existing fiber optic cable facility running through the Cranberry Street tunnel from Manhattan to Brooklyn; (ii) a License Agreement with Teleport Communications New York for the continued operation and maintenance of an existing fiber optic cable facility running through Clark Street tunnel from Manhattan to Brooklyn; (iii) a License Agreement with Light Tower Fiber Long Island LLC for the continued operation and maintenance of an existing fiber optic cable facility running through the Cranberry Street tunnel from Manhattan to Brooklyn; (iv) a Lease with Vanessa Vitello to operate a fruit, vegetable and flower shop at 1498 Sheepshead Bay Road, Brooklyn NY; (v) a Lease with Bazlor Rob Hazari and Ayub for the operation of two newsstands at the 51st and Lexington Avenue station in New York, NY; (vi) a License Agreement with Jai Bajrang Newsstand Corp. for the Operation of 3 Newsstands and a Storage Space at 34th Street – Herald Square Station, Manhattan; (vii) a Lease with Golden Gourmet Corp to operate a gourmet deli at 1501 Sheepshead Bay Road, Brooklyn NY; and (viii) a Lease Modification and Extension Agreement for the long Term Continued Occupancy of NYCT at 519 Eight Avenue, New York, New York.

6. COMMITTEE ON TRANSIT OPERATIONS

NYC Transit

Procurements:

Non-Competitive Procurements: Upon motion duly made and seconded, the Board approved the non-competitive procurements requiring a two-thirds vote (Schedule A in the Agenda) and majority vote (Schedule G 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 the NYC Transit/SIR/MTA Bus Company.

Competitive Procurements: Upon motion duly made and seconded, the Board approved the competitive procurements requiring a majority vote (Schedules F, H, I and L 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 the NYC Transit/SIR/MTA Bus Company.

Procurement Ratifications: Upon motion duly made and seconded, the Board approved the 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 the NYC Transit/SIR/MTA Bus Company.
7. EXECUTIVE SESSION

Upon motion duly made and seconded, the Board voted to convene an executive session pursuant to New York State Public Officers Law §105(e) to consider matters concerning collective bargaining negotiations.

8. ADJOURNMENT

Upon motion duly made and seconded, the Board voted to resume public session whereupon, upon motion duly made and second, the meeting was adjourned at 10:40 a.m.

Respectfully submitted,

[Signature]

Marie A. Thompson
Assistant Secretary
Minutes of the Regular Meeting
Metro-North Commuter Railroad Company
Wednesday, June 27, 2012
9:30 a.m.

The following members were present:

Hon. Joseph J. Lhota, Chairman and CEO
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Fernando Ferrer
Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. James L. Sorese, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Mark Page
Hon. Ed Watt

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member Norman Brown, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President, NYCTA, Helena Williams, President, Long Island Railroad, Howard Permut, President, Metro-North Rail Road, James Ferrara, President, TBTA, Darryl Irick, President, MTA Bus Company, and Michael Horodniceanu, President, MTA Capital Construction, 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, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

1. Chairman Lhota called the meeting to order.
2. **Public Speakers:**

There were thirteen public speakers.

Michael Doyle, General Chairman, Association of Commuter Rail Employees, commented on a recent editorial in the Poughkeepsie Journal regarding a state audit. He stated that the article incorrectly reported the facts and ignored the lack of funding support. He stated that Chairman Lhota’s remarks in a recent editorial present a more accurate picture the agency and the cost cutting measures it has implemented. He stated that the employees he represents are tired of being used as political punching bags. He asked the Board to defend the agency against such attacks.

Anthony Bottalico, General Chairman, Association of Commuter Rail Employees discussed a recent press report critical of family members who follow their relatives into railroad service. He expressed his opinion that employees who follow their relatives into Metro-North service should be appreciated, not vilified. He expressed his opinion that the Board has an obligation to defend the truth and MTA employees against frivolous, misleading attacks.

The remaining public speakers did not discuss items specific to Metro-North. The subject matter of their comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

3. **Chairman’s Opening Remarks:**

Chairman Lhota held a moment of silence in honor of former Board Member Alfred Werner, who recently passed away. He noted that Mr. Werner served on the Board for 23 years. Board Member Pally also took a moment to remember Mr. Werner and to thank him for his dedicated service. The Chairman welcomed new Board Member Governor David Paterson. He noted that Governor Paterson has a wealth of knowledge of the strengths and complexities of MTA’s transportation system and will be a strong advocate on its behalf.

Chairman Lhota then spoke of the environmental benefits of the MTA and the efforts it is taking to save energy and reduce its carbon footprint. He noted that the MTA has been working with the New York Power Authority to implement over 100 energy-efficient projects in its facilities and along the right-of-way including, but not limited to, Metro-North’s project in Grand Central Terminal to cut energy consumption by 30% by upgrading the pumps, fans and steam pipes in Grand Central Terminal. It is estimated that the project will save approximately $3 million per year. The details of Chairman Lhota’s comments are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

4. **Approval of Minutes**

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of May 23, 2012 and the amended minutes of the Regular Board Meeting of April 25, 2012 were unanimously approved.
5. **Committee on Finance Committee:**

**Action Items:**

Upon a motion duly made and seconded, the Board approved the following action items recommended to it by the Committee on Finance:

- Authorization to Issue Transportation Revenue Bonds, Series 2012E sufficient to fund up to $1 billion of capital projects contained in approved capital programs of transit, bus and commuter systems.

- 2012 PWEF Assessment – Authorization of actions relating to the payment of the State assessment on the MTA and its constituent agencies for the Public Work Enforcement Fund for calendar year 2012. Board Member Capelli voted in opposition.

**MTA Headquarter Procurements**

Upon motion duly made and seconded, the Board approved MTA Headquarter procurements recommended to it by the Committee on Finance. Among the items approved is an all-agency personal service contract with Marsh USA, Inc. for the provision of services related to the procurement/maintenance of insurance and other miscellaneous services in support of MTA’s All-Agency Risk Management Program.

**Real Estate Items:**

Upon motion duly made and seconded, the Board approved the following real estate items recommended to it by the Committee on Finance.

- License agreement with AT&T Corp. for the continued operation and maintenance of an existing fiber optic cable facility running along Metro-North’s right-of-way north of the Poughkeepsie Station.


- Lease modification and extension agreement for the long term continued occupancy and renovation of the Metro-North Garrison Station Parking at Philipstown, Putnam County, New York.

Staff summaries and reports setting forth the details of the above items are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.
6. **Committee on Metro-North Railroad and Long Island Rail Road Operations:**

**Metro-North Procurements:**

Upon motion duly made and seconded, the Board unanimously approved the following procurements:

A non-competitive, consolidated agreement with Contemporary Machinery & Engineering Services, Inc. covering two separate services: (1) emergency repair and upgrade of one wheel boring machine that is presently out-of-service and (2) upgrade of a second wheel boring machine on a non-emergency basis. Contemporary Machinery & Engineering Services, Inc. is the Original Equipment Manufacturer. They manufacture parts for their use only and they are the only firm that can repair and upgrade the machines. No other firms are authorized to purchase the parts or make repairs.

A non-competitive, negotiated three-year miscellaneous service agreement with Railquip, Inc. for the annual inspection, maintenance and repair of car hoists support systems and turntables at the Croton Harmon Repair Facility. Railquip Inc. is the Original Equipment Manufacturer, sole source and only authorized maintainer of the Car Hoists System and Turntables. This equipment was specifically designed and built for the Harmon Shops and is not compatible with any LIRR or NYCT equipment. Prices proposed for the new contract have not increased from the previous contract and are fixed for the 3-year term of the contract.

A competitive, negotiated three-year miscellaneous services contract with Management Mentors, Inc. to develop and deliver a professional mentoring program for Metro-North’s workforce. The goal of this program is twofold: (1) to increase the development opportunities of Metro-North’s management staff and (2) to support Metro-North’s succession planning and diversity activities in support of Metro-North’s overall operation. The mentoring program is critical to furthering the development of employees who have the potential for advancement into key leadership roles as Metro-North prepares for significant retirements beginning in 2013.

Staff summaries and reports setting forth the details of the above items are filed with the records of this meeting.

7. **Executive Session:**

Upon motion duly made and seconded, the Board unanimously voted to convene in Executive Session to discuss a matter pursuant to Section 105(1)(e) of the New York State Public Officers Law. Upon motion duly made and seconded, the Board unanimously voted to re-convene in Public Session.
8. **Adjournment:**

Upon a motion duly made and seconded, the members of the Board present voted to adjourn the meeting at 10:40 a.m.

Respectfully submitted,

[Signature]

Linda Montanino  
Assistant Secretary
Minutes of the Regular Meeting
Long Island Rail Road Company
Wednesday, June 27, 2012
9:30 a.m.

The following members were present:

Hon. Joseph Lhota, Chairman and CEO
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Fernando Ferrer
Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Mark Page
Hon. Ed Watt

Nuria Fernandez, Chief Operating Officer; Catherine Rinaldi, Chief of Staff; James D. Ikeny, MTA General Counsel; Steven J. Morello, Counselor to the Chairman; Board Member Andrew Albert; Board Member Norman Brown; Board Member Vincent Tessitore, Jr.; James Ferrara, President, Triborough Bridge and Tunnel Authority; Darryl Irick, President, MTA Bus Operations; Michael Horodniceanu, President, MTA Capital Construction; Howard Permut, President, Metro-North Rail Road; Thomas Prendergast, President, New York City Transit; and Helena Williams, President, Long Island Rail Road 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, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

1. Chairman Lhota called the meeting to order.

2. **Public Speakers:**

   There were thirteen public speakers who did not discuss items specific to LIRR. The subject matter of the public speakers' comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.
3. Chairman's Opening Remarks:

Chairman Lhota held a moment of silence in honor of former Board Member Alfred Werner, who recently passed away. He noted that Mr. Werner served on the Board for 23 years. Board Member Pally also took a moment to remember Mr. Werner and to thank him for his dedicated service. The Chairman welcomed new Board Member Governor David Paterson. He noted that Governor Paterson has a wealth of knowledge of the strengths and complexities of MTA's transportation system and will be a strong advocate on its behalf.

Chairman Lhota then spoke of the environmental benefits of the MTA and the efforts it is taking to save energy and reduce its carbon footprint. In addition to other projects, the Chairman noted the recently-opened LIRR train wash facility, which recycles over 70% of the water that is uses. The details of Chairman Lhota's comments are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

4. Approval of Minutes:

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of May 23, 2012 were unanimously approved.

5. Committee on Finance:

Upon a motion duly made and seconded, the Board unanimously approved the following item recommended to it by the Committee on Finance:

- License agreements for taxi dispatch offices and taxi parking spaces at Amityville, Copiague, Westbury, Bay Shore, Kings Park, Lynbrook, Ronkonkoma and Hicksville Stations.


- Disposition by MTA Long Island Rail Road of a 1.49-acre parcel to the Town of Babylon in exchange for a 2.16-acre parcel owned by the Town of Babylon.

- Lease Agreement with Buckeye Pipe Line Company, L.P. for the continued operation and maintenance of two pipelines running a) along LIRR's Montauk Branch between Blissville Yard and Fresh Pond Junction, and b) crossing SIRTOA's right of way in the vicinity of I-287.

Staff summaries and reports setting forth the details of the above items are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

6. Committee on Metro-North Railroad and Long Island Rail Road Operations:

Long Island Rail Road Procurements:

Upon motion duly made and seconded, the Board unanimously approved the following three competitive LIRR procurements:
• approval to award a design contract to HNTB Corporation in the amount of $11,211,289 to (i) design the first phase of the Jamaica Capacity Improvements Project and (ii) provide construction phase services during that phase of the project.

• approval to award a five-year Miscellaneous Service Contract to Brandon Associates with two (1) year options in the not-to-exceed amount of $1,565,062.44 for preventative maintenance, scheduled and unscheduled repairs, emergency services and service calls for both Wide Area Network and Internet access required to maintain the operation and temperature control of HVAC and related equipment controlled by the Facilities Management Department’s Building Management System.

• approval to award a three-year Miscellaneous Service Contract to Mayday Communications, Inc. in a fixed amount of $151,080 to perform maintenance and repair of various voice recording equipment embedded in seven digital voice recording systems which are located at Penn Station, Jamaica Station and LIRR’s Hillside Support Facility.

MTACC Procurements

Upon motion duly made and seconded, the Board unanimously approved the following procurements:

• a non-competitive procurement on behalf of the MTA Security Program for award of a miscellaneous service contract in the amount of $437,677 to Zetron Incorporated for the configuration and testing of Zetron voice communication equipment located at various Metro-North and New York City Transit locations.

• a competitive procurement for a modification to East Side Access Project Contract CQ031, Queens Bored Tunnels and Structures, to provide additional ground water level monitoring and sampling at a cost of $335,000.

Staff summaries setting forth the details of the above items are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

7. Executive Session:

Upon motion duly made and seconded, the Board unanimously voted to convene in Executive Session to discuss a matter pursuant to Section 105(1)(e) of the New York State Public Officers Law. Upon motion duly made and seconded, the Board unanimously voted to re-convene in Public Session.

8. Adjournment:

Upon a motion duly made and seconded, the members of the Board present voted to adjourn the meeting at 10:40 a.m.

Respectfully submitted,

Richard L. Gans
Secretary

- 18 -
Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
June 27, 2012

Meeting Held at
347 Madison Avenue
New York, New York 10017

9:30 a.m.

The following members were present:

Hon. Joseph J. Lhota, Chairman and CEO
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Fernando Ferrer
Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark D. LeBow
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. James E. Sedore, Jr.
Hon. Carl V. Wortendyke

Not Present:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Mark Page
Hon. Ed Watt

Nuria Fernandez, Chief Operating Officer; Catherine Rinaldi, Chief of Staff; James B. Healy, MTA General Counsel; Stephen J. Morello, Counselor to the Chairman; Board Member Andrew Albert; Board Member Norman Brown; Board Member Vincent Testitore, Jr.; James Ferrara, President, Triborough Bridge and Tunnel Authority; Darryl Irick, President, MTA Bus Operations; Michael Horodniceanu, President, MTA Capital Construction; Howard Permut, President, Metro-North Rail Road; Thomas Prendergast, President, New York City Transit; and Helena E. Williams, President, Long Island Rail Road, 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, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

Chairman Lhota called the meeting to order.

1. **Public Speakers**

   There were thirteen public speakers. None of the speakers specifically commented on issues regarding the Triborough Bridge and Tunnel Authority. The subject matter of the speakers’ comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

2. **Chairman Lhota’s Opening Comments**

   Chairman Lhota observed a moment of silence in honor of former Board Member, Alfred Werner, who passed away June 12, 2012. He stated that Mr. Werner had dedicated almost a quarter century of his life to the people of the New York State, and specifically the MTA where he served on the Board for 23 years. Commissioner Pally stated that as the representative from Suffolk County who followed Mr. Werner on the Board, he wanted to take a moment to remember Mr. Werner as a great Long Islander, a great friend of the MTA, and a great mentor to Commissioner Pally in his years both in the New York State Legislature and at the MTA. On behalf of the people from Suffolk County, Commissioner Pally thanked Mr. Werner for all of his service to the people of New York State.

   Chairman Lhota welcomed to the Board Governor David Paterson. He stated that Governor Paterson has a great deal of knowledge of the strengths and complexities of the MTA’s transportation system. He will be a strong advocate for all of the riders, the MTA system, and all New Yorkers.

   Chairman Lhota stated that he wanted to take a moment and talk about the environmental benefits and everything the MTA is doing to save energy and reduce its carbon footprint. With respect to Bridges and Tunnels, Chairman Lhota stated that it has switched to alternative fuels, installed LED lights on bridges, and started buying certified “green” cleaning agents, reducing greenhouse gases by almost 20 percent since 2006.

   The details of Chairman Lhota’s comments are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

3. **Approval of the Minutes of the Regular Meeting May 23, 2012**

   Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held May 23, 2012, and the amended minutes of the Regular Board Meeting of April 25, 2012 were unanimously approved.
4. **Finance Committee**

Upon a motion duly made and seconded, the Board unanimously approved the following recommended to it by the Committee on Finance:

- Authorization of actions relating to the payment of the State assessment on the MTA and its constituent agencies for the Public Work Enforcement Fund for calendar 2012.

A copy of the staff summary is filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

**MTA Procurements**

Upon a motion duly made and seconded, the Board unanimously approved the following procurement item recommended to it by the Committee on Finance:

- Award of a competitively negotiated personal services contract to Marsh USA, Inc., for the procurement/maintenance of insurance and other miscellaneous services (Master Broker Services) in support of the MTA’s All-Agency Risk Management Program for a period of (5) years from August 1, 2012 through July 31, 2017.

A copy of the staff summary is filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

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

**Procurements**

Commissioner Cappelli stated that there is one modification to a non-competitive procurement at no additional cost.

Upon a motion duly made and seconded, the Board unanimously approved the following non-competitive procurement item recommended to it by the Committee for MTA Bridges and Tunnels Operations.

**Modifications to Personal Service Contracts and Miscellaneous Service Contracts**

**Awarded as Contracts for Services**

<table>
<thead>
<tr>
<th>Catherine S. Cline, PHD</th>
<th>Contract No. 3000000596</th>
<th>$0.00</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Extend the period of performance beyond one year for an additional seven months for the consultant to continue to provide test validation services for the civil service exam for B&amp;T’s occupational title of Maintainer.</td>
<td></td>
</tr>
</tbody>
</table>
**Competitive Procurements**

Commissioner Cappelli stated that there are fourteen competitive procurements this month totaling $79.26 million.

Upon a motion duly made and seconded, the Board unanimously approved the following competitive procurement items recommended to it by the Committee for MTA Bridges and Tunnels Operations.

**Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)**

<table>
<thead>
<tr>
<th>Company</th>
<th>Contract No.</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Halmar International</td>
<td>RK-73</td>
<td>Provide design/build services for the reconstruction of Ramp MQ at the Robert F. Kennedy Bridge.</td>
<td>$50,200,000.00</td>
</tr>
<tr>
<td>Empire Municipal Equipment, LLC</td>
<td>3000000961</td>
<td>Empire Municipal Equipment, LLC (Empire) to provide the rental on an as needed basis of one Sewer Jet/Vac truck in an amount not-to-exceed $74,572.</td>
<td>$74,572.00</td>
</tr>
<tr>
<td>Greenman Pedersen, Inc.</td>
<td>PSC-11-2903</td>
<td>Provide construction management and inspection services for VN-80B, Replacement of the Upper Level Roadway Deck at the Suspended Span of the Verrazano-Narrows Bridge.</td>
<td>$18,540,102.30</td>
</tr>
<tr>
<td>LiRo Engineers, Inc.</td>
<td>PSC-11-2894</td>
<td>Provide construction administration and inspection services for reconstruction of the Manhattan to Queens Ramp at the RFK Bridge.</td>
<td>$3,635,380.00</td>
</tr>
<tr>
<td>Parsons Brinckerhoff</td>
<td>PSC-11-2904</td>
<td>Provide design and design support services for Task 26A, Integrated Electronic Security Systems at the Robert F. Kennedy and the Bronx Whitestone Bridges.</td>
<td>$1,586,341.00</td>
</tr>
</tbody>
</table>

**Miscellaneous Procurement Contracts**

**Personal Service Contracts**

<table>
<thead>
<tr>
<th>Company</th>
<th>Contract No.</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>
Jacobs Civil Consultants, Inc.  Contract No. PSC-11-2896  $590,035.00
Consultant to provide design and construction support services for Project MP-21, Rehabilitation of the Rockaway Point Boulevard and Jacob Riis Overpasses at the Marine Parkway – Gil Hodges Memorial Bridge (MPB). The design activities required include but are not limited to the following: repair of concrete decks; rehabilitation of center pier bearings; increase the capacity of the stringers at the Rockaway Point Boulevard Overpass; repair and/or replace the Jacob Riis Overpass handrails; replace the approach slabs at the Rockaway Point Boulevard Overpass; and phased construction support services.

Miscellaneous Service Contracts

Trip Consultants USA, Inc.  Contract No. GES-194  $246,645.00
Contractor to provide all labor, equipment and materials for traffic volume counting and/or related traffic data services. These services are used by Engineering & Construction: (i) to develop maintenance and protection of traffic schemes and to schedule the season and hours of construction that require lane closures; (ii) to coordinate lane closure activity with the Operations Department; and (iii) to analyze speed measurements at B&T's roadways to develop safety improvements at those facilities.

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

PB Americas, Inc.  Contract No. PSC-06-2805  $1,036,281.19
Add construction support services and include an allowance for unanticipated designs during construction for Project QM-30, Electrical Switchgear Replacement at the Queens Midtown Tunnel.
Parsons Brinckerhoff/Chas. H. Sells, A Joint Venture

Contract No. PSC-03-2672
Additional construction support services for Project BW-89, Elevated and On-Grade Approach Deck Replacement at the Bronx-Whitestone Bridge.

Ammann & Whitney/ Gannett Fleming, A Joint Venture

Contract No. PSC-04-2726
Additional construction support services, increase the allowance for unanticipated design services during construction and delete unused funding for the toll plaza design and construction support services under Projects HH-85 and HH-10, Replacement of Upper Level Deck and Toll Plaza and the Upper Level Curb Stringer and Safety Barrier at the Henry Hudson Bridge.

NYMP Acquisition LLC

Contract No. 07-MNT-2784
$75,000.00 (B&T)
Perform additional maintenance and repair of fire/smoke alarms located at various B&T and MTA Headquarters (MTA HQ) facilities.

$55,500.00 (MTAHQ)
$130,500.00 Total

GenServe, Inc.

Contract No. 09-MNT-2847
$85,000.00
Perform additional maintenance and repair of emergency generators located at various facilities.

Modifications to Purchase & Public Works Contracts

E-J Electric Installation Co., Inc.

Contract No. RK-65D
$1,853,912.52
Increase the estimated quantity of nine unit price items due to more underground obstructions than had been anticipated under Contract RK-65D. Existing Utility Relocation at the RFK Bridge and Randall’s Island.

Maracap Construction Industries, Inc.

Contract No. TN-87B
$859,900.00
Additional work and deletion of unit price items under Contract TN-87B, Anchorage and Tower Protection at the Throgs Neck Bridge.
Commissioner Cappelli stated that there are no ratifications.

6. **Executive Session**
   Upon a motion duly made and seconded, the Board voted to convene in Executive session to discuss a matter pursuant to Section 105(1) (e) of the Public Officers Law.

7. **Adjournment**
   Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 10:40 a.m.

Respectfully submitted,

[Signature]

Cindy L. Dugan
Assistant Secretary
Regular Board Meeting  
MTA Capital Construction Company  
347 Madison Avenue  
New York, NY 10017  

Wednesday, June 27, 2012  
9:30 a.m.

The following members were present:

Hon. Joseph J. Lhota, Chairman and CEO  
Hon. Jonathan A. Ballan  
Hon. John H. Banks, III  
Hon. Allen P. Cappelli  
Hon. Fernando Ferrer  
Hon. Ira R. Greenberg  
Hon. Jeffrey A. Kay  
Hon. Mark D. Lebow  
Hon. Susan Metzger  
Hon. Charles G. Moerdler  
Hon. Mitchell H. Pally  
Hon. David A. Paterson  
Hon. James L. Sedore, Jr.  
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman  
Hon. Robert C. Bickford  
Hon. Mark Page  
Hon. Ed Watt

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member Norman Brown, Board Member Vincent Tesserore, Jr., Thomas Prendergast, President, NYCTA, Helena Williams, President, Long Island Railroad, Howard Permut, President, Metro-North Rail Road, James Ferrara, President, TBTA, Darryl Irick, President, MTA Bus Company, and Michael Horodniceanu, President, MTA Capital Construction, 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, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

Chairman and CEO Lhota called the meeting to order.

Public Comment Period

There were no public speakers on any issues regarding MTA Capital Construction.
Chairman Lhota’s Opening Remarks

Details of Chairman Lhota’s remarks are recorded and filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

Approval of Minutes

Upon motion duly made and seconded, the MTA Board unanimously approved the minutes of the regular Board meeting held on May 23, 2012.

MTA Capital Construction Action Items

There were no MTA Capital Construction Action Items for the Board members to consider.

MTA Capital Construction Procurements

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

- Award of a contract for the configuration and testing of Zetron voice communication equipment at various Metro North and New York City Transit locations for the Security Program.
- A modification to the No. 7 Line Extension Project’s contract for the Construction of a Ventilation Building and Reconstruction of 11th Ave. and West 36th Street at Site K for additional changes to the sewer and water systems.
- A modification to the East Side Access Project’s contract for the Queens Bored Tunnels and Structures for additional ground water level monitoring and sampling.

Upon motion duly made and seconded, the MTA Board ratified the following procurement items:

- A modification to the Second Avenue Subway Project’s contract for Civil, Structural and Utility Relocation - 96th Street Station for relocation of building utilities at 245 East 93rd St.
- A modification to the Fulton Center Project’s contract for the Fulton Street Transit Center Enclosure for revisions to the communication systems.
- A modification to the Fulton Center Project’s contract for the Fulton Street Transit Center Enclosure contract for the installation of new stainless steel store fronts and glazing of existing storefronts.

A copy of the resolutions, staff summaries and details of the above items are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

Adjournment

Upon motion duly made and seconded, the MTA Board voted to adjourn the public meeting at 10:40 a.m.

Respectfully submitted,

[Signature]
David K. Cannon
Assistant Secretary
Staff Summary

Subject: Request for Authorization to Award Various Procurements

Department: Executive

Department Head Name: Nuria Fernandez

Department Head Signature: [Signature]

Division Head Name: Clifford Shankley

Board Action

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<th>Order</th>
<th>To</th>
<th>Date</th>
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<td>Board</td>
<td>7/25/12</td>
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Internal Approvals

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<td>Legal</td>
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<td>CFO</td>
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<tr>
<td>4</td>
<td>HRG</td>
<td>3</td>
<td>COO</td>
</tr>
</tbody>
</table>

Date: July 16, 2012

Vendor Name: Various

Contract Number: Various

Contract Manager Name: Various

Table of Contents Ref #

PURPOSE:
To obtain approval of the Board 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:

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
<th>Order</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>F</td>
<td>Personal Service Contracts</td>
<td>2</td>
<td>$6,381,775.00</td>
</tr>
<tr>
<td>J</td>
<td>Modification to Miscellaneous Procurement Contracts</td>
<td>1</td>
<td>$582,600.00</td>
</tr>
</tbody>
</table>

SUBTOTAL: $6,964,375.00

MTAHQ presents the following procurement actions for Ratification:

TOTAL: $7,812,375.00

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.)
BOARD RESOLUTION

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 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 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.

7. The Board authorizes the budget adjustments to estimated quantity contracts set forth in Schedule L.
LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 2012
NON-COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Majority Vote:

E. Miscellaneous Procurement Contracts
    (Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive)

1. Bloomberg LP
   Bloomberg Financial Marketing Information
   And Security Description
   Contract No. 12166-0100
   $849,000
   Sole Source – 60 months
   Staff Summary Attached
   (not-to-exceed)

   Contractor to provide proprietary license and lease agreement for: a) current and historical
   financial market information; b) analytical information; c) security pricing information input to
   the PeopleSoft system; d) market valuations of MTA/TBTA swap portfolios; e) commodity
   prices for fuel hedges; f) detailed security descriptions; and g) equipment upgrades and
   relocation on a contingency basis, if needed, for the Finance and Treasury Departments. The
   monthly cost for the Bloomberg services is estimated to be $13,320. This includes subscription
   and equipment for six (6) terminals, security data license and communication lines (F1/T1 line).
   The monthly rates are the same as charged under the current MTA contract. (We anticipate CPI
   increases in the future). Bloomberg charges the same standard rates to all its commercial, as
   well as federal and New York State customers, for its proprietary licenses and lease agreements
   and will not reduce these rates, thus the total five year estimated cost of $849,000 is considered
   fair and reasonable.
Staff Summary

Schedule E: Miscellaneous Procurement Contracts

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>Vendor Name (&amp; Location)</th>
<th>Contract Number</th>
<th>Renewal?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bloomberg LP (New York)</td>
<td>12166-0100</td>
<td>☑ Yes ☐ No</td>
</tr>
<tr>
<td>Description</td>
<td>Bloomberg Financial Marketing Info. and Security Description</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
<td>August 1, 2012 through July 31, 2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option(s) included in Total Amount?</td>
<td>☐ Yes ☑ No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procurement Type</td>
<td>☐ Competitive ☑ Non-competitive</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solicitation Type</td>
<td>☐ RFP ☐ Bid ☑ Other: Sole Source</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Total Amount | $849,000 |
| Funding Source | ☑ Operating ☐ Capital ☐ Federal ☐ Other: |
| Requesting Dept/Div & Dept/Div Head Name | CFO/Treasury, R Foran/V Dayal |
| Contract Manager | Caron Christian |

DISCUSSION:

To recommend that the Board approve the award of a non-competitive, miscellaneous procurement contract to Bloomberg LP for a proprietary license and lease agreement to continue providing: a) current and historical financial market information; b) analytical information; c) security pricing information input to the PeopleSoft system; d) market valuations of MTA/TBTA swap portfolios; e) commodity prices for fuel hedges; f) detailed security descriptions; and g) equipment upgrades and relocation on a contingency basis, if needed, for the Finance and Treasury Departments for a period of sixty (60) months from August 1, 2012 through July 31, 2017 for a total, not-to-exceed amount of $849,000 (which includes an anticipated annual 3% CPI for years two through five).

In June 2007, the Board approved the award of a sole source contract to Bloomberg LP for a proprietary license and lease agreement for the provision of financial market information and analytical information. The current contract will expire on July 31, 2012. In order to continue these essential services, a new contract is required. Bloomberg is considered a leader in providing the combination of real-time financial news and analytical systems, and no other market system has the capability of achieving the same degree of integration of information and analytics as Bloomberg proprietary financial system.

The Bloomberg platform allows MTA to effectively manage the MTA’s investment portfolio in-house.

Specifically the Bloomberg system is used for the following: i) soliciting bids from external trading desks for sale or purchases of MTA/TBTA investments; ii) Monitoring of current financial markets including security price information, government auctions, pricing of MTA and TBTA debt, commodity prices related to MTA fuel hedges, economic news releases, municipal news releases, and credit ratings including Standards and Poors’, Fitch’s and Moody’s; iii) Verifying mathematical accuracy and security descriptions including CUSIP numbers, current par amounts, maturity dates, current coupons for variable rates issues, issue dates, and other items which affect the pricing, valuation, clearing, and settlement of securities; iv) Providing the pricing information used by PeopleSoft to price the MTA portfolios including security collateral held under repurchase agreements; v) Assisting in public inquiries regarding MTA debt; and vi) Providing a readily accessible backup of the investment and debt portfolios of the MTA, etc.

The monthly cost for the Bloomberg services is estimated to be $13,320. This includes subscription and equipment for six (6) terminals, security data license and communication lines (F1/T1 line). The monthly rates are the same as charged under the existing MTA contract. (We anticipate CPI increases in the future). Bloomberg charges the same standard rates to all its commercial, as well as federal and New York State customers, for its proprietary licenses and lease agreements and will not reduce these rates, thus the total five year estimated cost of $849,000 is considered fair and reasonable.
LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 2012
COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

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. Milliman, Inc. $1,406,775 Staff Summary Attached
Actuarial and Risk Consulting Services (not-to-exceed)
Contract No. 12019-0100

Competitively negotiated – 7 proposals – 60 months
Contractor to provide Actuarial and Risk Management Consulting services in connection with the self-insured programs of the MTA Agencies and programs insured through First Mutual Transportation Assurance Company, MTA’s wholly-owned captive insurance company for a period of 60 months from August 1, 2012 through July 31, 2017, at a total cost not to exceed $1,406,775 which includes contingencies of $200,000. The Contractor will assist in assessment of the financial positions of the insurance programs held within the captive; annual loss reserve analysis as required under GASB Regulation #10, along with projection of cash payouts; actuarial analysis and statement of actuarial opinion for the MTA Captive Insurance Company; and General Consulting and Optional Actuarial Services as directed by the project manager. Milliman proposed a total five-year cost of $1,325,950. As a result of negotiations, this five-year cost was reduced to $1,206,775.00, which represents a negotiated savings of 8.98% or $119,175.00. The fully loaded hourly rates are the same or lower than the rates that have been paid over the previous year under the current five-year contract; and will remain firm for the duration of this contract. Based on the negotiated savings, the cost of $1,406,775 is deemed to be fair and reasonable.

2. NEPC, LLC $4,975,000 Staff Summary Attached
Multi-Agency Pension Investment Advisor (not-to-exceed)
Contract No. 12010-0100

Competitively negotiated – 5 proposals – 60 months
Contractor to provide a full range of professional investment advisory services to the MTA Defined Benefit Pension Plan (MTA DB Plan), the Long Island Rail Road Plan for Additional Pensions (LIRR Additional Plan), the Cash Balance Plan for Metro-North Railroad (MNR Plan), the Manhattan and Bronx Surface Transit Operating Authority Pension Plan (MaBSTOA Plan) and the MTA Retiree Welfare Benefits Plan (also known as Other Post-Employment Benefits “OPEB” Plan). The initial cost for all plans of $5,517,416 submitted by NEPC was reduced as a result of negotiations to $4,975,000, for a savings of $542,416 or 9.8%. The negotiated cost of $4,105,000 for the pension plans is based on the same fee structure of 2 basis points that was negotiated under the current five-year contract. The pricing that MTA is receiving is equal to or lower than what NEPC charges other federal, state and local agencies for similar sized and structured plans. Based on the above, the total cost of $4,975,000 is considered to be fair and reasonable.
METROPOLITAN TRANSPORTATION AUTHORITY
COMPETITIVE PROCUREMENTS

1. Modifications to Miscellaneous Procurement Contracts
   (Approvals/Staff Summaries required for individual change orders greater than $250K. Approvals without staff summaries required for change orders greater than 15% of previously approved amount which are also at least $50K)

3. Acquia, Inc.
   Cloud Based Infrastructure
   And Web Application
   Contract No. 12059-0100
   $582,600 Staff Summary Attached
   (not-to-exceed)

   Base plus supplement amount = $844,242
   Ride Competitively-bid NYS Contract
   Increase funding to continue to enhance and expand on the MTA’s development of a cloud-hosted and cloud-managed infrastructure and web applications, marking the MTA’s first initiative to reduce the costs for purchasing hardware and software services, while at the same time enhancing and expanding the capacity of the MTA and its operating agencies to provide better customer service including more real time information. As a result of negotiations, the initial cost of $561,460 for the three additional initiatives was reduced to $442,600 for a savings of $118,860 or 21.2%. A contingency of $140,000 is included for a total not-to-exceed amount of $582,600 which is considered fair and reasonable. The pricing being obligated under this amendment is equal to or lower than the pricing that is offered to New York State and Federal Government agencies.
Staff Summary

Schedule F: Personal Service Contracts

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>SUMMARY INFORMATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dept &amp; Dept Head Name:</td>
<td>Vendor Name:</td>
</tr>
<tr>
<td>General Counsel/James Healy</td>
<td>Milliman, Inc.</td>
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<tr>
<td>Division &amp; Division Head Name:</td>
<td>Contract Number:</td>
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<tr>
<td>Risk &amp; Insurance Management/Laureen Coyne</td>
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<table>
<thead>
<tr>
<th>Narrative</th>
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I. PURPOSE/RECOMMENDATION:

To obtain Board approval to award a competitively negotiated, personal services contract to Milliman, Inc., to provide Actuarial and Risk Management Consulting services in connection with the self-insured programs of the MTA Agencies and programs insured through First Mutual Transportation Assurance Company, MTA’s wholly-owned captive insurance company. The proposed contract will be for a period of 60 months from August 1, 2012 through July 31, 2017, at a total cost not to exceed $1,406,775 which includes $1,206,775.00 for the five year term of the contract and $200,000 in contingencies for general consulting and optional actuarial work.

II. DISCUSSION:

The MTA Risk & Insurance Management (RJM) Department has responsibility for the administration of First Mutual Transportation Assurance Company (FMTAC), which is MTA’s wholly owned captive insurance company. FMTAC and RJM require the use of an actuarial firm to assist in assessment of the financial positions of the insurance programs held within the captive in order to insure their continued financial stability as well as their ability to meet present and expected future obligations. As in the past, the actuarial firm will provide detailed year-end loss reserve analysis for the MTA agencies to meet their financial accounting obligations under Governmental Accounting Standards Board (GASB) Regulation #10. In addition, MTA RJM has the responsibility for analyzing the need for either the placement of insurance or the establishment of other risk financing arrangements for each of the operating agencies. This function requires periodic actuarial analysis and/or audit capabilities beyond the usual recurring tasks stated above. The services to be performed by the selected consultant include: Annual loss reserve analysis as required under GASB Regulation #10, along with projection of cash payouts; Actuarial analysis and statement of actuarial opinion for the MTA Captive Insurance Company; and General Consulting and Optional Actuarial Services as directed by the project manager.

MTA’s current, competitively awarded contract for Actuarial and Risk Management Consulting Services with Milliman, Inc. will expire on July 31, 2012. For the five year period commencing August 1, 2012, MTA issued a competitive Request for Proposals (RFP) which was publicly advertised. Letters informing potential proposers of the availability of the RFP package were mailed to twenty-one firms. Seven proposals were received. A selection committee, comprised of representatives from MTA’s Risk & Insurance Management, MTA Comptroller, MTA Legal Counsel, NYCT Comptroller, LIRR Comptroller and MNR Comptroller, evaluated the proposals and recommended that, through the e-procurement process, Procurement negotiate with the two firms found to be technically qualified (Milliman Inc. and Huggins Actuary Services, Inc.). Following negotiations, the selection committee unanimously determined that Milliman, Inc. is the most qualified firm to perform the services required by this RFP, based on the selection criteria of the RFP, which included experience of the proposed staff, design and implementation approach, and proposed cost of services.
Milliman proposed a total five-year cost of $1,325,950. As a result of negotiations, this five-year cost was reduced to $1,206,775.00, which represents a negotiated savings of 8.98% or $119,175.00. The fully loaded hourly rates are the same or lower than the rates that have been paid over the previous year under the current five-year contract; and will remain firm for the duration of this contract. Based on the above, the five-year cost of $1,206,775, which was lower than the cost proposal of the other firm that had been technically qualified, is deemed to be fair and reasonable. A contingent amount of $200,000 is included for optional actuarial services that may be required during the five year period. Based on the negotiated savings the cost of $1,406,775 is deemed to be fair and reasonable.

MTA has conducted a responsibility review and other due diligence with regard to Milliman, Inc. and has determined Milliman, Inc. to be responsible for award.

III. D/M/WBE INFORMATION:

No D/M/WBE goals were established by the MTA Department of Diversity and Civil Rights for this contract. The goal was waived because there were no MWBE subcontractors capable of providing actuarial services required for the contract.

IV. IMPACT ON FUNDING:

The total not-to-exceed cost of $1,406,775 consisting of $1,206,775.00 for the five-year contract and $200,000 for contingencies will be funded through the Risk and Insurance Management Department.

V. ALTERNATIVES:

1. Do not contract for an Actuarial Consulting Contract. This alternative is not recommended. Failure to provide these services would result in violation of several regulations, would undermine the financial stability of several MTA key financial institutions, and could result in unacceptable business loss.

2. Perform services in-house. This alternative is not feasible or cost effective. MTA does not have the staff with specialized expertise for these services.
Staff Summary

Schedule F: Personal Service Contracts

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>SUMMARY INFORMATION</th>
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<tbody>
<tr>
<td>Dept &amp; Dept Head Name: Human Resources/Margaret Connor</td>
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<td>4</td>
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</table>

| Total Amount: | $4,975,000 |
| Contract Term (including Options, if any) | September 1, 2012 through August 31, 2017 |
| Option(s) Included in Total Amount? | ☐ Yes ☒ No |
| Renewal? | ☒ Yes ☐ No |
| Procurement Type: | ☒ Competitive ☐ Non-competitive |
| Solicitation Type: | ☒ RFP ☐ Bid ☐ Other |
| Funding Source: | ☐ Operating ☐ Capital ☐ Federal ☒ Other: Pension Plan Trust Funds |

Narrative

I. PURPOSE/RECOMMENDATION

To obtain Board approval to award a multi-agency, competitively negotiated, personal services contract to NEPC, LLC ("NEPC") to provide a full range of professional investment advisory services to the MTA Defined Benefit Pension Plan (MTA DB Plan), the Long Island Rail Road Plan for Additional Pensions (LIRR Additional Plan), the Cash Balance Plan for Metro-North Railroad (MNR Plan), the Manhattan and Bronx Surface Transit Operating Authority Pension Plan (MaBSTOA Plan) and the MTA Retiree Welfare Benefits Plan (also known as Other Post-Employment Benefits "OPEE" Plan). The term of the contract will be for a period of five (5) years from September 1, 2012 through August 31, 2017 for a total cost not to exceed cost of $4,975,000.

II. DISCUSSION

Professional investment advisory services are required in order to advise the managing Boards and Committee ("Boards") of the MTA DB Plan, the LIRR Additional Plan, the MNR Plan, the MaBSTOA Plan and the OPEE Plan. The current contract for these services will expire on August 31, 2012 and in order to continue these services, MTAHQ issued a Request for Proposals (RFP) which was publicly advertised in the NY Post, El Diario and Minority Weekly and mailed letters to 20 potential proposers, advising of the RFP's availability. Five (5) firms submitted proposals: Callan Associates, Dalah, Investment Performance Services, NEPC, and Segal Rogerscasey.

A Selection Committee, consisting of finance and human resources representatives from MTAHQ, LIRR, MNR and MaBSTOA, evaluated the proposals and unanimously decided that NEPC was the most technically qualified firm to provide the services outlined in the proposal. Compared to the other proposals NEPC has significant investment experience, and has demonstrated a clear understanding of the objectives and offered creative and practical recommendations.

MTA has conducted a responsibility review and other due diligence with regard to NEPC and has deemed NEPC to be responsible for award.
Staff Summary

The initial cost for all plans of $5,517,416 submitted by NEPC was reduced as a result of negotiations to $4,975,000, for a savings of $542,416 or 9.8%. The negotiated cost of $4,105,000 for the pension plans is based on the same fee structure of 2 basis points that was negotiated under the current five-year contract. The pricing that MTA is receiving is equal to or lower than what NEPC charges other federal, state and local agencies for similar sized and structured plans. Based on the above, the total cost of $4,975,000 is considered to be fair and reasonable.

III. D/M/WBE INFORMATION:

No D/M/WBE goals were established by MTA's Department of Diversity and Civil Rights for this contract. The goal was waived due to the complexity of the pension plans and the fiduciary responsibility.

IV. IMPACT ON FUNDING:

The total cost for the five-year contract is $4,975,000, and is chargeable to the following Pension Plans: MTA DB Plan - $2,075,000, LIRR Additional Plan - $425,000, MaDSTOA Plan - $1,600,000, MNR Plan - $5,000, and for the OPEB Plan - $870,000.

V. ALTERNATIVES:

1. Do not continue the services. This is not a viable alternative because these services are required by the plan Boards to perform their fiduciary duties required by the Plans.

2. Perform the services in-house. This is not a recommended or feasible alternative. The MTA and the operating agencies do not have the staff or the expertise to perform the investment advisory services required by the plan Boards.
Staff Summary

Schedule J: Modifications to Miscellaneous Procurement Contracts

<table>
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<tr>
<th>Vendor Name (&amp; Location):</th>
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<th>AWO/Modification #</th>
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<td>Acquia, Inc.</td>
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<td>□ Bid</td>
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<tr>
<td>COO/EITG &amp; N. Fernandez/W. Hibri</td>
<td>85%</td>
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**DISCUSSION:**

Board approval is requested to increase the scope of work and increase the amount obligated under the base contract to further enhance and expand on the cloud-based infrastructure and expedite the introduction of technology that will streamline customer communication into the MTA on safety and security issues. In March 2012, the MTA Board approved a contract with Acquia, Inc. (against a New York State Contract) for the development of a cloud-hosted and cloud-managed infrastructure and web applications, marking the first time the MTA has deployed cloud services to reduce spending on hardware and software services while simultaneously expanding the capacity of the MTA operating agencies to deliver better customer service, including more real-time information.

As part of this set of cloud-based initiatives, MTA launched a cloud-hosted, cloud-managed Emergency/Weather Page on mta.info, which enables the MTA to easily respond to and accommodate sudden spikes in customers’ requests during natural or man-made emergencies. In the fall of 2012, MTA and MTA NYCT will launch an application developers’ web feed of real-time subway arrival and departure information for the A Division lines 1 through 6. This dynamic-data feed will allow MTA’s A Division riders to gain access to new apps that offer estimated time of arrivals and departures (ETAs and ETDs). This fall’s launch of ETAs and ETDs for the A Division subway lines is a logical extension of the Open Data services our customers already enjoy through NYCT’s Bus Time and Metro-North’s Train Time.

The cycle of innovation in cloud technology and the expansion in the capacity of cloud technology to reduce the costs of delivering services have been quite rapid, creating professional development needs for the MTA staff and new opportunities for the development of SmartPhone applications that were not anticipated at the time that the contract was initially awarded in March. Some of the projects MTA will immediately engage are:

1. Development of an infrastructure for communicating safety and security concerns

2. Enhanced failover capability to ensure that the cloud solution continues to operate in case there is a failure

3. Additional workshops for MTA agency software programmers who need to acquire cloud skills and skills in Drupal, a leading free, open-source content management system (CMS).
As the MTA and its agencies build upon and expand their use of cloud-based services, other projects will be forthcoming. These will be awarded pursuant to a competitive Request for Proposal process. The MTA is forecasting a number of initiatives, some of which have the potential of generating revenue for the MTA. These initiatives include the following:

1. Development of an application for safety, security and quality-of-life issue reporting as well as any remaining infrastructure needs.

2. Development and launch of Eye of the Future and Capital Program Dash Board, decision-support tools for sharing capital program data among authorities and agencies and for pooling the purchasing power of public authorities and public agencies in the purchase of commodities and services.

3. Enhance MTA.info to allow the public to make it easier to read and use MTA’s data. This project would also include the development of a searchable archive for mta.info.

4. Pilots that would shape the creation of an MTA e-commerce site where the MTA and the MTA operating agencies could sell images from its archives and transit-related objects, vintage pieces of equipment, replicas and reproductions.

5. Pilots focused on ad-supported messages using Drupal managed content in stations, and possible ad-supported messaging to rolling stock.

As a result of negotiations, the initial cost of $561,460 for the three additional initiatives was reduced to $442,600 for a savings of $118,860 or 21.2%. A contingency of $140,000 is included for a total not-to-exceed amount of $582,600 which is considered fair and reasonable. The pricing being obligated under this amendment is equal to or lower than the pricing that is offered to New York State and Federal Government agencies.
JULY 2012
MTA REAL ESTATE
LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ACTION ITEMS

MTA NEW YORK CITY TRANSIT

License agreement with Lev Alter for the operation of an employee cafeteria at NYC Transit's 207th Street subway shop/yard complex

License agreement with Eskander Shazada for the operation of a newsstand at Astor Place Station, Lexington Avenue Line, New York, New York

Lease with A2Z Wireless & Electronics, Inc. for the operation of a retail store at 1368 East Gun Hill Road, Bronx, New York

License agreement with Baylis Ester for the operation of a recreation area in the vicinity of the NYC Transit's 38th Street Yard, Brooklyn, NY

Modification of License Agreement with Transit Wireless, LLC

New lease for NYCT Electronics Maintenance Division offices, storage and training facilities

MTA METRO-NORTH RAILROAD

Personal services contract extension with Jones Lang LaSalle Americas, Inc. for retail property management services at Grand Central Terminal

Personal services contract extension with Williams Jackson Ewing Inc. for retail leasing agent at Grand Central Terminal

Lease extension with ISISTERS, LLC for less space parking spaces at 76 and 86 Viaduct Road, Stamford, CT

mta long island railroad

License agreement with Oyster Rides, LLC, for taxi parking at the Hicksville Station, Hicksville, New York

License Agreement with Ametek Thermal Systems, Inc., d/b/a/ Ametek Hughes Treitler, for parking and storage of equipment in an existing shed at Garden City, New York

License Agreement with UTF Trucking, Inc., for parking and dispatching of trucks and trailers at LIRR's Arch Street Yard

- 40 -
MTA BRIDGES & TUNNELS

Amendment to license agreement with Municipal Art Society of New York, relating to the annual 9/11 "Tribute in Light" at the Battery Parking Garage

MTA CAPITAL CONSTRUCTION

Lease for Second Avenue Subway community information center at 1628 Second Avenue in Manhattan
AGENCY: New York City Transit ("NYCT")

LICENSEE: Mr. Lev Alter

LOCATION: 207th Street Shop/Yard Employee Cafeteria

ACTIVITY: Operation of employee cafeteria

ACTION REQUESTED: Approval of terms

TERM: Ten years, subject to termination by NYCT at will upon 60 days' notice

SPACE: Approximately 1,800 square feet

COMPENSATION:

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<td>10</td>
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% Increase:

- 3.50%

COMMENTS:

A Request for Proposals ("RFP") was offered in April of 2012 for the employee cafeteria at the 207th Street subway shop/yard complex, which has been vacated by the previous licensee; two proposals were received.

The highest proposal, calculated on a present value basis using a discount rate of 9%, was from Mr. Sean Legree, at $190,119. A second proposal was received from Mr. Lev Alter, with an NPV of $48,497. Interviews with both proposers were conducted by a panel including representatives from MTA Real Estate and the superintendent of the 207th Street shop/yard. The interviewing panel was of the unanimous opinion that, financial considerations aside, Mr. Alter's proposal was much stronger than that of Mr. Legree, who would not commit to being onsite after initial staffing and setup, and whose proposed menu was not as responsive to the menu desired for the cafeteria.
Moreover, the credit bureau employed by MTA Real Estate tried on several occasions to obtain the required financial information from Mr. Legree, but was unable to do so. Thereafter, MTA Real Estate reached out directly to Mr. Legree and was similarly rebuffed in its efforts to secure this information, which MTA Real Estate routinely requires in order to determine whether proposers have the financial resources to successfully operate a given business. Mr. Legree's failure to demonstrate his financial capability is of particular concern here because, based on MTA Real Estate's discussions with the outgoing concessionaire at the 207th Street facility, the compensation offered by Mr. Legree appears to have been based on an unduly optimistic assessment of potential concession revenue. As it is, Mr. Alter's proposed Year 1 license fee is more than double the annual fee that was paid by the prior licensee.

Mr. Alter has the financial resources to start up and operate the concession, as demonstrated in his application and in follow up by MTA Real Estate's credit bureau. He and his proposed employees (including his son, a culinary school graduate) have experience preparing food for large groups.

MTA Real Estate recommends proceeding with Mr. Alter at 207th Street. Mr. Legree was unable to provide the minimal financial information to provide any comfort level that he could effectively start up, staff and operate the cafeteria, while MTA is confident that Mr. Alter will establish a successful operation that will cater to the needs of the many employees at 207th Street.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with Lev Alter on the above-described terms and conditions.
Staff Summary

AGENCY: MTA New York City Transit ("NYCT")
LICENSEE: Eskander Shezada
LOCATION: Astor Place Station, Lexington Avenue Line, New York, NY
ACTIVITY: Operation of a newsstand
ACTION REQUESTED: Approval of terms
TERM: Ten years, subject to termination by NYCT at will upon 60 days' notice
SPACE: Approximately 157 square feet

COMPENSATION:

| Year | Annual    | Monthly   | % Increase | Per Sq. Ft.
|------|-----------|-----------|------------|-------------
| 1    | $75,000.00| $6,250.00 |            | $ 477.74    |
| 2    | $77,300.00| $6,441.67 | 3.07%      | $ 492.36    |
| 3    | $79,700.00| $6,641.67 | 3.10%      | $ 507.64    |
| 4    | $82,100.00| $6,841.67 | 3.01%      | $ 522.93    |
| 5    | $84,600.00| $7,050.00 | 3.05%      | $ 538.85    |
| 6    | $87,200.00| $7,266.67 | 3.07%      | $ 555.41    |
| 7    | $90,000.00| $7,500.00 | 3.21%      | $ 573.25    |
| 8    | $92,800.00| $7,733.33 | 3.11%      | $ 591.08    |
| 9    | $95,600.00| $7,966.67 | 3.02%      | $ 608.92    |
| 10   | $99,500.00| $8,291.67 | 4.08%      | $ 633.76    |

COMMENTS:

The subject newsstand license was publicly offered via a request for proposals ("RFP"). In response to the RFP, MTA Real Estate received a total of 14 responsive proposals. All 14 proposers were given the opportunity through an addendum to modify their financial compensation offers when NYCT subsequently granted permission for newsstands to sell New York State Lottery products at subway newsstands (the "lottery addendum"). In response to the lottery addendum, 7 revised proposals were received.

The financial compensation proposed (calculated on a present value basis using a discount rate of 9%) ranged from $551,646 to $43,767. The top two proposals, in order of present value, were made by:

1. Abdul Hamid - $551,646; and
2. Eskander Shezada - $542,406.
Mr. Harid, the top proposer, subsequently withdrew his proposal, having determined that his work to construct two other NYCT newsstands at which he is the licensee (Union Turnpike/Kew Gardens and Utica Avenue) would preclude him from dedicating the necessary resources to designing, constructing, and operating the Astor place newsstand. Mr. Shazada has operated a Parks Department newsstand in East New York for the past four years and has received a favorable recommendation from the Parks Department. He has the ownership and operating experience and the financial resources to successfully operate the Astor Place Station newsstand.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with Eskander Shazada on the above-described terms and conditions.
Staff Summary

Subject
LEASE AGREEMENT

Date
July 23, 2012

Department
REAL ESTATE

Vendor Name

Department Head Name
JEFFREY B. ROSEN

Contract Number

Department Head Signature

Contract Manager Name

Project Manager Name
ARTURO ESPINOZA

Table of Contents Ref. #

Board Action

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AGENCY: MTA New York City Transit ("NYCT")

LESSEE: A2Z Wireless & Electronics Corp. ("A2Z Wireless")

LOCATION: 1368 East Gun Hill Road, Bronx, New York

ACTIVITY: Sale of wireless devices, mobile phones, accessories, and service plans

ACTION REQUESTED: Approval of terms

TERM: 10 years

SPACE: Street level retail – approx. 754 sq. ft.

COMPENSATION:

| Year | Annual   | Monthly  | % Increase | Per Sq. Ft.
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COMMENTS

This street-level retail space, located at 1368 East Gun Hill Road within the Gun Hill Road Station on the Dyre Avenue Line, was recently offered via a request for proposals ("RFP"). A2Z Wireless's proposal was the one proposal received in response to the RFP. The present value of the rent proposed by A2Z Wireless (calculated at a 9% discount rate) is $315,804.77 and exceeds the fair market rental value as estimated by MTA Real Estate's independent consultant.

Mr. Zaid Nagi, the owner of A2Z Wireless, has extensive experience in the sale of mobile devices and service plans in the Bronx. He will personally guarantee the obligations of A2Z Wireless under the lease. He operates two other locations in the Bronx, at 3981 White Plains Road and at 4712 White Plains Road. Mr. Nagi has an acceptable credit score and sufficient financial resources to build out and operate the store.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with A2Z Wireless on the above-described terms and conditions.
Staff Summary

Subject
LICENSE AGREEMENT

Department
REAL ESTATE

Department Head Name
JEFFREY B. ROSEN

Department Head Signature

Project Manager Name
ARTURO ESPINOZA

Date
JULY 23, 2012

Vendor Name

Contract Number

Table of Contents Ref. #

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Internal Approvals

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AGENCY:
MTA New York City Transit ("NYCT")

LICENSEE:
Bayis Ester Chana, Inc. ("Bayis Ester")

LOCATION:
Vacant land, BMT Right-of-Way, Part of Brooklyn Block 5582, Lots 2 and 7, adjacent to 945 39th Street, Brooklyn, NY (the "Property")

ACTIVITY:
Recreation area for a school

ACTION REQUESTED:
Approval of terms

TERM:
Ten years, terminable at will by NYCT upon 60 days' notice.

SPACE:
Approximately 4,900 square feet

COMPENSATION:

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COMMENTS

Congregation Sanz of Lakewood owns a building adjacent to the Property, (an unused strip of land associated with NYCT's 38th Street Yard), where it operates a primary school and childcare facility through Bayis Ester. Bayis Ester proposes to use the Property as a playground.

The Property is located directly behind Bayis Ester's school building, with no direct access from the street. The building housing the school is the only privately-owned real estate directly adjacent to the Property. Nearby property owners, however, could access the Property were they also allowed to use other portions of NYCT's right-of-way. Therefore, a request for proposals (RFP) for the licensing of the Property was issued and the neighboring owners notified thereof. Bayis Ester was the sole respondent to the RFP.
Bayis Ester will be responsible for the construction of a masonry wall, leaving a 3' buffer between such wall and the existing fence that is on the side of the property that faces the NYCT operating right-of-way, and for installing a 6' fence along the borderlines of the Property perpendicular to the right-of-way. Plans for these and any additional installations to support the playground use such as paving and drainage will be subject to NYCT review and approval. Appropriate conditions on use, maintenance, insurance, and an agreement to indemnify NYCT would be obtained from Bayis Esther as part of the license agreement.

Based upon the foregoing, MTA Real Estate Department requests authorization to enter into a license agreement with Bayis Ester on the above-described terms and conditions.
AGENCY: MTA New York City Transit ("NYCT")

LICENSEE: Transit Wireless, LLC ("TW")

LOCATION: 277 NYCT underground subway stations

ACTIVITY: License for installation of cellular/PCS and WiFi wireless telecommunications network

ACTION REQUESTED: Approval of a modification to the license agreement between NYCT and TW

PURPOSE: To request that the Board (1) approve a modification to the license agreement between NYCT and TW to facilitate TW's entry into a loan agreement with a syndicate of lenders; and (2) authorize the Chairman and Chief Executive Officer of NYCT and his/her designees to execute and deliver contracts and other documents and take other actions to implement the license agreement, as modified.

This modification would, among other things:

- add provisions to the license agreement that will enable TW to enter into a loan agreement with a syndicate of financial institutions for funding a portion of the cost of the construction of the TW network; and
- refine the provisions of the License Agreement relating to revenue sharing.

In addition, in connection with the modification, NYCT would enter into an agreement with TW's lenders providing the lenders with standard notice, cure, transfer, assignment and substitution rights typically found in project finance documentation.

BACKGROUND: In 2007, following a request for proposals process, the Board approved the award of a license agreement to TW that granted TW an exclusive license to provide commercial cellular/PCS and WiFi service in NYCT's 277 underground subway stations. Under the arrangement, TW acts as a neutral host, constructing the distributed antenna system within the NYCT stations (but not within any of the tunnels between stations) and sublicensing rights to use that system to cellular/PCS carriers and WiFi providers. TW's majority owner (Broadcast Australia) is an investment and operating company that specializes in the broadcast and telecommunications fields and is majority owned by Canada's largest public pension fund.
FINANCE COMMITTEE MEETING
Modification of License Agreement (Cont'd)

BACKGROUND: (Cont’d)

The project is divided into two parts: an initial build ("Initial Build") of 6 stations and a full build ("Full Build") of the remaining 271 stations. The six Initial Build stations, all located in the Chelsea area of Manhattan, have been in commercial service since October, 2011 for AT&T and T-Mobile subscribers (TW is in negotiations with other carriers for their participation in the network). The service in the Initial Build stations has performed well, there has been no interference with NYCT communications and the public reaction has been favorable. TW is obligated to commence construction of Phase 1 of the Full Build (30 midtown stations) this summer.

In September, 2011, the Board approved modifications to the license agreement that, among other things:

- divided the Full Build into seven discrete phases;
- established a Full Build construction period of 6 years; and
- granted NYCT an option, which if exercised by NYCT would piggyback on the TW cell phone and WiFi network to provide NYCT with wireless communications access to support certain of its own operational networking needs. (In May, 2012, TW and NYCT agreed on the terms under which TW will construct and operate an Additional Services network in 15 of the 30 Phase 1 Full Build stations that will provide the connectivity for the Help Point implementation in those stations.)

A copy of the staff summary for the September, 2011 Board action is attached.

In 2007 it was anticipated that the carriers would finance all of the capital costs of the construction of the network and pay a fixed rent per station that would be shared between NYCT and TW. NYCT was entitled to the payment of a revenue share equal to the higher of the $3 million minimum annual compensation (escalated by CPI) or 50% of net revenues. The 2011 license agreement modification increased the minimum annual compensation to $3.3 million.

Since 2007, access to capital for projects such as this has been constrained and the capital budgets of the carriers have been reduced. To address those changes, TW has developed a new financing structure that includes a loan facility and requires TW to make a greater equity investment than it originally intended. Since the 2011 modification, TW has been working with a syndicate of lenders to finalize the terms of such loan facility. In order to make the project financeable, standard project finance provisions relating to notice, cure, transfer, assignment and substitution are being added to the license agreement. In addition, a direct agreement would be entered into between NYCT and TW’s lenders. NYCT has been represented in these negotiations by the project finance group at Orrick, Herrington & Sutcliffe, a law firm that is internationally recognized in the project finance field. TW is obligated to reimburse NYCT for Orrick’s costs.

Over this same period, TW’s commercial arrangements with the carriers have become more complicated, with multiple payment streams that do not directly correlate to specific expense reimbursement or revenue categories. These changes, together with the restructuring of the capital funding, have necessitated refinements to the revenue sharing provisions to ensure that they work appropriately. In the original arrangements, the carriers were funding 100% of the capital costs during the construction period and the only revenues shared between NYCT and TW were the monthly rent payments made by the carriers for occupancy of the stations. The modified provisions address the fact that there are multiple revenue streams and expense deductions that must now be tracked to determine the net revenues that are subject to sharing. NYCT will continue to receive the higher of the $3.3 million minimum annual compensation (escalated by CPI) or 50% of net revenues and the refinements are projected to result in higher overall net revenues paid to NYCT than were anticipated under the original revenue sharing provisions.
FINANCE COMMITTEE MEETING
Modification of License Agreement (Cont’d)

The principal changes relating to revenue sharing are:

- on the revenue side, all payments from the sublicensees (the carriers) will be treated as gross revenues, however characterized; and
- on the expense side, TW will be entitled to deduct from gross revenues (a) an amount equal to the debt service on its third-party loans at a fixed rate of 7% and (b) an amount equal to an notional return of 7% on the equity it invests in excess of $25 million (such excess being the amount that would in the 2007 financing model have been funded with carrier debt and thus entitled to an above the line return similar to TW’s actual debt). In addition, TW will be able to deduct most of its costs in designing, constructing and operating the network (90% during the construction phase and 80% during the operating phase).

The parties have also agreed that MTA is entitled to 10% of the gross revenues that arise from the use of the portion of the TW network that is outside of the NYCT system. This was not part of the 2007 revenue sharing arrangement and could, over the long-term, be a significant additional source of revenue to NYCT.

In addition, the concept of a licensor event of default has been added to the license agreement to address the lenders’ concern that after providing financing, they would have limited recourse if NYCT took actions in violation of the terms of the license agreement that took away TW’s ability to install and operate the TW network. In such unlikely event, the lenders would be entitled to repayment from NYCT of the outstanding principal amount of their loan, together with capped hedge breakage costs. A licensor event of default provision is standard in this type of project financing. However, the risk to NYCT is minimal because such a default would be triggered only if NYCT willfully ceased to perform substantially all of its obligations under the license agreement, and such cessation substantially frustrated or rendered it impossible for TW to build its network.

RECOMMENDED ACTIONS:

Because the provision of cellular/PCS and WiFi service in the underground subway stations will enhance customer convenience and will provide operational support and a revenue stream to NYCT, and because NYCT has exercised its option for piggybacking on the TW wireless network for operational purposes in 15 stations, it is recommended that the Board adopt the attached resolution, which authorizes the Chairman and Chief Executive Officer of NYCT and his/her designees to execute the license agreement modifications and related documents and to take other necessary or appropriate steps as he/she may deem necessary, desirable or appropriate to implement the proposed license modifications and to enter into the direct agreement with TW’s lenders.

- 51 -
RESOLUTION

BOARD OF THE NEW YORK CITY TRANSIT AUTHORITY

WHEREAS, in 2007, following a request for proposal process, the Board of the New York City Transit Authority ("NYCT") approved the award of a license agreement (the "License Agreement") to Transit Wireless LLC ("TW") that granted TW an exclusive license to provide commercial cellular/PCS and WiFi service in NYCT's 277 underground subway stations;

WHEREAS, following Board approval in September, 2011, the License Agreement was modified to divide the construction of the remaining 271 stations (the "Full Build") into seven discrete phases, to establish a Full Build construction period of 6 years, and to grant NYCT an option which if exercised by NYCT would piggyback on the TW cell phone and WiFi network to provide NYCT with wireless communications access to support certain of its own operational networking needs;

WHEREAS, since the 2011 modification, TW has been working with a syndicate of lenders to finalize the terms of a loan facility that would provide debt financing for the Full Build;

WHEREAS, NYCT has completed negotiations with TW regarding modifications to the License Agreement and the terms of a direct agreement between NYCT and TW's lenders that will enable TW to enter into a loan agreement for such loan facility;

WHEREAS, NYCT and TW have also completed negotiation of modifications to the terms of the License Agreement to refine the revenue sharing arrangements between the parties to address changes to the project's financing structure and the way in which the sublicensees of the TW network, namely the cell phone carriers and WiFi providers, pay the various costs associated with their use of the network;

WHEREAS, the proposed modifications to the License Agreement and the proposed direct agreement between NYCT and TW will permit the Full Build to move forward on terms that continue to provide substantial benefits to NYCT; and

WHEREAS, the provision of cellular/PCS and WiFi service in the underground subway stations will enhance customer convenience and will provide operational support and a revenue stream to NYCT;

NOW THEREFORE, upon the recommendation of the Chairman and Chief Executive Officer of the NYCT, the Board of the NYCT resolves as follows:

1. The Chairman and Chief Executive Officer and his/her respective designees are hereby authorized to execute and deliver any and all contracts and other necessary or appropriate agreements, documents, writings and other instruments and to take any other necessary or appropriate steps as he/she may deem necessary, desirable or appropriate to implement the Full Build, including (a) the modification to the License Agreement between NYCT and TW pertaining to the installation and operation of cellular/PCS and WiFi wireless telecommunications services in NYCT's underground subway stations and (b) the direct agreement between NYCT and TW's lenders, all as more fully described in the Staff Summary to which this Resolution is attached.

2. The Chairman and Chief Executive Officer and his/her designees are hereby authorized to take any and all actions as may be required necessary to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.
Staff Summary

**Subject:** MODIFICATION OF LICENSE AGREEMENT

**Department:** REAL ESTATE

**Department Head Name:** JEFFREY B. ROSEN

**Project Manager Name:** CLARETHA FENNICK

**Date:** SEPTEMBER 28, 2011

**Vendor Name:**

**Contract Number:**

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**Order** | **Approval**
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1 | MTA Waiver
2 | President NYCT
3 | Chief Financial Officer

**Board Action**

**Internal Approvals**

**Purpose:**

**AGENCY:** MTA New York City Transit ("NYCT")

**LICENSEE:** Transit Wireless, LLC ("TW")

**LOCATION:** 277 NYCT underground subway stations

**ACTIVITY:** License for installation of cellular/PCS and WIFI wireless telecommunications network

**ACTION REQUESTED:** Approval of modified terms

**COMMENTS:**

**PURPOSE:** To request Board approval of a modification to a license agreement between NYCT and TW, and to authorize the Chairman and Chief Executive Officer of NYCT and his/her designees to execute and deliver contracts and other documents and take other actions to implement the proposed modification and, if deemed by the Chairman and Chief Executive Officer to be prudent, to exercise and implement the option included in such proposed modification.

This modification would:

- accelerate the commencement date of the build-out of the network following the imminent completion of the 9 station proof-of-concept stage;
- break the network build-out into 7 phases and reduce the overall period that TW has to complete the build-out of the network; and
- provide NYCT with an option to have TW expand the network’s functionality to enable NYCT to use that network for NYCT’s own operational purposes.

**BACKGROUND:** In 2007, following a request for proposals process, the Board approved the award of a license agreement to TW that granted TW an exclusive license to provide commercial cellular/PCS and WIFI service in NYCT’s 277 underground subway stations. Under the arrangement, TW acts as a neutral host, constructing the distributed antennas system within the NYCT stations (but not within any of the tunnels between stations) and sublicensing rights to use that system to cellular/PCS carriers and WIFI providers. TW’s majority owner is an investment and operating company that specializes in the broadcast and telecommunications fields and is owned by Canada’s largest public pension fund.
FINANCE COMMITTEE MEETING
Modification of License Agreement (Cont’d)

BACKGROUND: (Cont’d)

The project is divided into two parts: an initial build ("Initial Build") of 8 stations and a full build ("Full Build") for the remaining 277 stations. The six Initial Build stations, all located in the Chelsea area of Manhattan, are scheduled to go into commercial service this month for AT&T and T-Mobile subscribers. TW continues to negotiate with Verizon, Sprint, MetroPCS and WiFi providers for their participation in the network. The revenues from the subleasing of the network to carriers and other subleases are to be shared 60%/40% as between NYCT and TW.

The current license agreement provides that the costs of the construction of the primary network (which TW estimates at between $150 - 200 million) are wholly the responsibility of TW. Pursuant to sublease agreements with TW, the wireless carriers will be obligated to support such capital costs by paying to TW both the up-front per-station capital charge for each station as it is constructed and ongoing monthly capital charges for each station. TW will be required to use equity and debt to fund that portion of the network costs. The revenue from the subleases from the carriers and then use the ongoing carrier capital repayment to fund the operation and maintenance of the system.

The provisions of the current license agreement that are proposed to be amended under the modification described below:

- condition TW’s right to commence the Full Build on TW having at least one of the major cellular/PCS carriers committed to the site in Full Build, TW would be satisfied with the costability of the financing of the entire Full Build;
- provide that once TW starts the Full Build it must complete the stations at substantially all of the stations (277 stations) or be subject to reversion of the land (which would mean loss of its investment);
- oblige TW to commence the Full Build by no later than January, 2013;
- provide that TW has 4 years to complete the Full Build following commencement (although, because there is an additional 5 year period with aggregate liquidated payments capped at a total of $8 million before NYCT has the ability to trigger a termination for delay, the practical result is that TW could extend the Full Build period out to 9 years before it would lose its investment); and
- provide that the minimum annual revenue share due to NYCT is $3 million (which is escalated by CPI and is initially prorated by the proportion of stations in service until stations at all of the stations are completed).

PROPOSED MODIFICATION: As a result of the financial downturn, TW for some time has reported that equity investors and lenders have much less appetite for risk than was the case in 2007 and that carriers’ capital budgets for network construction have been reduced. While TW is now completing the Initial Build, there is substantial doubt that it will be able to finance the Full Build under the existing license terms and current market conditions.

TW has approached NYCT to request modifications to the license agreement that would enable TW to attract the investments needed to deliver the contemplated network in the NYCT underground stations. Negotiations have produced a proposed license modification that should permit TW to move forward into the Full Build on terms that would be acceptable to its potential equity investors, debt providers and the carriers, while continuing to provide substantial benefits to NYCT.

The critical change in the proposed license amendment would be to break the Full Build into seven discrete phases. The phases would be required to be constructed in sequential order. Having commenced a particular phase, TW would be obligated to complete that phase. TW would have a set period of time to commence and to complete each phase in the sequence. If TW failed to timely complete a phase, the amended license agreement would provide for delay damages and a failure to complete would lead to a default. If TW completed a phase but failed to commence the next phase within a specified period of time, TW would lose the right to commence any additional phases. If that were to occur, NYCT would be free to seek other alternatives for deployment of cellular/PCS and WiFi services in those stations where the TW network has not been installed. Although MTA would have to undertake the process of soliciting offers from other providers to enable service at the remaining stations, there is no technical or financial requirement that all of the stations be built as a single network. The carriers themselves or another neutral host could provide the service in those stations not served by the TW network.
FINANCE COMMITTEE MEETING
Modification of License Agreement (Cont'd)

As part of the modification, TW would agree to a Full Build construction period of 6 years and commencement of the Full Build by no later than July 25, 2012. This new schedule would accelerate the start of the Full Build and create greater certainty as to the duration of the project than the original license's Full Build schedule arrangement where TW could extend the Full Build out to 8 years before NYTA had the ability to trigger a termination for delay.

The proposed phasing plan has been structured to protect against TW cherry picking the most highly trafficked stations for early completion, since permitting that would reduce the carriers' incentive to complete all of the stations. The phasing plan also provides geographic diversity so that no particular borough is out of the race for network installation at underground stations. Additionally, the proposed network layout for the remainder of Manhattan, already have cellular access because they have not been built or added by TW.

An important component of the proposed modification that may provide substantial benefit to NYCT is that TW would agree to grant NYCT an option, which if exercised by NYCT, would allow NYCT to gain wireless communications access to support certain of its own operational networking needs (e.g., the E-OPUS ticketing system, Fare Payments). This option for NYCT access to the TW wireless network would preclude on the core TW network. Following exercise of the option (which would be exercisable for any or all of the underground stations on a phased by phase basis), NYCT would be obligated to pay the capital costs attributable to the additional TW infrastructure and an allocable share of the operating costs associated with NYCT's use of the TW network, together with a monthly capacity charge. If NYCT were to exercise this option at all 277 underground stations, the one-time capital costs are estimated not to exceed 38 million. Up to 38 million of such costs would be paid through an offset to NYCT's revenue stream under the license agreement. If there were additional capital costs, which is not anticipated, the excess over $38 million would be required to be paid by NYCT as incurred. NYCT's annual cost payments to TW for the TW network would consist of two components: (1) NYCT's allocable share of TW's actual costs to operate each network (e.g., power, network management and control, outage response, maintenance and repair), which costs are estimated not to exceed $1.25 billion per year for all 277 stations; and (2) a monthly network capacity charge that would range between $300 to $600 per month per station (to be escalated by CPI) depending on the level of service requested by NYCT at each station. (If the NYCT network were installed on all 277 stations, the annual capacity charge would range between $1 to $2 million to be escalated by CPI).

MTA retains NYSTEC, an independent telecommunications consultant on the Board-approved panel of on-call telecommunications consultants, to review the pricing of the network capacity charge associated with the option. NYSTEC concluded, based on its review of the TW network, TW's charges to the carriers for WiFi service, and other industry comparable, that the monthly charge of $300 to $600 per station is below market and is fair and reasonable to NYCT for the bandwidth and service levels associated with the optional network services. By structuring these additional services as future options, before making a commitment NYCT will be able to compare the cost and value of the TW optional network services against the cost and value of the alternative network solutions when each construction phase is commencing.

As part of the proposed modification, TW has also agreed to increase the annual minimum revenue share from $3 million to $3.3 million.

In an ideal world, NYCT would hold TW to its original commitment to "build it out" or "lease it out." But the reality in today's financial environment is that such a structure is not commercially feasible. NYCT's choice is to modify the TW license to hold the line until the 16 months TW has left to start the Full Build and then, if TW doesn't commence construction, start over with a new solicitation (which would be likely to result in further delay and a phasing structure very similar to the TW modified structure).
Staff Summary

RECOMMENDED ACTIONS:

Because the provision of cellular/PCS and WiFi service in the underground subway stations will enhance customer convenience and will provide operational support and a revenue stream to NYCT, it is recommended that the Board adopt the attached resolution to authorize the proposed license modification and, if considered necessary by the MTA, to allow the Board to exercise and implement the option included in the resolution.
RESOLUTION

BOARD OF THE NEW YORK CITY TRANSIT AUTHORITY

WHEREAS, in 2005, following a request for proposal process, the Board of the New York City Transit Authority ("NYCT") approved the award of a license agreement (the "License Agreement") to Transit Wireless LLC ("TW") that granted TW an exclusive license to provide commercial cellular/PCS and wireless data services in the underground subway stations;

WHEREAS, as a result of the financial downturn following 9/11, some one has reported that equity investors and lenders have much less appetite for risk than was the case in 2005 and that carriers' capital budgets for network construction have been reduced;

WHEREAS, TW has approached NYCT to request modifications to the License Agreement that would enable TW to attract the investments needed to deliver the contemplated network within the NYCT underground stations;

WHEREAS, the provision of cellular/PCS and WiFi service in the underground subway stations will enhance customer convenience and will provide operational support and a revenue stream to NYCT, and the option for an NYCT wireless network may be of significant value to NYCT; and

WHEREAS, negotiations between NYCT and TW have produced a proposed modification to the License Agreement that should permit TW to move forward into the Full Build on terms that would be acceptable to its potential equity investors, debt providers and the carriers, while continuing to provide substantial benefit to NYCT;

NOW THEREFORE, upon the recommendation of the Chairman and Chief Executive Officer of the NYCT, the Board of the NYCT resolves as follows:

1. The Chairman and Chief Executive Officer and his/her respective designee are hereby authorized to execute and deliver any and all contracts and other necessary or appropriate agreements, documents, writings and other instruments that they may deem necessary, desirable or appropriate to implement the modification to the License Agreement between NYCT and TW pertaining to the installation and operation of cellular/PCS and WiFi wireless telecommunications services in NYCT's underground subway stations as more fully described in the Staff Summary to which this Resolution is attached, and, as deemed by the Chairman and Chief Executive Officer of NYCT to be prudent, to exercise and implement the options included in such proposed modification.

2. The Chairman and Chief Executive Officer and his/her designee are hereby authorized to take any and all actions as may be required necessary to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.
AGENCY: MTA New York City Transit ("NYCT")

LESSOR: 29-76 Realty Co., LLC

LOCATION: 29-76 Northern Boulevard, Long Island City, New York

ACTIVITY: New lease for NYCT Electronics Maintenance Division ("EMD") offices, storage and training facilities

ACTION REQUESTED: Approval of terms

TERM: Ten years

RENEWAL OPTIONS: One for five years at negotiated rental rates, and another for an additional five years renewal option at rent to be determined when option is exercised, as described below

SPACE: Approximately 26,980 rentable square feet ("rsf")/approximately 23,742 usable square feet ("usf"), comprising a portion of the ground floor

POSSESSION / LEASE COMMENCEMENT: Seven days following delivery of the space with all alterations and improvements substantially completed.

RENT COMMENCEMENT: Three months following possession

BASE RENT: Years 1-5: $283,290.00 per annum - $10.50 per rentable sq. ft. per annum
Years 6-10: $311,619.00 per annum - $11.55 per rentable sq. ft. per annum
Years 11-15*: $342,915.80 per annum - $12.71 per rentable sq. ft. per annum
*If Tenant exercises its first renewal option. Second year renewal option rent to be 90% of fair market value.

REAL PROPERTY TAXES: Pro rata share of increases in real estate taxes over base 2013/14 NYC tax year, based on full assessed valuation adjusted for 100% occupancy.

OPERATING EXPENSE ESCALATION: Fixed annual increases equal to 2% of base rent, compounding annually

TENANTS ALTERATIONS & IMPROVEMENTS and ARCHITECTURAL PLANS: Landlord will bid out and provide "turn-key" improvements in accordance with Tenant's plans and specifications. Landlord will contribute $12.00 per rentable sq. ft. towards cost of such improvements and amortize any additional out-of-pocket cost (as documented to Tenant's reasonable satisfaction) over the initial lease term on a straight line basis with interest not to exceed 5%. Tenant, at its option, will have the right to reimburse Landlord in a lump sum payment following substantial completion of the improvements, or may elect
some combination of lump sum payment and amortization.

Landlord will prepare all architectural and engineering plans at its sole cost and expense and make any necessary filings with the NYC Buildings Department.

UTILITIES:
Direct meter to the public utility.

SERVICES:
Landlord will provide cleaning, HVAC maintenance and repairs at Tenant's cost and expense. Tenant will have 24 hour/seven day use of its own exclusive loading dock and access to freight elevator service during normal business hours.

PARKING:
Landlord will guarantee access to 15 parking spots for trucks and vehicles. Eight will be provided in the attached parking garage and seven in the yard adjoining the loading docks. Three parking spaces will be provided by Landlord at no additional cost (two in the garage and one in the yard), while the additional spaces will be provided at a rate of $125/month per space in the garage and $150/month per space in the yard.

HOLDOVER:
At lease expiration, Tenant may upon 90 days advance notice extend the lease for up to four months at the then escalated rent. Thereafter, Tenant will become a month-to-month Tenant at 115% of the escalated rent cancellable by either party on sixty days' notice.

SECURITY DEPOSIT:
None

COMMENTS:
Due to the impending disposition of 370 Jay Street in Brooklyn, EMD needs to relocate. This 24 hour/seven day operation needs to be located within close walking distance to a subway station, due to the heavy equipment employees need to bring to other locations. There are no owned or leased facilities within the MTA portfolio that can accommodate this requirement. Cushman & Wakefield identified approximately fifty locations and six were inspected. 29-76 Northern Boulevard is the best-suited to EMD's operations, and the rent is consistent with market rents for similar facilities.

29-76 Northern Boulevard already houses MTACC operations and it is therefore anticipated that it will be possible to document this new lease quickly and inexpensively. EMD will require approximately 4,600 usable square feet for offices to house 54 employees and use the remaining space to accommodate 300 maintainers, conference and training rooms, large storage rooms, a record office, test equipment and data equipment rooms, male and female locker rooms with showers, a safety room, a break room, roll call rooms and a shop work room.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease with 29-76 Realty Co., LLC on the above-described terms and conditions.
AGENCY: MTA Metro-North Railroad ("Metro-North")

LICENSE: Jones Lang LaSalle Americas, Inc. ("JLL")

ACTIVITY: Retail property management services at Grand Central Terminal

ACTION REQUESTED: One year extension of contract number 06069-0100

COMMENTS

JLL provides property management services in support of the retail operations at Grand Central Terminal ("GCT"). Its responsibilities encompass all aspects of such operations apart from marketing space to potential tenants (a function that is currently performed by Williams, Jackson, Ewing Inc.), including specifically rent collection, lease administration and enforcement; oversight of tenant fit-out and other construction projects, marketing and promotions (including the programming of events in Vanderbilt Hall), housekeeping and engineering services, financial management and arranging for the provision to tenants of utilities and other "pass-through" services. The contract was competitively bid and initially awarded to JLL for the five-year period from January 1, 2007 to December 31, 2011. It was subsequently extended for one year pursuant to the MTA's "rapid procurement" initiative, in consideration of JLL agreeing to reduce its management fee, and is now scheduled to expire on December 31, 2012.

JLL oversees a substantial operating budget (currently in the amount of $10,180,103 for 2013), which is developed annually in consultation with MTA Real Estate and Metro-North and approved each year in advance by MTA staff and then submitted to the Board each year as part of Metro-North's operating budget. Such amount includes amounts paid through JLL to some 25 subcontractors, whose subcontracts are competitively bid out under MTA supervision, as well as payments for utilities and other commodities; a relatively small portion of such amount (equal to 2.025% of gross GCT retail revenue, or $613,171 based on the $31,092,503 of revenue currently projected for 2013) is retained by JLL as a management fee. An additional $2,775,324 has been budgeted for JLL's payroll and the remainder represents payments for utilities and other third-party expenses.

Board authorization is sought to extend the term of JLL's contract for one year so as to ensure seamless and uninterrupted management and operation of the Terminal throughout the upcoming Grand Central Terminal Centennial (the "Centennial"). The Centennial, which will take place throughout 2013, will entail a wide variety of special events, publications, exhibitions, educational initiatives and physical improvements that will place significant special demands on the GCT manager. As planning for the Centennial has intensified, JLL has played and will continue to play a central role in the planning and implementation of the Centennial program. JLL's continued participation in its current capacity is critical to the success of the Centennial. To replace JLL at this time with a new manager would jeopardize the success of the Centennial and is not recommended. An RFP will be issued in the second quarter of 2013 in anticipation of a new property management services contract for the period coming January 1, 2014.
AGENCY: MTA Metro-North Railroad ("Metro-North")

LICENSOR: William Jackson Ewing Inc. ("WJE")

ACTIVITY: Retail leasing agency services at Grand Central Terminal

ACTION REQUESTED: One year extension of contract number C906092-0100

COMMENTS

On February 28, 2007, following a competitive RFP process, the MTA Board approved the award of a personal services contract to WJE for retail leasing agent services for Grand Central Terminal ("GCT"). The contract initially covered the five-year period between March 1, 2007 and February 28, 2012, and called for a fixed yearly fee of $298,400 or $1,497,000.00 over the five-year period. In consideration of such fixed fee, and in lieu of conventional brokerage commissions that would be significantly higher, WJE seeks out prospective tenants for the various retail spaces at GCT as they become available, and then assists in the preparation of RFPs and in the evaluation of proposals received in response to such RFPs.

For the past several years, WJE has worked as part of a team with Jones Lang LaSalle Americas, Inc. (JLL), which is the retail property manager at GCT. The upgrading of the quality of the retail at GCT and concomitant increases in the MTA's income that have been achieved in recent years have been attributable in large part to the respective efforts of these two firms. However, it is in the best interest of the MTA for the JLL and WJE contracts to expire as of a common expiration date, so that, as such expiration date approaches, the MTA will be in a position to solicit combined proposals for property management and leasing agent services. Accordingly, in March of this year, the term of WJE's contract was extended for ten months through December 2012 so that it would end concurrently with JLL's contact.

Pursuant to a separate staff summary (the "JLL Staff Summary"), MTA Real Estate is seeking Board authorization to extend JLL's contract through December 2013 to provide seamless retail operations management at GCT throughout the GCT Centennial year. Accordingly, authorization is also hereby requested to extend the term of WJE's contract, so that the expiration dates of the two contracts will continue to coincide.

The alternatives are to (1) extend neither of the two contracts, which would disrupt planning for the GCT Centennial, or (2) extend only the JLL contract and solicit a new retail leasing agent for a term commencing on January 1, 2013. MTA Real Estate feels strongly that it is optimal for firms to have the ability to submit concurrent proposals with respect to leasing services and retail management services. Issuing a single RFP for such services is expected to increase the pool, and potentially the quality, of proposers interested in providing these services to the MTA.
# Staff Summary

**Subject**
LEASE EXTENSION

**Department**
REAL ESTATE

**Department Head Name**
JEFFREY D. ROSEN

**Department Head Signature**

**Project Manager Name**
MICHAEL DANIELS

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### Board of Action

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**AGENCY:** MTA Metro-North Railroad ("Metro-North")

**LANDLORD:** ISISTERS, LLC

**LOCATION:** 76 and 86 Viaduct Road, Stamford, CT

**ACTIVITY:** Lease modification and extension

**ACTION REQUESTED:** Approval of terms

**TERM:**
August 1, 2012 – July 31, 2017

RENEWAL OPTION:
August 1, 2017 – July 31, 2022

**SPACE:** 75 parking spaces

**BASE RENT:**
August 1, 2012 – July 31, 2014
$81,346.00 per annum / $6,779.00 per month / $90.39 per space per month

August 1, 2014 – July 31, 2017
$82,164.00 per annum / $6,847.00 per month / $91.29 per space per month

RENEWAL OPTION:
Five years
$86,268.00 per annum / $7,189.00 per month / $96.85 per space per month

**REPAIRS AND MAINTENANCE:** Landlord's responsibility

**COMMENTS:**

Metro-North currently leases 69 parking spaces at 76 and 86 Viaduct Road from ISISTERS, LLC for employee parking. These spaces are located adjacent to a building owned by Connecticut Department of Transportation at 90 Viaduct Road, where MNR employees are domiciled. The lease expires July 31, 2012.

There are no plans to relocate Metro-North staff in the foreseeable future. Metro-North considers this site to be ideal given its parking requirement and there are no other available parking lots in the immediate area. To accommodate increased staffing, six spaces will be added to the 69 currently leased, for a total of 75.

The proposed rent in the first year of the amendment is a 2% increase per space over the current rent per space. Local brokers indicate that the proposed rents are within the market range for parking spaces in the area.
Based on the foregoing, MTA Real Estate requests authorization to enter into a lease modification and extension agreement with ISISTERS, LLC on the above-described terms and conditions.
Staff Summary

Subject: LICENSE AGREEMENT

Department: REAL ESTATE

Department Head Name: JEFFREY B. ROSEN

Department Head Signature:

Project Manager Name: JOHN COYNE

Date: JULY 23, 2012

Vendor Name:

Contract Number:

Contract Manager Name:

Table of Contents Ref. #

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Agency: MTA Long Island Rail Road ("LIRR")

Licensee: Oyster Rides, LLC

Location: Hicksville Station

Activity: License of taxi parking spaces

Action Requested: Approval of terms

Term: 5 years, terminable at will by LIRR on 60 days' notice

Space: 5 parking spaces

Compensation:

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Comments:

Virtually all of the LIRR licenses for taxi spaces and taxi dispatch offices were scheduled to expire at the end of June, 2012, and accordingly, in January 2012, MTA Real Estate issued a request for proposals ("RFP") with respect to the expiring inventory. The RFP offered 40 parcels in all, with parcels consisting of taxi parking only (each parcel consisting of 1 to 15 spaces), taxi spaces with an adjacent dispatch office, or stand-alone dispatch offices. The Board approved the grant of licenses for 35 of the 40 parcels in May and June of this year. Of the four remaining parcels offered in the RFP but accounted for neither in the prior staff summaries nor in this staff summary, Real Estate plans to offer two (spaces at Massapequa and, pending resolution of a title issue a dispatch office at Huntington) in a future RFP, and will reevaluate for possible future marketing spaces at Bayside and one taxi dispatch office at Hicksville, both of which received no bids.

Two proposals were received for the subject parcel, one from Oyster Rides, LLC, with a present value, discounted at 9% ("PV") of $26,706.68, and one proposal from L.I. Yellow Cab Corp., with a PV of $19,785.74. Both proposers were offered the opportunity to submit best and final offers after submitting their initial offers, but neither chose to do so.
Staff Summary

FINANCE COMMITTEE MEETING
Oyster Rides, LLC (Cont'd.)

Oyster Rides, LLC, based in Oyster Bay, New York, is the incumbent at the above-referenced parcel at Hicksville Station. Its principal, George Melillo, has sufficient financial resources to successfully operate the business under this proposed license.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with Oyster Rides, LLC on the above-described terms and conditions.
Staff Summary

Subject: LICENSE AGREEMENT

Department: REAL ESTATE

Department Head Name: JEFFREY B. ROSEN

Department Head Signature:

Project Manager Name: DORITI MASSARIA ROBERTS

Date: July 23, 2012

Vendor Name:

Contract Number:

Contract Manager Name:

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Board Actions

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Agency: MTA Long Island Rail Road ("LIRR")

Licensee: Ametek Thermal Systems, Inc. d/b/a Ametek Hughes-Treilier ("Hughes-Treilier")

Location: Central Branch Right-of-Way, north of licensee's commercial property at 300 Endo Boulevard, Garden City, NY (the "Property")

Activity: Commercial parking and storage of equipment

Action Requested: Approval of terms

Term: Ten years, subject to termination at will by LIRR on 60 days' notice

Space: Approximately 20,280 square feet

Compensation:

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Comments:

Hughes-Treilier currently holds a month-to-month license to use the Property for parking by Hughes-Treilier's employees and visitors and for storage of dry goods and equipment. The Property is not directly accessible from the street, but is
Staff Summary

FINANCE COMMITTEE MEETING
Ametek Thermal Systems, Inc. (Cont'd.)

accessible through Hughes-Treitler's property, which fronts on Endo Blvd. The owner of the only other property adjacent to the site, 450 Acquisition Company, LLC, was contacted regarding the site and is not interested in using it.

MTA Real Estate contacted real estate brokers who advised that, taking into account the property's limited access and MTA's 60-day termination rights, the proposed compensation represents market value for this site. Hughes-Treitler will be responsible for maintaining the existing lighting, fencing, paving and drainage.

Based on the foregoing, MTA Real Estate requests authorization to enter into an agreement with Hughes-Treitler on the above-described terms and conditions.
Staff Summary

Subject: LICENSE AGREEMENT

Date: JULY 23, 2012

Department: REAL ESTATE

Vendor Name

Department Head Name: JEFFREY B. ROSEN

Contract Number

Department Head Signature

Contract Manager Name

Project Manager Name: JOHN COYNE

Table of Contents Ref. #

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<td>2</td>
<td>Chief Financial Officer</td>
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AGENCY: MTA Long Island Rail Road (“LIRR”)

LICENSEE: UTF Trucking, Inc., a subsidiary of Fresh Direct Holdings, LLC (collectively, “Fresh Direct”)

LOCATION: Arch Street Yard, Queens, Block 72, Part of Lot 1, also known as 46-26 Crane Street, Long Island City, New York

ACTIVITY: Parking and dispatching of trucks and trailers, employee parking, and storage of ancillary equipment

ACTION REQUESTED: Approval of terms

TERM: 3 years, subject to termination at will by MTA on 60 days’ notice

SPACE: Approximately 20,000 square feet

COMPENSATION: License Year, Annual, Monthly

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<tr>
<th>Order</th>
<th>$132,600.00</th>
<th>$11,050.00</th>
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<tr>
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<td>$11,381.50</td>
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<tr>
<td>2</td>
<td>$140,675.34</td>
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COMMENTS

LIRR will soon begin developing its Wheelspur Yard (“Wheelspur”), in Long Island City, into an intermodal freight rail facility (the “Wheelspur Project”). Once an active rail yard, Wheelspur was decommissioned in 1958 and subsequently licensed to light industrial users. The conversion of Wheelspur into an intermodal freight facility has required vacating Wheelspur’s current occupants, which have heretofore occupied the premises pursuant to sublicense agreements with one of two master licensees, 11th Street Associates, Inc. and Marc 1 of New York, Inc.

The largest occupant at Wheelspur is Fresh Direct, which occupies Wheelspur via a sublicense agreement through its subsidiary, C.I.L. Structure, Inc. Fresh Direct, which operates a grocery delivery business in the New York metropolitan region, has been parking approximately 120 of its delivery vehicles at the Wheelspur Yard.

This past February, Fresh Direct entered into a transaction with the State and City of New York pursuant to which it will relocate from Long Island City to the Bronx. Fresh Direct’s new headquarters in the Bronx, which is currently under construction, is expected to be ready for occupancy in 2015. Fresh Direct had intended to continue its occupancy at
Staff Summary
FINANCE COMMITTEE MEETING
UTF Trucking, Inc (Cont'd.)

Wheelspur to house a large portion of its delivery fleet until its new Bronx facility was ready for occupancy. As a result of the Wheelspur Project, however, Fresh Direct must now relocate its fleet at Wheelspur Yard to other locations in the vicinity of its current Long Island City headquarters until 2015.

Fresh Direct has signed a stipulation of settlement with LIRR agreeing to vacate Wheelspur by August 31, 2012. As an inducement to Fresh Direct to vacate Wheelspur on a timely basis, and to preserve a portion of the revenue stream LIRR received from the commercial occupants at Wheelspur beyond the August 31 vacancy date, LIRR has offered Fresh Direct a license to allow it to park 39 trucks and trailers, as well as up to 12 employee owned vehicles, and to conduct dispatching operations at another LIRR facility, the Arch Street Yard, located approximately ½ mile from Wheelspur. The portion of the Arch Street Yard proposed to be licensed to Fresh Direct will not be required by LIRR until MTA LIRR East Side Access comes on line in 2019.

LIRR and Fresh Direct have agreed to a rate of $216.67 per vehicle per month ($2,600 annualized) for each of the 39 trucks and trailers and for the 12 employee vehicles that Fresh Direct intends to park at Arch Street Yard, resulting in annual compensation of $132,600 for the first license year. Applying that rate to the number of vehicles Fresh Direct intends to park at Arch Street Yard will result in compensation of $132,600.00 in the first license year, which will thereafter be inflated at 3% per year. Based on an approximately 20,000 square foot area that Fresh Direct Trucking will occupy, compensation per square foot will be $6.63 per square foot in the first license year. Discussions with brokers specializing in industrial and commercial property in the outer boroughs indicate that, given the site's unique configuration and access limitations, and factoring in MTA's 60 day termination right and other restrictions that will be placed on Fresh Direct, the proposed license fee exceeds the market value of the site.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with UTF Trucking, Inc. on the above-described terms and conditions.
**Staff Summary**

**Subject:** AMENDMENT TO LICENSE AGREEMENT

**Department:** REAL ESTATE

**Department Head Name:** JEFFREY B. ROSEN

**Department Head Signature:**

**Project Manager Name:** PAUL M. FITZPATRICK

**Date:** JULY 23, 2012

**Vendor Name:**

**Contract Number:**

**Contract Manager Name:**

**Table of Contents Ref. #:**

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**Agency:** MTA Bridges and Tunnels ("B&T")

**Licensee:** Municipal Art Society of New York ("MAS").

**Location:** Battery Parking Garage ("BPG"), 63 Greenwich Street, New York, NY 10006.

**Activity:** Installation, maintenance, storage and removal of lighting.

**Action Requested:** Approval of terms.

**Term:** Three years, terminable at will by B&T on 60 days’ notice.

**Space:** BPG Annex roof for Tribute In Light event, and ramp corner between 6th floor and rooftop for storage.

**Compensation:** $12,000 per year.

**Comments**

Since September of 2005, B&T has annually licensed a portion of the BPG to the MAS for the Tribute in Light. Under this license, the MAS uses a portion of the roof for approximately three weeks to stage the production, and uses five parking spaces between the 6th floor and the roof year round to store the lights used in the display. The lighting displays are fragile and could be subject to damage were they to be transported to remote storage locations.

The MTA has been asked by the City of New York to extend the agreement for three years to cover the 2012-2014 installations, on the same terms and conditions. Given current average occupancies at the BPG, revenue is not currently impacted by the installation. However, use of the BPG is expected to increase as development projects are completed in the area. MTA Real Estate will reevaluate the compensation called for under this proposed license agreement from time to time.

Based on the foregoing, MTA Real Estate requests authorization to enter into the license agreement with MAS on the terms and conditions described above.
Staff Summary

Subject: LEASE AGREEMENT

Department: REAL ESTATE

Department Head Name: JEFFREY B. ROSEN

Department Head Signature: [Signature]

Project Manager Name: ANDREW GREENBERG

Date: JULY 23, 2012

Vendor Name:

Contract Number:

Contract Manager Name:

Table of Contents Ref. #:

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<tr>
<td>3</td>
<td>Chief Financial Officer</td>
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</table>

AGENCY: MTA Capital Construction ("MTACC") – Second Avenue Subway Project

LANDLORD: Sendar Equities c/o Roxann Management, 8300 Republic Airport, Suite 200, Farmingdale, New York, 11735

LOCATION: 1628 Second Avenue, New York, NY, located between 84th and 85th Streets

ACTIVITY: Second Avenue Subway community information center

ACTION REQUESTED: Approval of terms

PREMISES: Approximately 1,560 usable square feet ("USF") of ground floor retail space and approximately 1,416 USF of basement space

POSSESSION: Seven days following delivery of Premises with Landlord’s work substantially completed

RENT COMMENCEMENT: Four months following possession

TERM: From Possession Date to December 31, 2016

COMPENSATION:

<table>
<thead>
<tr>
<th>Rent Year</th>
<th>Gross Base Rent</th>
<th>Net Rent</th>
<th>Net Rent per ground floor USF</th>
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<tbody>
<tr>
<td>All years</td>
<td>$176,000.00</td>
<td>$109,369.36</td>
<td>$70.11</td>
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The Premises constitute a condominium unit and thus a separate tax lot. The foregoing net rent amounts were derived by subtracting the projected fiscal 2012/13 taxes ($66,630.34, which equals $42.71 per square foot) from the negotiated gross base rent. Such amount will be subject to a one-time adjustment to reflect the City of New York’s final assessment for fiscal year 2012/2013.

REAL PROPERTY TAXES: MTACC will be responsible for reimbursing Landlord for 100% of any real estate taxes attributable to the subject condominium unit. However, the MTA intends to assert its tax exemption immediately upon lease execution.

OPERATING EXPENSE ESCALATION: MTACC to pay operating expenses fixed at 2.5% of net rent, commencing with the first anniversary of Rent Commencement Date, compounding annually.

RENEWAL OPTION: Three one-year renewal options at 95% of appraised fair market value (net of real property taxes).
Staff Summary

FINANCE COMMITTEE MEETING
Sendar Equities c/o Roxarin Management (Cont'd)

ELECTRICITY: To be provided on a direct meter basis by Con Edison

MAINTENANCE & REPAIRS
Landlord responsible for sidewalk maintenance and cleaning, snow removal, and for all structural repairs. Landlord will maintain HVAC system at MTACC’s expense. MTACC responsible for cleaning its premises and for all non-structural repairs to the premises.

LANDLORD'S WORK
Landlord, at MTACC’s cost, will fit out the Premises based upon MTACCs’ plans and specifications.

SECURITY DEPOSIT: None

COMMENTS

MTACC plans to open a Second Avenue Subway Information Center before the end of 2012 to provide Second Avenue Subway project information, space for public meetings, and access to project staff. Cushman & Wakefield assisted with the search for suitable sites. Tours of six sites were conducted.

Due to its condominium status and the Landlord’s willingness to allow MTA to net out the taxes from the gross base rent (which is within the market range for similar spaces), its central location in the Second Avenue Subway project area, and its ideal size, 1628 Second Avenue is the preferred site of the six sites toured. Based on the foregoing, MTA Real Estate requests authorization to enter into a lease for the Premises on the above-described terms and conditions.
7. ACTION ITEM
**Staff Summary**

<table>
<thead>
<tr>
<th>Subject</th>
<th>Subway Structural Rehabilitation – 4th Avenue Line</th>
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<tbody>
<tr>
<td>Department</td>
<td>Subways</td>
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<tr>
<td>Department Head Name</td>
<td>Carmen Bianco</td>
</tr>
<tr>
<td>Department Head Signature</td>
<td></td>
</tr>
<tr>
<td>Project Manager Name</td>
<td>Marva Brown</td>
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**Date**

July 10, 2012

**Vendor Name**

N/A

**Contract Number(s)**

N/A

**Contract Manager Name**


### Board Action

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### Internal Approvals

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<td>4</td>
<td>Chief Capital Budget Officer</td>
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**Purpose:** To obtain MTA Board approval to modify the scope and intent of a capital project concerning the rehabilitation of the subway structure between 59th Street and Atlantic Avenue-Pacific Street Stations (now Atlantic Avenue-Barclay Center) along the 4th Avenue line in Brooklyn (serving the D, N and R trains). The scope of this project, valued at $15 million, will be modified to include high priority structural component repair work on multiple lines. This work has been prioritized based on both condition and cost effective opportunity to perform appropriate work. Immediate additional work to be added to this project will include stabilization and Phase 1 column repairs at 9th Avenue Station (lower level) / West End line, and subway roof slab replacement at Delancey St / Nassau line. Work at these two locations is needed urgently to ensure the long-term integrity of the affected structures.
Staff Summary

Discussion: As a result of water infiltration, age and intense usage, deteriorated structural conditions have been monitored and are awaiting repair around the system. Maintenance efforts are capable of stabilizing these conditions for a period of time, but ultimately, some major repairs are beyond the capability of maintenance resources. Historically, large rehabilitation projects have been initiated to address a concentration of defects of all kinds (high, medium and low priority) within identified limits along a particular line. Recently, most of these projects have not been funded, due to pressing priorities and limited funding resources. The 4th Avenue rehabilitation project was originally conceived as such a project, but due to funding constraints, a budget was established ($30 million) that would be sufficient only to address higher priority defects. Subsequently, in December 2011, half of its scope and funding ($15 of $30 million) was re-prioritized and funds were directed to the structural remediation of the Steinway Tube.

The new scope will address specific high-priority defective components at more locations in a more timely manner than in the past. Three locations have already been identified (see table below), including the highest priority work on the 4th Avenue line remaining from the original project. Moreover, with a component approach, additional high-priority defects can be addressed within the framework of this process.

<table>
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<th>Location</th>
<th>Nature of work</th>
<th>Cost</th>
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<td>4th Avenue line / Bklyn</td>
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<td>Delancey St / Nassau</td>
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</table>

The additional work at Delancey Street / Nassau line will entail structural rehabilitation and waterproofing of the subway roof/sidewalk and supporting structure of vault along Delancey Street between Essex Street and Suffolk Street in Manhattan. Approximately 200 linear feet will be rehabilitated. The existing roof/sidewalk is severely deteriorated due to water infiltration, and the area is presently barricaded to prevent vehicular traffic from parking/turning onto the sidewalk/roof.

The additional work at 9th Avenue Station will entail repair/replacement of severely deteriorated steel columns and other steel members, and related ancillary work. These columns, located on a lower level non-revenue station platform, are part of the West End (Brooklyn) line structure and support the station above. Immediate stabilization work by operating forces is being performed to ensure safety, but permanent steel repairs are needed to preserve the integrity of the structure for the long-term. Phase 1 repairs are being added to this project, and based on the results of Phase 1, further work at this location is expected to be added in the future.

The work remaining on the 4th Avenue line will address the highest priority component repairs that were included in the original rehabilitation project. A phased plan to address high priority items is under development. Depending on the needs identified, work may extend into the next capital program.

Impact on Funding: None.

Alternatives: Execute the capital program as originally approved. This option would not address higher priority work on other lines.

The legal name of MTA New York City Transit is New York City Authority
Staff Summary

Recommendation: It is recommended that the MTA Board approve the modification of the scope of 4th Avenue structural rehabilitation project to address high-priority work at multiple locations. This action represents the initiation of structural component project. This project is expected to be expanded as additional priorities are established.

APPROVED FOR SUBMISSION TO THE BOARD

[Signature]

Thomas F. Prendergast
President

Date

7/12/12
Staff Summary

Subject
TAB Senior Hearing Officers

Department
Law Department

Department Head Name
Martin B. Schnabel

Department Head Signature

Project Manager Name
Dorothy Samuel

Date
July 10, 2012

Vendor Name

Contract Number

Contract Manager Name

Table of Contents Ref #

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<td>Assistant to the President</td>
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Internal Approvals (cont.)

Purpose
To obtain Board approval for the renewal of retainer agreement with TAB's current panel of two Senior Hearing Officers in amounts not to exceed $70,000.00 and $60,000.00 annually.

Discussion
In accordance with Paragraph Two of Section 1209-a of the Public Authorities Law (PAL), TAB maintains a roster of per diem hearing officers appointed by the President of NYCT. There are currently two Senior Hearing Officers on TAB's roster, who serve under separate retainers.

Appointees to the Senior Hearing Officer position serve on a per diem basis and are paid at an hourly rate. Two attorneys currently serve on this position.

The Senior Hearing Officers are responsible for conducting hearings, training and supervising the panel of hearing officers, reviewing decisions and chairing the TAB Appeals Board, a three-member panel with responsibility to review appeals of hearing officer determinations. Two individuals have served as TAB Senior Hearing Officers for a significant period of time. Debra Siedman DeWan, who was appointed in January 1990, serves three days per week and is paid at a rate of $56.75 (or $397.25 for a seven hour day); Rebecca Novak was appointed in July 1995, serves two days per week, and is paid $49.33 (or $345.31 for a seven hour day).

NYC Transit requests approval to renew its agreement with Ms. Siedman DeWan and Ms. Novak for the period from August 1, 2012 through July 31, 2013. Both have demonstrated themselves to be highly competent attorneys who have served with excellence as Senior Hearing Officers for a substantial period of time. Given their demonstrated knowledge and experience with respect to legal issues affecting TAB and their prior performance in this capacity, Ms. Siedman DeWan and Ms. Novak are viewed as the best candidates for...
the Senior Hearing Officer positions. In light of budgetary constraints, it is proposed to maintain their respective hourly rates at those in effect for the year ending June 30, 2013. Ms. DeWan’s retainer will be subject to an annual cap of $70,000 and the retainer for Ms. Novak will be capped at $65,000.

Impact on Funding
Funding for per diem and Senior Hearing Officers has been included in TAB’s 2012 operating budget.

Recommendation
That the Board approves the award of renewal retainer agreements with TAB Senior Hearing Officers Debra Siedman DeWan and Rebecca Novak as above described.

Approved For Submission to the Board:  
Thomas F. Prendergast, President
PROCUREMENTS

The Procurement Agenda this month includes 13 actions for a proposed expenditure of $297.1M.
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 Non-Competitive procurements in the following categories:

**Procurements Requiring Two Thirds Vote:**

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<th>Description</th>
<th># of Actions</th>
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**Schedules Requiring Majority Vote**

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<td>- TEOCO</td>
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<td></td>
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**SUBTOTAL** | 2 | $16.5 M |

MTA Capital Construction proposes to award Non-Competitive procurements in the following categories: **NONE**
NYC Transit proposes to award Competitive procurements in the following categories:

**Procurements Requiring Two-Thirds Vote:**

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**Schedules Requiring Majority Vote:**

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<td>I</td>
<td>Modifications to Purchase and Public Work Contracts</td>
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**SUBTOTAL:** 5 $252.2 M

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

NYC Transit proposes to award Ratifications in the following categories:

**Schedules Requiring Majority Vote:**

<table>
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<th># of Actions</th>
<th>$ Amount</th>
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**SUBTOTAL:** 3 $23.8 M

MTA Capital Construction proposes to award Ratifications in the following categories:

**Schedules Requiring Majority Vote:**

<table>
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<th>Category</th>
<th># of Actions</th>
<th>$ Amount</th>
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</thead>
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<td>$4.6 M</td>
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**SUBTOTAL:** 3 $4.6 M

**TOTAL:** 13 $297.1 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 NYC Transit and MTA Capital Construction Co. 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 Section 1265-a and 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 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 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 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.

7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.
LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive.) Note – in the following solicitations, NYC Transit attempted to secure a price reduction. No other substantive negotiations were held except as indicated for individual solicitations.

1. Plasser American Corp. $6,987,886 (Est.)
   Non-Competitive – Five-year contract
   RFQ # 21162
   Multi-agency contract for the purchase of replacement parts, troubleshooting, repair services and training for various track-working equipment.
   Staff Summary Attached

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive; $1M RFP; No Staff Summary required if sealed bid procurement.)

2. TEOCO $9,545,000 (Est.)
   Non-Competitive – Five-year contract
   RFQ # 25815
   Contract to provide software maintenance support for the SONET/ATM Network Management System.
   Staff Summary Attached
JULY 2012

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Informal Competitive Purchases and Public Work Contracts
   (Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive.) Note – in the
   following solicitations, NVC Transit attempted to secure a price reduction. No other substantive negotiations were held except as
   indicated for individual solicitations.

   1. Bearing Distributors Inc.
      Contract # 4081  
      Three Proposals – Fifteen-month contract
      Purchase of roller bearings.

Procurements Requiring Majority Vote:

E. Miscellaneous Procurement Contracts
   (Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive; $1M Competitive.)

   2. Safetec Compliance Systems, Inc.  
      $445,150
      Two Proposals/Low Proposer – Four-year contract
      RFQ # 4356

This joint-agency contract is to furnish, implement and maintain a Material Safety Data Sheet (MSDS) Database software system to support environmental reporting management, MSDS management and toxic chemical reduction initiatives that are a requirement of the City and State of New York for NYC Transit and MTA Bus Company (MTABC). NYC Transit’s Division of Supply Logistics is responsible for the administration and control of MTA inventory assets, materials and supplies (chemical and non-chemical). On an annual basis, information regarding the materials, such as chemical description, the amount stored, method of safe storage and potential health hazards must be reported to the NYC State Dept. of Environmental Conservation, FDNY and other regulatory agencies. The information is gathered manually in a labor intensive process from the MSDSs for all applicable chemical products. Fines can be levied if information submitted is inaccurate or not timely. Moreover, the agencies have encouraged electronic filing in order to provide information to emergency management officials and first responders to incidents involving hazardous materials. As such, the agencies sought an on-line system that will ensure an accurate and efficient reporting structure that reduces the calculations and effort required for manual preparation and reporting. This also minimizes impact of future regulatory reporting changes. The MSDS software database will also provide NYC Transit/MTABC with clear, timely and accurate information of MSDSs used for preparation of required reports and responses to employee inquiries.

An RFP was advertised and two proposals were received with prices that ranged from $464,750 to $680,000. Each firm presented their software programs to allow for testing in order to determine their suitability and security. Both contractors were selected for negotiations. Safetec Compliance Systems, Inc. (Safetec), the higher of the two proposals initially, submitted an interim revised proposal of $480,000.

Both firms were requested to submit Best and Final Offers (BAFO). However, the second firm took exception to numerous contract provisions which it had not previously submitted. Safetec took no exception and submitted a BAFO of $445,150. Their competitor declined to participate further. This amount was $19,900 or 4.3% less than the NYC Transit in-house estimate of $465,050 and $34,850 or 7% less than their interim proposal. Based on these comparisons and the other proposal, Safetec’s price of $445,150 is considered fair and reasonable.

- 84 -
G. Miscellaneous Service Contracts
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive; $1M RFP; No Staff Summary required if sealed bid procurement.)

3. Nexlink Global Services, Inc.  $475,520 (Est.)
Two Bids/Low Bidder – Five-year contract
RFQ #13945
This contract is for scheduled and emergency maintenance services for equipment mounted on four radio towers.

The Department of Subways - Electronic Maintenance Division (FMD) is requesting a five year contract for maintenance of Bus radio equipment mounted on four radio towers located in Brooklyn, Manhattan, Staten Island and The Bronx. The towers are used to transmit radio communications over the Department of Buses 800 MHz trunked radio system. The towers were erected over 20 years ago and various antennae, cables and hardware mounted on them have become corroded and degraded due to exposure to the elements over the years and will need to be replaced.

The contractor is required to provide all labor, equipment, transportation and incidentals necessary to perform the work. The service or repair work at all four locations includes the replacing of defective tower lamps, tightening, and/or replacing of tower hardware, defective antenna components, and cables; inspection of towers for signs of damage, corrosion and loose or missing hardware; tower surface scraping and painting; installation of new cables; replacing CCTV cameras with ones provided by NYC Transit; as well as supplying rigging equipment for the lifting and lowering of tower equipment. In addition, the contractor will provide an annual inspection of the towers and will submit a detailed condition report with photographs.

Two bids were received based on estimated hours and materials. Nexlink, the incumbent, submitted the lowest bid price which was later unilaterally reduced from $352,467 to $350,739. The revised bid price includes a reduction in the labor rate for standard maintenance for a savings of $1,728. This rate is the same as the current contract rate. EMD has budgeted $475,520 for this contract and the Board is requested to approve this amount. However, the contract will be awarded for $350,739.
G. Miscellaneous Service Contracts Cont’d
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive; $1M RFP; No Staff Summary required if sealed bid procurement.)

4. H.O. Penn Machinery Co., Inc. $281,341 (Est.)
Four Bids/Low Bidder - Three-year contract
RFQ # 27794

This contract is for the maintenance and repair of three Caterpillar diesel generators (generators) and four transfer switches (switches) manufactured by ASCO. The generators support all critical equipment and building functions at their specific locations. In the event of a Con Edison power outage, the generators act as the emergency power supply to each building until Con Edison power can be restored. The switches are used to transfer the source of power from Con Edison to the generator in the event of a blackout, and then return the source of power from the generator back to Con Edison once power has been restored.

For the maintenance of the generators, the Contract includes fixed pricing for all service and parts as follows: 1. Standard scheduled preventative maintenance performed once per year; and 2. Major scheduled preventative maintenance to be performed six months after each standard scheduled preventative maintenance is performed. The major scheduled preventative maintenance covers more extensive testing of the generator systems and functions in accordance with Caterpillar OEM procedural requirements for the generators. The price schedule includes rates for labor and a fixed mark up for parts to cover unscheduled remedial and emergency repair services.

The switches are serviced through scheduled preventative maintenance performed annually as well as unscheduled remedial and emergency repair services, also at fixed pricing for each occurrence. Rates for labor and a fixed mark up for parts to cover unscheduled remedial and emergency repair services are also included for the switches.

All three generators, along with the switches are housed at three separate Department of Subways (DOS) locations. The fourth switch covered under this contract is housed at a fourth location and is associated with two smaller generators at that location. The two smaller generators are serviced by NYC Transit personnel and do not handle the same level of critical equipment and building functions as the three larger building generators at the other locations and thus are not included for service under this (or any other) outside contract.

H.O. Penn's total bid price of $286,529.00 is 10.1% lower than the next low bidder's price of $313,072.00. Procurement sought and received a unilateral price concession from H.O. Penn in the amount of $5,188.00, thus lowering H.O. Penn's total bid price to $281,341.00.
LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

1. Modification to Purchase and Public Work Contracts
   (Staff Summaries required for individual change orders greater than $250K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least $50K.)

5. Optum Rx, Inc.  $250,000,000 (Est.)  Staff Summaries Attached
   Contract #08I9983.2
   Modification to the contract for a Pharmacy Benefits Manager to administer prescription drug program, in order to extend the contract term.
JULY 2012

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.)

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Amount</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Henry Brothers Electronics, Inc.</td>
<td>$2,420,000 (Aggregate)</td>
<td>Staff Summary Attached</td>
</tr>
<tr>
<td>1. Contract #C-11473.1</td>
<td>$830,000</td>
<td></td>
</tr>
<tr>
<td>2. Contract #C-11473.3</td>
<td>$1,590,000</td>
<td></td>
</tr>
<tr>
<td>Modifications to the contract for Electronic Security in Under River Tunnels, in order to provide missing or damaged equipment and/or wiring at various locations and perform various changes needed to complete this security project.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Louis T. Klauder and Associates</td>
<td>$21,427,113 (NTE)</td>
<td>Staff Summary Attached</td>
</tr>
<tr>
<td>Contract #CM-1385.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modification to the consultant contract for subway car inspection services, in order to add a per diem consultant and extend the contract term.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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.)

1. Judlau Contracting, Inc. $555,000 Staff Summary Attached
   Contract # A-36126.86
   Modification to the contract for the restoration of the Corbin Building, in order to preserve/restore wood window frames.

2. Plaza Schiavone JV $1,908,000 Staff Summary Attached
   Contract # A-36125.105
   Modification to the contract for the Fulton Street Transit Center Enclosure, in order to perform changes to the radio system.

3. Skanska/Railworks, JV $2,100,000 Staff Summaries Attached
   Contract #C-26505.8
   Modification to the contract to furnish and install finishes and systems, No. 7 Line Extension, in order to add the construction of a retaining wall at Site J.
Schedule A: Non-Competitive Purchases and Public Work Contracts

Item Number: 1
Vendor Name & Location: Plasser American Corp. (Chesapeake, VA)

<table>
<thead>
<tr>
<th>Description</th>
<th>Contract Term (Including Options, If any)</th>
<th>Total Amount: $3,611,925 NYCT $2,951,998 LIRR $423,963 MNR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of replacement parts, troubleshooting, repair services and training</td>
<td>Five years</td>
<td>$6,987,886 (Est.)</td>
</tr>
</tbody>
</table>

Option(s) Included in Total Amount? Yes No n/a
Procurement Type
  - Competitive
  - Non-competitive

Solicitation Type
  - RFP
  - Bid
  - Other: Non-Competitive Sole Source

Renewal?
  - Yes
  - No

Discussion:

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law §1209, subsection 9(b) due to the existence of a single responsible source, and approve award of a multi-agency estimated quantity contract to Plasser American Corporation (Plasser) for replacement parts, troubleshooting, repair services and training for various track working equipment for NYC Transit, Metro North Railroad (MNR) and Long Island Rail Road (LIRR), with NYC Transit as the lead agency.

All of the equipment and related components were either manufactured by Plasser or manufactured by others and integrated into the equipment by Plasser. All of the units are sophisticated electronic and mechanical equipment tailor-made to perform various functions required for installing, testing and maintaining each agency’s rail system. Plasser is a worldwide leader in the transit and rail industries. Only Plasser has the factory-trained personnel capable of properly troubleshooting the equipment recommending repair work and training in-house forces in the appropriate repair procedures. Replacement parts will be installed either by Plasser or by each agency’s personnel who will have the day-to-day responsibility for maintenance. Plasser will repair certain equipment for which each agency lacks the expertise to make such repairs.

NYC Transit’s equipment includes four track geometry cars, two flash butt rail welding units, eight switch and production tampers and two ballast distributors/regulators. LIRR’s equipment includes one track geometry car, three ballast regulators and four switch/panel tilt transport cars. MNR’s equipment includes one ballast regulator, two tampers and one track stabilizer. Any additional Plasser equipment used by the agencies during the term of this agreement will be covered by this contract.

Plasser’s proposal of $6,987,885 is comprised of estimated quantities for parts - $5,296,875 (75.8%), labor - $1,441,010 (20.6%), and travel - $250,000 (3.6%). Plasser periodically publishes two industry-wide price books, both of which start at the same baseline pricing for parts and labor. Plasser provides a price book to the MTA agencies with FOB-delivered pricing for parts which includes a 3.5% discount off the delivered price for Plasser parts. This 3.5% discount is not offered to all customers. The MTA agencies receive a 10% mark-up on cost for non-Plasser parts.

The MTA agencies also receive a 10% discount off the published labor rates for work performed by Plasser on Plasser-manufactured equipment. This discount on labor rates is not provided by Plasser to its other customers. No discount is offered on labor rates for work performed on non-Plasser equipment. Plasser has stated that the MTA agencies are receiving its most favored customer pricing for both parts and service.

A sample analysis of parts purchased from Plasser in the last 12 months shows an increase in price of less than 1.0%. This compares favorably to the applicable Producer Price Indices which indicates an increase of 4.4% over the same 12 month period. In comparison to the prior contract, labor rates for items that were common to both the prior and new contract increased by approximately 2.0% per year over the 5 years. This compares favorably to the applicable Bureau of Labor and Statistics data which indicates an increase of 2.8% per year over the same 5 year period. Plasser’s proposed rates for parts and labor were reviewed by Cost/Price Analysis Unit and deemed fair and reasonable based upon the above analysis. This contract is subject to review and approval by the New York State Office of the State Comptroller (“Comptroller”). Award of the contract cannot be made until Comptroller approval is obtained.
Schedule G: Miscellaneous Service Contracts

Item Number: 2
Vendor Name (& Location)
TEOCO (Fairfax, VA)

Description
Maintenance support for the SONET ATM Network Management System

Contract Term (Including Options, if any)
Five Years

Option(s) included in Total Amount? ☒ Yes ☐ No ☐ n/a

Procurement Type
☐ Competitive ☒ Non-competitive

Solicitation Type
☐ RFP ☐ Bid ☒ Other: Non-Competitive Sole Source

Contract Number
RFQ. 25815

Renewal?
☐ Yes ☒ No

Total Amount:
$9,545,000 (Est.)

Funding Source
☒ Operating ☐ Capital ☐ Federal ☐ Other:

Requesting Dept/Div & Dept/Div Head Name:
Department of Subways, Carmen Bianco

Discussion:

This contract will provide maintenance support for the SONET ATM Network Management System (NMS).

In August 2000, the Board approved the award of competitively negotiated Contract No. W-32648 for Phase I of a SONET/ATM Communications Network System (SACNS) to Siemens Transportation Systems, Inc./Transit Technologies (JV) to design, furnish and install a SONET network, which would transmit all Asynchronous Transfer Mode (ATM) switch traffic from passenger stations in Sub-division “A”. Subsequently in December 2004, the Board approved the award of competitively negotiated Contract No. Contract W-32652 to the JV for SACNS Phase 2 to provide the ATM switch and ancillary equipment required to complete the SACNS network for passenger stations in Sub-division “B”. In both phases, the existing fiber optic cable was extended into each passenger station’s communication room, which allowed for delivery of network connectivity and communications services in passenger stations. The entire SACNS network is monitored and managed from the Rail Control Center (RCC) SONET ATM Command Center using a network management system and alarm reporting system (NMS) that was furnished under Contract No. W-32652.

The company that provided the NMS as a subcontractor to the JV was TTI Telecom, which later was acquired by a company known now as TEOCO. TEOCO’s software interfaces with and monitors the entirety of network elements provided in each of the SACNS contracts. This software is the key network surveillance and management tool for the entire network. It provides the initial identification and notification of network problems in real time across the network to the RCC. In order for NYC Transit to operate, maintain and manage all of the network equipment and the various management systems, a direct management support contractor is required. TEOCO is the developer of the software and is the sole provider of software support. The criticality of this operation dictates that only TEOCO provide support because of their unique expertise in maintaining this software. Maintenance will encompass telephone and diagnostic support and software upgrades.

TEOCO submitted a proposal of $9,545,000, which is comprised of $7,670,000 for five years of basic maintenance that includes software support, remote diagnostics, one year of on-site support and training; and $1,875,000 for two software upgrade options. Board approval is requested for the entire amount to assure that any upgrade can be implemented when required. Based on a review and analysis, TEOCO’s price was found to be fair and reasonable. Software maintenance costs to monitor a network of this significance are within the market range of fair and reasonableness. This contract is subject to review and approval by the New York State Office of the State Comptroller ("Comptroller"). Award of the contract cannot be made until Comptroller approval is obtained.
I. PURPOSE / RECOMMENDATION

To request Board approval for the purchase of NYC Transit Commodity No. 12-68-2415 Tapered Roller Bearing Assembly from Bearing Distributors Inc. in the estimated amount of $999,900.

II. DISCUSSION

In May 2011, MTA HQ obtained Board approval to conduct an e-procurement pilot program with MedPricer, LLC in order to determine whether e-procurement would yield substantial cost savings by reducing both the prices paid for purchases of goods and services as well as the administrative costs of procurements. E-procurement is a competitive process for soliciting and receiving bids electronically in real time online with vendors competing for a procurement, and then awarding a contract. Under this e-procurement pilot program, MTA agencies using e-procurement software will award a limited number of procurements that, in the case of goods, otherwise would have been awarded by traditional sealed competitive bidding. The pilot program procurements are being conducted pursuant to subdivision 9(f) of PALS 1209. Accordingly, the proposed final award of each of the pilot e-procurement solicitations will be submitted to the Board for approval.

NYC Transit identified this tapered roller bearing assembly as a candidate for the e-procurement pilot program. This item was chosen because it was determined that there were multiple suppliers that would participate in this competitive solicitation process. This tapered roller bearing is used on the high speed pinion shaft for Westinghouse and General Electric gear units. The Division of Car Equipment requires this item for Scheduled Maintenance System and regular maintenance requirements for various NYC Transit subway car fleets throughout the system. The e-procurement was conducted on April 24, 2012. The solicitation was evaluated strictly on price. The results of this e-procurement are as follows:

<table>
<thead>
<tr>
<th>VENDOR/CONTRACTOR</th>
<th>ADDRESS</th>
<th>CITY &amp; STATE</th>
<th>QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL COST</th>
<th>TERM S</th>
<th>FOB</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bearing Distributors Inc.</td>
<td>Stratford, CT</td>
<td></td>
<td>9,000</td>
<td>$113.20</td>
<td>$1,018,800.00</td>
<td>Net 30</td>
<td>Delivered</td>
</tr>
<tr>
<td>2. Jamaica Bearings Co. Inc.</td>
<td>New Hyde Park, NY</td>
<td></td>
<td>9,000</td>
<td>$117.85</td>
<td>$1,060,650.00</td>
<td>Net 30</td>
<td>Delivered</td>
</tr>
<tr>
<td>3. Munic Transit Supply</td>
<td>Munice, IN</td>
<td></td>
<td>9,000</td>
<td>$125.26</td>
<td>$1,127,340.00</td>
<td>Net 30</td>
<td>Delivered</td>
</tr>
</tbody>
</table>

This item is on NYC Transit Qualified Products List (QPL) and all three vendors quoted on an approved product manufactured by Timken.

The pricing submitted from Bearing Distributors Inc. (BDI) through the e-procurement process was 8.3% higher than the previous contract awarded in March 2011. Due to the price increase from the previous procurement, NYC Transit reviewed the PPI for Tapered Roller Bearings and it revealed a 5.8% increase since the previous procurement was awarded. A market survey of all the participants was performed after the e-procurement was conducted. The results of this survey revealed that lower pricing would have been received had this requirement been conducted as a standard competitive sealed bid. The terms of the solicitation required the awardee to pay 1.5% of the awarded price to MedPricer as an administrative fee. The vendors that participated in the e-procurement indicated that they had increased their bid prices by 1.5% to compensate for the administrative fee.

- 92 -
In an attempt to obtain reduced pricing, NYC Transit was able to have MedPricer waive its fee and proceed without utilizing the e-procurement process. Subsequently, all three of the aforementioned vendors were requested to submit revised final prices. The results of this revised pricing request are as follows:

<table>
<thead>
<tr>
<th>VENDOR/CONTRACTOR</th>
<th>ADDRESS</th>
<th>QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL COST</th>
<th>TERMS</th>
<th>FOB</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bearing Distributors Inc.</td>
<td>Stratford, CT</td>
<td>9,000</td>
<td>$111.10</td>
<td>$999,900</td>
<td>Net 30</td>
<td>Delivered</td>
</tr>
<tr>
<td>2. Jamaica Bearings Co. Inc.</td>
<td>New Hyde Park, NY</td>
<td>9,000</td>
<td>$118.97</td>
<td>$1,070,730</td>
<td>Net 30</td>
<td>Delivered</td>
</tr>
<tr>
<td>3. Muncie Transit Supply</td>
<td>Muncie, IN</td>
<td>9,000</td>
<td>$123.41</td>
<td>$1,110,690</td>
<td>Net 30</td>
<td>Delivered</td>
</tr>
</tbody>
</table>

This effort resulted in a unit price reduction of $2.10 or 1.89% from the pricing initially offered by BDI in response to this e-procurement, for a total savings of $18,900.

This is an Estimated Quantity Contract being awarded to BDI. Delivery begins 90 days after receipt of an order from NYC Transit. The resulting Estimated Quantity Contract will be in effect for 15 months from the date of the award without limitations on the quantity of orders or the total amount expended and will require BDI to deliver various quantities within 14 days from issuance of a release purchase order. NYC Transit is not obligated to accept any or all of the Estimated Quantity Contract.

Procurement has found the price offered to be fair and reasonable based upon adequate price competition. Having evaluated all the available facts, Procurement finds BDI to be responsible.

It is recommended that the award be made to BDI in the total dollar amount of $999,900 in accordance with the terms of the MTA NYC Transit Estimated Quantity Contract.

III. D/M/WBE INFORMATION
There are no D/M/WBE goals required for this procurement.

IV. IMPACT ON FUNDING
Funds for the procurement of this inventory commodity item are available through NYC Transit's operating budget. The resulting contract is a non-obligatory, estimated quantity contract. As a result, any changes in the operating budget or forecast will not impose any unforeseen expenditures upon NYC Transit.

V. ALTERNATIVES
Cancel the solicitation and re-solicit using traditional competitive bidding procedures. This is not recommended because NYC Transit has an immediate requirement for this item. Additionally, re-soliciting this item may not result in the most favorable pricing since NYC Transit has already received the best pricing.
**Schedule I: Modifications to Purchase and Public Work Contracts**

<table>
<thead>
<tr>
<th>Vendor Name (&amp; Location)</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Optum Rx, Inc. (Irvine, CA)</td>
<td>0819983</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Option(s) Included In Total Amount?</th>
<th>Yes</th>
<th>No</th>
<th>n/a</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement Type</td>
<td>☑ Competitive</td>
<td>☐ Non-competitive</td>
<td></td>
</tr>
<tr>
<td>Solicitation Type</td>
<td>☐ RFP</td>
<td>☑ Bid</td>
<td>☑ Other: Modification</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>☑ Operating</th>
<th>☐ Capital</th>
<th>☐ Federal</th>
<th>☐ Other:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td>Division of Human Resources, Dawn Pinnock</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Original Amount:</td>
<td>$ 490,000,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prior Modifications:</td>
<td>$ 0</td>
<td></td>
<td></td>
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<tr>
<td>Prior Budgetary Increases:</td>
<td>$ 0</td>
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<tr>
<td>Current Amount:</td>
<td>$ 490,000,000</td>
<td></td>
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<tr>
<td>This Request:</td>
<td>$ 250,000,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of This Request to Current Amount:</td>
<td>51.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Modifications (Including This Request) to Original Amount:</td>
<td>51.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Discussion:**

This modification is to extend the contract term for 16 months from September 1, 2012 through December 31, 2013.

In June 2009, the Board approved a three year contract in the estimated amount of $490,000,000 to Innoviant, Inc., now known as Optum Rx, Inc., for pharmacy benefits management (PBM) services. Under the contract, Optum Rx, a wholly owned subsidiary of UnitedHealth Group, performs PBM services for members of Transport Workers Union Local 100 (TWU), Amalgamated Transit Union (ATU) Locals 726 and 1036, Subway Surface Supervisors Association (SSSA), Transit Supervisory Organization (TSO), Local 106 and the MTA Bus Company. The services include paying claims from dispensing pharmacies on behalf of members and administering a mail fulfillment order drug program. The projected annual expenditure with Optum Rx for their services is approximately $190,000,000, wherein approximately 90% is for the cost of prescription drugs and 10% are fees for administration and dispensing of prescription drugs.

Since the provision of employee benefits is subject to ongoing collective bargaining, the parameters of a new pharmacy benefits plan are not certain. A finalized benefit plan is preferred in order to solicit a new contract via RFP. As the PBM services must continue without interruption, there is no alternative than to continue to have Optum Rx provide these services in order to ensure that the members have uninterrupted prescription drug coverage. NYC Transit has budgeted $250,000,000 to extend the current contract with Optum Rx for 16 months. The extension also includes an option for up to 12 additional months and $200 million. Separate authorization will be sought prior to exercise of this option.

For this extension, Optum Rx proposed to change the pricing model from transparent, which is based on a “pass through” of costs, to traditional, which includes fixed discounts and dispensing fees. Based on a benchmarking analysis conducted by AON Hewitt Benefits Consultant for clients of similar size and plan design, the traditional pricing model offered by Optum Rx may result in savings to NYC Transit. However, these projections and pricing methods, including past pricing validation, must be completed prior to a new pricing structure being agreed upon. Additionally, it is anticipated that the extension will provide sufficient time for NYC Transit to conduct a competitive RFP in order to evaluate the cost of various prescription drug benefit plans and their fee structures, and to be able to award a contract that is both competitive and cost effective.
Discussion:

These retroactive modifications are for various changes needed to complete this security project.

This contract is for the furnishing, installation, wiring and testing of video cabinets and fiber optic distribution panels in eighteen communication rooms in under river tunnels (URT). It also is for the furnishing, installation and integration testing of cameras, infrared spotlights, card readers, intercoms, intrusion detection systems in the URTs and the communications rooms.

Pursuant to the Emergency Declaration relating to security issues, MTACC solicited and awarded this contract to complete work left unfinished by Lockheed Martin Transportation & Security Systems (Lockheed Martin) after its termination for default of the Integrated Electronic Security System (IESSS/C3) contract. This contract is for the completion of URT Package #1 of the IESS/C3 system. NYC Transit assumed responsibility for managing this contract and will design, solicit, award and manage a future contract for the completion of combined URT Packages #2 #3. Substantial completion of the original contract work is currently forecast for November 30, 2012. A future modification will provide an extension of time.

Modification No. 1
In connection with the default proceedings, Lockheed Martin prepared drawings and documents which detailed work accomplished and remaining work. MTACC awarded this contract based upon those drawings and documents. As work progressed, it became apparent that the Lockheed Martin drawings and documents were inaccurate with respect to 14 of the 18 communications rooms. A post-award field survey was undertaken to develop the scope of work of this retroactive modification which primarily consists of extending conduit and cable which Lockheed Martin ended outside the communication rooms, but needs to be brought into the rooms; it also includes furnishing ancillary equipment in the rooms. The work primarily is performed at night and on weekends. The contractor submitted a cost proposal in the amount of $2,396,951; NYC Transit’s estimate was $757,828. Following extensive scope clarification meetings, negotiations resulted in the agreed upon lump sum price of $830,000, which was found to be fair and reasonable. Savings of $1,566,951 were achieved. On March 21, 2012, the SVP/Chief Engineer signed a retroactive waiver; the contractor was directed to proceed on March 26, 2012, to mitigate delay.

Modification No. 3
The security access control and monitoring systems are supported by communications rooms at the ends of the URTs. The existing power plants in those communications rooms pre-dated the IESS project. NYC Transit previously upgraded the power plant in one room, by a modification to the Siemens ATM-B contract. This retroactive modification will cover the furnishing and installation of power plant equipment for the other 17 communications rooms. The contractor submitted a cost proposal in the amount of $2,367,147; NYC Transit’s estimate was $1,460,600. Negotiations resulted in an agreed upon lump sum price of $1,590,000, which was found to be fair and reasonable. The SVP/Chief Engineer signed a retroactive waiver and the contractor was directed to proceed the same day, to mitigate delay.
Schedule K: Ratification of Completed Procurement Actions

Item Number: 3
Vendor Name & Location: Louis T. Klauder and Associates (Ambler, PA)
Description: Provide consulting services for new and converted CBTC-ready subway cars
Contract Term (including Options, if any): September 9, 2009 – September 8, 2013
Option(s) included in Total Amount? □ Yes □ No □ n/a
Procurement Type □ Competitive □ Non-competitive
Solicitation Type □ RFP □ Bid □ Other: Negotiation
Funding Source □ Operating □ Capital □ Federal □ Other:
Requesting Dept/Div & Dept/Div Head Name: Department of Subways, Carmen Bianco
Contract Number: CM-1385
AWO/Modification #: 3

| Original Amount: | $ 5,911,800 |
| Prior Modifications: | $ 0 |
| Prior Budgetary Increases: | $ 0 |
| Current Amount: | $ 5,911,800 |
| This Request: | $ 21,427,113 |
| % of This Request to Current Amount: | 262.4% |
| % of Modifications (including This Request) to Total Amount: | 262.4% |

Discussion:

This retroactive modification will exercise a revised option to provide consulting services associated with car procurement Contract R-34188 and will extend the term of Contract CM-1385 for an additional six years from September 9, 2013 through September 8, 2019, add an additional sub-consultant, and address scope of work changes made as a result of the award of the option to car procurement Contract R-34188. In March 2012 LTK was directed to proceed with a portion of the work covered by this modification.

In July 2009, Board approval was obtained to award this non-competitive sole source contract to Louis T. Klauder and Associates (LTK) to provide consulting services relating to new and converted Communication Based Train Control-ready (CBTC-ready) subway cars under Contract R-34188 with Kawasaki Rail Car, Inc. (Kawasaki). Under this modification, LTK will continue to provide consulting services for 103 new and 370 converted cars to match the revised mix of new and converted cars provided for under the December 2011 exercise of the option for the R-34188 car procurement contract.

Under the base contract for Contract CM-1385, LTK provides consulting services described herein for 23 new and 10 converted subway cars for a term of four years. The agreement also included an option for additional consulting services related to an additional 473 cars in the amount of $17,112,903, predicated on the quantities of 163 new and 310 converted cars. However, when the option was exercised for the R-34188 car procurement contract in December 2011 and the number of new and converted cars restructured to 103 new cars and 370 converted cars, it became necessary to modify this Contract CM-1385 to match the number of new and converted cars pursuant to the modified Contract R-34188. Additionally, this modification is necessary due to substantive changes to the work scope of the R-34188 option (whereby all conversion work would be performed solely by Kawasaki at its Yokohama facility instead of the original split effort whereby the non-cab cars would have been converted jointly with NYC Transit personnel at the 207 St. Overhaul Shop), changes in the delivery schedule, the restructuring of the number of new and converted cars for Contract R-34188, and LTK’s offering as a cost saving measure, to add YTT International (YTT), a per diem consultant in Japan, to conduct pre-shipment inspections of components in lieu of LTK performing this function with its own staff. The award of the modification to Kawasaki for the option cars yielded savings of approximately $46M. The award of this modification to LTK will support those efforts.

This modification will retain LTK’s services beyond Kawasaki’s completion of deliveries of all new and converted cars under Contract R-34188 through and including the warranty period and contract close-out period.

It became necessary for LTK to commence certain work that falls within the scope of this modification (primarily for pre-shipment inspections of new car components for the R-34188 Option in Japan) prior to obtaining Board approval to award this modification. LTK was directed to proceed with that limited scope of work; therefore, this modification approval is retroactive.

LTK’s proposal for this Modification No. 3 is based on labor rates for LTK staff and YTT staff that are 5.7% and 30.0% respectively lower than the contractually allowable rates originally contained in the Contract. Based on the above, LTK’s Proposal price is considered fair and reasonable.
Schedule K: Ratification of Completed Procurement Actions

Item Number: 1

Vendor Name (& Location)
Judlau Contracting, Inc. (College Point, NY)

Description
Restoration of the Historic Corbin Building

Contract Term (including Options, if any)
February 19, 2010 – December 18, 2012

Option(s) Included in Total Amount? ☑ Yes ☐ No ☐ n/a

Procurement Type ☑ Competitive ☐ Non-competitive

Solicitation Type ☑ RFP ☐ Bid ☐ Other: Modification

Funding Source ☑ Capital ☐ Federal ☐ Other:

Requesting Dept/Div & Dept/Div Head Name:
MTA Capital Construction, Dr. Michael Horodniceanu

Contract Number
A-36126

AWO/Modification #
86

Original Amount: $ 59,210,000
Prior Modifications: $ 3,995,431
Prior Budgetary Increases: $ 0
Current Amount: $ 63,205,431

This Request: $ 555,000

% of This Request to Current Amount: 0.9%
% of Modifications (Including This Request) to Original Amount: 7.7%

Discussion:

This retroactive modification is for restoration of the wood window panels within the historical Corbin Building.

This contract is for the restoration of the historical Corbin Building which is on the National Register of Historic Places.

After the demolition of the interiors of the Corbin building, it was discovered that the wood panels which surround certain windows, predominantly on the second and third floors, had not been accounted for because the panels were either missing or covered by drywall. As such, the original contract documents did not address the restoration or replication of these elements. The State Historic Preservation Office (SHPO) has recommended that these wood panels be preserved, restored or replicated.

This modification is for the wood panel restoration of approximately 25 windows; replication, with new wood panels for 5 of these windows; and miscellaneous wood repairs to various other window surrounds as required. The windows are 6 x 8 feet each and cover 1,200 square feet in total, and include outer, intermediate and inner wooden sections. A retroactive waiver was approved by the MTACC President on May 2, 2012; the contractor was directed to proceed on May 15, 2012.

The contractor’s proposal was $792,627; MTACC’s estimate was $529,233. Negotiations resulted in the agreed upon lump sum price of $555,000, which is considered fair and reasonable. Savings of $237,627 were achieved.

- 97 -
### Schedule K: Ratification of Completed Procurement Actions

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<td>Vendor Name (&amp; Location)</td>
<td>Plaza Schiavone, JV (New York, NY)</td>
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<td>Description</td>
<td>Fulton Street Transit Center Enclosure</td>
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<td>Contract Term (Including Options, If any)</td>
<td>August 5, 2010 – February 4, 2014</td>
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<tr>
<td>Option(s) included in Total Amount?</td>
<td>☑ Yes ☐ No ☐ n/a</td>
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<td>☑ Operating ☐ Capital ☐ Federal ☐ Other:</td>
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<td>MTA Capital Construction, Dr. Michael Horodniceanu</td>
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<tr>
<td>A-38125</td>
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| Original Amount: | $175,988,000 |
| Prior Modifications: | $7,859,539 |
| Prior Budgetary Increases: | $0 |
| Current Amount: | $183,847,539 |

| This Request: | $1,908,000 |
| % of This Request to Current Amount: | 1.0% |
| % of Modifications (including This Request) to Original Amount: | 5.5% |

**Discussion:**

This retroactive modification is for changes to the radio system. To avoid schedule impact, this work had to continue without delay. Consequently, the MTACC President approved a retroactive waiver and the Contractor was directed to proceed with the work in March 2012.

This contract is for the construction of the Fulton Center Enclosure.

The original contract included a performance specification for the installation of the Fulton Center Radio System that had not been approved by NYC Transit Communications Engineering. Instead of delaying the bid opening of this contract to address NYC Transit issues with the specifications, MTACC elected to award the contract as scheduled and address any required revisions to the radio system by modification. This modification introduces a channelized system which provides filtering capabilities to ensure strong and clear reception across all channels to better address the unique Fulton Center environment which consists of a mixture of open above ground, glass-enclosed Transit Center building open to off air NYC Radio; and five underground stations with wide underground connecting corridors.

The contractor submitted a proposal in the amount of $4,369,141; MTACC’s estimate was $1,852,270. Negotiations resulted in the agreed upon lump sum price of $1,908,000, which is considered fair and reasonable. Savings of $55,730 were achieved.
Schedule K: Ratification of Completed Procurement Actions

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<td>Skanska/Railworks Joint Venture (New York, NY)</td>
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<td>Furnishing and Installing Finishes and Systems – No. 7 Line Extension</td>
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<td>Contract Term (Including Options, if any)</td>
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<td>August 10, 2011- June 9, 2014</td>
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<td>% of This Request to Current Amount:</td>
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<tr>
<td>% of Modifications (including This Request) to Original Amount:</td>
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Discussion:

This modification is for the construction of a retaining wall at Site J. Funding for this modification is provided by the Hudson Yards Development Corporation (HYDC).

This contract covers the entire No. 7 Line extension which runs from Times Square to Site A at 26th Street and 11th Avenue and includes the furnishing and installation of finishes and systems including elevators and escalators; HVAC, tunnel ventilation and fire protection; plumbing, electrical power and lighting; signal, communications and traction power systems; and track work. The work also includes construction of the ventilation building at Site A.

HYDC requires the construction of a retaining wall east of the Site J Station Building with the space between the retaining wall and building to be filled up to street grade in order to create the structure for the new Hudson Boulevard between 33rd and 34th Streets. This retaining wall is required because of the change in elevation from 33rd Street to 34th Street. It was originally intended that HYDC would hire a separate contractor to perform this work. However, since the work area abuts Site J and occupies the main access point for Contracts C-26510 (Site J Core & Shell) and C-26505 (Systems and Finishes) and in order to avoid having an HYDC contractor occupy this area and potentially impact either of these two contracts, MTACC agreed to perform the work as part of the No. 7 Line finishes and systems contract instead of contracting separately.

This modification is for the construction of a concrete retaining wall that is approximately 250' in length, a height that varies from 15' to 22' and a width that varies from 14'' to 24''. Work includes excavation, support of excavation, reinforced concrete and surface restoration.

The contractor's proposal was $2,441,929; MTACC's estimate was $1,968,327. Following negotiations, the price of $2,100,000 was agreed upon and is considered fair and reasonable. Savings of $341,929 were achieved.
PROCUREMENTS

The Procurement Agenda this month includes 4 procurement actions for a proposed expenditure of $41.31M.
Staff Summary

Subject:
Requests for Authorization to Award Various Procurements

Department:
MTA Bus Company/NYCT Department of Buses

Department Head Name:
Thomas Del Sorbo

Department Head Signature:
Thoma Del Socio

Project Manager Name:
James P. Curry

Date:
July 16, 2012

Vendor Name:
N/A

Contract Number:
N/A

Contract Manager Name:
N/A

Table of Contents Ref #:

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Board Action

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Internal Approvals

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PURPOSE:
To obtain (i) approval of the Board to award various contracts/contract modifications and purchase orders, as reviewed by the MTA Bus Operations Committee, and (ii) ratification of the procurements listed below.

DISCUSSION:

MTA Bus Company proposes to award Non-Competitive procurements in the following categories:

Procurements Requiring Majority Vote

Schedule E: Miscellaneous Procurement Contracts

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NYC Transit Department of Buses proposes to award Non-Competitive procurements in the following categories:

Procurements Requiring Majority Vote

Schedule I: Budget Adjustments to Estimated Quantity Contracts

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Total Non-Competitive Procurements

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MTA Bus Company proposes to award Competitive procurements in the following categories:

None

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

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<td>Schedule K: Ratifications of Completed Procurement Actions (Involving Schedules E-J)</td>
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NYC Transit Department of Buses seeks Ratifications in the following categories:

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- 102 -
BOARD RESOLUTION

WHEREAS, in accordance with Section § 1265-a and § 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 requests 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 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 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 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.

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.

7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.
LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

E. Miscellaneous Procurement Contracts
   
   (Staff Summaries required for all items greater than: $100K Sole Source; 250K Other Non-Competitive; $1M
   Competitive)

1. Cummins Corporation
   
   Contract No. 29645 $77,539.08 (NTE)  Staff Summary Attached

   In-service evaluation project to convert one hybrid electric bus to a diesel engine only application.
I. **Budget Adjustments to Estimated Quantity Contracts**

(Expenditures which are anticipated to exceed the lesser of $250,000 or $50,000 in the event such expenditures exceed 15% of the adjusted contract budget, including any contract modifications.)

1. **Corporate Transportation Group, Ltd.**
   - **Contract #10I.0373**
   - **January 13, 2011- January 12, 2013**
   - **Original Amount:** $49,208,816
   - **Prior Modifications:** $0
   - **Prior Budgetary Increases:** $0
   - **Current Amount:** $49,208,816
   - **This Request:** $37,686,941

   **% of This Request to Current Amount:** 66.4%

   **% of Mods/Budget Adjustments (including This Request) to Original Amount:** 66.4%

**Discussion:**

This budget adjustment will add additional funding to Contract #10I.0373 to provide continued Broker-based car services for Paratransit’s Access-A-Ride (AAR) customers through the end of the contract term, January 12, 2013. Contract #10I.0373 is a two-year test-and-evaluation pilot initiative that utilizes one Contractor to schedule and dispatch pre-arranged trips for Paratransit’s ambulatory passengers through a non-dedicated subcontractor network of livery and black car service providers.

The purpose of the pilot initiative is to test and evaluate the concept that the Broker model could provide the vehicle capacity to perform a high volume of trips without compromising the quality of service. The use of a non-dedicated service provides a cost benefit to NYC Transit in that Paratransit does not bear the direct responsibility for maintenance and operating costs, as is the case with the dedicated Primary service for Paratransit. The pilot initiative offers pricing that is on average 39% lower than the current average cost-per-trip of $53 for dedicated Primary service. The current average cost-per-trip for Broker trips is $32.

Following Board approval in December 2010, the pilot was awarded to Corporate Transportation Group, Ltd. (CTG) in January 2011 as a test-and-evaluation procurement for an estimated amount of $49,208,816. The initial mobilization plan for the pilot proposed an incremental roll out of trips, starting with 250 trips per day and ramping up to 5,000 trips per week day and 2,500 trips per weekend day (Saturdays and Sundays) by month 22 of the contract. CTG’s in-house fleet of vehicles, existing network of service providers, and advanced dispatch and reservation system, however, provided the capacity for an accelerated ramp up of trips, allowing CTG to reach service levels of 5,000 trips per week day and 3,150 trips per weekend day by January 2012, nine months earlier than anticipated. Additionally, Paratransit expects to ramp up the trip volume to 7,500 trips per week day and 4,300 trips per weekend day beginning August 2012 through the end of the contract term.

This budget adjustment is required to cover the funding shortfall that resulted from the accelerated ramp-up of completed trips, the projected increase in trip volume that will continue through the end of the contract term, and the underestimating of the cost-per-trip, which was originally estimated at $30.51. Continuing Broker-based car service under this pilot at the newly projected trip volumes also affords Paratransit the opportunity to further develop and streamline the operation, as a new procurement for a long-term replacement contract for Broker-based car services is already in progress.

This pilot has enabled Paratransit to achieve an estimated savings of $18,643,998 through May 2012. The $13,213,147 remaining in the contract coupled with the additional funding provided through the approval of this budget adjustment for $32,686,941 will provide the opportunity to save an additional $22,727,340 through the end of the contract term. Procurement requested a price concession and successfully secured a $1.00 rate discount for select intraborough trips in the Bronx, Brooklyn and Queens. The pricing for this contract is considered fair and reasonable.
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 or durational threshold required for Board approval.)

2. First Transit, Inc.  $8,431,779 (Est.)  Staff Summary Attached
   Contract #03A8610.5
   Modification to the contract to provide staff to maintain and operate the Paratransit Call Center, in order to extend the contract term for up to four additional months.
LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

K. Ratifications of Completed Procurement Actions (Involving Schedules E-J)
   (Staff Summaries required for unusually large or complex items which otherwise would require Board approval)

1. Infor Global Solutions Inc., USA  $114,000.16 (est.)  Staff Summary Attached
   Contract No. MPN121270

   Maintenance and support services for Smartstream (GEAC) payroll and human resources system for MTA Bus Company (MTABC).
**LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

E. **Miscellaneous Procurement Contracts**

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location)</strong></td>
<td>Cummins Corporation</td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>Convert one hybrid electric bus to diesel for in-service evaluation</td>
</tr>
<tr>
<td><strong>Contract Term (including Options, if any)</strong></td>
<td>Three years</td>
</tr>
<tr>
<td><strong>Option(s) included in Total Amount?</strong></td>
<td>☐ Yes ☐ No ☒ n/a</td>
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<tr>
<td><strong>Procurement Type</strong></td>
<td>☒ Non-competitive</td>
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<tr>
<td>** Solicitation Type**</td>
<td>☒ RFP ☐ Bid ☐ Other:</td>
</tr>
<tr>
<td><strong>Contract Number</strong></td>
<td>#29645</td>
</tr>
<tr>
<td><strong>Renewal?</strong></td>
<td>☒ Yes ☐ No</td>
</tr>
<tr>
<td><strong>Funding Source</strong></td>
<td>☒ Operating ☐ Capital ☐ Federal ☐ Other:</td>
</tr>
<tr>
<td><strong>Requesting Dept/Div &amp; Dept/Div Head Name:</strong></td>
<td>Henry Sullivan , Chief Maintenance Officer</td>
</tr>
<tr>
<td><strong>Total Amount:</strong></td>
<td>$77,539.08</td>
</tr>
</tbody>
</table>

**Discussion:**

It is requested that the Board declare competitive bidding impractical or inappropriate and approve an award to Cummins Corporation in the amount of $77,539.08 for MTA Bus to conduct an in-service evaluation of the technological process to convert one diesel/hybrid bus to a diesel engine only application, consistent with EPA regulations.

MTA Bus Company (MTABC) and the New York City Transit’s Department of Buses [DOB] operate a total of 1,677 Orion VII diesel/hybrid electric buses (389 MTABC and 1,288 DOB). These Orion buses utilize an expensive, modern hybrid propulsion system that is manufactured by BAE. As the fleet of the hybrid buses has aged, both agencies fleet of hybrids have experienced a higher failure rate of the four major components: traction motor, traction generator, batteries and propulsion control system (PCS).

Hybrid bus statistics to date indicate that they provide better fuel economy in traffic congested areas where frequent stopping and starting occurs in bus service. MTABC service for local buses is entirely based in the boroughs (primarily Brooklyn and Queens) where the average bus speed is higher. The higher speed operating profile significantly reduces the fuel economy advantage of hybrid buses and results in higher maintenance costs to operate hybrid buses in service.

This bus will have improved EPA emissions due to the installation of an EPA compliant 2007 engine that is replacing the factory equipped EPA compliant 2004 engine. This is an important consideration for the bus fleet in light of the MTA’s commitment to reduce bus emissions and utilize clean fuel technologies. The MTABC fleet of hybrid buses, which were first placed into service in 2006, represents the most likely opportunity for a potential hybrid conversion to a conventional diesel propulsion system. The in-service evaluation of an MTABC hybrid bus will form the basis for determining if a conversion from hybrid electric to diesel propulsion can be successful from both a maintenance and return on investment perspective within the remaining bus life cycle, given the higher speed service operation.

Since no formal work plan or bill of materials list is available for this conversion from the bus builder or the engine manufacturers, interest was sought from the bus builder and the approved engine manufacturers for participation in the project. To date, only Cummins Corporation has agreed to perform this project at a favorable cost to MTABC. Cummins has agreed to provide a fully compliant EPA engine, engine cradle, transmission, and electric cooling package at no cost to MTA Bus, and only charge for a portion of the shop and engineering labor and for the materials from Orion at a total cost of $77,539.08. This cost is below market value for this type of work.

During the six month in-service evaluation period, Buses will monitor and provide engineering support to Cummins. Buses will also simultaneously develop work processes, instructions and bills of materials, in the event that the project is
successful, which can then be used for future production based conversions. If the pilot conversion proves to be successful, funding for conversion of the 2006 and 2007 portion of the MTA B3s hybrid fleet will be initially sought.

NYC Transit, on behalf of MTABC performed a price analysis on Cummins Corporation’s proposed costs and questioned Cummins Corp’s non-engineering hourly rate. Cummins agreed to lower its hourly costs from $135 per hour to $102 per hour, which is a saving of $4,950 or 6% from their initial proposal. The overall cost has been deemed fair and reasonable and is as below market costs for this type of project.
### Schedule H: Modifications to Personal Service & Miscellaneous Contracts

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Vendor Name (&amp; Location)</th>
<th>Description</th>
<th>Contract Term (including Options, if any)</th>
<th>Option(s) included in Total Amount?</th>
<th>Procurement Type</th>
<th>Solicitation Type</th>
<th>Funding Source</th>
<th>Requesting Dept/Div &amp; Dept/Div Head Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>First Transit, Inc. (Cincinnati, OH)</td>
<td>Staffing and operation of the Paratransit Call Center</td>
<td>April 16, 2004 – November 30, 2012</td>
<td>☑ Yes ☑ No ☑ n/a</td>
<td>☑ Competitive</td>
<td>☑ RFP ☑ Bid ☑ Other: Modification</td>
<td>☑ Operating ☑ Capital ☑ Federal ☑ Other:</td>
<td>Department of Buses, Darryl C. Irick</td>
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<table>
<thead>
<tr>
<th>Contract Number</th>
<th>AWO/Modification #</th>
<th>Original Amount</th>
<th>Option Amount</th>
<th>Total Amount</th>
<th>Prior Modifications</th>
<th>Prior Budgetary Increases</th>
<th>Current Amount</th>
<th>This Request</th>
<th>% of This Request to Current Amount</th>
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<tr>
<td>03A8610</td>
<td>5</td>
<td>$103,996,442</td>
<td>$21,898,242</td>
<td>$125,494,684</td>
<td>$282,058*</td>
<td>$36,929,427</td>
<td>$162,142,053</td>
<td>$8,431,779 (Est.)</td>
<td>5.2%</td>
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</table>

#### Discussion:

This modification will extend the contract for up to an additional four months from December 1, 2012 through March 31, 2013.

This contract was competitively solicited and awarded to First Transit, Inc. (First Transit) in 2004. First Transit provides the necessary staff to operate an ADA Paratransit Call Center that includes processing trip requests through advanced Reservations, address same day service delivery issues, assist with development and issuance of daily paratransit schedules and provide customer information on trip status to Paratransit registrants on a 24-hour basis.

In 2009, Modification # 1 was awarded to exercise a contractual option to extend the contract term for two years, from June 1, 2009 through May 31, 2011. The option was exercised to ensure contractor continuity during the implementation of new efficiency measures, such as an Automatic Vehicle Location Monitoring (AVLM) system, which has been successfully accomplished; and Interactive Voice Response (IVR) technology, with an anticipated roll out of fourth quarter 2012. Modification # 2 was awarded July 2010 which memorialized the contractual changes made as a result of the Rapid Procurement Initiative negotiations implemented by the MTA in February 2010, where savings were identified in the areas of Staff, Overhead and Profit totaling $282K. In May 2011, Modification # 3 extended the contract for an additional 12 months, from June 1, 2011 through May 31, 2012, and in May 2012, Modification # 4 further extended the contract for an additional 6 months, from June 1, 2012 through November 30, 2012 to secure a sufficient amount of time to conduct a competitive solicitation for a replacement contract.

It was believed that Modifications 3 and 4 would have afforded sufficient time to solicit and review new proposals for the replacement contract, including a cost reduction initiative which included the possibility of relocating the Paratransit Call Center from its current location in Long Island City, NY to an offsite location. However, the research involved with potentially implementing an offsite facility (e.g. cost analyses, methods of staffing and operation, disaster recovery, and approach to the cutover of service with a potential new vendor, new site, or both), as well as recent changes to the in house estimate for an offsite opportunity, resulted in extended negotiations and the need to request interim proposals prior to requesting Best and Final Offers (BAFOs), in order to achieve the best value for NYC Transit. The delay in requesting BAFOs effectively pushes the anticipated Board action to a future date, leaving insufficient start up time (only 60 days) – as 90 days is the minimum required start up time for most Proposers, whether onsite or offsite. Therefore, additional time is required in order to complete the RFP. NYC Transit is requesting this Modification #5 to extend the contract for up to an additional four months, from December 1, 2012 through March 31, 2013, in the estimated amount of $8,431,779. With this extension under way, we expect to request BAFOs in the near future.

During negotiations of the previous extension agreement (awarded May 31, 2012), Procurement attempted to secure a price concession but First Transit indicated that any price reduction at that time would adversely affect its current operation, thus pricing remained firm for the extension period. The final price was found to be fair and reasonable. For this Modification #5, a price concession was requested however First Transit advised that, for the same aforementioned reason, pricing shall remain at the current rates.

- 110 -
K. Ratifications of Completed Procurement Actions

| Item Number: | 1 |
| Vendor Name (& Location) | Infor Global Solutions Inc, USA |
| Description | Licensing and Support Services for Smartstream (GEAC) System |
| Contract Term (including Options, if any) | May 1, 2012 through April 30, 2013 |
| Option(s) included in Total Amount? | ☑ Yes ☐ No ☐ n/a |
| Procurement Type | ☑ Non-competitive |
| Solicitation Type | ☑ Bid ☐ Other: |
| Contract Number | MPN121270 |
| Renewal? | ☐ Yes ☑ No |
| Funding Source | Operating ☐ Capital ☐ Federal ☑ Other: |
| Requesting Dept/Div & Dept/Div Head Name: | Patricia Courtney, MTA Bus Company |
| Total Amount | $114,000.16 |

Discussion:

It is requested that the Board formally ratify this noncompetitive miscellaneous service contract with Infor Global Solutions Inc (Infor) for a term of one year for MTA Bus Company, (MTABC) for licensing and maintenance support services from May 1, 2012 through April 30, 2013, for a total not-to-exceed price of $114,000.16. Infor is the incumbent and sole provider for an enhanced version of its proprietary SmartStream 7.0.03 System (GEAC). The GEAC system has served as MTABC’s primary payroll and human resources record keeping system since 2009, and was implemented by riding a licensing and maintenance agreement already held by Long Island Bus (LIB). In conjunction with the MTA wide initiative for the MTA Business Service Center’s (BSC) to implement a PeopleSoft ERP Payroll & Human Resources System for MTABC, this contract represents a limited scope agreement with Infor that provides application support for MTABC’s historical data retention.

MTABC, as well as New York City Transit, were originally scheduled to go “live” with BSC Payroll and Human Resources processing services on April 1, 2012. However, due to the complexity of this implementation, the new go live date was shifted to July, 2012, which was past the date that this contract was scheduled to expire. In addition, MTABC is expected to retain support of their existing payroll application for a period of time after the BSC was to begin processing payroll for data retention and warehousing of historical payroll data. At the expiration of this contract, the SmartStream applications for payroll processing and timekeeping collection purposes will no longer be required by MTABC. The time frame of this contract will permit a smooth conversion of the historical payroll and human resources data to the BSC data warehouse for future retroactive payments and human resources inquiries.

The original contract with Infor identified LIB as the primary agency for licensing and system support. Infor agreed to designate MTABC as the primary agency for software licensing and system maintenance costs in this contract contingent on retaining a single license for LIB in the final pricing. The MTABC cost for system support and licensing is $112,618.69 and the minimal LIB system support cost is $1,381.47 for this contract.

MTABC has not identified another vendor who is interested and qualified to provide services for this system. Infor has stated that its prices and rates for this scope of work are the lowest it would offer to any of its customers or governmental agencies. There are no recommended alternatives as MTABC does not possess the proprietary source
code, and cannot support the application with in-house resources. Infor's price for two separate one year sole source miscellaneous service contracts for SmartStream licensing and maintenance support services for MTABC and LIB, in an amount not-to-exceed $114,000.16 was found to be fair and reasonable.
**Staff Summary**

<table>
<thead>
<tr>
<th>Subject</th>
<th>PARKING REHABILITATION PROJECTS: RONKONKOMA GARAGE, MERILLON AVENUE, LAURELTON &amp; LAWRENCE</th>
</tr>
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<tbody>
<tr>
<td>Vendor</td>
<td>NAME</td>
</tr>
<tr>
<td>Contract Number</td>
<td></td>
</tr>
<tr>
<td>Contract Manager Name</td>
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<td>1</td>
<td>President</td>
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<td>4</td>
<td></td>
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<tr>
<td>2</td>
<td>Exec Vice President</td>
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<td>5</td>
<td></td>
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<tr>
<td>3</td>
<td>VP &amp; CFO</td>
<td>2</td>
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<td>4</td>
<td>CPC-DPM</td>
<td>1</td>
<td>7</td>
<td></td>
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</table>

**Narrative**

**Purpose:** The Long Island Rail Road (LIRR) seeks MTA Board approval to utilize $2,634,500 from the LIRR 2005-09 Capital Program for Parking and State of Good Repair (SOGR) work at four LIRR stations – Ronkonkoma, Merillon Avenue, Laurelton and Lawrence. Funding for parking projects in the 2005-09 Capital Program were made available through the NY State Transportation Bond Act of 2005. In accordance with this Bond Act, parking funds must be used for parking purposes only. These projects will be implemented through MTA’s Small Business Mentoring Program (SBMP), which allows MTA agencies to award smaller non-federally funded public works contracts to Small Business firms participating in the program. The goal of the MTA’s Mentor Program is to assist small business firms in developing tools, experience, and credit-worthiness needed to succeed in competing for larger MTA capital projects in the future.

**Discussion:** The surface lots at Merillon Avenue, Laurelton, and Lawrence have reached the end of their useful life and require rehabilitation (i.e., new asphalt surface, striping, site work, and signage). In addition, based on an independent inspection of the Ronkonkoma Parking Garage in 2010 by O&S Associates as well as an inspection by LIRR’s Engineering Department, the Garage requires rehabilitation on some of its structural elements (e.g., deck surface expansion joints, concrete stairs) as well as waterproofing and painting. A summary of the project work for each parking facility is provided below.

1. **Ronkonkoma Parking Garage**
   
   The Ronkonkoma Garage is a 5 level, 1,038 parking space facility. The SOGR work proposed for the Ronkonkoma Garage, which is a result of normal wear and tear associated with the aging and weathering of the structural steel components, includes:
   
   a. **Rehabilitation of Interior Elements: Estimated Cost $728,000:** Replace various structural items including the deck surface expansion joints, concrete stairs and stair nosing, corroded steel structural bolts, access door hardware, refurbish the plaza parapet walls, refurbish, strip and repaint the two parking garage overpass spans and three stair towers including the stair railings, stringers and the overpass canopies.
   
   b. **Painting of Steel Superstructure: Estimated Cost $1,349,000:** This portion of the Garage refurbishment will restore 80,000 sq. ft. of the perimeter steel superstructure. Painting of the superstructure steel surfaces will utilize an SP-10 surface preparation (near-white blast cleaning) followed by a three coat painting system for greatest longevity.

*The legal name of MTA Long Island Rail Road is The Long Island Rail Road Company*
2. **Merillon Avenue - Estimated Cost - $219,500**
   This 100 parking space lot, located on the north side of the Station, requires the following: installation of a new asphalt surface, striping and directional arrows, ADA parking enhancements, new guardrails, protective bollards and signage.

3. **Laurelton - Estimated Cost - $230,500**
   This 86 parking space lot, located on the north side of the Station, requires the following: installation of an asphalt surface, striping and directional arrows, ADA parking enhancements with curb cuts, replacement of curbing and sidewalk, installation of new guardrail, protective bollards and signage.

4. **Lawrence - Estimated - $48,500**
   This 10 space parking area, located on the north side of the Station, requires the following: demolition, removal and replacement of existing pavement; new striping, signage, guardrail and bollards. A separate drainage area will be excavated and re-filled with stone ballast. Although this is a heavy investment per parking spot, parking at this station is highly valued. Moreover, as a good neighbor in the community, the LIRR cannot let the area become further deteriorated.

**Impact on Funding:** This is a rehabilitation project of existing parking facilities. Any capacity increase will be the result of reconfiguration/re-striping within the existing footprints.

The MTA Parking Policy states that "financial analysis are required for SOGR projects for existing parking on land currently owned or controlled by MTA or one of its agencies; however, such projects are not necessarily expected to have a Capital Investment Ratio (CIR) of 1.0 or greater." Currently, parking fees are not charged in the three surface lots. However, once rehabilitated the LIRR intends to obtain a 3rd party operator and a parking fee structure will be implemented at each lot. As a result, the two larger lots (Merillon Avenue and Laurelton) will have a CIR of greater than 1.0. Due to the relatively small size of the Lawrence parking area (10 spaces), the CIR will be less than 1.0. With respect to Ronkonkoma Garage, there are no immediate fee increases planned as a result of this rehabilitation project. As such, the CIR will be less than 1.0 (note: parking rates at the Ronkonkoma Garage were recently increased in December 2010).

**Project Benefits:** These SOGR projects will address customer concerns by transforming currently deficient parking facilities into aesthetically pleasing and safe facilities.

**Alternatives:** There are no alternatives to bringing these parking facilities into a state of good repair. Rehabilitation of these facilities supports current and future parking needs and enhances customer safety and satisfaction at each Station.

**Recommendation:** The MTA LIRR recommends that the MTA Board approve this request to utilize $2,634,500 from the MTA LIRR 2005-2009 Capital Program for Parking/SOGR work at the Ronkonkoma, Merillon Avenue, Laurelton, and Lawrence stations.
METRO-NORTH/LONG ISLAND COMMITTEES

PROCUREMENTS FOR BOARD ACTION

JULY 23, 2012
**Subject:** Request for Authorization to Award Various Procurements

**Date:** July 9, 2012

**Department:** Law and Procurement - MTACC

**Department Head Name:** Evan M. Eisland, Sr. Vice President & General Counsel

---

**Purpose:**

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Metro-North/Long Island Committee of these procurement actions.

**Discussion:**

MNR proposes to award Non-Competitive procurements in the following categories:

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
<th># of Actions</th>
<th>$Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule A</td>
<td>Non-Competitive Purchase and Public Works Contracts</td>
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LIRR proposes to award Non-Competitive procurements in the following categories:

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
<th># of Actions</th>
<th>$Amount</th>
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</thead>
<tbody>
<tr>
<td>Schedule F</td>
<td>Personal Service Contracts</td>
<td>1</td>
<td>$242,983</td>
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<tr>
<td>Schedule J</td>
<td>Modifications to Miscellaneous Procurement Contracts</td>
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**MTACC** proposes to award Non-Competitive procurements in the following categories:

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
<th># of Actions</th>
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</thead>
</table>

**SUBTOTAL:** 3 | $740,466  |
MNR proposes to award Competitive procurements in the following categories:

<table>
<thead>
<tr>
<th>Schedules Requiring Two-Thirds Vote (or more, where noted)</th>
<th># of Actions</th>
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<tr>
<td>Schedule B: Competitive Requests for Proposals</td>
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Schedules Requiring Majority Vote

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<tr>
<th>Schedule E: Miscellaneous Procurement Contracts</th>
<th># of Actions</th>
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<tr>
<td>Schedule G: Miscellaneous Service Contracts</td>
<td>3</td>
<td>$1,506,250</td>
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SUBTOTAL: 5 $4,808,970

LIRR proposes to award Competitive Procurements in the following categories:

<table>
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<tr>
<th>Schedules Requiring Two-Thirds Vote:</th>
<th># of Actions</th>
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<tr>
<td>Schedule B: Competitive Requests for Proposals</td>
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</table>

SUBTOTAL: 1 TBD

MTACC proposes to award Competitive Procurements in the following categories:

<table>
<thead>
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<th>Schedules Requiring Majority Vote</th>
<th># of Actions</th>
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<tbody>
<tr>
<td>Schedule I: Modifications to Purchase &amp; Public Work</td>
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<td>$19,707,897</td>
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SUBTOTAL: 9 $19,707,897

MNR proposes to award Ratifications in the following categories:

<table>
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<th>Schedule K: Ratification of Completed Procurement Actions</th>
<th># of Actions</th>
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<tr>
<td></td>
<td>1</td>
<td>$78,451</td>
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SUBTOTAL: 1 $78,451

LIRR proposes to award Ratifications in the following categories:

NONE

MTACC proposes to award Ratifications in the following categories:

NONE

TOTAL: 19 $25,335,784

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 Long Island Rail Road, Metro-North Railroad and MTA Capital Construction operating and capital funds in the amount 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.)
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.
**JULY 2012**

**MTA LONG ISLAND RAIL ROAD**

**LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

*Procurements Requiring Two-Thirds Vote*

**Schedule A: Non-Competitive Purchase and Public Works Contracts**  
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive)

1. VAE Nortrak North America Inc.  
   Sole Source  
   Contract No. TBD  
   **$84,212.82**  
   Fixed Amount  
   LIRR requests MTA Board approval to award a Sole Source Contract to VAE Nortrak North America, Inc. (Nortrak) in the fixed amount of $84,212.82 for the purchase of switch plates and shoulder bolts. The switch plates and shoulder bolts will be maintained by LIRR as spares to be installed on 119RE double slip switches manufactured by Nortrak, in the event that a failure of the existing switch plates and shoulder bolts occurs. A failure would cause the switch to become inoperable and affect train movement through Jay and Hall interlocking. The applicable switches were purchased from Nortrak from 1980 to 1995 and are unique to the location due to the intersecting angles of the tracks to the switches. Nortrak is the Original Equipment Manufacturer and the sole responsible source to provide these items which must be compatible with the switches manufactured by Nortrak. LIRR has complied with the MTA All-Agency Procurement Guidelines and with PAL 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers having placed advertisements in the NYS Contract Reporter and in the NY Post. No other vendor expressed an interest in competing for this procurement. Adjusting for the changes in the price of steel as reported by the Product Price Index (PPI) the offer by Nortrak is comparable to previous purchases of similar switch plates and shoulder bolts. Further, Nortrak has certified that the prices being charged LIRR are not greater than prices charged their most favored transit customer. As a result of the above, pricing is determined to be fair and reasonable.

**Procurements Requiring Majority Vote**

**Schedule F: Personal Service Contracts**  
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive; $1M Competitive)

2. KLD Labs Incorporated  
   Sole Source  
   Contract No. TBD  
   **$242,983**  
   Not-to-Exceed  
   *Staff Summary Attached*  
   LIRR requests MTA Board approval to award a three year Sole Source Contract to KLD Labs Incorporated (KLD) in an amount not-to-exceed $242,983, to provide the following services: (i) calibration, (ii) scheduled & unscheduled maintenance and (iii) provide extended warranty coverage and required spare parts to perform non-warranty repairs for KLD’s ORIAN and Third Rail Measurement System (TRMS). ORIAN and TRMS are both critical subsystems on LIRR’s Track Geometry Vehicle (TC82) that is used to measure, record and analyze track and third rail geometry characteristics. KLD is the OEM for both systems and is the only known responsible source for these services. Funding for this contract is included in LIRR’s Operating budget.
Procurements Requiring Majority Vote

Schedule J: Modifications to Miscellaneous Procurement Contracts
(Staff Summaries required for individual change orders greater than $250K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least $50K)

3. Sybase, Inc. $413,269.70 Staff Summary Attached
Sole Source
Contract No. JT05570/C4BP03505
LIRR requests approval to award a contract modification to Sybase, Inc. (Sybase) in the amount of $413,269.70 to extend its existing contract for an additional two years through September 26, 2014 with an option for one additional year to September 26, 2015. Under this contract, Sybase provides preventive and remedial maintenance, support, and upgrades for the database product, which supports LIRR’s Train Information, Monitoring and Control System (TIMACS).
I. PURPOSE/RECOMMENDATION:

LIRR requests MTA Board approval to award a three-year Sole Source Contract to KLD Labs Incorporated (KLD) in an amount not-to-exceed $242,983, to provide the following services: (i) calibration, (ii) scheduled & unscheduled maintenance and (iii) provide extended warranty coverage and required spare parts to perform non-warranty repairs for KLD's ORIAN and Third Rail Measurement System (TRMS). ORIAN and TRMS are both critical subsystems on LIRR's Track Geometry Vehicle (TC82) that is used to measure, record and analyze track and third rail geometry characteristics.

II. DISCUSSION:

FRA guidelines and LIRR Operating Procedures require routine inspection and maintenance of track to ensure the safe operation of train movement. To achieve this, LIRR utilizes the TC82, whose subsystems must be in good working order for inspection services to be successfully performed. Should KLD's services be required, the contract specifies that they provide a response within 48 hours of being contacted by the LIRR, so as to minimize the time that the TC82 might be out of service.

KLD is the Original Equipment Manufacturer of both the ORIAN system, which is an optical/laser based rail profile measurement system and the TRMS, which measures the distance from the running rail to the third rail to ensure that appropriate distances are maintained. Both systems were developed and manufactured by KLD and are proprietary to them. Therefore, KLD is the only known responsible source for these services. Under previous contracts, KLD provided these services to the LIRR in an acceptable manner. LIRR has complied with the MTA All-Agency Procurement Guidelines and with PAL 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers having placed advertisements in the NYS Contract Reporter and in the NY Post. No other firms expressed an interest in competing for this contract.

A breakdown of the $242,983 NTE amount includes: (i) a fixed price of $200,638 for scheduled maintenance and extended warranty service for both the ORIAN and TRMS systems and (ii) an estimated cost of $42,345 for any non-warranty repairs such as damage due to equipment striking debris on the tracks. Maintenance is performed on a quarterly basis and extended warranty services are performed on an as-needed basis. Non-warranty repairs will be provided on an as required basis. KLD's price for system maintenance and extended warranty represents 1.57% annual increase over its most recent contract with LIRR. Accordingly, these prices have been determined to be fair and reasonable.
III. D/M/WBE INFORMATION:
There are no D/M/DBE goals for this solicitation.

IV. IMPACT ON FUNDING:
This contract will be funded by LIRR operating budget.

V. ALTERNATIVES:
None at this time. KLD is the Original Equipment Manufacturer who developed and manufactured both the ORIAN and TRMS subsystems, which are proprietary to them. KLD is the only known responsible source for these services.
Schedule J: Modifications to Miscellaneous Procurement Contracts

Staff Summary

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Discussion:

LIRR requests approval to award a contract modification to Sybase, Inc. (Sybase) in the amount of $413,269.70 to extend its existing contract for an additional two years through September 26, 2014 with an option for one additional year to September 26, 2015.

Under this contract, Sybase provides preventive and remedial maintenance, support, and upgrades for the database product, which supports LIRR’s Train Information, Monitoring and Control System (TIMACS). TIMACS is critical to LIRR’s operation as it captures various aspects of train movement, including train location, scheduled and actual arrival and departure times enabling LIRR to provide customers with train on-time performance information. TIMACS enables LIRR Transportation Services personnel to monitor the movement of all trains remotely through control towers, which communicate with the TIMACS Central Server, and to properly operate and route trains in an effort to optimize on-time performance, especially during peak periods. TIMACS was developed in March 1994 and was later modified in June 1994 to support Penn Station Central Control (PSCC) with the addition of Amtrak and New Jersey Transit trains that run in the joint operating territory and New Jersey towers that are west of PSCC. Monitoring trains, especially in peak periods, would be virtually impossible without the information provided by TIMACS. The initial requisition was reviewed by the BSC and no other MTA Agency expressed a need for Sybase software support at that time.

The Sybase software products and maintenance support are proprietary to Sybase, which precludes any other vendor from maintaining, providing updates and fixes to this software. Under this modification, the contract will be extended for an additional two years of services, with an option to further extend for an additional year, to allow LIRR’s Information Technology Department, in conjunction with Transportation Services to perform a joint business analysis, on-going research and future planning required for the development and rewrite of the TIMACS application. We anticipate the business analysis will take up to one year and the product development will take an additional 1 to 1.5 years. The TIMACS rewrite supports the MTA database standardization to Oracle as well as the MTA initiatives for improved operational and customer information. The TIMACS system was scheduled to be rewritten as part of the Operational Management System (OMS) in 2007, but was canceled due to budget cuts.

LIRR originally obtained the Sybase Database Licenses and software support in 1994 through a “piggyback” of the Sybase New York State Office of General Services Contract (NYSOGS). Under the terms of the NYSOGS Contract, Sybase was allowed annual uplifts of up to 8% for maintenance. Annual renewals were effectuated through the NYSOGS Contract until 2009, at which time Sybase would not renew its NYSOGS Contract. At that time, the Board authorized LIRR to enter into a sole source maintenance contract with Sybase, which was approved by the MTA Board in 2009. Under this sole source agreement, cost increases for annual maintenance renewals were limited to 5%. For this contract extension, LIRR was able to negotiate a reduction in the annual maintenance uplift from the 5% uplift to approximately 3%, representing a savings of approximately $15,000.00. The agreed-upon cost for the 3 year extension is $413,269.70, consisting of $133,493.79 for Year 1, $137,712.10 for Year 2 and $142,063.81 for Year 3. Therefore, based on the forgoing, the cost is considered fair and reasonable.

The total cost for ongoing maintenance and support is funded by LIRR’s Operating Budget.
JULY 2012

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
   Design/Build No. White Plains Parking Garage and Utility Building
   
   Request for MTA Board approval to use the RFP process to solicit and evaluate proposals from joint partnerships of Architect/Engineers and Contractors as a design/build team, to design and construct the new North White Plains Parking Garage and Utility Building.

   MNR and the Westchester County Department of Transportation identified the North White Plains Station as requiring access improvements as a means of supporting local transit needs. There is currently a parking availability shortfall at North White Plains Station and with projections of ridership growth over the next few years; additional parking will support customers who reside in the immediate White Plains area and all communities throughout Northern Westchester County.

   With the NEPA (National Environmental Policy Act) process being concluded and the FTA issuance of a Finding of No Significant Impact (FONSI), MNR proceeded with an award for the 30% design needed to issue a solicitation for a design/build contract. The 30% design has been received and evaluated and will now form the basis for the MNR solicitation and evaluation of proposals from design/build teams to: 1) construct a five story, estimated 186,000 sq. ft. Parking Garage that will provide approximately 500 parking spaces; 2) demolish and replace an existing Utility Building whose location conflicts with the new parking garage; and 3) as an option, provide approximately 1,000 sq. ft. of retail space on the ground floor of the new Parking Garage. Design/build teams will be evaluated on their technical ability, past performance, organizational resources, and cost. This procurement will be funded 100% by a Federal Congestion Mitigation/Air Quality grant.

Schedules Requiring Majority Vote:

E. Miscellaneous Procurement Contracts
   (Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive)

2. Black Box Network Services $3,302,720 (not-to-exceed)  Staff Summary Sheet Attached
   Avaya PBX Equipment Replacement/Upgrade
   Approval is requested to award a competitively solicited and negotiated (RFP process, two proposals received), miscellaneous procurement contract to design, furnish, integrate, test, commission and maintain Avaya-brand Private Branch Exchange (PBX) communication equipment.

   MNR's Private Branch Exchange (PBX) is an internal phone switch system connecting all MNR internal and external phone / communication lines. The PBX provides phone services including internal calling, access to the public telephone networks and permits low cost interconnection to other MTA properties. The
system is connected via a combination of leased high-speed data lines and Metro-North’s fiber optic system. The infrastructure consists of a variety of Avaya-brand PBX equipment with various forms of ancillary and remote communication equipment (peripheral battery systems, servers etc.) and is nearing the end of its useful life and/or has reached its maximum port and processing capacity. The infrastructure requires new and in some cases additional hardware to utilize new telephony features and added security safeguards, as well as system expansion capacity.

The upgrade/replacement systems and equipment are required at twelve MNR locations (seven in New York and five in Connecticut). To ensure uninterrupted and continued Network interoperability and compatibility, Metro-North is seeking to upgrade and replace the equipment with Avaya-brand PBX systems and equipment. The new Avaya PBX equipment is compatible with the present infrastructure and will communicate with MNR’s existing analog & digital telephone services to ensure a state of good repair for all telecommunication networks. Obtaining non-Avaya equipment would require a massive infrastructure investment to all existing sites such as rewiring of existing buildings, closets for telecom equipment, and the purchase of over 3,000 new IP phone sets.

The new Avaya equipment will support the existing infrastructure and is flexible to conform to planned new construction and space refit projects in which to migrate into voice-over-IP (VOIP). The ability to migrate to VOIP is essential and will transition MNR prior to system obsolescence as traditional digital technology is waning and VOIP is becoming the new core standard for processing telephony. Additionally, the new PBX will provide advancements in detection & alarm / event notifications.

The Selection Committee unanimously selected Black Box to provide all material, engineering, labor, installation, implementation, and on-going maintenance services for the PBX system upgrade and replacement as their proposal best demonstrated the most relevant technical knowledge and project management experience, as well as the lowest cost. Historically, PBX Systems have a useful life of ten years and accordingly, Black Box’s proposal included pricing and services to maintain the PBX system for a ten year period. Black Box is among a limited number of maintenance providers who met the required experience with MNR’s electromagnetic interference and high voltage environment. Their experience in such an environment and knowledge of our territory and telecommunication infrastructure will ensure that the PBX is maintained in a state of good repair for the life of the system.

Final negotiations with Black Box yielded a total cost reduction of $254,032 (9% from the initial proposed cost). The total not-to-exceed award will be $3,302,720 which includes the base award amount of $2,441,420 and on-going maintenance for a ten year period totaling $861,300. The total cost is 13% below the Engineer’s estimate. Funding for this procurement is as follows: 70% ($2,324,245) MNR Capital Program and 30% CDOT ($978,475).

G. Miscellaneous Service Contracts
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive; 51M RFP; No Staff Summary required if Sealed Bid Procurement.)

3. Rapid Armored Corp.-GCT & 125th St. Ticket Offices & all TVMs $1,076,250 (not-to-exceed)
Titan Armored & Courier, Inc. – State of NY Ticket Offices $344,000 (not-to-exceed)
Dunbar Armored – State of Connecticut Ticket Offices $86,000 (not-to-exceed)
Armored Car Services
Approval is requested to award three, three-year, competitively solicited service contracts (three bids received) to Rapid Armored Corp., Dunbar Armored and Titan Armored & Courier, Inc. for Armored Car services. Armored car services are required by MNR for four distinct areas: Ticket Offices in NY, Ticket Offices in CT, Ticket Vending Machines (TVMs) and at the MNR TVM Service Facility.

- 125 -
The solicitation and award was based on an all-inclusive price per pick-up applied to the estimated number of pick-ups by area. The awards are made to the low bidder for each of the four areas based on the scope of services which include armored car service for pickup and delivery of various currency, coin, checks, and associated money room services for MNR’s NYS and CT Ticket Offices, the NYS and CT TVMs and the MNR TVM Service Facility. The solicitation for potential bidders included both advertisements placed in required publications as well as direct outreach to vendors known to provide this type of service.

The awardees for each of the four areas outlined are as follows: a) Rapid Armored Corp. will service the TVMs in NYS and CT and GCT and 125th St. Station, b) Titan Armored & Courier, Inc. will service the NYS Ticket Offices (excluding GCT & 125th St. Station) and the TVM Service Facility and c) Dunbar Armored will service the CT Ticket Offices. All three intended awardee firms possess the necessary resources, technical expertise and capacity required to fulfill MNR’s requirements. A comparison of bid prices to be paid in the new contracts to the prices paid in the present contracts reflect no overall increase and will be fixed during the three year term of the contract (August 2012 - July 2015). The competitively solicited pricing received for these contracts has been deemed fair and reasonable. The total not-to-exceed amount of these three contracts is $1,506,250. This procurement is to be funded by the MNR Operating Budget.
Staff Summary

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SUMMARY INFORMATION

Vendor Name
TBD

Contract Number
14632

Description
Request to use the RFP Process- Design/Build a new NWP Parking Garage and Utility Building

Total Amount
TBD

Contract Term (including Options, if any)
Twenty-four months

Option(s) included in Total Amount?
☒ Yes ☐ No

Renewal?
☐ Yes ☒ No

Procurement Type
☒ Competitive ☐ Non-competitive

Solicitation Type
☒ RFP ☒ Bid ☐ Other:

Funding Source
☒ Operating ☐ Capital ☒ Federal ☐ Other:

I. PURPOSE & RECOMMENDATION:
To obtain MTA Board approval to use the RFP process to solicit and evaluate proposals from prospective joint partnerships of Architect/Engineers and Contractors as a design/build team, to design and construct the new North White Plains Parking Garage and Utility Building.

II. BACKGROUND & DISCUSSION:
MNR and the Westchester County Department of Transportation identified the North White Plains Station as requiring access improvements as a means of supporting local transit needs. There is currently a parking availability shortfall at North White Plains Station and with projections of ridership growth over the next few years; additional parking will support customers who reside in the immediate White Plains area and all communities throughout Northern Westchester County.

With the NEPA (National Environmental Policy Act) process being concluded and FTA issuance of a Finding of No Significant Impact (FONSI), MNR proceeded with an award for the 30% design needed to issue a solicitation for a design/build contract. Using the RFP process, MNR will retain the services of a design/build team to construct a five story, estimated 186,000 sq. ft., Parking Garage that will provide approximately 500 parking spaces. There will be an option for the provision of approximately 1,000 sq. ft. of retail space on the ground floor of the Parking Garage. Additionally, the project scope includes the demolition and replacement of an existing Utility Building whose location conflicts with the new parking garage. The general scope of work includes: (1) preparation of the 100% complete design details; (2) site demolition and preparation, including environmental abatement, if required; (3) utility and traffic signal modifications; and (3) construction of the Parking Garage and new Utility Building. The use of the RFP process will facilitate an assessment of the design/build team's technical ability, past performance, organizational resources, and cost.

III. D/M/WBE INFORMATION:
TBD

IV. IMPACT ON FUNDING:
The funding for this contract will be covered 100% by a Federal Congestion Mitigation/Air Quality (CMAQ) grant.

V. ALTERNATIVES:
MNR does not have the available in-house design or construction ability to complete the scope of the specified work.
I. PURPOSE/RECOMMENDATION:

Approval is requested to award a competitively solicited and negotiated (RFP process, two proposals received), miscellaneous procurement contract to design, furnish, integrate, test, and commission Avaya-brand Private Branch Exchange (PBX) communication equipment. The upgrade/replacement systems and equipment is required throughout twelve MNR locations (seven in New York and five in Connecticut).

The total contract to be awarded to Black Box Network Solutions, Inc. ("Black Box") is not-to-exceed $3,302,720 over a twelve year period (one-year staged delivery and implementation for all twelve locations, one-year warranty, and ten years of remedial and preventative maintenance).

II. DISCUSSION:

Background

The MNR Private Branch Exchange (PBX) is an internal phone switch system connecting all MNR internal and external phone/communication lines. The PBX provides phone services including internal calling, access to the public telephone networks and permits low cost interconnection to other MTA properties. It is connected via a combination of leased high-speed data lines and Metro-North’s fiber optic system. MNR’s present telephone infrastructure consists of a variety of Avaya-brand PBX equipment including various forms of ancillary and remote communication equipment (peripheral battery systems, servers etc.), nearing the end of its useful life and/or have reached their maximum port and processing capacity. The infrastructure requires new and in some cases additional hardware to utilize new telephony features and added security safeguards, as well as system expansion capacity.

The upgrade/replacement systems and equipment are required at twelve MNR locations (seven in New York and five in Connecticut). To ensure uninterrupted and continued Network interoperability and compatibility, Metro-North is seeking to upgrade and replace the equipment with Avaya-brand PBX systems and equipment. The new Avaya PBX equipment is compatible with the present infrastructure and will communicate with MNR’s existing analog & digital telephone services to ensure a state of good repair for all telecommunication networks. Obtaining non-Avaya equipment would require a massive infrastructure investment to all existing sites such as rewiring of existing buildings, closets for telecom equipment, and the purchase of over 3,000 new IP phone sets.
Staff Summary

The new Avaya equipment will support the existing infrastructure and is flexible to conform to planned new construction and space refit projects in which to migrate into voice-over-IP (VOIP). The ability to migrate to VOIP is essential and will transition MNR prior to system obsolescence as traditional digital technology is waning and VOIP is becoming the new core standard for processing telephony. Additionally, the new PBX will provide advancements in detection & alarm / event notifications.

Procurement Discussion

A competitive Request for Proposal (RFP) was publicly advertised in the New York State Contract Reporter; the New York Post the Daily Challenge and the MNR website in March 2012. Although there are only 2 known PBX system integrators, the advertising and vendor search yielded a total of forty-six firms who expressed interest in obtaining the RFP documents. In April 2012, solicitation documents were sent to all forty-six firms including seven M/WBE firms.

Concurrently, a Selection Committee was formed consisting of representatives from the Communications & Signals and Procurement Departments. Proposals were evaluated based on the criteria established and included in the RFP, as follows: 1) vendor understanding, capability and credentials to fully meet the work scope requirements, including how services will be performed to furnish, deliver, install and maintain the upgrade and replacement of the PBX System, 2) Project Management Plans, and commitment of relevant resources including the qualifications of key personnel and reliability to perform services within MNR’s geographic area, 3) overall cost of all equipment, installation, training, hardware/software, maintenance services and all optional services, and 4) demonstrated qualifications, background and past experience on similar projects.

On June 7, 2012, two proposals were received from Black Box Network Services ("Black Box") and Shared Solutions and Services, Inc. ("Shared Solutions"). A survey of non-responding contractors was performed and revealed that vendors who did not participate were unable to commit sufficient resources and unique expertise to fully satisfy all RFP requirements. The RFP required specific vendor credentials to successfully engineer, integrate, test, train and provide on-going remote and onsite maintenance.

Black Box submitted their initial cost proposal for all equipment, installation, training, hardware/software and one year warranty services totaling $2,695,452; and Shared Solutions proposed a cost of $3,029,150.

Black Box and Shared Solutions provided vendor presentations on June 12, 2012, as both firms were deemed technically qualified to fulfill the requirements of the RFP. Following the presentations, the Committee unanimously selected Black Box to provide all material, engineering, labor, installation, implementation, and on-going maintenance services for the PBX system upgrade and replacement for the twelve MNR locations. The Black Box proposal best demonstrated relevant technical knowledge and project management experience, and exhibited confidence in performing the required tasks at a lower cost than Shared Solutions; conversely the Shared Solutions proposal was deficient of critical components required by the RFP and took exceptions to the performance and acceptance requirements.

The new PBX systems will bring MNR’s telephone systems to a state of good repair and address the capacity issue. This award will provide the necessary software and hardware to expand the systems and provide additional features to fit MNR’s needs now and into the future.

Historically, PBX Systems have a useful life of ten years. The telephony network is crucial to the communications of MNR and maintaining them in good working condition is a necessity. A limited number of maintenance providers have met the required experience with MNR’s electromagnetic interference and high voltage environment, and also have knowledge of MNR’s territory and telecommunication infrastructure. As a cost requirement of the vendor proposals, both firms outlined services and quoted pricing for optional and on-going maintenance services for a ten year period beyond the warranty. The services under the maintenance program include the following: annual system monitoring, remedial maintenance (priority emergency service, emergency service, and non-emergency service), disaster recovery plan in the event of a major system outage/emergency.

- 129 -
Staff Summary

Cost Analysis

Following the oral presentations, both firms were requested to submit revised pricing. Black Box submitted a revised cost proposal of $2,689,520, a 0.2% reduction from their original proposal of $2,695,452. Shared Services submitted a higher cost proposal ($3.34M) than originally submitted as they included those items that were needed to respond fully to the RFP. Additionally, Shared Services took exceptions to the acceptance and performance requirements of the RFP. At this time, further discussions and cost negotiations were completed with Black Box, and MNR received an additional 8.8% discount, yielding a total cost reduction of $254,032 (9%). The final base project cost of all equipment, installation, training, including hardware/software and one year warranty services is $2,441,420.

The total not-to-exceed award amount to Black Box will be $3,302,720 which includes the base award amount of $2,441,420 and on-going maintenance for a ten year period totaling $861,300. The total cost is 15% below the Engineer’s estimate of $3,803,301.

III. D/M/WBE INFORMATION:
No M/WBE goals were assigned to this project.

IV. IMPACT ON FUNDING:
Funding is provided as follows: 70% ($2,324,245) MNR Capital Program, Project #M604-01-11 (PEX Equipment Upgrade), Task: M09352; and 30% by CDOT ($978,475) CAF #11-05-03R1, through administrative assets.

V. ALTERNATIVES:
There are no alternatives as various parts of the current PBX systems are presently in need of upgrade and replacement. Parts of the systems have reached their maximum port and processing capacity, requiring additional hardware/software to utilize new telephony features and to provide necessary security safeguards, as well as to allow for system expansion.

- 130 -
JULY 2012

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)

4. TBD STBD Staff Summary Attached

   Competitive RFP
   Contract No. TBD

   LIRR, on behalf of Metropolitan Transportation Authority Police Department, requests 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 Request for Proposal (RFP) process pursuant to Section 1265-a of the Public Authorities Law to award a contract to design and build the MTA Police Department's radio system.
I. PURPOSE/RECOMMENDATION

LIRR, on behalf of Metropolitan Transportation Authority Police Department (MTAPD), requests 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 Request for Proposal (RFP) process pursuant to Section 1265-a of the Public Authorities Law to award a contract to design and build the MTA Police Department’s radio system.

II. DISCUSSION

The MTAPD is the police agency of New York’s Metropolitan Transportation Authority (MTA). Officers of the MTAPD are fully empowered under the New York State Criminal Procedure Laws and are commissioned in the state of Connecticut. Its jurisdiction extends across fourteen counties in two states, covers approximately 5,000 square miles, including New York City, Long Island, southeastern New York State and southern Connecticut, serves a population of 14.4 million people, and ensures the safety and well-being of over 169 million MTA riders each year. As part of daily operations, MTAPD police officers require the use of a two-way radio system as the primary method of receiving dispatch orders, reporting information back to headquarters, and to call for emergency aid and assistance. This project will provide for the upgrade and enhancement of the MTA PD Radio system and associated infrastructure through strategic partnerships with local and state agencies as well as the installation of contemporary equipment and technologies throughout the 14 counties served by the MTAPD.

In October 2010, the Board authorized a contract award to Booz Allen Hamilton (later to be subsumed by CH2M Hill) for the performance of an alternatives analysis study. Upon completion of this study, the consultant presented a Final Alternative Recommendation Report (FARR), which provided a conceptual design for the single best alternative that satisfies all aspects of a public safety – grade radio system. Based on the FARR, the Board authorized the exercise of Option #1, which permitted CH2M Hill to further develop the concept to a 30% level of Design, which will provide a foundation infrastructure design and technical specifications that will formulate the base documents to be used in the next phase of procurement, a Competitive Request for Proposals (RFP) for the Design and Build of the MTA PD Radio System. CH2M Hill forecasts completion of the 30% design package in October 2012.

The final design, construction and implementation of a public safety grade radio system is a technically complex undertaking that will require a Design/Build entity that is qualified and experienced in the engineering and construction of land based mobile radio communication networks. The utilization of the RFP process will allow the LIRR/MTAPD to
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary

MTA Long Island Rail Road

better assess which consultant/contractors are capable of performing this work. The technical scope of work provided in the RFP would be based on design documents that are 30% complete, which is insufficient for the formal competitive bid process. The RFP process affords the LIRR the ability to select a consultant/contractor based upon multiple considerations, including technical ability, experience, and completion schedule, rather than a selection process driven by price alone. The RFP process also provides the agency with the ability to evaluate, refine and negotiate the proposals as well as to work out a fair allocation of risk to insure competition.

The use of the Design/Build process has become more frequent in the public sector as evidenced by the MTA Board’s previous authorization of this type of procurement mechanism. Previous MTA Design/Build projects include: LIRR’s Babylon Yard Substation, East Side Access Arch Street Shop, and Atlantic Avenue Viaduct.

III. D/M/WBE INFORMATION
Goals for this contract will be determined by the MTA Department of Diversity and Civil Rights.

IV. IMPACT ON FUNDING
The MTA PD Capital Budget will fund this project, and the MTA PD Operating Budget will fund associated maintenance and operating expenses.

V. ALTERNATIVES
There are no other alternatives available at this time. The MTA agencies do not have the qualified manpower available to coordinate, design, develop, program, install, construct, and cut-over the complex integration associated with this project. Without the services of a qualified third-party firm with design/build engineering and construction experience, the MTA will not be able to move forward with the implementation of the Police radio system.
JULY 2012

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

Schedule I. Modifications To Purchase and Public Work Contracts
(Staff Summaries required for individual change orders greater than $250K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least $50K)

1. Granite-Taylor-Frontier (GTF), Joint Venture  $759,000  Staff Summary Attached
   Contract No. CQ031
   Modification No. 68

   Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval to modify
   the contract for restoration of the site of the Tunnel A Reception Pit (TARP).

2. Schindler Elevator Corporation  $340,775  Staff Summary Attached
   Contract No. VM014
   Modification No. 6

   Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval to pay for
   impact costs associated with adjustments to milestones and access restraints.

3 - 5. Yonkers Contracting Company  $1,831,500  Staff Summary Attached
   Contract No. CM004
   Modification Nos. 59, 60 & 61

   Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval to modify
   the contract for additional work due to steel obstructions, structural steel reinforcement, and purchase of a Gantry
   Crane.

6 - 8. Tutor Perini Corporation  $14,927,712  Staff Summary Attached
   Contract No. CH053
   Modification Nos. 73, 74 & 76

   Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval to modify
   the contract for manhole & ductbank changes, fabrication and installation of monopoles and their associated
   foundations, and civil work and additions to existing Substation 44.

9. Tutor Perini Corporation  $1,848,910  Staff Summary Attached
   Contract No. CH053
   Modification No. 77

   Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval to modify
   the contract for the installation of 91.6 Hz Signal Power. This is a scope and budget transfer from an Amtrak Force
   Account package.

- 134 -
### Schedule I: Modifications to Purchase and Public Work Contracts

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<th>Item Number: 1</th>
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**Discussion:**

The work under this contract includes the construction of four soft-ground bored tunnels and demolition of miscellaneous surface structures for the East Side Access project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTA/ACC seeks Board approval of a modification to restore the site of the Tunnel A Reception Pit (TARP) following extraction of the Tunnel Boring Machine (TBM).

Restoration of the TARP following extraction of the TBM was not included in the Change Order for the relocation of the TARP because the details regarding future use of the TARP area was unknown at the time. This modification to restore the site of the TARP after the extraction of the TBM will provide a portal into Tunnel A (which can be used by other contractors on the ESA project to move materials into and out of Manhattan) and will also facilitate railroad access and operations in the area. This restoration work includes excavation and removal of an underground tank, slope restoration, demolition of temporary concrete work and placement of a concrete slab.

The Contractor submitted a cost proposal of $943,083 while MTA/ACC's estimate was for $692,744. Negotiations were held and the parties agreed to a cost of $759,000 which is considered to be fair and reasonable.
Supporting Engineering Services

Modified Instructions for the Execution of EHD Activities

The work under this contract is to support engineering services for the execution of EHD activities. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC seeks Board approval of a Contract Modification to pay Impact Costs associated with the alignment of milestones and access restraints with those of CM012.

As part of Contract VM014, the Contractor will deliver and install escalators and elevators as a subcontractor to future contract CM012 Manhattan Structure Part II & Cavern Mechanical, Electrical and Plumbing Finishes. It is therefore necessary to revise the VM014 milestones and access restraints in order to align them with the revised schedule for CM012. These adjustments will increase VM014’s duration by 660 days. Pursuant to its Contract, the VM014 Contractor is entitled to Impact Costs for this increase in the duration of its Contract. The Impact Costs include the following:

1. Increased wages attributable to work being performed by trades in a higher wage period
2. Increased costs to purchase materials
3. Cost of equipment

The Contractor submitted a cost proposal in the amount of $380,085 and the MTACC estimate was $324,229. Negotiations were held and the parties agreed to a cost of $340,775 for the Impact Costs which is considered to be fair and reasonable.
Schedule I: Modifications to Purchase and Public Work Contracts

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% of Modifications (Including This Request) to Original Amount: 7.3%

Discussion:

The work under this Contract is for the construction of the 44th Street Vent Plant and the 245 Park Avenue Entrance for the East Side Access (ESA) project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC seeks Board approval for the following Modifications:

Modification No. 55 – Additional Works Resulting from Steel Obstructions Encountered at Construction Site

During the course of excavating the construction site at 44th St., the Contractor encountered unanticipated and extensive steel obstructions. These obstructions caused broken drill bits and the need to utilize a specialized drill rig fitted with a core drill bit to core through the obstructions. The Contractor also claimed loss of productivity and a reduced work area as a result of the space occupied by the specialized drill rig.

The Contractor submitted a proposal in the amount of $323,400 for the impacts associated with the steel obstructions and the MTACC estimate was $302,477. Negotiations were held and the parties agreed to $265,000, which is considered fair and reasonable.

Modification No. 60 – Structural Steel Reinforcement for Gantry Crane

This modification involves changes to the permanent structural steel of the 44th Street Vent Plant to facilitate the use of a Gantry Crane for follow-on contractors. This Contractor has used a Gantry Crane as a part of its means and methods on this Contract but was scheduled to remove it prior to the completion of the vent plant structure. MTACC has determined that left in place, the Gantry Crane will provide a significant benefit to the project by facilitating materials delivery into Access Tunnel 1 (and to the GCT Caverns) and Madison Yard from 44th Street for future ESA contracts. In order to keep the Crane as part of the permanent Vent Plant, however, the structural steel must be modified and the crane purchased from the Contractor (see Modification No. 61 below).

The Contractor submitted a proposal in the amount of $1,458,976 and the MTACC estimate was $1,021,732. Negotiations were held and the parties agreed to $1,120,000 for the work, which is considered fair and reasonable.

Modification No. 61 – Existing Gantry Crane Design Changes

This modification is for the purchase and modification of the existing gantry crane (see Modification No. 60 above) currently owned by and being used by the CM004 Contractor. This crane must be available and suitable for use by future Contracts to carry loads of up to 20 tons down to the bottom of Access Tunnel #1.

The Contractor submitted a proposal in the amount of $547,827, and the MTACC estimate was $481,881. Negotiations were held and the parties agreed to a cost of $416,500 for the work, which is considered fair and reasonable.
Schedule I: Modifications to Purchase and Public Work Contracts

Item Numbers: 6 - 8

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Discussion:

This contract is for the construction of various civil infrastructure elements in Harold Interlocking and to expand the existing LIRR/AMTRAK right-of-way to enable mainline track diversions and facilitate the future construction of tunnels for the East Side Access ("ESA") Project. Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for the following modifications related to these design changes:

Modification No. 73 – Manhole & Ductbank Changes due to addition of Harold Aerial Utility Structure

Modification No. 71 revised the location of future Amtrak Signal and Communication Lines from a cable trough to an Aerial Utility Structure. This Modification incorporates additional Work associated with that modification, including the addition of a Negative Return Manhole (NRM) at Substation 44, and associated cable runs associated with rerouting the Motor Generator feeder over the Harold Aerial Utility Structure to tie into an existing transformer.

The Contractor submitted a cost proposal of $2,545,248 while MTACC's project estimate was $2,084,406. Negotiations were held, and the parties agreed to a cost of $2,290,000, which is considered fair and reasonable.

Modification No. 74 – Fabrication and Installation of Monopoles and Associated Foundations for the Motor Generator Set

This modification is for the fabrication and installation of four monopoles and their required foundations. The monopoles are for the Motor Generator sets which are required to accomplish Signal Power Separation in Sunnyside Yard. Signal Power Separation is a change from the original design and was not included in this Contract.

The Contractor submitted a cost proposal of $1,340,011. MTACC's estimate was $1,190,685. Negotiations were held, and both parties agreed to a cost of $1,247,000, which is considered fair and reasonable.

Modification No. 76 – 12kV Civil Work and Additions Inside Existing Substation 44

This modification is for the addition of cables, ducts, and manholes as well as the removal and relocation of other manholes. This modification will also require the Contractor to perform additional work inside existing Amtrak Substation 44 and the Frequency Converter. This additional work is the result of changes in design made after this Contract was awarded.

The Contractor submitted a cost proposal of $12,120,578. MTACC's estimate was $9,066,272. Negotiations were held, and both parties agreed to $11,390,712, which is considered fair and reasonable.

To the extent that the above modifications are the result of errors and omissions in design, MTACC intends to seek compensation for any resulting damages from the designer.
**Schedule I: Modifications to Purchase and Public Work Contracts**

**Item Number: 9**

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<td>Construct Harold Structures Part I for the ESA Project</td>
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**Discussion:**
This contract is for the construction of various civil infrastructure elements in Harold Interlocking and to expand the existing LIRR/AMTRAK right-of-way to enable mainline track diversions and facilitate the future construction of tunnels for the East Side Access ("ESA") Project. Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for the installation of 91.6 Signal Power. This is a scope and budget transfer.

Amtrak forces were to install the 91.6 Hz Signal Power to the F1 and F2 Central Instrument Hubs (CIH's) in the F Interlocking; however, Amtrak does not currently have the necessary resources to perform the work. Accordingly, this work is being transferred to Contract CH053. The CH053 Contractor is mobilized on-site and has the necessary resources to perform the work in a time frame to support the on-going construction activities.

The Contractor submitted a cost proposal of $2,334,211 while MTACC's estimate was $1,579,222. Negotiations were held, and both parties agreed to $1,848,910 which is considered fair and reasonable. The budget for this work will be transferred from an existing Force Account budget line.
JULY 2012

METRO-NORTH RAILROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

K. Ratification of Completed Procurement Actions
   (Staff Summaries required for unusually large or complex items which otherwise would require Board approval)

1. Aqua-Dyne, Inc
   Overhaul of Two Aqua Dyne Rail Washers
   $78,451 (not-to-exceed)
   Ratification is requested of a non-competitive, negotiated and awarded miscellaneous service contract for the Overhaul of two Aqua Dyne Rail Washers which are used in the cleaning of track surfaces throughout MNR’s East-of-Hudson territory. MNR’s two rail washer units which are mounted on work trains require immediate overhaul maintenance prior to the start of the 2012 fall leaf season. The use of these washers has been an integral part of MNR’s rail maintenance program to reduce the adverse effect of leaf residue on the rails. In an effort to avoid potentially unsafe, costly and out-of-service conditions, Aqua-Dyne, the Original Equipment Manufacturer (OEM), was directed to begin these services immediately and return the equipment back to MNR prior to the fall season.

   MNR has complied with the MTA All-Agency Procurement Guidelines and with PAL 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers. In addition to the advertisement, direct outreach by the MNR Procurement Department was performed and no alternate suppliers have been identified. The price to be paid for this procurement $78,451, is 4.3% less than the internal estimate and is deemed to be fair and reasonable. This procurement is to be funded by the MNR Operating Budget.
STAFF SUMMARY

Date: July 6, 2012
Vendor Name:

Subject: Request for Authorization to Award Various Procurements

Department: Procurement
Department Head Name: Anthony W. Koestler
Department Head Signature: [Signature]
Project Manager Name: Various

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<th>To</th>
<th>Date</th>
<th>Approval</th>
<th>Info</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>President</td>
<td>7/6/12</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2</td>
<td>MTA B&amp;T Committee</td>
<td>7/23/12</td>
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<td>3</td>
<td>MTA Board</td>
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Internal Approvals

<table>
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<tr>
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<th>Order</th>
<th>Approval</th>
<th>Order</th>
<th>Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Financial Officer</td>
<td>Chief Technology Officer</td>
<td>Chief Health &amp; Safety Officer</td>
<td>Chief EEO Officer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Security Officer</td>
<td>Chief Maintenance Officer</td>
<td>MTA Office of Civil Rights</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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 Majority Vote

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
<th># of Actions</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>H</td>
<td>Modifications to Personal/Miscellaneous Service Contracts</td>
<td>3</td>
<td>$1.403M</td>
</tr>
<tr>
<td>I</td>
<td>Modifications to Purchase &amp; Public Works Contracts</td>
<td>1</td>
<td>$1.030M</td>
</tr>
<tr>
<td></td>
<td>SUBTOTAL</td>
<td>4</td>
<td>$2.433M</td>
</tr>
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</table>

MTA B&T presents the following procurement actions for Ratification:

Schedules Requiring Majority Vote

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
<th># of Actions</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>K</td>
<td>Ratification of Completed Procurement Actions (Involving Schedule E-J)</td>
<td>1</td>
<td>$0.160M</td>
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<tr>
<td></td>
<td>SUBTOTAL</td>
<td>1</td>
<td>$0.160M</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>5</td>
<td>$2.593M</td>
</tr>
</tbody>
</table>

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.
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.

7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.
LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2012

MTA BRIDGES & TUNNELS

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 original contract to equal or exceed monetary or durational threshold required for Board approval)

1. Greenman-Pedersen, Inc./Parsons $ 774,101.30 Staff Summary Attached
Transportation Group of New York, Inc., A Joint Venture
Contract No. PSC-07-2814
Additional construction inspection services for Project BW-89, Bronx Approach Replacement and Queens Approach Repairs at the Bronx-Whitestone Bridge.

2. Greenman-Pedersen, Inc./Parsons $ 423,773.28 Staff Summary Attached
Transportation Group of New York, Inc., a Joint Venture
Contract No. PSC-10-2879
Incorporate the scope for construction inspection services for Project WBM-356, Wind Fairing Painting and Access Door Repairs at the Bronx-Whitestone Bridge into the contract for construction management and inspection for Project BW-89C, Replacement of the Queens Approach at the Bronx-Whitestone Bridge.

3. Jacobs Civil Consultants, Inc. $ 204,759.74 Staff Summary Attached
Contract No. PSC-06-2783
Additional construction support services for Project BB-45, Supply Fan Replacement, Switchgear Replacement and Manhattan Underground Exhaust Building Fan Upgrade and Repairs at the Brooklyn Battery Tunnel.

I: Modifications to Purchase & Public Works Contracts
(Approvals/Staff Summaries required for individual change orders greater than $250K. Approvals without Staff Summaries required for change orders greater than 15% of previous approved amount which are also at least $50K)

4. TAP Electrical Contracting Service, Inc. $ 1,030,254.00 Staff Summary Attached
Contract No. BB-45
Additional work under Contract BB-45, Replacement of Switchgear and Power Distribution System at the Brooklyn Battery Tunnel.
Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts

<table>
<thead>
<tr>
<th>Item Number: 1</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>PSC-07-2814</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vendor Name &amp; Location</th>
<th>Greenman-Pedersen, Inc./Parsons Transportation Group of New York, Inc., A Joint Venture Babylon, New York</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Construction Management and Inspection for Project BW-89, Bronx Approach Replacement and Queens Approach Repairs at the Bronx-Whitestone Bridge</td>
</tr>
<tr>
<td>Contract Term (Including Options, If any)</td>
<td>November 1, 2007 - December 31, 2012</td>
</tr>
<tr>
<td>Option(s) included in Total Amount?</td>
<td>☐ Yes ☑ No</td>
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<tr>
<td>Procurement Type</td>
<td>☑ Competitive ☐ Non-competitive</td>
</tr>
<tr>
<td>Solicitation Type</td>
<td>☑ RFP ☐ Bid ☐ Other</td>
</tr>
<tr>
<td>Funding Source</td>
<td>☑ Operating ☐ Capital ☐ Federal ☐ Other</td>
</tr>
<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td>Engineering &amp; Construction, Joe Keane, P.E.</td>
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<tr>
<td>Original Amount:</td>
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<td>Prior Modifications:</td>
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<td>Prior Budgetary Increases:</td>
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<tr>
<td>Current Amount:</td>
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<td>This Request:</td>
<td>$ 774,101.30</td>
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<td>% of This Request to Current Amount:</td>
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<tr>
<td>% of Modifications (Including This Request) to Original Amount:</td>
<td>13.2%</td>
</tr>
</tbody>
</table>

Discussion:
B&T is seeking Board approval in accordance with the All Agency Guidelines for Procurement of Services to amend this contract with Greenman-Pedersen, Inc./Parsons Transportation Group of New York, Inc., a Joint Venture (GPI/PTG). Additional construction inspection services (CIS) and funding are required to support the ongoing Project BW-89 construction requirements through its substantial completion (anticipated in the fourth quarter 2012) and closeout. This request also includes CIS in the amount of $464,301.13 for weld repairs on the suspended spans, which are to be reimbursed to B&T by the construction contractor under Project BW-82. The amendment is in the amount of $774,101.30. Consistent with the Procurement Guidelines, this amendment constitutes a substantial change.

GPI/PTG submitted a proposal in the amount of $774,101.30, which includes CIS for anticipated additional toll plaza concrete replacements. The Engineer's estimate is $714,308.32. Negotiations resulted in B&T accepting GPI/PTG's proposal of $774,101.30, which is 8.4% above the estimate and is fair and reasonable. Funding in the amount of $774,101.30 is available in the 2005-2009 Capital Program under Project BW-89.
Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>2 (Final)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location)</strong></td>
<td>Greenman-Pedersen, Inc./Parsons Transportation Group of New York, Inc., a Joint Venture, Babylon, New York</td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>Construction Management and Inspection for Project BW-89C, Replacement of the Queens Approach at the Bronx-Whitestone Bridge</td>
</tr>
<tr>
<td><strong>Contract Term (Including Options, if any)</strong></td>
<td>February 28, 2011 – February 27, 2016</td>
</tr>
<tr>
<td><strong>Option(s) included in Total Amount?</strong></td>
<td>☒ Yes ☐ No</td>
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<tr>
<td><strong>Procurement Type</strong></td>
<td>☒ Competitive ☐ Non-competitive</td>
</tr>
<tr>
<td><strong>Solicitation Type</strong></td>
<td>☒ RFP ☐ Bid ☐ Other:</td>
</tr>
<tr>
<td><strong>Funding Source</strong></td>
<td>☒ Operating ☐ Capital ☐ Federal ☐ Other:</td>
</tr>
<tr>
<td><strong>Requesting Dept/Div &amp; Dept/Div Head Name:</strong></td>
<td>Engineering &amp; Construction, Joe Keane, P.E.</td>
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<tr>
<td><strong>Contract Number</strong></td>
<td>PSC-10-2879</td>
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<tr>
<td><strong>AWO/Modification #</strong></td>
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<td><strong>Prior Modifications:</strong></td>
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<td><strong>Prior Budgetary Increases:</strong></td>
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<tr>
<td><strong>Current Amount:</strong></td>
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<tr>
<td><strong>This Request:</strong></td>
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<td><strong>% of This Request to Current Amount:</strong></td>
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</tr>
<tr>
<td><strong>% of Modifications (Including This Request) to Original Amount:</strong></td>
<td>3.5%</td>
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</table>

**Discussion:**

B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to amend PSC-10-2879 with Greenman-Pedersen, Inc./Parsons Transportation Group, a Joint Venture (GPI/PTG) to incorporate the scope for construction inspection services (CIS) for Project WBM-356, Wind Fairing Painting and Access Door Repairs at the Bronx-Whitestone Bridge (BWB). The amendment is in the amount of $423,773.28. Consistent with the Procurement Guidelines, this amendment constitutes a substantial change.

B&T performed a "Best Value Analysis" which indicated that the cost of amending PSC-10-2879 is more favorable than competitively soliciting and awarding a separate contract for the CIS requirements for Project WBM-356. The scope for Project WBM-356 would require a prospective consultant to provide complete CIS for the painting of the BWB wind fairing and repairs to its access doors. Our analysis determined that by amending the existing contract, cost avoidances totaling $171,316 may be realized thereby providing the "best value" for the work to be performed. In addition, GPI/PTG team members performed the CIS for the installation of the wind fairing under Project BW-82A.

GPI/PTG submitted a proposal in the amount of $423,773.28. The Engineer's estimate to solicit these services is $595,049. The proposal was reviewed and accepted by the Authority in the amount of $423,773.28, which is 28.8% below the estimate and is considered fair and reasonable. Funding is available in the Operating Budget under Project WBM-356.
**Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts**

<table>
<thead>
<tr>
<th>Item Number</th>
<th>3</th>
<th>(Final)</th>
</tr>
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<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location)</strong></td>
<td>Jacobs Civil Consultants, Inc., New York, NY</td>
<td></td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>Design and Construction Support Services for Project BB-45, Supply Fan Replacement, Switchgear Replacement and Manhattan Underground Exhaust Building (MUEB) Fan Upgrade and Repairs at the Brooklyn Battery Tunnel</td>
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</tr>
<tr>
<td><strong>Contract Term (including Options, if any)</strong></td>
<td>October 13, 2006 – June 12, 2015</td>
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<tr>
<td><strong>Option(s) included in Total Amount?</strong></td>
<td>Yes ☐ No ☒</td>
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<tr>
<td><strong>Procurement Type</strong></td>
<td>☒ Competitive ☐ Non-competitive</td>
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<tr>
<td><strong>Solicitation Type</strong></td>
<td>☒ RFP ☐ Bid ☐ Other:</td>
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<tr>
<td><strong>Funding Source</strong></td>
<td>☐ Operating ☒ Capital ☐ Federal ☐ Other:</td>
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<td><strong>Requesting Dept/Div &amp; Dept/Div Head Name:</strong></td>
<td>Engineering &amp; Construction, Joe Keane, P.E.</td>
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<tr>
<td><strong>Contract Number</strong></td>
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<td><strong>Current Amount:</strong></td>
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<tr>
<td><strong>This Request:</strong></td>
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<td></td>
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<tr>
<td><strong>% of This Request to Current Amount:</strong></td>
<td>8.2%</td>
<td></td>
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<tr>
<td><strong>% of Modifications (Including This Request) to Original Amount:</strong></td>
<td>41.7%</td>
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**Discussion:**

B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to amend this contract with Jacobs Civil Consultants, Inc. (Jacobs) to increase funding for ongoing construction support services (CSS) in the amount of $204,759.74. Consistent with the Procurement Guidelines this amendment together with the previous amendment in the amount of $134,183 constitutes a substantial change.

Additional funds are required for construction support services under Project BB-45 as the work continues to progress. The number of shop drawings, requests for information (RFIs), testing for equipment and system functionality and progress meetings has increased beyond that previously anticipated. This request also includes funding for additional designs during construction in the approximate amount of $10,000. Jacobs submitted a proposal in the amount of $302,287.67. The Engineer’s estimate is $158,156.97. During negotiations it was determined that the estimate understated the effort required to perform field testing and factory testing of the new equipment. B&T and Jacobs agreed to the amount of $204,759.74, which is considered fair and reasonable. Funding for this amendment is available in the 2005 – 2009 Capital Program under Project BB-45.
## Schedule I: Modifications to Purchase and Public Works Contracts

<table>
<thead>
<tr>
<th>Item Number: 4 (Final)</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Name &amp; Location</td>
<td>TAP Electrical Contracting Service, Inc., Holbrook, New York</td>
<td>BB-45</td>
</tr>
<tr>
<td>Description</td>
<td>Replacement of Switchgear and Power Distribution System at the Brooklyn Battery Tunnel</td>
<td></td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
<td>December 29, 2010 – May 28, 2014</td>
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<tr>
<td>Option(s) included in Total Amount?</td>
<td>☐ Yes ☒ No</td>
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<tr>
<td>Procurement Type</td>
<td>☒ Competitive ☐ Non-competitive</td>
<td></td>
</tr>
<tr>
<td>Solicitation Type</td>
<td>☐ RFP ☒ Bid ☐ Other</td>
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</tr>
<tr>
<td>Funding Source</td>
<td>☐ Operating ☐ Capital ☐ Federal ☒ Other</td>
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<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td>Engineering &amp; Construction, Joe Keane, P.E.</td>
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<td>Original Amount:</td>
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<td>Prior Budgetary Increases:</td>
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<td>Current Amount:</td>
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<td>This Request:</td>
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<tr>
<td>% of This Request to Current Amount:</td>
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<td></td>
</tr>
<tr>
<td>% of Modifications (Including This Request) to Original Amount:</td>
<td>3.5%</td>
<td></td>
</tr>
</tbody>
</table>

### Discussion:

B&T is seeking Board approval under the All Agency Procurement Guidelines to modify this Contract with TAP Electrical Contracting Service Inc. (TAP) in the amount of $1,030,254. The items are summarized as follows:

(i) In order to facilitate future electronic security enhancements at the Governors Island Vent Building additional conduits are necessary. Since TAP is currently performing conduit installation at the same locations under Project BB-45, it is deemed most cost effective to furnish and install the additional conduits at this time. TAP submitted a proposal totaling $368,318.55, which includes quantity increases for unit price items and additional funding for site work. The Engineer's estimate is $358,865.67. B&T and TAP negotiated an amount of $348,754, which is 2.8% below the estimate and is fair and reasonable. B&T authorized an amount not to exceed $75,000 for TAP to procure long lead-time materials. Funding is available in the 2010–2014 Capital Program under Project BB-45.

(ii) The original plaza lighting electrical feeder cables are deteriorated and several lighting failures have occurred. The replacement of the lighting system electrical feeders is necessary to maintain the highest level of personnel and customer safety as well as security at the toll plaza. TAP is currently performing feeder cable replacements throughout the facility. TAP submitted a proposal in the amount of $724,239.51, which includes removal and replacement of approximately 25,000 feet of cable, replacement of 17 barrier junction boxes, maintenance and protection of traffic and associated asbestos abatement. The Engineer's estimate is $645,983.23. B&T and TAP agreed to an amount totaling $681,500, which is 5.5% above the estimate and is fair and reasonable. Funding is available for these Capitalized Assets under Project BBC-0901.
LIST OF RATIFICATIONS FOR BOARD APPROVAL
JULY 2012

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

K: Ratification of Completed Procurement Actions (Involving Schedule E-1)
(Staff Summaries required for unusually large or complex items which otherwise would require Board approval)

1. Michael Stapleton Associates Ltd. $ 160,000.00
   Contract No. 3000000951
   13 month 7 day contract – NYC DCAS Contract
   B&T is seeking the Board's ratification under the All-Agency Guidelines for
   Procurement of Services for issuing a purchase order against a competitively bid New
   York City Department of Citywide Administrative Services (DCAS) - Contract PIN
   #856060001445 - with Michael Stapleton Associates Ltd. (Stapleton Associates). On
   May 25, 2012 the Contractor was authorized to provide trained explosive detection
   teams (canines and handlers) on an as needed basis. This purchase order extends through
   June 30, 2013. Pursuant to a competitive process, DCAS awarded a contract through
   June 30, 2013 to Stapleton Associates to provide trained canine teams at its facilities.
   B&T requires these services to enhance the security of its facilities including the safety
   of its customers and employees. The trained canine teams are deployed as required at
   designated locations to supplement current security operations. B&T does not possess
   the resources needed to perform these services at this time. In accordance with the All-
   Agency Guidelines for Procurement of Services, it was determined that the price and
   commercial terms specified in the DCAS Contract were satisfactory. The pricing
   included in our purchase order is considered fair and reasonable. Michael Stapleton
   Associates is deemed to be a responsible contractor. Funding is available under General
   Ledger # 713302.