MEETING AGENDA
METROPOLITAN TRANSPORTATION AUTHORITY BOARD
March 13, 2013 10:00 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 January 30, 2013  
   - NYCT/MaBSTOA/SIR/Bus Company Regular Board Meeting of January 30, 2013  
   - MTA Metro-North Railroad Regular Board Meeting of January 30, 2013  
   - MTA Long Island Rail Road Regular Board Meeting of January 30, 2013  
   - Triborough Bridge & Tunnel Authority Regular Board Meeting of January 30, 2013  
   - MTA Capital Construction Regular Board Meeting of January 30, 2013

3. COMMITTEE ON FINANCE
   Actions Items
   - Authorization to Issue Transportation Revenue Bonds and
     TBTA General Revenue Bonds
   - Approval of Amendments to Swap Policy
   - Authorization to Implement Dodd-Frank Protocol
   - Authority to Use Sandy Liquidity Facilities for Approved Capital Projects
   - Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties
   - 2012 Annual Procurement Report (report distributed separately)
   - Law Firm Panel Addition – Sandy Insurance Claims
   - 2012 TBTA Operating Surplus

   Information Item
   - 2012 Prompt Payment Annual Report

   Procurements
   - Non-Competitive (no items)
   - Competitive
   - Ratifications (no items)

   Real Estate Items

4. COMMITTEE ON NYCT & BUS
   Procurements
   - Non-Competitive
   - Competitive
   - Ratifications
5. COMMITTEE ON METRO-NORTH RAILROAD
   Procurements 148
   Non-Competitive (no items) –
   Competitive (no items) –
   Ratifications 153

6. COMMITTEE ON LONG ISLAND RAIL ROAD
   LIRR Procurements 157
   Non-Competitive 159
   Competitive 161
   Ratifications 179
   MTACC Procurements 182
   Non-Competitive –
   Competitive 184
   Ratifications 197

7. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS
   Procurements 203
   Non-Competitive 206
   Competitive 207
   Ratifications 214

8. CORPORATE GOVERNANCE
   Action Items
   Approval of Mission Statement and Measurement Report 222
   Approval of Travel and Business Expense Policy 250
   Approval of All Agency Procurement Guidelines 268

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

Date of next MTA Board meeting: Wednesday, April 24, 2013 at 10:00 a.m.
The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Jonathan A. Ballan
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. John H. Banks, III
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow

Thomas Prendergast, Interim Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Robert Foran, Chief Financial Officer, Board Member Andrew Albert, Board Member James Blair, Board Member Vincent Tessitore, Jr., Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP/NYCT DoB, President MTA Bus, 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. **CHAIRMAN'S REMARKS.**

Acting Chairman Ferrer thanked the Board members, Thomas Prendergast, Interim Executive Director, and the MTA Executive Staff for their support during this transition period. Mr. Ferrer expressed his commitment to working with staff to continue to promote safety and provide first-rate service to the riding public.

As part of MTA’s transparency commitment, Acting Chairman Ferrer announced that MTA’s Procurement Departments would commence as standard operating procedure the posting of any proposed sole source purchases on the MTA’s website, in addition to fulfilling applicable State law advertisement requirements. Acting Chairman Ferrer said that this is another step in MTA’s efforts to promote transparency and competition in its procurement process. Mr. Ferrer thanked Board member Charles Moerdler for his advocacy in this effort.

Acting Chairman Ferrer acknowledged and thanked former Chairman Lhota for his dedication and services. Mr. Ferrer said that he intends to work with management to continue to strengthen and improve the MTA transportation systems.

2. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on December 19, 2012.

3. **PUBLIC SPEAKERS.** There were eleven (11) public speakers. None of the speakers addressed matters relating to MTA agenda items. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records, and to the other agencies’ minutes of this date, for a list of the speakers and the content of speakers’ statements.

4. **COMMITTEE ON FINANCE.**

A. **Action Item.** Upon motion duly made and seconded, the Board approved the following action item, described in further detail in the staff summary and documentation filed with the meeting materials.

1. **Termination of Leveraged Lease.** Approved a resolution authorizing the MTA Interim Executive Director or the MTA Chief Financial Officer to terminate and/or restructure a leveraged lease with SMBC Capital Markets, Inc. and to take all other actions, including the execution and delivery of documents, from time-to-time deemed necessary or desirable by the MTA Interim Executive Director or the Chief Financial Officer to effectuate the termination and/or restructuring of the lease, including the delegation of each such officer’s signing authority to another employee of MTA.

   2

   Regular Board Meeting
   January 30, 2013

   - 2 -
B. **Procurement Items.** Upon motion duly made and seconded, the Board approved the following procurement items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

1. **Tiburon, Inc. – Maintenance of Tiburon Records Management System – No. 03181-0100, c/o #9.** Approved a non-competitive contract to provide software maintenance and technical support services for the proprietary MTA Police Department’s Computer Aided Dispatching/Record Management System (CAD/RMS) for a period of thirty-six (36) months.

2. **Various Contractors – AFT NYCT Projects.** Approved competitively negotiated contracts with the following contractors to provide technical design, fabrication, crating, storage, delivery and oversight of installation of materials at specified stations: Mia Pearlman, 80th Street Station; Haresh Lalvani, Lalvani Studio, Inc, 88th Street Station; Ray King, Ray King Studio, Ltd, Rockaway Boulevard Station; Beatrice Coron, 104th Street Station; Linda Ganjian, Creative Solutions, 111th Street Station; and Loren Eiferman, Pelham Station, MNR.

3. **Practising Law Institute (“PLI”) – Mandatory All-Agency Continuing Legal Education (“CLE”) Courses – No. 12205-0100.** Approved a competitively negotiated contract with PLI, a non-profit continuing legal education organization chartered by the Regents of the University of the State of New York, to provide continuing legal education courses for approximately 260 attorneys and other participating professionals from all of the agencies to fulfill the New York State mandatory CLE requirements for a period of thirty-six (36) months.

4. **MedPricer, LLC – All-Agency E-Procurement Services – No. 12193-0100.** Approved a competitively negotiated contract to provide hosted e-procurement services for MTAHQ and its agencies for a period of thirty-six (36) months.

5. **Various Contractors – Multi-Agency Maintenance, Supply, Installation, Repair and Design of Voice Communications – Nos. 11076-0100 thru 0300.** Approved competitively negotiated contracts with Eastern Communications, North American Mobile Systems, Inc., and Pinnacle Wireless to furnish, on an as-needed basis, all labor, material and parts necessary to provide maintenance, installation, repair and design services for voice communications, mobile data and vehicle warning systems equipment for the MTA Police Department, MTA Bridges and Tunnels and MTA Bus Company for a period of thirty-six (36) months.

6. **ABM Janitorial Services Northeast, Inc. – All-Agency Custodial and Engineering Services – No. 12096-0100.** Approved a competitively negotiated contract to provide cleaning and heating/ventilation and air-conditioning services at 2 Broadway and cleaning services only for North White Plains and the Jamaica Control Center for a period of thirty-six (36) months.
7. **Various Contractors – Multi-Agency Supply/Install/Remove and Repair Emergency Equipment on MTAPD Vehicles and Installation of Emergency Equipment on B&T Vehicles – Nos. 12073-0100 and 0200.** Approved competitively negotiated contracts with Mobile Fleet, Inc. and TCD Cellular Communications to supply, install, repair, emergency equipment on MTAPD vehicles and install only emergency equipment on B&T police vehicles for a period of thirty-six (36) months.

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. Board member Robert Bickford recused himself from the vote on Metro-North Railroad item #2 below.

**Long Island Rail Road**

1. Sale of property to the County of Nassau, to enable the County to improve and expand its compressed natural gas facility, located adjacent to 700 Commercial Avenue and Oak Street (Section 44, Block F, Lots 338 and 391 on the Nassau County Land and Tax Map), Garden City, N.Y.

**Metro-North Railroad**

2. License agreement with Phillipstown Depot Theatre Development Corporation for the operation of a generator and installation of a propane tank located on Metro-North’s right-of-way adjacent to Garrison Station, Garrison, N.Y.

**MTA Long Island Rail Road and Metro-North Railroad**

3. License agreement with JPMorgan Chase Bank, N.A. for the placement of automated teller machines at thirty-five (35) LIRR stations and forty-one (41) MNR stations.

**New York City Transit Authority**

4. License agreement with the Municipal Credit Union for the operation of automated teller machines at five NYCT employee facilities.

5. Lease agreement with Coney Food Corp. for the operation of a “Checkers” fast food restaurant located at Retail Unit 16 at the Coney Island/Stillwell Avenue Subway Station, Brooklyn, N.Y.

5. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board voted to convene an executive session to consider matters concerning collective bargaining, in accordance with Section 105(1)(e) of the Open Meetings Law. Upon motion duly made and seconded, the Board reconvened in public session.

6. **ADJOURNMENT.** Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:00 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, January 30, 2013
9:30 a.m.

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Jonathan A. Ballan
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following member was absent:

Hon. John H. Banks, III
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow

Thomas Prendergast, Interim Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Robert Foran, Chief Financial Officer, Board Member Andrew Albert, Board Member James Blair, Board Member Vincent Tessitore, Jr., Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Rail Road, James Ferrara, President, TBTA, Darryl Irick, SVP/NYCT DoB, President MTA Bus, and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.
1. **ACTING CHAIRMAN FERRER CALLED THE MEETING TO ORDER**

2. **PUBLIC COMMENT PERIOD**

Ten (10) public speakers addressed NYC Transit/MTA Bus issues.

Kevin Harrington, TWU, Local 100, suggested that subway trains enter train stations at slower speeds.

Linda Forester, PSCCUNY, supported the TWU’s suggestion that subway cars enter the train stations at slower speeds.

Matthew Shotkin commented on various bus services which have been restored.

Johnny Stevens expressed concern over children with special needs using public transportation.

Armond Pie commented on the use of public transit by disabled students.

William Livsey opposed the use of public transit by disabled students.

Sumumba Sobukwe expressed concern over children with special needs using public transportation.

Morgan Jenness urged the agency to slow down subway trains upon entering stations.

Joe Therrien commented on the use of public transit by disabled students and also opposed fare increases.

Tony Murphy expressed concern over disabled children using the public transit system.

3. **ACTING CHAIRMAN FERRER’S COMMENTS**

Details of Acting Chairman Ferrer’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 December 18, 2012.
5. **COMMITTEE ON FINANCE**

Real Estate Item(s):

MTA New York City Transit: Upon motion duly made and seconded, the Board voted to approve: (i) a License agreement with the Municipal Credit Union for the operation of an Automatic Teller Machine at five New York City Transit facilities; (ii) a Lease agreement with Coney Food Corp. for the operation of a restaurant at the Coney Island/Stillwell Avenue station, Brooklyn, New York; and (iii) the sublease of 2368 12th Avenue for NYCT Subway Maintenance Group operations.

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/SIRIMTA Bus Company.

8. **COMMITTEE ON TRANSIT OPERATIONS**

NYC Transit

Action Item(s):

Permanent Extension of G Train to Church Avenue: Upon motion duly made and seconded, the Board approved a recommendation of a permanent extension of the G train to Church Avenue.

This recommended service change was the subject of public hearings that were held between November 7th and November 28th in all five boroughs of New York City as well as Westchester, Orange and Nassau Counties. These hearings were held to solicit public comments about these service changes as well as proposed fare increases. No comments were received on the recommended G extension.

Details of the above item 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/SIRIMTA Bus Company.

Implement New Bx46 Bus Service in Hunts Point: Upon motion duly made and seconded, the Board approved a recommendation for the new Bx46 bus route to serve the Hunts Point neighborhood in the Bronx.

This proposal was well received by the public at community outreach meetings as well as at public hearings that were held between November 7th and November 28th in all five boroughs of New York City as well as Westchester, Orange and Nassau Counties. These hearings were held to solicit public comments about these service changes as well as proposed fare increases. Responses to comments received from the public were attached to the Board materials and distributed to the Board at the meeting.

Details of the above item 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/SIRIMTA Bus Company.
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 a majority vote (Schedules F 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.

Competitive Procurements: Upon motion duly made and seconded, the Board approved the non-competitive procurements requiring a two-thirds vote (Schedule C in the Agenda) and a majority vote (Schedule G and I in the Agenda). Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of 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.

9. EXECUTIVE SESSION

Upon motion duly made and seconded, the Board voted to convene an executive session to consider matters concerning collective bargaining matters pursuant to Public Officers Law §105(1)(e). Upon motion duly made and seconded, the Board reconvened in public session.

10. ADJOURNMENT

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:00 A.M.

Respectfully submitted,

Mariel A. Thompson
Assistant Secretary
The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Jonathan A. Ballan
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. John H. Banks, III
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow

Thomas Prendergast, Interim Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Robert Foran, Chief Financial Officer, Board Member Andrew Albert, Board Member James Blair, Board Member Vincent Tessitore, Jr., Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP/NYCT DoB, President MTA Bus, 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. Acting Chairman Ferrer called the meeting to order. He thanked the Board, Interim Executive Director Thomas Prendergast and the agency presidents for their support during the transitional period. Acting Chairman Ferrer said the MTA will continue to focus on providing riders with safe and reliable service. The MTA is committed to transparency and
competition in the procurement process. As a result, beginning in 2013, in addition to adhering to state law advertising requirements, it will be standard operating procedure to post all proposed sole source purchases on the MTA website. He thanked the Board and, in particular, Board Member Moerdler for his advocacy in this matter. The details of Acting Chairman Ferrer’s opening remarks are contained in the video recording of this meeting, produced by the MTA and maintained in MTA records, and in the MTA and other agencies’ minutes of the meeting held this day.

2. Approval of Minutes

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of December 19, 2012 were unanimously approved.

3. Public Speakers:

There were 11 public speakers.

Jack Gourdji of Yachad, a non-profit organization dedicated to providing individuals with developmental disabilities the opportunity to be part of society, proposed that the railroads have a pilot plan to permit individuals with developmental disabilities with the opportunity operate food and water stands which would provide them with needed job skill sets. The details of the comments made by the remaining public speakers, who did not discuss items specific to Metro-North, are contained in the video recording of the meeting, produced by the MTA and maintained in MTA records, and in the other agencies’ minutes of this date.

4. Board Member Cappelli spoke of a Daily News breakfast that he attended with Acting Chairman Ferrer and two other Board members honoring employees for their good deeds and acts of courage. The details of the comments made by Board Member Cappelli are contained in the video recording of the meeting, produced by the MTA and maintained in MTA records, and in the other agencies’ minutes of this date.

5. Committee on Finance:

Procurements:

The Board voted on MTA Headquarters procurements. Among the items approved were the following competitive procurements that relate to Metro-North.

- An all-agency competitive procurement with Practicing Law Institute to provide continuing legal education courses for attorneys and other participating professionals from all the agencies to fulfill the New York State mandatory continuing legal education requirements.
- An all-agency competitive procurement with MedPricer, LLC for the provision of e-procurement services.
• An all-agency contract with ABM Janitorial Services Northeast, Inc. for the provision of custodial and engineering services for facilities, including those at North White Plains.

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.

Real Estate Items:

Upon motion duly made and seconded, the Board unanimously approved the following real estate items recommended to it by the Committee on Finance that relate to Metro-North. Board member Robert C. Bickford recused himself from the vote on the agreement with Phillipstown Depot Theatre Development Corporation.

- License agreement with Phillipstown Depot Theatre Development Corporation for the installation and operation of a generator and propane tank in Garrison, New York.
- License agreement with JP Morgan Chase Bank, NA for the placement of automated teller machines at multiple locations at Long Island Rail Road and Metro-North Railroad Stations.

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 Operations:

Procurements:

Upon motion duly made and seconded, the Board unanimously approved the following non-competitive procurements recommended to it by the Committee on Metro-North Railroad Operations.

- A 3-year purchase agreement with Railtech Boutet, Inc., the OEM and sole supplier for various welding equipment and supplies that are compatible with Metro-North's in-place inventory, for specialized field welding kits and supplies that are used by Metro-North's Track Department.
- A contract change for additional funding to Harsco Track Technologies, the OEM, sole source and current supplier of replacement components for rail-specific work equipment, for the purchase of various parts used on Metro-North's track equipment.

Upon motion duly made and seconded, the Board unanimously approved the following competitive procurements recommended to it by the Committee on Metro-North Railroad Operations.
• A competitively solicited and negotiated personal service contract with WSP Sells for construction supervision and inspection services for the replacement of the Bridge Street Bridge in Poughkeepsie.

• A competitively solicited (via RFP process) personal service contract with seven prequalified firms to perform task-based railroad planning consulting services to be used to identify strategies to enhance Metro-North’s service and rail operations planning, system expansions, capital investments and financial efficiency and to be utilized to supplement and develop internal Metro-North staff to conduct strategic reviews, conduct business process reviews and improve project management oversight.

• A competitively solicited miscellaneous service contract with East Coast Railroad Services for the on-going pick-up, re-punching and return of palletized tie plates to designated facilities throughout Metro-North’s territory in New York and Connecticut.

• A competitively negotiated 3-year miscellaneous service contract with Life Care Inc. to provide Work/Life Family Program and employee counseling information and referral services to all Metro-North employees.

Details of the above items are set forth in the staff summaries and other materials filed with the records of this meeting.

7. Committee on Long Island Rail Road Operations

The Board voted on Long Island Rail Road procurements. Among the items approved were the following competitive procurements that relate to Metro-North:

• A request to use the RFP process to furnish and install an automated vehicle location and monitoring system for highway vehicles.

• A contract with Environmental, LLC for the purchase of the FCC license for 150 kHz of Radio Spectrum, comprised of 12 channels each with a bandwidth of 12.5 kHz. This license is required to support the Railroads’ federally mandated Positive Train Control Projects in the four counties north and west of New York City.

The preceding procurements were unanimously approved, except that Board member Charles G. Moerdler voted in opposition to, and Board member Allen P. Cappelli abstained from the vote on the first procurement item above. Staff summaries and reports setting forth the details of the above items are filed with the minutes of the meeting of the Long Island Rail Road held this day.

8. Committee on MTA Bridges & Tunnels Operations

The Board voted on MTA Bridges & Tunnels procurements. Among the procurements approved were the following procurements that relate to Metro-North.
• A non-competitive procurement to provide additional funding for the continued maintenance and support of the KRONOS system and for consulting services on an as-needed basis.

• A competitive procurement to award of a miscellaneous service contract to NYMP Acquisition for the installation, replacement maintenance and repair of fire/smoke alarms/detection systems at various Metro-North locations.

Staff summaries and reports setting forth the details of the above items are filed with the minutes of the meeting of Bridges & Tunnels held this day.

9. Executive Session:

Upon motion duly made and seconded, the Board unanimously voted to convene in Executive Session pursuant to Public Officer's Law 105(i)(e) to discuss collective bargaining. Upon motion duly made and seconded, the Board unanimously voted to reconvene in Public Session.

10. Adjournment:

Upon motion duly made and seconded, the members of the Board present voted to adjourn the meeting at 11:00 a.m.

Respectfully submitted,

Linda Montanino
Assistant Secretary
Minutes of the Regular Meeting
Long Island Rail Road Company
Wednesday, January 30, 2013
10:00 a.m.

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Jonathan A. Ballan
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. John H. Banks, III
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow

Thomas Prendergast, Interim Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Robert Foran, Chief Financial Officer, Board Member Andrew Albert, Board Member James Blair, Board Member Vincent Tessitore, Jr., Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP/NYCT DoB, President MTA Bus, 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. Opening Remarks:

Acting Chairman Ferrer called the meeting to order. He thanked the Board, Interim Executive Director Thomas Prendergast and the Agency Presidents for their support during the transitional period. Acting Chairman Ferrer said that the MTA will continue to focus on providing its riders with safe and reliable service and is committed to transparency and
competition in the procurement process. Beginning in 2013, in addition to adhering to state law advertising requirements, it will be standard operating procedure to post all proposed sole source purchases on the MTA website. He thanked the Board and, in particular, Board Member Moedler for his advocacy in this matter. The details of Acting Chairman Ferrer's opening remarks are contained in the video recording of this meeting, produced by the MTA and maintained in MTA records, and in the MTA and other agencies' minutes of the meeting held this day.

Board Member Cappelli spoke of a Daily News breakfast that he attended with Acting Chairman Ferrer and two other Board members honoring employees for their good deeds and acts of courage. The details of the comments made by Board Member Cappelli are contained in the video recording of the meeting, produced by the MTA and maintained in MTA records, and in the other agencies' minutes of this date.

2. **Approval of Minutes:**

   Upon motion duly made and seconded, the minutes of the Regular Board Meeting of December 19, 2012 were unanimously approved.

3. **Public Speakers:**

   There were eleven public speakers.

   Jack Gourdji of Yachad, a non-profit organization helping individuals with developmental disabilities, proposed that the MTA Railroads establish a pilot plan providing these individuals with the opportunity to operate concessions at stations, which would provide them with needed job skills. The details of the comments made by the remaining public speakers, who did not discuss items specific to LIRR, are contained in the video recording of this meeting, produced by the MTA and maintained in MTA records, and in the other agencies' minutes of this date.

4. **Committee on Finance:**

   **Procurements:**

   The Board voted on MTA Headquarters procurements. Among the items approved were the following competitive procurements that relate to LIRR: (1) an all-agency competitive procurement with Practising Law Institute to provide continuing legal education courses for attorneys and other participating professionals from all the agencies to fulfill the New York State mandatory continuing legal education requirements; (2) an all-agency competitive procurement with MedPricer, LLC for the provision of e-procurement services; and (3) an all-agency contract with ABM Janitorial Services Northeast, Inc. for the provision of custodial and engineering services for facilities, including those at the Jamaica Control Center. 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.
Real Estate Items:

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

- Authorization to sell approximately 11,667 square feet of land adjacent to 700 Commercial Avenue and Oak Street in Garden City, NY to the County of Nassau for $93,000, to enable the County to improve and expand its compressed natural gas facility at that location.

- Licensing of the exclusive right to provide automatic teller machines at 35 LIRR stations and 41 Metro-North stations, for a period of 10 years, subject to termination at will by MTA on 60 days' notice, to JP Morgan Chase Bank, N.A., the value of which for the LIRR locations is calculated at $8,071,454.89.

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

5. Committee on Long Island Rail Road:

Long Island Rail Road Procurements:

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

- On behalf of LIRR, Metro-North and Bridges & Tunnels, a request to use the Request for Proposal (RFP) process to award a lease agreement to furnish and install an Automated Vehicle Location and Monitoring (AVLM) system into the Agencies' fleet of highway vehicles;

- On behalf of LIRR and Metro-North, and subject to successful completion of negotiations with the vendor and finalization of radio frequency testing, approval to award a contract to Environmental LLC in the amount of $2,225,000 to purchase the FCC license for 150 kHz of Radio Spectrum required to support the Railroads' federally mandated Positive Train Control (PTC) project in four counties north and west of New York City in which Metro-North operates;

- Approval to award a ten-year, competitively negotiated Personal Services contract to Intralogic Solutions, Inc., in the not to exceed amount of $1,704,780 including options, in order to develop, implement, validate and maintain a software integration system for the centralized Jamaica Incident Command Center for LIRR's Situation Room; and

- Approval to award estimated quantity contracts to 15 bus companies to provide LIRR with scheduled and emergency bus services over a three-year contract term, with the aggregate not-to-exceed amount of all contracts totaling $11,250,000.

The preceding procurements were unanimously approved, except that Board Member Charles G. Moerdler voted in opposition to, and Board Member Allen P. Cappelli abstained
from, the vote on the first procurement item, use of the RFP process to award a lease agreement to furnish and install an AVLM system into the Agencies' fleet of highway vehicles.

**MTA Capital Construction Procurements:**

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

- A modification to the East Side Access Project's Program Management contract to extend the contract through December 31, 2013 in the amount of $59,242,511;
- A modification to the East Side Access Project's Manhattan Tunnels contract for the reconciliation of unit price quantities associated with TBM payment items in the amount of $310,760;
- A modification to the East Side Access Project's Manhattan Tunnels contract for pipe connections to existing fire standpipes in the amount of $301,023;
- A modification to the East Side Access Project's Queens Bored Tunnels contract for additional utility work near the Harold Access Bridge in the amount of $595,000;
- A modification to the East Side Access Project's Plaza Substation and Queens Structures contract for the installation of a waterproofing substrate in the amount of $3,607,434;
- A modification to the East Side Access Project's Harold Structures Part I contract for the installation of additional catenary structures in the amount of $4,350,000; and
- A modification to the East Side Access Project's Harold Structures Part IIA contract for the installation of 60 cycle power to various central instrument huts in the amount of $1,535,000.

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

6. **Committee on MTA Bridges & Tunnels Operations:**

The Board voted on MTA Bridges & Tunnels procurements. Among the non-competitive items approved was a modification to a miscellaneous procurement contract with Kronos, Inc. to provide maintenance and support of its time keeper equipment and software and perform consulting services as needed, including $2,000,000 for LIRR.

7. **Executive Session:**

Upon motion duly made and seconded, the Board voted to convene in executive session to consider matters concerning collective bargaining, in accordance with Section
105(i)(e) of the Open Meetings Law. Upon motion duly made and seconded, the Board reconvened in public session.

8. **Adjournment:**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11 a.m.

Respectfully submitted,

Richard L. Gans
Secretary
Minutes of the Regular Meeting
Triborougb Bridge and Tunnel Authority
January 30, 2013

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

10:00 a.m.

The following members were present:

Hon. Fernando Ferrer, Acting Chairman, MTA
Hon. Jonathan A. Ballan
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. Andrew M. Saul
Hon. James E. Sedore, Jr.
Hon. Carl V. Wortendyke

Not Present:

Hon. John H. Banks, III
Hon. Jeffrey A. Kay
Hon. Mark D. LeBow

Thomas Prendergast, Interim Executive Director and President, New York City Transit;
Nuria Fernandez, Chief Operating Officer; Catherine Rinaldi, Chief of Staff; James B. Henly,
MTA General Counsel; Stephen J. Morello, Counselor to the Chairman; Robert Foran, Chief
Financial Officer; Board Member Andrew Albert; Board Member James Blair; Board Member
Vincent Tessitore; James Ferrara, President, Triborough Bridge and Tunnel Authority;
Michael Horodniceanu, President, MTA Capital Construction; Darryl Irick, President/Senior
Vice President, MTA Bus Company/New York City Transit, Department of Buses; Howard
Permut, President, Métro-North Railroad; 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.

Acting Chairman Ferrer called the meeting to order.

1. **Acting Chairman Ferrer’s Opening Comments**

Acting Chairman Ferrer expressed his gratitude to his colleagues on the Board and the Executive Staff for their assistance during this transition period and he thanked Joseph Lhota, former Chairman and CEO, for his dedication and service to the MTA. Acting Chairman Ferrer stated that he was committed to work with management to strengthen and improve the MTA system, which is so essential to the region’s daily life and economic vitality.

The details of Acting Chairman Ferrer’s comments are contained in the video recording of this meeting, produced by the MTA and maintained in MTA records, and the MTA and other agencies’ minutes of the meeting of this date.

2. **Approval of the Minutes of the Regular Meeting December 19, 2012**

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held December 19, 2012 were unanimously approved.

3. **Public Speakers**

There were eleven public speakers. None of the speakers specifically commented on issues regarding the Triborough Bridge and Tunnel Authority. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records, and to the other agencies’ minutes of this date, for the content of the speakers’ statements.

4. **Committee on Finance**

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

Authorized the MTA Interim Executive Director or MTA CFO to terminate and/or restructure a leveraged lease with SMBC Capital Markets Incorporated as lessor of automated fare collection equipment.

A copy of the resolution, staff summary and documents setting forth the details of the above item are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

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

**Procurements**

Commissioner Cappelli stated that there are thirteen procurements this month totaling $13.3 million.
Non-Competitive Procurements

Commissioner Cappelli stated that there is one non-competitive procurement this month totaling $4.4 million.

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.

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Contract No.</th>
<th>Funding Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kronos, Inc.</td>
<td>06-TD-2768</td>
<td>B&amp;T $582,472.16, LIRR $2,000,000.00, MN $1,739,000.00, MTA Bus $87,610.74, MTA Bus $4,409,082.90</td>
</tr>
</tbody>
</table>

Kronos, Inc. to continue to provide maintenance and support of its time keeper equipment and software and perform consulting services as needed.

Competitive Procurements

Commissioner Cappelli stated that there are eight competitive procurements this month totaling $8.5 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.

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

<table>
<thead>
<tr>
<th>Contractors to be Determined</th>
<th>Contract No.</th>
<th>Request Details</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GFM-509</td>
<td>Request that the Board declare competitive bidding to be impractical and/or inappropriate and authorize B&amp;T to enter into a competitive Request for Proposal process for Miscellaneous Construction Services on an As-Needed Basis at Various B&amp;T Facilities.</td>
</tr>
</tbody>
</table>

Cost to be Determined

<table>
<thead>
<tr>
<th>Contractors to be Determined</th>
<th>Contract No.</th>
<th>Request Details</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12-HS-2894</td>
<td>B&amp;T is requesting that the Board declare competitive bidding to be impractical and/or inappropriate and authorize B&amp;T to enter into a competitive Request for Proposal (RFP) process for Contract 12-HS-2894, Asbestos and Incidental Lead Abatement on an As Needed Basis at Various B&amp;T Facilities.</td>
</tr>
</tbody>
</table>

Cost to be Determined

- 22 -
### Personal Service Contracts

**URS Corporation — New York**  
Contract No. PSC-12-2920  
$3,206,383.44  
Provide comprehensive tunnel inspection and design services for Project QM-40, Repairs at the Queens Midtown Tunnel.

**LiRo Engineers, Inc.**  
Contract No. PSC-12-2919  
$1,396,287.00  
Provide construction administration and inspection services for Project AW-36, Fiber Optic Network Upgrade at the Robert F. Kennedy Bridge.

**Dewberry Engineers Inc.**  
Contract No. PSC-12-2911  
$1,249,779.02  
Provide design and construction support services for Project MP-16. Miscellaneous Steel Repairs, Painting and Fire Line Installation at the Marine Parkway-Gil Hodges Memorial Bridge.

### Miscellaneous Service Contracts

**NYMP Acquisition LLC**  
Contract No. 10-MNT-2879X  
$252,100.00 B&T  
$283,275.00 MTAHQ  
$77,776.00 MTAPD  
$297,640.00 MNR  
$910,791.00  
Contractor to provide all labor, equipment and materials for the installation, replacement, maintenance and repair of fire/smoke alarms/detection systems located at various B&T, MTAHQ, MTAPD and MNR facilities. The agencies do not have the equipment, personnel or professional certifications required to perform this work.

<table>
<thead>
<tr>
<th>Bidders</th>
<th>B&amp;T (MNT-2879X)</th>
<th>MTAHQ</th>
<th>MTAPD</th>
<th>MNR</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>NYMP Acquisition LLC</td>
<td>$252,100.00</td>
<td>$283,275.00</td>
<td>$77,776.00</td>
<td>$297,640.00</td>
<td>$910,791.00</td>
</tr>
<tr>
<td>Simplex Grinnell LP</td>
<td>$254,886.10</td>
<td>$275,165.52</td>
<td>$69,542.40</td>
<td>$411,972.10</td>
<td>$1,011,566.12</td>
</tr>
</tbody>
</table>

**GenServe, Inc.**  
Contract No. 12-MNT-2895 (A)  
Contractor to provide preventive maintenance and repair of  
$69,342.50 MTAPD (Beacon)  
$70,192.50 MTAPD (Central Islip)  
$94,787.50 MTAPD (LIC)  
$73,887.50 MTAPD (Mt. Vernon)  
$116,525.00 MTA (Madison Ave.)
generators located at various B&T and MTA facilities. The agencies do not possess the equipment, parts or personnel required to perform this work. The services are required to maintain peak performance of the generators in the event that they are needed in an emergency, e.g. power outage at a bridge, an office building or police station.

B&T's evaluation of its apparent low bidder, Atlantic Detroit Diesel Allison LLC, is ongoing. B&T will present an award recommendation for this service to the Board for approval at a later date. As a matter of information, the above three bidders also submitted bids in response to B&T's requirements.

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

PB Americas, Inc./Chas H. Sells, A Joint Venture  
Contract No. PSC-06-2810  
$1,312,712.73  
Additional construction support services and design services to install noise and protective barriers in specified areas along the approach in connection with Project BW-89C, Replacement of the Queens Approach at the Bronx-Whitestone Bridge.

**Ratifications**

Commissioner Cappelli stated that there are four ratifications this month totaling $0.357 million.

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

**Ratification of Completed Procurement Actions**

<table>
<thead>
<tr>
<th>Company</th>
<th>Contract No.</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Resources International, Inc.</td>
<td>3000001148</td>
<td>$108,727.80</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kutta Radios, Inc.</td>
<td>3000001149</td>
<td>$58,000.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sidera Networks LLC</td>
<td>3000001130</td>
<td>$52,000.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fremont Industrial Corp.</td>
<td>3000000789</td>
<td>$138,200.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**6. Executive Session**

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

**7. Adjournment**

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 11:00 a.m.

Respectfully submitted,

[Signature]

Julia R. Christ
Acting Assistant Secretary
The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Jonathan A. Ballan
Hon. Robert C. Bickford
Hon. Norman Brown
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. David A. Paterson
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. John H. Banks, III
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow

Thomas Prendergast, Interim Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Robert Foran, Chief Financial Officer, Board Member Andrew Albert, Board Member James Blair, Board Member Vincent Tessitore, Jr., Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, SVP/NYCT DOB, President MTA Bus, 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.

Acting Chairman Ferrer called the meeting to order.
Acting Chairman Ferrer’s Opening Remarks

Acting Chairman Ferrer acknowledged the help and support he has received from his colleagues on the Board, the MTA’s Executive Staff under the leadership of the Acting Executive Director, Thomas Prendergast and the Agency President’s during this period of transition.

The Acting Chairman spoke about the MTA’s commitment to transparency. As an example, starting this year it will be standard operational procedure for MTA Procurement Departments to post notice directly on the MTA’s website of any proposed Sole Source Purchase. This is in addition to any Statutory advertising requirements. This continues the MTA’s efforts to promote transparency and competition in their procurements.

The rest of the Acting Chairman’s remarks are recorded and filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held on January 30, 2013.

Public Comment Period

There were twelve public speakers none of whom discussed items specific to MTA Capital Construction. The subject matter of their comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held on January 30, 2013.

Approval of Minutes

Upon motion duly made and seconded, the MTA Board approved the minutes of the regular Board meeting held on December 19, 2012.

Procurements

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

1. A modification to the No. 7 Line Extension Project’s Finishes and Systems contract for revisions to the security, fire alarm and communications systems.
3. A modification to the East Side Access Project’s Manhattan Tunnels contract for the reconciliation of unit price quantities associated with TBM payment items.
4. A modification to the East Side Access Project’s Manhattan Tunnels contract for pipe connections to existing fire standpipes.
5. A modification to the East Side Access Project’s Queens Bored Tunnels contract for additional utility work near the Harold Access Bridge.
6. A modification to the East Side Access Project’s Plaza Substation and Queens Structures contract for the installation of a waterproofing substrate.
8. A modification to the East Side Access Project’s Harold Structures Part IIA contract for the installation of 60 cycle power to various central instrument huts.

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

1. A modification to the Second Avenue Subway Project’s 63rd St./Lexington Avenue Station Reconstruction contract to perform additional work for the communication system.
2. A modification to the Fulton Street Transit Center Enclosure contract to furnish and install the glass and stainless steel cladding for the new elevator hoistway enclosure.
3. A modification to the No. 7 Line Extension Project’s Finishes and Systems contract for changes to the emergency response radio system.

A copy of the resolutions, Staff Summaries and details of the above items are filed with the records of the meeting of the Board of the Metropolitan Transportation Authority held on January 30, 2013.

Executive Session

Upon motion duly made and seconded, the Board voted to convene in Executive Session to consider matters concerning collective bargaining. Upon motion duly made and seconded, the Board reconvened in public session.

Adjournment

Upon motion duly made and seconded, the Board voted to adjourn the public meeting at 11:00 a.m.

Respectfully submitted,

David K. Cannon
Assistant Secretary
PURPOSE:

In connection with the proposed issuance in 2013 of MTA and TBTA debt, the MTA Finance Department is seeking MTA and TBTA Board authorization and approval of the necessary documentation to issue new money bonds to finance up to $1.5 billion of capital projects set forth in existing approved transit and commuter capital programs, and up to $200 million to finance capital projects set forth in existing approved bridges and tunnels capital programs. The MTA Finance Department will report to the Board on the status of the proposed debt issuance schedule, the results of each bond issue and planned bond issues.

DISCUSSION:

MTA and TBTA Board approval is sought of the following resolutions, documents and activities in connection with the issuance of bonds in an aggregate principal amount necessary to finance up to $1.7 billion of capital projects of the transit and commuter systems and Bridges & Tunnels set forth in existing approved capital programs:

- Multiple 2013 Series Supplemental Resolution authorizing Metropolitan Transportation Authority Transportation Revenue Obligations, including providing for the issuance of the following:
  - An aggregate principal amount of up to $1.5 billion of Transportation Revenue Bonds in one or more series necessary to finance capital projects of the transit and commuter systems, plus applicable issuance costs and any original issue discount, and
  - Parity Reimbursement Obligations and Parity Debt in an amount sufficient to secure any Credit Facilities entered into in connection with the issuance of the Transportation Revenue Bonds.

- Multiple 2013 Series Supplemental Resolution authorizing Triborough Bridge and Tunnel Authority General Revenue Obligations, including providing for the issuance of the following:
  - An aggregate principal amount of up to $200 million of Triborough Bridge and Tunnel Authority General Revenue Obligations in one or more series necessary to finance capital projects of TBTA, plus applicable issuance costs and any original issue discount, and
  - Parity Reimbursement Obligations and other Parity Debt in an amount sufficient to secure any Credit Facilities entered into in connection with the issuance of the General Revenue Obligations.
With respect to the above-referenced financial transactions, MTA and TBTA Board approval, as applicable, is sought

(a) delegating authority to the Chairman, Vice Chairman, the Chief Executive Officer and/or Executive Director of MTA, the Chair of the Finance Committee, the Chief Financial Officer of MTA, and the Director, Finance to award the obligations either pursuant to competitive bid or to members (or entities related to such firms) of the Board-approved MTA underwriting syndicate and to execute and/or deliver in each case, where appropriate:

- Notices of Sale and bid forms,
- Purchase Agreements with underwriters,
- Official Statements and other disclosure documents,
- Continuing Disclosure Agreements and related filings,
- Remarketing Agreements,
- Dealer and Broker/Dealer Agreements,
- Issuing and Paying Agent Agreements,
- Credit Facilities and related Parity Reimbursement Obligations and Parity Debt, and
- Related Subordinated Contract Obligations.

Any such documents will be in substantially the form of any document previously entered into by MTA or TBTA for previous issues, with such changes as approved by any one or more of the foregoing officers.

(h) authorizing such officers to terminate, amend, supplement, replace or extend any such documents, including Credit Facilities (and related Parity Reimbursement Obligations and Parity Debt), as they shall deem advisable, and to take such other actions as may be necessary or desirable to effectuate the issuance of the new money bonds and other financial transactions set forth above, on behalf of MTA, TBTA or other MTA subsidiaries and affiliates.

ALTERNATIVES:

There are no viable funding alternatives to the bond funded portion of existing capital programs.

RECOMMENDATION:

The Boards approve the above-referenced resolutions and documents and all other actions described above, including the execution and delivery of such other documents, and the taking of all other actions, from time to time deemed necessary or desirable by such officers in connection therewith.
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

MULTIPLE SERIES 2013
GENERAL REVENUE BOND
SUPPLEMENTAL RESOLUTION

Adopted March __, 2013
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MULTIPLE SERIES 2013
GENERAL REVENUE BOND
SUPPLEMENTAL RESOLUTION

BE IT RESOLVED by the Triborough Bridge and Tunnel Authority (the
“Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

SECTION 1.01. Supplemental Resolution. This resolution is supplemental to,
and is adopted, in accordance with Article II and Article A-VIII of, a resolution of the Issuer
adopted on March 26, 2002, entitled “General Resolution Authorizing General Revenue
Obligations” (the “Resolution”).

SECTION 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this
Multiple Series 2013 General Revenue Bond Supplemental Resolution (the “Supplemental
Resolution”) shall have the same meanings, respectively, as such terms are given by Section 102
of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the
Resolution, and the Chairman, Executive Director, the Chair of the Finance Committee, the Vice
Chairman, the Chief Financial Officer or the Director, Finance, as well as any officer duly
designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation
set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer”
shall not include any Assistant Secretary of the Issuer.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer
acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the
MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

“Bond Counsel” shall mean Hawkins Delafield & Wood LLP, Nixon Peabody
LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of
law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and
regulations thereunder.

SECTION 1.03. Authority for this Supplemental Resolution. This
Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the
Resolution.

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ARTICLE II

AUTHORIZATION OF SERIES 2013 BONDS

SECTION 2.01. Authorized Principal Amount, Designation and Series. Pursuant to the provisions of the Resolution and in order to finance Capital Costs, multiple Series of General Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series 2013 Bonds", constituting Capital Cost Obligations, subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in the related Certificate of Determination as estimated to be necessary to pay capitalized interest or to pay any Costs of Issuance of the Series 2013 Bonds) shall not exceed the amount or amounts determined in one or more Certificates of Determination as estimated to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that the Series 2013 Bonds issued to finance Capital Costs shall not exceed $200,000,000 (excluding all amounts excluded above, such as net original issue discount, underwriters' discounts, capitalized interest and Costs of Issuance). For all purposes of this Section 2.01, net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2013 Bonds, shall not be counted.

Series 2013 Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "General Revenue Bonds, Series 2013" or such other title or titles set forth in one or more Certificates of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Series 2013 Bonds shall continue in effect until the adoption in 2014 by the MTA Board of a subsequent new money bond issuance supplemental resolution.

SECTION 2.02. Purposes. The purposes for which the Series 2013 Bonds are issued shall be set forth in one or more Certificates of Determination and may include the payment of all or any part of the Capital Costs, all to the extent and in the manner provided in this Supplemental Resolution.

SECTION 2.03. Dates, Maturities, Principal Amounts and Interest. The Series 2013 Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Series 2013 Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.
SECTION 2.04. Interest Payments. The Series 2013 Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2013 Bonds shall be computed on the basis of twelve (12) 30-day months and a 360-day year.

SECTION 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2013 Bonds shall be issued in fully registered form without coupons in the denomination of $5,000 or any integral multiple thereof.

The Series 2013 Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

SECTION 2.06. Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2013 Bonds shall be payable to the registered owner of each Series 2013 Bond when due upon presentation of such Series 2013 Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2013 Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars ($1,000,000) in principal amount of the Series 2013 Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

SECTION 2.07. Sinking Fund Installments. The Series 2013 Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption in part, by lot, or otherwise as determined in accordance with Section A-404 of the Resolution, on each date in the year or years determined in the related Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2013 Bonds.

SECTION 2.08. Redemption Prices and Terms. The Series 2013 Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount or otherwise as determined pursuant to Section 2.09.1(f) or in the case of Taxable Obligations as otherwise provided in the related Certificate of Determination) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date.
SECTION 2.09. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2013 Bonds:

(a) to determine whether and when to issue any Series 2013 Bonds constituting Capital Cost Obligations, the amount of the Series 2013 Bonds to be applied to finance Capital Costs, and the amount of the proceeds of the Series 2013 Bonds estimated to be necessary to pay the Costs of Issuance of the Series 2013 Bonds and capitalized interest, if any;

(b) to determine the purpose or purposes for which the Series 2013 Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2013 Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2013 Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2013 Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2013 Bonds shall be dated and the interest rate or rates of the Series 2013 Bonds or the manner of determining such interest rate or rates; provided, however, that any Series 2013 Bonds issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2013 Bonds issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer’s Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2013 Bonds; provided, however, that if the Series 2013 Bonds are to be redeemable at the election of the Issuer, the Redemption Price shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2013 Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(g) to determine whether the sale of the Series 2013 Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2013 Bonds to be paid by the purchasers referred to in one or more Purchase Agreements or the purchase price for the Series 2013 Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale (as hereinafter defined), in either case as such document is described in Section 2.10 of this Supplemental Resolution, which

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may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed $10.00 for each one thousand dollars ($1,000) principal amount of the Series 2013 Bonds;

(h) to take all actions required for the Series 2013 Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2013 Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2013 Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2013 Bonds, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2013 Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2013 Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(l) to determine such other matters specified in or permitted by (i) Sections 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificate of Determination evidencing the determinations made pursuant to this Supplemental Resolution and such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2013 Bonds are delivered.
from time to time, or other authority is exercised under this Supplemental Resolution from time
to time and each such Certificate of Determination shall be delivered to the Trustee prior to the
authentication and delivery of the respective Series or subseries of Series 2013 Bonds by the
Trustee or other documentation. Determinations set forth in the related Certificate of
Determination shall have the same effect as if set forth in this Supplemental Resolution. Any
such Authorized Officer may exercise any authority delegated under this Supplemental
Resolution from time to time following issuance of any Series 2013 Bonds, as appropriate for
any purposes, including, in order to change interest rate modes or auction periods, obtain a
substitute or additional Credit Facility or to appoint new or additional agents or other parties
deemed appropriate to a particular form or mode of Obligation or manner of sale.

SECTION 2.10. Sale of Series 2013 Bonds. If it is determined that any sale of
Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to
sell and award the Series 2013 Bonds to the purchasers who shall be on the list of underwriters
then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements,
which Purchase Agreement or Agreements shall be substantially in the form most recently
executed or delivered by the Issuer in connection with the sale of Obligations, with such
revisions to reflect the terms and provisions of the Series 2013 Bonds as may be approved by the
officer executing the Purchase Agreement (each, a “Purchase Agreement”). Each Authorized
Officer is hereby authorized to agree to the selection of the representative of the underwriters as
referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase
Agreement or Agreements for and on behalf and in the name of the Issuer with such changes,
omissions, insertions and revisions as may be approved by the officer executing the Purchase
Agreement or Agreements, said execution being conclusive evidence of such approval and
concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2013 Bonds shall be conducted on a
competitive bid basis each Authorized Officer is hereby further authorized to conduct the sale
and award of the Series 2013 Bonds on the basis of a competitive bid, pursuant to the terms of a
notice of sale, including bid form (the “Notice of Sale”), in a form, including any limitations on
permitted bidders and a description of the basis for determining the winning bidder or bidders,
determined by such Authorized Officer. Each Authorized Officer is hereby authorized to
conduct such competitive sale of the Series 2013 Bonds in a manner consistent with this
Supplemental Resolution and to utilize the services of the Authority’s financial advisor and the
services of an electronic bidding service, as such Authorized Officer shall determine, and the
execution by such Authorized Officer of a letter of award shall be conclusive evidence of such
award.

Each Authorized Officer is hereby authorized to make public and to authorize the
use and distribution by said purchasers or other appropriate parties of a preliminary official
statement, offering circular, or other disclosure document (the “Preliminary Official Statement”) in
connection with each public offering or any private placement of the Series 2013 Bonds, in
substantially the form most recently executed or delivered by the Issuer in connection with the
sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall
deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect
that such Preliminary Official Statement or Official Statement, if deemed necessary or
appropriate, together with such other documents, if any, described in such certificate, was
deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Series 2013 Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the “Continuing Disclosure Agreement”), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of the Series 2013 Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2013 Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Series 2013 Bonds and for implementing the terms of each issue of the Series 2013 Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

SECTION 2.11. Forms of Series 2013 Bonds and Trustee’s Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Series 2013 Bonds, and the Trustee’s certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the
requirements of DTC or the provisions of this Supplemental Resolution or the related Certificate of Determination.


ARTICLE III

DISPOSITION OF SERIES 2013 BOND PROCEEDS

SECTION 3.01. Disposition of Series 2013 Bond Proceeds. Any proceeds of the sale of the Series 2013 Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Series 2013 Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the payment of all or any part of the Capital Costs; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the COI Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, and any capitalized interest, received on the sale of the Series 2013 Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANTS AND defeasance

SECTION 4.01. Tax Covenants Relating to the Series 2013 Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2013 Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Series 2013 Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Series 2013 Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, other than the
right (which is hereby abrogated solely as to the Issuer's failure to observe, or refusal to comply with the above covenant) to declare the principal of all Obligations then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Series 2013 Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Series 2013 Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

SECTION 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2013 Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series 2013 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series 2013 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2013 Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.
METROPOLITAN TRANSPORTATION AUTHORITY

MULTIPLE SERIES 2013
TRANSPORTATION REVENUE BOND
SUPPLEMENTAL RESOLUTION

Adopted March __, 2013
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MULTIPLE SERIES 2013
TRANSPORTATION REVENUE FUND BOND
SUPPLEMENTAL RESOLUTION

BE IT RESOLVED by the Metropolitan Transportation Authority (the "Issuer"),
as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01. Supplemental Resolution. This resolution is supplemental to, and is
adopted, in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted
on March 26, 2002, entitled "General Resolution Authorizing Transportation Revenue
Obligations" (the "Resolution").

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this
Multiple Series 2013 Transportation Revenue Bond Supplemental Resolution (the
"Supplemental Resolution") shall have the same meanings, respectively, as such terms are given
by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the
Resolution, and the Chairman, Executive Director, the Chair of the Finance Committee, the Vice
Chairman, the Chief Financial Officer or the Director, Finance, as well as any officer duly
designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation
set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer"
shall not include any Assistant Secretary of the Issuer.

"Board" shall mean the members of the Issuer acting as such pursuant to the
provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody
LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of
law relating to the issuance of obligations by state and municipal entities selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and
regulations thereunder.

Section 1.03. Authority for this Supplemental Resolution. This Supplemental
Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.
ARTICLE II

AUTHORIZATION OF SERIES 2013 BONDS

Section 2.01. Authorized Principal Amount, Designation and Series. Pursuant to the provisions of the Resolution and in order to finance Capital Costs, multiple Series of Transportation Revenue Obligations (which may be issued at one time or from time to time and in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series 2013 Bonds", constituting Capital Cost Obligations, subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in the related Certificate of Determination as estimated to be necessary to pay capitalized interest or to pay any Costs of Issuance of the Series 2013 Bonds), shall not exceed the amount or amounts determined in a Certificate of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that the Series 2013 Bonds issued to finance Capital Costs shall not exceed $1,500,000,000 (excluding all amounts excluded above, such as net original issue discount, underwriters' discount, capitalized interest and Costs of Issuance). For all purposes of this Section 2.01, net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2013 Bonds shall not be counted.

Series 2013 Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "Transportation Revenue Bonds, Series 2013" or such other title or titles set forth in one or more Certificates of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer, including the Bond Anticipation Notes, Series 2013A, and Related Subordinated Indebtedness Transportation Revenue Bond Supplemental Resolution and the Series 2013B Transportation Revenue Bond Supplemental Resolution, each adopted by the Issuer on December 19, 2012, shall continue in full force and effect. The authorization to issue the Series 2013 Bonds shall continue in effect until the adoption in 2014 by the MTA Board of a subsequent new money bond issuance supplemental resolution.

Section 2.02. Purposes. The purposes for which the Series 2013 Bonds are issued shall be set forth in one or more Certificates of Determination and may include the payment of all or any part of the Capital Costs, all to the extent and in the manner provided in this Supplemental Resolution.

Section 2.03. Dates, Maturities, Principal Amounts and Interest. The Series 2013 Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Series 2013 Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest
at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

Section 2.04. Interest Payments. The Series 2013 Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2013 Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

Section 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2013 Bonds shall be issued in fully registered form without coupons in the denomination of $5,000 or any integral multiple thereof.

The Series 2013 Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

Section 2.06. Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2013 Bonds shall be payable to the registered owner of each Series 2013 Bond when due upon presentation of such Series 2013 Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2013 Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars ($1,000,000) in principal amount of the Series 2013 Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07. Sinking Fund Installments. The Series 2013 Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption in part, by lot, or otherwise as determined in accordance with Section A-404 of the Resolution, on each date in the year or years determined in the related Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2013 Bonds.

Section 2.08. Redemption Prices and Terms. The Series 2013 Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount as determined pursuant to Section 2.09.1(f) or in the case of Taxable Obligations as otherwise
provided in the related Certificate of Determination) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date.

Section 2.09. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2013 Bonds:

(a) to determine whether and when to issue any Series 2013 Bonds constituting Capital Cost Obligations, the amount of the Series 2013 Bonds to be applied to finance Capital Costs, and the amount of the proceeds of the Series 2013 Bonds estimated to be necessary to pay the Costs of Issuance of the Series 2013 Bonds and capitalized interest, if any;

(b) to determine the purpose or purposes for which the Series 2013 Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2013 Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2013 Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2013 Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2013 Bonds shall be dated and the interest rate or rates of the Series 2013 Bonds or the manner of determining such interest rate or rates; provided, however, that any Series 2013 Bonds issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2013 Bonds issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer’s Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2013 Bonds; provided, however, that if the Series 2013 Bonds are to be redeemable at the election of the Issuer, the Redemption Price for Series 2013 Bonds issued as Tax-Exempt Obligations shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2013 Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(g) to determine whether the sale of the Series 2013 Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2013 Bonds to be paid by the purchasers referred to in one or more Purchase
Agreements or the purchase price for the Series 2013 Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale (as hereinafter defined), in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that, in the case of Series 2013 Bonds sold on a negotiated basis, the underwriters’ discount reflected in such purchase price shall not exceed $10.00 for each one thousand dollars ($1,000) principal amount of the Series 2013 Bonds;

(h) to take all actions required for the Series 2013 Bonds to be eligible under the rules and regulations of The Depository Trust Company (“DTC”) for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2013 Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2013 Bonds as Tax Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2013 Bonds, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2013 Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2013 Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2013 Bonds;

(l) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and
(m) to determine such other matters specified in or permitted by (i) Sections 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2013 Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series 2013 Bonds by the Trustee or other documentation. Determinations set forth in the related Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2013 Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

Section 2.10. Sale of Series 2013 Bonds. If it is determined that any sale of Series 2013 Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Series 2013 Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Series 2013 Bonds as may be approved by the officer executing the Purchase Agreement (each, a “Purchase Agreement”). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2013 Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2013 Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the “Notice of Sale”), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2013 Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority’s financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.
Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the “Preliminary Official Statement”) in connection with each public offering or any direct or private placement of the Series 2013 Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Series 2013 Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the “Continuing Disclosure Agreement”), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of the Series 2013 Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2013 Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker dealer agreements, tender agent agreements, or auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, the Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Series 2013 Bonds and for implementing the terms of each issue of the Series 2013 Bonds and the transactions contemplated hereby or thereby.
When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

Section 2.11. Forms of Series 2013 Bonds and Trustee’s Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Series 2013 Bonds, and the Trustee’s certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or the related Certificate of Determination.

Section 2.12. Appointment of Trustee and Paying Agent. Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under the Resolution and the Paying Agent for the Series 2013 Bonds.

ARTICLE III

DISPOSITION OF SERIES 2013 BOND PROCEEDS

Section 3.01. Disposition of Series 2013 Bond Proceeds. Any proceeds of the sale of the Series 2013 Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Series 2013 Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to the related Certificate of Determination to:

(a) the payment of all or any part of the Capital Costs; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the Costs of Issuance Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in the related Certificate of Determination, the accrued interest and any capitalized interest, if any, received on the sale of the Series 2013 Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANTS AND DEFEASANCE

Section 4.01. Tax Covenants Relating to the Series 2013 Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2013 Bonds issued as Tax Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be
executed by the Issuer in connection with the execution and delivery of any Series 2013 Bonds issued as Tax Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Series 2013 Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Series 2013 Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Series 2013 Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

Section 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2013 Bonds issued as Tax Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series 2013 Bonds issued as Tax Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series 2013 Bonds issued as Tax Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2013 Bonds issued as Tax Exempt Obligations in determining gross income for Federal income tax purposes.
Staff Summary

Subject
Approval of Amendments to Swap Policy

Department
Finance

Department Head Name
Robert E. Foran, Chief Financial Officer

Department Head Signature

Project Manager Name
Patrick J. McCoy, Director of Finance

Board Action

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Purpose

To obtain MTA and TBTA Board adoption of amendments to the Guidelines for Entering into Payment Agreements (the “Policy”).

Discussion

The Board adopted the Guidelines for Entering into Payment Agreements on March 26, 2002. The policy provides parameters for entering into payment agreements, also referred to as derivatives or swaps. The passage of the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010 (“Dodd-Frank Act”) incorporated significant changes to the regulatory framework for derivatives. As a result, new regulations have been promulgated by the Commodity Futures Trading Commission (CFTC). In an effort to help members and non-members comply with these new regulations, the International Swaps and Derivatives Association, Inc., (ISDA) has created the Dodd-Frank Protocol or “DF-Protocol”

After review of the existing MTA Guidelines, and taking into account the new requirements and regulations issued by CFTC and experience operating under the existing Guidelines, staff has revised and expanded the scope and substance of those Guidelines into an amended Policy for approval by the Board. The attached Policy is broken into 5 major sections describing 1) the general structure and requirements of a payment agreement, 2) specific counterparty requirements, 3) exposure limits including interest rate swaps tied to total outstanding debt, 4) Advisor requirements and, 5) ongoing monitoring and reporting requirements.

The substantive changes to the Policy include: 1) the establishment of investment grade criteria for counterparties including the requirement of collateral agreements; 2) the addition of a prohibition on the use of “structured” counterparties that allow for automatic termination; 3) specification of quantifiable exposure limits tying total interest rate mark-to-market exposure to 5% of total long term debt outstanding, calculated at the time any new exposure is being considered for approval by the Board and further limiting exposure, based on a similar calculation, to 2% of MTA's total long term debt per Counterparty; 4) inclusion of Commodity
Staff Summary

Price Based Payment Agreements directly into the Policy and providing applicable guidelines for fuel hedging limits; and 5) addition of the requirement to hire and monitor an independent third party professional registered with the SEC as a swap advisor and which qualifies as a Qualified Independent Representative ("QIR") in accordance with the Dodd-Frank Act.

ALTERNATIVES:

Not to adopt the amendments to the Guidelines for the Policy. This is not recommended because MTA and TBTA would not be in compliance with the Dodd-Frank Act. Failing to adopt the amendments would unnecessarily constrain and limit MTA's ability to effectively manage its derivative portfolio.

Recommendation

That the Board adopt the Policy to comply with the Dodd-Frank Act.
A. GENERAL

Rules of Construction

Words in the singular may be used in the plural and vice versa.

Scope and Purpose

The purpose of this Policy for Entering into Payment Agreements (the Policy) is to set forth the guidelines and expectations of the Board of Directors (MTA Board) of the Metropolitan Transportation Authority (MTA) and the Board of Directors of the Triborough Bridge and Tunnel Authority (TBTA), respectively, as they relate to the use of Payment Agreements to hedge financial exposure incurred in the day-to-day operations of any Authority.

B. DEFINITIONS

“Authority” means, as the context permits or requires, any or all of the following: the First Mutual Transportation Assurance Company; The Long Island Rail Road Company; the Manhattan and Bronx Surface Transit Operating Authority; the Metro-North Commuter Railroad Company; the Metropolitan Transportation Authority; the New York City Transit Authority; the Staten Island Rapid Transit Operating Authority; and the Triborough Bridge and Tunnel Authority.

“Authorized Officer” means the Chairman and Chief Executive Officer, the Vice Chairman, the Executive Director, the Chair of the Finance Committee, the Chief Financial Officer, or the Director of Finance of the MTA.

“Counterparty” means the provider of a Payment Agreement with an Authority.

“NRSRO” means a nationally recognized statistical rating organization.

“Obligation” means any obligation for the payment of money by an Authority, including, without limitation, a debt, installment sale or lease obligation.

“Payment Agreement” means, as the context permits or requires, any or all of the following: rate swap transaction (either variable to fixed or fixed to variable), basis swap, forward rate transaction, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, commodity swap, commodity option, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions).

“Swap Advisor” means a third party professional registered with the SEC as a swap advisor that provides hedge advisory services, with demonstrated experience with municipal derivatives and which qualifies as a Qualified Independent Representative (“QIR”) in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) and makes necessary representations and agreements to comply with the Dodd-Frank Act.
"Total Potential Gross Negative Exposure" means an amount equal to the option adjusted dollar value of one basis point ("DV01") of all outstanding interest rate hedge transactions multiplied by 300.

"Total Long Term Outstanding Debt" means the total par amount of debt outstanding as of December 31 of the just prior fiscal year, issued pursuant to the MTA General Resolution Authorizing Transportation Revenue Obligations, the MTA Dedicated Tax Fund Obligation Resolution, the TBTA General Resolution Authorizing General Revenue Obligations and the TBTA 2001 Subordinate Revenue Resolution Authorizing Subordinate Obligations.

C. FEATURES OF PAYMENT AGREEMENTS

Form of Agreements

Payment Agreements will be based on the terms and conditions set forth in the International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement forms appropriate for the particular type of agreement. Any Payment Agreement need not conform to such form of agreement if the necessary terms and conditions set forth in such ISDA Master Agreement are the basis of the Payment Agreement.

Payment Agreements shall include terms specifying the amount and timing of payments, maturity, security, collateral, defaults, remedies, termination and such other terms, conditions, provisions and safeguards as the MTA and TBTA as appropriate, in consultation with legal counsel and a Swap Advisor, deems necessary or desirable.

Failure by an Authority to comply with, or a violation of, the provisions of these Policy guidelines shall not be deemed to alter, affect the validity of, modify the terms of, or impair any contract, agreement, or investment of funds.

Purpose of Payment Agreement

Any Authority may enter into a Payment Agreement if it is shown that such Agreement is reasonably expected to hedge or mitigate commercial risk and:

1. Result in an expected lower net cost of borrowing with respect to the related Obligations;
2. Reduce the volatility associated with projecting the cost of a particular debt transaction, either fixed or variable, i.e. interest rate hedging;
3. Reduce the volatility associated with projecting the cost of a particular commodity essential to the business operations or capital projects of the MTA, such as diesel or other fuel (i.e. fuel hedging) or steel; or,
4. Reduce the financial exposure of the Authority with respect to its current financial condition.

An Authority is prohibited from entering into a Payment Agreement when such agreement cannot be reasonably expected to achieve at least one of the objectives listed above.

An Authority will not use Payment Agreements that:

1. Are purely speculative in nature or create extraordinary leverage or risk or,
2. Lack sufficient price transparency to allow reasonably transparent valuation.

Term of Payment Agreement

Subject to limitations imposed pursuant to agreements with bondholders, the term of any Payment Agreement cannot exceed in the case of interest rate hedges the greater of the final maturity of related then outstanding Obligations of the Authority or the term of an approved financial plan of the Authority or with respect to commodity hedges the term of 24 months from the trade date.
D. COUNTER PARTY GUIDELINES

Credit Ratings of Counterparties
1. The minimum credit rating requirements of a counterparty entering into a Payment Agreement with the Authority are a long term senior, unsecured debt credit rating of at least "A3" or "A-" from two of the nationally recognized statistical rating organizations, as recognized by the Securities and Exchange Commission.
2. No Authority shall be authorized to enter into any agreement with a structured terminating counterparty or be subject to automatic termination in any circumstance without explicit approval of the Board.

Early Termination Process
In the event of an early termination of any hedge transaction, the Authority, by its Authorized Officers, may follow any stated termination provisions applicable to the event which gave rise to the early termination. In an early termination where no provisions explicitly determine the termination process, Authorized Officers of the MTA, in consultation with a Swap Advisor and legal counsel, may use whatever process is deemed in the best interest of the MTA or affected Authority.

Notwithstanding the previous paragraph, Authorized Officers may in all early termination situations, in consultation with a Swap Advisor and legal counsel, use whatever process is deemed in the best interest of the affected Authority.

All Payment Agreements must provide the Authority with the option to terminate the Payment Agreement or any transaction entered into pursuant to a Payment Agreement at its market value at any time.

Counterparty Collateralization
As part of a Payment Agreement, the Authority must require that the Counterparty enter into a credit support agreement to provide collateralization to secure any or all of its payment obligations. Such collateralization is subject to the following restrictions:

1. The mark-to-market valuation of the scheduled net payment obligations of the Counterparty under the Payment Agreement must be collateralized by either direct obligations of, or obligations the principal and interest on which are guaranteed by, the United States of America, or by federal agency securities, that must be
   a. deposited with the Authority, with an agent of the Authority, with a third party in trust for the Authority, or in a third party custodial account; and
   b. maintained at a market value of not less than 100% of the net market value of the Payment Agreement to the Authority, as such net market value may be defined and determined from time to time under the terms of the credit support agreement, and within the threshold limits of deposits to the collateral fund as described in paragraph 2 below; and

2. Except for paragraph 3, the Authority and the Counterparty may agree to reasonable threshold limits for the initial deposit and for increments or decrements of collateral thereafter, and for, respectively, the initial and the subsequent increments or decrements to collateralization deposits. The threshold levels may be based upon a sliding scale of ratings. The Authority and the Counterparty may agree to calculate and require the depositing or withdrawal of collateral at reasonable intervals, not less frequently than one month.

3. In the event the credit rating by at least one NRSRO of such Counterparty or its unconditional guarantor falls below the top three investment grades without regard to sub-categories, the credit
support agreement must provide for a zero threshold limit for the initial deposit and for increments or decrements of collateral thereafter by the Counterparty.

E. EXPOSURE LIMITS

Interest Rate Based Payment Agreements

Credit Exposure

1. Mark-to-Market exposure should be limited to prevent funding an extraordinary termination amount, assuming adverse changes in market conditions as they relate to the swap portfolio (i.e. lower interest rates for a synthetic fixed portfolio) and limited swap market liquidity.
   a) Total Potential Gross Negative Exposure is not to exceed 5% of Total Outstanding Long Term Debt measured at the time new exposure is being evaluated.
   b) No Potential Gross Negative Exposure per Counterparty should exceed 2% of Total Outstanding Long Term Debt measured at the time new exposure is being evaluated.
   c) Mark to Market exposure per Counterparty should be evaluated and managed based on creditworthiness of counterparty.

2. MTA or TBTA, as appropriate, will evaluate the cost of exposure mitigating techniques and strategies including but not limited to the use of early termination features.

Basis Risk

The basis, or index, chosen as part of the payment agreement should be appropriate to the management of the related obligations relevant to the overall interest rate exposure of the Authority. Such selection should be reasonably expected to limit variations between the payments for the hedged Obligations against payments provided by a Payment Agreement employing the index. The Authority may enter into Payment Agreements containing known basis risk if such risk is reasonably expected to lower its cost.

Commodity Price Based Payment Agreements

Exposure Limits

Commodity hedges will be executed on a periodic basis for the sole purpose of hedging or mitigating commercial risk by reducing budgetary volatility related to the commodity being hedged.

Basis Risk

The basis, or index, chosen as part of the Payment Agreement should be appropriate to the management of the commodity. Such selection should be reasonably expected to limit variations between the hedging instrument and the hedged commodity. The Authority may enter into Payment Agreements containing known basis risk if such risk is reasonably expected to lower its cost.

F. SWAP ADVISOR

The MTA and TBTA must hire a third party Swap Advisor for all negotiations and transactions. Such Advisor should have a proven history of experience with municipal swap transactions. Swap Advisor must comply with requirements of the Dodd-Frank Act, including but not limited to, requirements for a Qualified Independent Representative. Swap Advisor will provide representations and enter into agreements consistent with the requirements of the Dodd-Frank Act, and Swap Advisor will comply with Dodd-Frank
Act ongoing requirements and provide prompt notice to MTA and swap counterparty of any representation that becomes incorrect or misleading in any material respect.

G. REPORTING REQUIREMENTS

Current Review of Existing Hedges

Payment Agreements will be reported quarterly in the MTA Consolidated Finance Statements with respect to the information required by generally accepted accounting principles, including the following:

1. The status of individual Payment Agreements in effect, including notional amount, rates, terms, basis employed, and rating of counterparties;
2. Mark-to-market levels of net credit exposures to the Authority by individual counterparties, and collateralization that has been provided, when deemed necessary;
3. Summary of the terms and conditions of any Payment Agreement that has been executed since the previous report.

MTA and TBTA will comply in good faith with policies and procedures reasonably designed to ensure that the QIR satisfies the Dodd-Frank Act requirements and the MTA and TBTA will monitor the QIR performance on an ongoing basis.

Performance of Hedges

Hedge performance will be reported annually to the Finance Committee of the MTA Board with respect to the following:

1. Any material change in the hedge effectiveness as it relates to GASB or actual financial performance for the current fiscal year;
2. The hedged and unhedged price volatility for the current fiscal year for any commodity hedge.
Purpose
Board approval is requested of the annexed resolution, which (a) designates MTA, MTA New York City Transit, and MTA Bridges and Tunnels as "Protocol Participants" to the International Swap and Derivatives Association, Inc. ("ISDA") August 2012 Dodd Frank Protocol as published by ISDA on August 13, 2012 (the "DF Protocol"); and (b) authorizes these agencies to make necessary amendments to existing swap agreements pursuant to the DF Protocol.

Adherence to the DF Protocol is required by regulated entities under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank"). The DF Protocol is designed to supplement existing written agreements governing the terms and conditions contained in swap transactions. The DF Protocol adds notices, representations and covenants responsive to Dodd-Frank Title VII requirements that must be satisfied at or prior to the time that swap transactions are offered and executed (including terminations).

Background
The DF Protocol, developed as part of ISDA's Dodd-Frank Documentation Initiative, is intended to assist the derivatives industry in implementing and complying with the regulatory requirements imposed by Dodd-Frank. These requirements are principally regulated and enforced by both the U.S. Commodity Futures Trading Commission ("CFTC") and the Securities and Exchange Commission ("SEC"). In order to facilitate this implementation, ISDA plans to launch future Protocols to simplify documentation changes for upcoming CFTC and SEC final rules.

The DF Protocol is the first of these planned Protocols and is intended to facilitate industry compliance with seven final rulemakings (the "Covered Rules" listed below) by allowing market participants to (i) supplement the terms of existing master agreements under which parties may
**Staff Summary**

execute Swaps or (ii) enter into an agreement to apply selected Dodd-Frank compliance provisions to their trading relationship in respect of Swaps. Also, the DF Protocol includes additional bilateral delivery requirements, including a Questionnaire, to facilitate compliance with "know your counterparty" information requirements under Dodd-Frank.

The DF Protocol is intended to address the requirements of the following Covered Rules:

- CFTC, Final Rule, Business Conduct Standards for Swap Dealers and Major Swap Participants with Counterparties, 77 Fed. Reg. 9734 (Feb. 17, 2012);
- CFTC, Final Rule, Large Trader Reporting for Physical Commodity Swaps, 76 Fed. Reg. 43851 (July 22, 2011);
- CFTC, Final Rule, Position Limits for Futures and Swaps, 76 Fed. Reg. 71626 (Nov. 18, 2011);
- CFTC, Final Rule, Swap Data Recordkeeping and Reporting Requirements, 77 Fed. Reg. 2136 (Jan. 13, 2012);
- CFTC, Final Rule, Swap Dealer and Major Swap Participant Recordkeeping, Reporting, and Duties Rules; Futures Commission Merchant and Introducing Broker Conflicts of Interest Rules; and Chief Compliance Officer Rules for Swap Dealers, Major Swap Participants, and Futures Commission Merchants, 77 Fed. Reg. 20128 (Apr. 3, 2012); and

**Discussion**

MTA, MTA New York City Transit and MTA Bridges & Tunnels are considered “special entities” under Dodd-Frank. Although “special entities” are not technically covered by these new rules, they are nonetheless required to comply with Dodd-Frank to be able to enter into new transactions, amend existing transactions, or terminate existing transaction with covered entities. In addition, all of MTA’s counterparties to existing interest rate and Commodity swap agreements are regulated entities under Dodd-Frank. In order to continue executing transactions, including fuel hedging, terminating or amending terms of any transaction, and in some cases even dialoging with these counterparties, MTA, MTA New York City Transit and MTA Bridges and Tunnels must amend relevant documentation to include provisions governing the relationship between counterparties. The contemplated amendments do not require significant changes to the procedures that MTA already follows when executing swap transactions; however, the amendments now make certain practices required and require additional monitoring as well as the need for additional representations and agreements.

The industry has been adopting the DF Protocol as a cost effective and efficient way of amending swap agreements. Staff is working with counsel to understand and prepare to implement the protocol as we believe it is in the best interest of the MTA to participate in the DF Protocol.
Staff Summary

Alternatives
Not to adopt the protocol. This is not recommended because MTA and TBTA would be unable to enter into any new interest rate or fuel hedge transactions, make any amendments to existing swap transactions, or terminate any transactions. Failing to adopt the protocol would unnecessarily constrain and limit MTA's ability to manage its derivative portfolio.

Recommendation
That the Board adopt the annexed resolution amending all existing ISDA Master Agreements as generally described in this Staff Summary and authorizing designated staff to execute any and all necessary, desirable or appropriate agreements to effectuate such amendments.
RESOLUTION

WHEREAS, the Metropolitan Transportation Authority (the "MTA") is a party to ISDA Master Agreements with six counterparties, under which eight swap transactions are currently outstanding; and

WHEREAS, the MTA New York City Transit is a party to an ISDA Master Agreement with one counterparty, under which one swap transaction is currently outstanding; and

WHEREAS, the MTA Bridges & Tunnels is a party to an ISDA Master Agreement with five counterparties, under which seven swap transactions are currently outstanding; and

WHEREAS, MTA has determined that it is in its best interests to amend all such ISDA Master Agreements to conform to the DF Protocol;

NOW, THEREFORE, BE IT:

RESOLVED, that MTA, MTA New York City Transit, and MTA Bridges & Tunnels are hereby authorized to amend all existing ISDA Master Agreements as generally described in the related Staff Summary, on the terms and conditions approved by the Chairman, Vice Chairman, the Chief Executive Officer and/or Executive Director of the MTA, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance;

RESOLVED, that each of the Chairman, Vice Chairman, the Chief Executive Officer and/or Executive Director of MTA, the Chair of the Finance Committee, the Chief Financial Officer of MTA, and the Director, Finance acting singly, is hereby authorized, empowered and directed, on behalf of MTA, to execute and deliver any and all documents and writings and to take all such actions as each of them may deem necessary, desirable or appropriate to effectuate amendments by the foregoing resolution; and

RESOLVED, that the MTA Board hereby ratifies any and all actions heretofore taken by officers or employees of MTA in furtherance of the transactions authorized by the foregoing resolutions.
Staff Summary

Subject
Update to authority to issue TRB, DTF and TBTA Bond Anticipation Notes (BANs) to finance existing approved capital projects

Department
Finance

Department Head Name
Robert E. Foran, Chief Financial Officer

Department Head Signature

Project Manager Name
Patrick J. McCoy, Director of Finance

Date
March 13, 2013

Vendor Name

Contract Number

Contract Manager Name

Table of Contents Ref #

<table>
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<tr>
<th>Order</th>
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<td>3/11</td>
<td>X</td>
<td></td>
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<td>Board</td>
<td>3/13</td>
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PURPOSE:

To obtain MTA and TBTA Board authorization to use the proceeds of new money Bond Anticipation Notes (BANs), authorized in December 2012 for the purposes of restoration of infrastructure damaged by Sandy, for interim funding of ongoing costs for any existing approved capital project of MTA or TBTA as well.

DISCUSSION:

At the December Board meeting, the MTA and TBTA Boards authorized up to $2.5 billion in BAN issuance, consisting of $2.0 billion under the MTA Transportation Revenue Resolution (TRB) or Dedicated Tax Fund Resolution (DTF) and $500 million under the TBTA General Revenue Bond Resolution, for Sandy restoration purposes. Subsequent to such Board authorizations, MTA Finance staff issued a request for proposals and began negotiating with several banks to put in place liquidity facilities represented by the BANs authorized by the Boards.

Since December, it has become apparent that the timing of expenditures for Sandy restoration costs and anticipated reimbursements from insurance proceeds and Federal moneys may lessen the need for the use of the proceeds of the BANs/liquidity facilities for Sandy restoration, and MTA Finance staff accordingly inquired whether the banks which were willing to provide liquidity facilities would be amenable to having the liquidity facilities fund other MTA and TBTA capital costs on the same interim basis. Several of the banks responded affirmatively.

MTA Finance and Capital Programs believe the use of the liquidity facilities will be beneficial as a low cost funding source to continue to advance approved programs while waiting for permanent funding. An example of such permanent funding is the MTA's pending application for a Railroad Rehabilitation and Improvement Financing Loan with the Federal Railroad Administration.

While the December 19 actions by both the MTA and the TBTA Boards provided that the proceeds of such BANs would be used for Sandy restoration purposes, the various supplemental resolutions adopted by the Board at the December 19, 2012 meeting, consistent with the definitions used in the various bond resolutions, authorized BANs to be issued for the payment of Capital Costs as defined in the respective bond resolutions. Therefore, the supplemental resolutions themselves are not required to be amended, but additional explicit Board authorizations are sought to apply proceeds of the BANs to Capital Costs, including but not limited to Sandy restoration costs, as interim funding of any approved capital project of MTA or TBTA, respectively.
Staff Summary

ALTERNATIVES:

There are no interim financing alternatives available to fund capital costs for MTA and TBTA projects other than Sandy restoration projects. Other available funds that could provide general capital program interim financing are limited.

RECOMMENDATION:

Such authority is recommended as it will provide interim financing for any approved capital project until permanent funding becomes available for such projects.

The MTA Finance Department will continue to report to the Finance Committee of the Board at each regularly scheduled meeting of such committee on the status of the proposed debt issuance schedule, the results of each note or bond issue, planned note or bond issues for the following month, and any anticipated adjustment in the financing schedule.
I. Purpose
To seek Finance Committee and MTA Board approval to authorize MRT-2 escalator payments to Dutchess, Orange and Rockland counties.

II. Discussion
The MTA statute requires that certain “mass transportation operating assistance” payments be made by the MTA to Dutchess, Orange and Rockland counties from MTA's MRT-2 receipts. (These payments are made from funds established by PAL §1270-a, the Metropolitan Transportation Authority Special Assistance Fund, from which monies are transferred to the Metropolitan Transportation Authority Dutchess, Orange and Rockland Fund created by PAL §1270-b.) Under the statute, Dutchess and Orange Counties are each to receive no less than $1.5 million annually, and Rockland County is to receive no less than $2.0 million annually. The counties were paid these amounts in quarterly installments during 2012.

In addition to providing these minimum mass transportation operating assistance payments, the statute provides for an “escalator payment” based on the percentage by which total MRT-1 and MRT-2 receipts attributable to such county exceeds the receipts received in 1989 from such county. Pursuant to PAL §1270-a (4)(c), the MRT-1 increase is to be calculated as if the MRT-1 tax was 25 cents per $100 of mortgage recorded and not the current 30 cents per $100 of mortgage recorded. The escalator payment due each county based on the FY 2012 MRT receipts is determined as follows:

\[
\text{Escalator Payment} = \text{Escalator Rate} \times \text{Minimum Mass Transit Operating Assistance Payment}
\]

\[
\text{Escalator Rate} = \frac{(\text{FY2012 MRT Receipts} - \text{FY1989 Base Year MRT Receipts})/\text{FY1989 Base Year MRT Receipts}}{\text{Escalator Rate}}
\]
The results of the above formulas for each county are:

<table>
<thead>
<tr>
<th>County</th>
<th>1989 Base Year MRT Receipt</th>
<th>2012 MRT Receipts Adj.</th>
<th>Escalator Rate</th>
<th>Escalator Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dutchess Cty</td>
<td>$3,569,702.51</td>
<td>$5,231,206.90</td>
<td>46.54%</td>
<td>$698,169.27</td>
</tr>
<tr>
<td>Orange Cty</td>
<td>$4,433,933.06</td>
<td>$5,913,077.53</td>
<td>33.36%</td>
<td>$500,393.82</td>
</tr>
<tr>
<td>Rockland Cty</td>
<td>$4,524,064.27</td>
<td>$6,115,557.33</td>
<td>35.18%</td>
<td>$703,567.84</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>$1,902,130.93</td>
</tr>
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</table>

III. Recommendations

It is recommended that the Board authorize escalator payments totaling $1,902,130.93 to Dutchess, Orange and Rockland counties from available funds on deposit in the MRT-2 Corporate Transportation Account.

1 The actual 2012 gross receipts for each of the counties was:

- Dutchess Cty $5,862,156.80
- Orange Cty $6,588,896.09
- Rockland Cty $6,763,790.50
Purpose:

To authorize the filing with the State of New York of the annual MTA All-Agency Procurement report for the period January 1, 2012 – December 31, 2012 as required under Section 2879 of the Public Authorities Law ("PAL").

This report includes the following required material:

1. Contracts awarded in 2012 as prepared by each agency with payments made in 2012 as prepared by each agency and

2. Contracts awarded prior to 2012 as prepared by each agency with payments made in 2012 as prepared by each agency.

The report, which is being submitted on CD, conforms to the format/content requirements of both PAL Section 2879 as well as the Public Authorities Reporting Information System (PARIS) overseen by the New York State Authorities Budget Office. The All-Agency Procurement Guidelines will be attached to the report, as required by PAL Section 2879.

Many of the contracts on this list came before the Board during the course of the calendar year. The active contracts that were awarded prior to this calendar year were also included in the prior years’ annual procurement reports, which have previously been reviewed by the Board.
Purpose

Board approval is requested to add two law firms, Covington & Burling LLP and Anderson Kill & Olick, PC, to the list of MTA approved outside counsel. The approval of these firms, which is sought in connection with MTA’s advancement of Tropical Storm Sandy insurance claims, will enhance MTA’s ability to obtain professional advice from leading practitioners representing policyholders in property insurance coverage matters.

Discussion

MTA’s all-agency property insurance policy (issued through its captive insurer, the First Mutual Transportation Assurance Corporation (FMTAC) and reinsured in the domestic and international markets), provides coverage for risks of loss or damage to property as well as business interruption/extra expense coverage. The total program limit under the policy is $1.075 billion, subject to a self-insured retention of $25 million per occurrence, as well as various sub-limits, exceptions and additional retentions.

MTA is in the process of preparing and submitting detailed insurance claims for Tropical Storm Sandy-related losses for property damage, revenue loss and extra expense, in a manner that seeks to maximize the recovery of proceeds from the property insurance consistent with the policy terms, limits and sub-limits. It is anticipated that as Sandy-related insurance claims are further developed, issues relating to scope of insurance coverage may arise, the resolution of which will benefit from assistance to MTA provided by outside counsel with special expertise in representation of policyholders in property insurance coverage disputes.
Given the significant size of the Sandy-related claims at issue, it is recommended that Board authorize MTA's entry into retainers with Covington & Burling and Anderson Kill & Olick, each of which is recognized and rated as a leader in this specialty practice area. Both firms have extensive experience in storm- and disaster-related property damage and business interruption claims and are well known to major domestic and international insurance companies (many of which compose the reinsurance pool for MTA's property insurance program) as forces in policyholder representation. Both firms have agreed to provide a twenty percent discount off standard billing rates to MTA for any work performed on these significant claims.

**Recommendation**
That the Board approve the addition of Covington & Burling, LLP and Anderson Kill & Olick, PC to the MTA outside counsel panel.
Staff Summary

Subject: 2012 TBTA Operating Surplus

Date: March 4, 2013

Department: Finance

Vendor Name

Contract Number

Contract Manager Name

Table of Contents Ref #

Board Action

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<th>Order</th>
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<td>03/13/13</td>
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Internal Approvals

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<td></td>
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<td>3</td>
<td>Chief Technology Officer</td>
<td>3</td>
<td>Chief Health &amp; Safety Officer</td>
</tr>
<tr>
<td></td>
<td>Chief Security Officer</td>
<td></td>
<td>Chief Maintenance Officer</td>
<td></td>
<td>Chief EEO Officer</td>
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<td>MTA Office of Civil Rights</td>
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<td>Other</td>
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PURPOSE:

To obtain MTA Board approval of resolutions which will:

- Certify and transfer $497,642,783 operating surplus to the MTA and NYCTA pursuant to Section 1219-a(2)(b) of the Public Authorities Law of the State of New York.
- Transfer $135,889 representing 2012 investment income to the MTA pursuant to Section 569-c of the Public Authorities Law of the State of New York.
- Deduct from the operating revenues of the Triborough Bridge and Tunnel Authority for its fiscal year ending December 31, 2013 the amount of $25,415,000, which amount shall be paid into the Necessary Reconstruction Reserve established by the Authority by resolution adopted March 29, 1968.
- Deduct from the operating revenues of the Triborough Bridge and Tunnel Authority for its fiscal year ending December 31, 2013 and set aside into a special account, an amount determined from time to time by such Authority to help fund post-retirement liabilities other than pension benefits of its employees.
- Advance the 2013 TBTA Surplus as per attached Resolution.

DISCUSSION:

The attached calculation and letter from Deloitte & Touche LLP represents the Triborough Bridge and Tunnel Authority's operating surplus for fiscal year ending December 31, 2012. The amount of surplus available for transfer to the MTA and NYCTA is $497,642,783. The amount of investment income that is surplus funds and available to transfer to MTA for fiscal year 2012 is $135,889. It is also requested to set aside $25,415,000 from operating revenues of the Triborough Bridge and Tunnel Authority for fiscal year ending December 31, 2013. This money will be used to pay for the cost and expense of current and anticipated necessary construction for the TBTA facilities. It is also requested to set aside into a special account, from operating revenues of the Triborough Bridge and Tunnel Authority for fiscal year ending December 31, 2013 an amount determined from time to time by such Authority to help fund post-retirement liabilities other than pension benefits of its employees.

BUDGET IMPACT: None.

ALTERNATIVES: None.

The legal name of MTA Bridges and Tunnels is Triborough Bridge and Tunnel Authority.
RESOLVED, that the Chairman and Chief Executive Officer be, and he hereby is, authorized to certify to the Mayor of the City of New York and to the Acting Chairman of the Metropolitan Transportation Authority, that for the purposes of Section 1219-a (2) (e) of the Public Authorities Law of the State of New York, the amount of the Authority's operating surplus for its fiscal year ending December 31, 2012 is $497,642,783.

RESOLVED, that this Authority hereby makes the following determination in respect of its operating surplus for its fiscal year ending December 31, 2012, for the purposes of Section 1219-a (2) (e) of the Public Authorities Law of the State of New York:

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<th>Description</th>
<th>Amount</th>
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<tr>
<td>Operating Revenue</td>
<td>$1,517,724,106</td>
</tr>
<tr>
<td>Operating Expense</td>
<td>$378,040,093</td>
</tr>
<tr>
<td>Establishement of Necessary Reconstruction Reserve Account</td>
<td>(25,000,000)</td>
</tr>
<tr>
<td>GASB Reserve</td>
<td>(2,309,132)</td>
</tr>
<tr>
<td>Debt Service on Bonds</td>
<td>(600,809,306)</td>
</tr>
<tr>
<td>Interest Income on Unexpended Bond Proceeds and Debt Service Fund</td>
<td></td>
</tr>
<tr>
<td>Purchase of Capital Assets Funded from Operations</td>
<td>(11,251,248)</td>
</tr>
<tr>
<td>Increase in Prepaid Expenses and other Adjustments</td>
<td>(2,965,461)</td>
</tr>
<tr>
<td>Operating Surplus</td>
<td>$497,642,783</td>
</tr>
</tbody>
</table>
RESOLVED, that the amount of $135,889 representing the Authority's investment income for the year 2012 is determined to be surplus funds of the Authority; and it further

RESOLVED, that the amount of $135,889 be transferred and paid over to Metropolitan Transportation Authority in a lump sum as soon as practicable pursuant to Section 569-c of the Public Authorities Law.

RESOLVED, that there be set aside and deducted from the operating revenues of the Triborough Bridge and Tunnel Authority for its fiscal year ending December 31, 2013 the amount of $25,415,000 which amount shall be paid into the Necessary Reconstruction Reserve established by the Authority by resolution adopted March 29, 1968. Money credited to the Reserve, together with interest income earned thereon, are to be applied to the payment of the cost and expense of current and anticipated necessary construction of each of the TBTA Facilities within the meaning of the General Resolution Authorizing General Revenue Bonds (the “General Revenue Bond Resolution”) of the Authority adopted on March 26, 2002.

RESOLVED, that the monies thus authorized will be advanced monthly during the fiscal year ending December 31, 2013 and used for the purposes of payment of the cost and expense of necessary construction of each of the TBTA Facilities.

RESOLVED, that there be set aside into a special account and deducted from the operating revenues of the Triborough Bridge and Tunnel Authority for its fiscal year ending December 31, 2013 an amount determined from time to time by such Authority to help fund post-retirement liabilities other than pension benefits of its employees.

RESOLVED, pursuant to the provisions of paragraphs (b), (c), and (d) of subdivision 2 of Section 1219-a of the Public Authorities Law, that the Chairman and Chief Executive Officer is authorized in his discretion, to advance to Metropolitan Transportation Authority and New York City Transit Authority monthly, out of funds in the General Fund created by the General Revenue Bond Resolution which are attributable to the operations of the 2013 fiscal year (other than funds arising out of the investment of monies of the Authority) and which have been released and paid over to the Authority free and clear of the lien and the pledge of the General Revenue Bond Resolution as provided in Section 506 thereof, an aggregate amount not to exceed 90% of the Chairman's estimate of the sum which that month's operations, if available, will contribute to the "operating surplus" of the Authority which he anticipates will or may be certified and transferred for the fiscal year in which such month falls; and

March 13, 2013

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RESOLVED, that the monies thus authorized to be advanced monthly shall be apportioned between Metropolitan Transportation Authority and New York City Transit Authority and paid as follows:

1. The first $1.8 million to New York City Transit Authority;

2. Fifty percentum of the remainder to New York City Transit Authority (less applicable bond service); and

3. The remainder to Metropolitan Transportation Authority (less applicable bond service).
INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Members of the Board
Metropolitan Transportation Authority
New York, New York

We have performed the procedures enumerated in Exhibit B, which were agreed to by the Triborough Bridge and Tunnel Authority (the “Authority”), a public benefit corporation which is part of the related financial reporting group of the Metropolitan Transportation Authority (“MTA”), solely to assist you in agreeing financial information presented in the Schedule of Operating Surplus for the year ended December 31, 2012 (Exhibit A) to the accounting records of the Authority. Authority’s management is responsible for the Authority’s accounting records and the preparation of the Schedule of Operating Surplus (Exhibit A) and Supporting Schedule to the Schedule of Operating Surplus (Exhibit C) for the year ended December 31, 2012. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of those procedures is solely the responsibility of the Authority. Consequently, we make no representation regarding the sufficiency of the procedures described in Exhibit B either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Authority, Metropolitan Transportation Authority and MTA New York City Transit Authority and is not intended to be and should not be used by anyone other than these specified parties.

February 22, 2013
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

SCHEDULE OF OPERATING SURPLUS
YEAR ENDED DECEMBER 31, 2012

OPERATING REVENUES (Note 2) $ 1,517,724,106
OPERATING EXPENSES (Note 3) (378,040,093)
NET OPERATING REVENUE 1,139,684,013
INCREASE IN PREPAID EXPENSES AND OTHER ADJUSTMENTS (Note 3) (2,965,461)
DEBT SERVICE ON BONDS (Note 4) (600,809,306)
INTEREST INCOME ON UNEXPENDED BOND PROCEEDS AND DEBT SERVICE FUNDS (Note 5) 293,917
ESTABLISHMENT OF GASB 43 RESERVE ACCOUNT (Note 8) (2,309,132)
PURCHASE OF CAPITAL ASSETS FUNDED FROM OPERATIONS (Note 6) (11,251,248)
ESTABLISHMENT OF NECESSARY RECONSTRUCTION RESERVE ACCOUNT (Note 7) (25,000,000)
OPERATING SURPLUS $ 497,642,783

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

NOTES AND AGREED-UPON PROCEDURES PERFORMED
IN CONNECTION WITH THE SCHEDULE OF
OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2012 (Exhibit A)

1. OPERATING SURPLUS CALCULATION REQUIREMENTS

- The operating surplus is calculated based upon Section 1219-a (2)(e) of the New York Public Authorities Law ("PAL") and various bond resolutions. This surplus is transferred to the Metropolitan Transportation Authority ("MTA") and the MTA New York City Transit Authority ("Transit"). The initial $24 million in operating surplus is provided to Transit and the balance is divided equally between Transit and the MTA. Transit and the MTA are operationally and legally independent of the Triborough Bridge and Tunnel Authority (the "TBTA"), however, Transit and the TBTA are included in the MTA's financial statements because of the MTA's financial accountability for these entities and they are under the discretion of the MTA Board.

2. OPERATING REVENUES

- Agreed "Operating Revenues" (net of other revenues) of the TBTA appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger of the TBTA noting no differences. We discussed with management their policy for recording operating revenue and they indicated that operating revenues were recorded using the accrual basis of accounting. We have been informed that operating revenues excluded interest income.

3. OPERATING EXPENSES

- Agreed the aggregated "Operating Expenses" of the TBTA appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger of the TBTA noting no differences. We discussed with management their policy for recording operating expenses and they indicated that operating expenses were recorded using the accrual basis of accounting.

- Agreed the following expense items to the general ledger: "Interest Expense and Debt Service Related Expenses" and "Reimbursement of Personnel Costs," as noted on Exhibit C, which have been netted against salaries and fringe benefits and noted no differences.

- Recalculated the "Increase in Prepaid Expenses and Other Adjustments" appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger. We were informed that the operating expenses were adjusted to include amounts charged to prepaid expenses and deferred charges on a cash basis of accounting. We also have been informed that no cash adjustments were made for changes in accounts payable, accrued expenses or accounts receivable.
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

NOTES AND AGREED-UPON PROCEDURES PERFORMED
IN CONNECTION WITH THE SCHEDULE OF
OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2012 (Exhibit A)

4. DEBT SERVICE

- Agreed "Debt Service on Bonds" appearing on the Schedule of Operating Surplus (Exhibit A) for the following bonds to the TBTA debt service schedules:
  - General Revenue Bonds, and
  - Subordinate Revenue Bonds.

- Agreed "Debt Service on Bonds" on the TBTA’s portion of debt service on the 2 Broadway Certificates of Participation to the TBTA debt service schedules.

- We have been informed that the debt service on the Convention Center Bonds was funded by the State of New York.

5. INTEREST INCOME

- Agreed the aggregated amounts of "Interest Income on Unexpended Bond Proceeds and Debt Service Funds" appearing on the Schedule of Operating Surplus (Exhibit A) for the Convention Center Bonds and noted no differences. We have been informed that interest income is excluded from "Operating Revenues" on the Schedule of Operating Surplus.

- Agreed the aggregated "Interest Income on Unexpended Bond Proceeds and Debt Service Funds" appearing on the Schedule of Operating Surplus (Exhibit A) for the Convention Center Bonds and noted no differences. We have been informed that interest income on the debt service fund investments consists of income from (1) the debt service funds established in connection with the 2 Broadway Certificates of Participation to the extent attributable to the TBTA’s portion of debt service thereon, and (2) the debt service funds established in connection with the TBTA bonds from their respective dates of issuance. We have been informed that this amount was included in the computation of operating surplus as a reduction of debt service cost therefore, increasing operating surplus.

- We have been informed that the interest income on Convention Center Bond investments, which consists of interest income from the Convention Center Bond Funds, was applied to reduce the amount due from New York State and was excluded from "Operating Revenues" and "Interest Income on Unexpended Bond Proceeds and Debt Service Funds" on the Schedule of Operating Surplus (Exhibit A).

6. CAPITAL ASSETS FUNDED FROM OPERATIONS

- Agreed the amount "Purchase of Capital Assets Funded From Operations," which represents amounts paid and capitalized for vehicles and other fixed assets, appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger and noted no differences. We have been
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

NOTES AND AGREED-UPON PROCEDURES PERFORMED
IN CONNECTION WITH THE SCHEDULE OF
OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2012 (Exhibit A)

informed that these amounts were funded from operations and that such amounts represent a
reduction of operating surplus appearing on the Schedule of Operating Surplus (Exhibit A).

7. NECESSARY RECONSTRUCTION RESERVE

- Agreed the amount appearing on the Schedule of Operating Surplus (Exhibit A) as
  “Establishment of Necessary Reconstruction Reserve Account” to the MTA November Financial
  Plan 2013-2016, Volume 2 to set aside and reduce operating surplus by $25,000,000 (The
  Necessary Reconstruction Reserve Account was established by the TBTA by resolution adopted
  March 29, 1968) and noted no differences. We have been informed that this amount, together
  with interest income thereon, is to be used to fund reconstruction of present facilities within the
  meaning of the TBTA’s General Revenue Bond Resolution.

8. GASB 43 RESERVE

- Agreed the amount appearing on the Schedule of Operating Surplus (Exhibit A) as
  “Establishment of GASB 43 Reserve Account” of $2,309,132 as follows: (1) $1,700,132 to the
  December Staff Summary which was approved by the Finance Committee and (2) $609,000 to
  the memo titled “February Financial Plan 2013-2016 Instructions” which was approved by the
  Finance Committee as part of the MTA November Financial Plan 2013-2016, Volume 2. We
  have been informed that the Staff Summary and MTA November Financial Plan 2013-2016,
  which were approved by the Finance Committee, authorize the establishment of the GASB 43
  Reserve. GASB 43 refers to Governmental Accounting Standards Board Statement No. 43,
  Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. The GASB
  43 Reserve Account was established by the TBTA by resolution adopted December 13, 2006.
  We have been informed that this amount, together with interest income thereon, is to be used to
  fund post-retirement liabilities other than pension benefits.

* * * * *
### TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

**SUPPORTING SCHEDULE TO THE SCHEDULE OF OPERATING SURPLUS**
**YEAR ENDED DECEMBER 31, 2012**

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<td>TOTAL REVENUES</td>
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<tr>
<td>LESS INTEREST INCOME</td>
<td>$135,889</td>
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<tr>
<td>OPERATING REVENUES (Exhibit A)</td>
<td>$1,517,724,106</td>
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<td>TOTAL EXPENSES</td>
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<td>OPERATING EXPENSES (Exhibit A)</td>
<td>$378,040,093</td>
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<td>PREPAID EXPENSES AND OTHER ADJUSTMENTS:</td>
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<tr>
<td>Balance December 31, 2011</td>
<td>$16,293,414</td>
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<tr>
<td>Balance December 31, 2012</td>
<td>$19,258,875</td>
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<tr>
<td>Increase in Prepaid Expenses and Other Adjustments (Exhibit A)</td>
<td>$2,965,461</td>
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<tr>
<td>DEBT SERVICE:</td>
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<tr>
<td>TBTA</td>
<td>$205,588,696</td>
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<tr>
<td>MTA</td>
<td>$125,860,429</td>
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<tr>
<td>NYCTA</td>
<td>$269,066,264</td>
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<td>Subtotal</td>
<td>$600,515,389</td>
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<tr>
<td>INTEREST INCOME ON UNEXPENDED BOND PROCEEDS AND DEBT SERVICE FUNDS</td>
<td>$293,917</td>
</tr>
<tr>
<td>TOTAL DEBT SERVICE ON BONDS (Exhibit A)</td>
<td>$600,809,306</td>
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</table>
Purpose:
To report to the Board the compliance by the MTA Business Service Center with the New York State Prompt Payment Legislation.

Discussion:
The Prompt Payment Legislation, implemented in April, 1988 requires that the Authority must pay amounts due under its contracts within 30 days of the receipt of a proper invoice or the receipt of the goods or services, whichever is later. When payment of a proper invoice is delayed beyond the allotted time, the agency must pay interest at the rate set forth by the New York State Commission of Taxation and Finance which is currently at 7.5%, if such interest payment exceeds a ten dollars threshold.

Additionally, the Prompt Payment Legislation requires that the MTA issue an annual report within ninety days after each fiscal year. This report shall include the following:

1) A listing of the types of categories of contracts which the Authority entered into during the twelve month period covered by the report, together with a brief description of whether each such type or category of contract was subject to the prompt payment requirements promulgated by the Authority and, if not, the reasons why;

2) The total amount and number of interest payments made to vendors for contracts allocated to the type or category;

3) The number of interest "chargeable" days and the total number of days required to process each delayed/late contract vendor payment; and

4) A summary of the "principal" reasons why such delayed/late payments occurred.
For the current period, the total amount of prompt payment interest paid, Agency-wide is $208,805 on a total invoice value paid of $9,801,930,225.

The principal reason for the late payments are as follows:

1) Delays in processing Public Works (Capital) related invoices due to implementation delays in converting to a new centralized system.

2) Delays in processing Utility related invoices due to reconciliation problems with Utilities after converting to a new centralized system.

The Legislation requires the MTA to file the report with the State Comptroller, State Director of the Budget, the Chairman of the Senate Finance Committee, and the Chairman of the Assembly Ways and Means Committee.

Enclosed is a copy of the Annual Prompt Payment Report for 2012, which will be filed by the MTA in accordance with the legislation requirement.
### Summary by Related Agency

<table>
<thead>
<tr>
<th>RELATED AGENCY</th>
<th>LATE INTEREST AMOUNT PAID</th>
<th>NUMBER OF LATE PAYMENTS</th>
<th>CHARGEABLE DAYS</th>
<th>TOTAL DAYS TO PROCESS LATE PAYMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEW YORK CITY TRANSIT AUTHORITY</td>
<td>$148,017</td>
<td>473</td>
<td>34,419</td>
<td>48,731</td>
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<tr>
<td>LONG ISLAND RAILROAD</td>
<td>34,296</td>
<td>583</td>
<td>46,552</td>
<td>64,042</td>
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<tr>
<td>METRO NORTH RAILROAD</td>
<td>9,984</td>
<td>575</td>
<td>24,270</td>
<td>41,520</td>
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<tr>
<td>MTA HEADQUARTERS</td>
<td>9,452</td>
<td>247</td>
<td>17,257</td>
<td>24,457</td>
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<tr>
<td>MTA BUS COMPANY</td>
<td>3,370</td>
<td>60</td>
<td>6,033</td>
<td>7,833</td>
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<tr>
<td>TRIBOROUGH BRIDGE &amp; TUNNEL AUTHORITY</td>
<td>2,815</td>
<td>102</td>
<td>7,710</td>
<td>10,770</td>
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<tr>
<td>STATEN ISLAND RAPID TRANSIT OPERATING AUTHORITY</td>
<td>871</td>
<td>7</td>
<td>3,866</td>
<td>4,076</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$208,805</strong></td>
<td><strong>2,047</strong></td>
<td><strong>140,107</strong></td>
<td><strong>201,429</strong></td>
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### Summary by Contract Category

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<th>CONTRACT CATEGORY</th>
<th>LATE INTEREST AMOUNT PAID</th>
<th>NUMBER OF LATE PAYMENTS</th>
<th>CHARGEABLE DAYS</th>
<th>TOTAL DAYS TO PROCESS LATE PAYMENTS</th>
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<tr>
<td><strong>PUBLIC WORKS (CAPITAL)</strong> Related Agency: NEW YORK CITY TRANSIT AUTHORITY</td>
<td>$103,204</td>
<td>106</td>
<td>907</td>
<td>3,677 Implementation delays in converting to new centralized system</td>
</tr>
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<td><strong>PURCHASE CONTRACTS</strong> Related Agency: NEW YORK CITY TRANSIT AUTHORITY</td>
<td>$11,106</td>
<td>1</td>
<td>134</td>
<td>286 Implementation delays in converting to new centralized system</td>
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<td><strong>UTILITIES</strong> Related Agency:</td>
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</table>
Staff Summary

Subject
Request for Authorization to Award Various Procurements

Department
Executive

Department Head Name
Nuria Fernandez

Department Head Signature

Division Head Name
Clifford Shockley

Board Action

<table>
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<tr>
<td>2</td>
<td>Legal</td>
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<td>CFO</td>
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</table>

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

Schedule E: Miscellaneous Procurement Contracts
Schedule F: Personal Services Contracts

<table>
<thead>
<tr>
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<th>Category</th>
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<tr>
<td>E</td>
<td>Miscellaneous Procurement Contracts</td>
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<td>$1,367,640.00</td>
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<td>F</td>
<td>Personal Services Contracts</td>
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<td>$8,034,078.00</td>
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SUBTOTAL 5 $9,401,718.00

MTAHQ presents the following procurement actions for Ratification:

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Action</th>
<th>Number</th>
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</table>

TOTAL 5 $9,401,718.00

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, MARCH 2013
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. MIS Science Corporation $1,367,640
   All-Agency Customer E-Mail/
   Text Message Alert System
   Contract No. 12011-0100
   Competitively negotiated – 4 proposals – 60 months
   Contractor to provide all-agency e-mail and text-message notification system which will send
   unlimited text messages or e-mails to customers’ designated e-mail accounts, cell phones,
   smartphones, Blackberrys and other similar communications devices. The system will provide to
   the customer both planned service changes and service advisories if service is disrupted at the
   facility of their choice, selectable by line and time period. In order to participate, customers sign up
   for this service via MTA’s website. As a result of negotiations using the e-procurement process,
   MIS Science Corporation, the incumbent, offered the MTA the lowest price amongst the technically
   qualified firms. Their original proposal for the five-year period of $1,409,610 was negotiated down
   to a cost of $1,367,640 a savings of $41,970 or 3%. The negotiated monthly fee of $22,794, based
   on current usage, is the same fee negotiated under the current five-year contract and is considered to
   be fair and reasonable.

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

2. AFT Project – AFT to provide technical design, fabrication, crating, storage, delivery and oversight of
   installation of materials at the station specified below.
   Competitively negotiated – 72 proposals – 48 months
   Sarah Sze Studio, Inc., 96th Street, Second Avenue Line ($143,500)

3. PC Helps, LLC $153,000
   Help Desk Support Services
   Contract No. 12207-0100
   (Total)
   Competitively negotiated – 1 proposal – 36 months
   Contractor to provide 24-hour/seven days per week help desk coverage to continue to supplement
   MTA’s technical help-desk support for employees. This support consists of expert “how-to”
   assistance with all Microsoft applications (Excel spreadsheets, Word, Access database, Power
   Point), Adobe Acrobat, and includes E-support, client extranet services, remote access support, etc.
   These services enable the MTA’s Help Desk to manage and respond to all help-desk related calls
   from employees ranging from everyday technical issues to emergency support. To continue these
   services, a competitive Request for Proposal (RFP) was publicly advertised and twenty-four
   vendors purchased the RFP document. One proposal was received. As a result of negotiations, the
   proposed unit cost of $3.18 was negotiated down to a unit cost of $2.55, a savings of 20%. This
   unit cost is 21.29% lower than the unit cost of $3.24 as compared to the current three-year contract
   and is considered to be fair and reasonable.
4. Transwestern Commercial Services LLC  
Property Management Services  
Contract No. 11231-0100  
$5,428,478  
Staff Summary Attached  
(not-to-exceed)  
Competitively negotiated – 4 proposals – 36 months  
Contractor to provide property management services at: i) 2 Broadway, New York, NY, ii) 525 North Broadway, North White Plains, NY, iii) The Jamaica Control Center, 141-41 94th Ave, Jamaica, NY and iv) 242/250 Old Country Road, Mineola, NY, for a period of thirty-six months. The Property Manager will manage all the facets of the above referenced properties including their day to day operations such as general maintenance, cleaning, security and safety, electrical, elevator maintenance, carpentry, landscaping, project management, etc. As a result of negotiations, Transwestern’s proposed cost of $5,470,614 was negotiated down to $5,428,478, a savings of $42,136 or 0.7%. The negotiated cost for this three-year contract of $5,428,478 represents a savings of $1,857,077 or 25% as compared to the current contract amount of $7,285,555 (this reduction is due to negotiation and consolidation of five properties under one master agreement). Based on the above, the negotiated cost of $5,428,478 is considered fair and reasonable.

5. All-Agency Employee Development  
And Training Programs  
Contract Nos. 12194-0100 thru 1700  
$2,309,100*  
Staff Summary Attached  
(*combined for 17 firms – not-to-exceed)  
Competitively negotiated – 31 proposals – 36 months  
Contractors to provide as-needed professional training development services for MTAHQ and its operating agencies’ employees. This training has played a vital role in developing and strengthening the skills of managers and other professional work groups so that they are equipped to provide the necessary leadership to those they supervise. As a result of negotiations, the negotiated daily rates ranging from $1,300 to $3,000 and the negotiated hourly rates for design and organizational development consulting ranging from $95 to $500 are the same rates as the previous contract. Based on the above the total, not-to-exceed amount of $2,309,100 is deemed to be fair and reasonable.
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:</td>
<td>Vendor Name:</td>
</tr>
<tr>
<td>Bob Foran, Executive</td>
<td>Transwestern Commercial Services LLC</td>
</tr>
<tr>
<td>Division &amp; Division Head Name:</td>
<td>Contract Number:</td>
</tr>
<tr>
<td>Jeffrey Rosen, MTA Real Estate</td>
<td>11231-0100</td>
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I. PURPOSE/RECOMMENDATION

To recommend that the Board approve the award of an agency, competitively negotiated, personal services contract to Transwestern Commercial Services LLC to provide property management services at: i) 2 Broadway, New York, NY; ii) 525 North Broadway, North White Plains, NY; iii) The Jamaica Control Center, 141-41 94th Ave, Jamaica, NY and iv) 242/250 Old Country Road, Mineola, NY, for a period of thirty-six months from April 1, 2013 to March 31, 2016 in an amount not to exceed $5,428,478.

II. DISCUSSION

A competitive Request for Proposal (RFP) was publicly advertised and letters informing prospective proposers of the availability were sent to twenty-five (25) firms of which three (3) were D/M/WBE firms. MTA’s Department of Diversity and Civil Rights established mandatory goals of 10% MBE and 10% WBE under this contract. Four (4) proposals were received. A Selection Committee consisting of representatives from MTAHQ, Metro-North Rail Road, New York City Transit, Bridges & Tunnels, and Long Island Rail Road evaluated the proposals and unanimously determined all (4) firms were qualified and invited them in for oral presentations. Concluding oral presentations, the selection committee unanimously agreed that MTA Procurement enter into negotiations with three short-listed firms (Jones Lang LaSalle, Cushman & Wakefield and Transwestern Commercial Services LLC).

The Property Manager will manage all the facets of the above referenced properties including their day to day operations such as general maintenance, cleaning, security and safety, electrical, elevator maintenance, carpentry, landscaping, project management, etc. The three-year agreement is expected to begin on April 1, 2013, and provide uninterrupted services from the current property management provider. MTA has conducted a responsibility review and other due diligence on Transwestern Commercial Services LLC and has deemed them to be responsible for award.

As a result of negotiations, Transwestern’s proposed cost of $3,470,614 was negotiated down to $5,428,478, a savings of $42,136 or 0.7%. The negotiated cost for this three-year contract of $5,428,478 represents a savings of $1,857,077 or 25% as compared to the current contract amount, as initially awarded, of $7,283,555 (this reduction is due to negotiation and consolidation of five properties under one master agreement). Based on the above, the negotiated cost of $5,428,478 is considered fair and reasonable.
III. D/M/WBE INFORMATION

The Department of Diversity and Civil Rights established 10% MBE and 10% WBE goals for this contract.

IV. IMPACT ON FUNDING

The total cost for this contract will not exceed $3,428,478 for the 36-month period. Funding for this contract will be charged to MTA Agency Operating Budgets.

V. ALTERNATIVES

Perform the Services In-House: This alternative is not feasible. MTA does not possess the internal resources to provide property management services.
Staff Summary

Schedule F: Personal Service Contracts

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Vendor Name</th>
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**Description**
All-Agency Employee Development and Training Programs

**Total Amount**
$2,309,100

**Contract Term (Including Options, if any)**
April 1, 2013 through March 31, 2016

**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:

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**Procurement Type**

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**Funding Source**

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**Narrative**

I. PURPOSE/RECOMMENDATION

To recommend that the Board approve the award of the following eighteen (18) competitively negotiated, all-agency personal services contracts to provide as-needed professional training development services for employees for a period of thirty-six (36) months from April 1, 2013 through March 31, 2016 for a not-to-exceed amount of $2,309,100 for the three year period.

1. ATS Consulting
2. Balancing Life’s Issues
3. Beverly Hyman
4. Complete Learning Solutions
5. Contract Trainers
6. Curt Schlier
7. DDI
8. Esta, Inc.
10. GothamCulture
11. KIThoughtbridge
12. Kleiman & Associates
13. Krieger
14. PeopleNRG
15. Phillip Vasallo
16. Research Foundation City College of New York
17. Stephanie TWIN
18. Technology Transfer

II. DISCUSSION

These contracts will be utilized in a shared service strategy and will enable the agencies to provide the needed professional development training in the important areas such as: i) working in and managing a diverse workforce; ii) customer service; iii) project management; iv) strategic planning; v) managerial coaching; vi) writing and presentation skills; vii) implementation and integration of technological solutions into developing areas such as strategic talent and performance management and succession planning; and, viii) mediation and conflict resolution.

For the past 20 years the MTA Board has approved competitively awarded contracts that have provided professional development and leadership training to supervisors and managers on an as needed basis at the MTA. These services have been expanded to include the growing training and development requirements of the Bus Company and Capital Construction Company. The foregoing training has played a vital role in developing and strengthening the skills of managers and other professional work groups so that they are equipped to provide the necessary leadership to those they supervise. Given the aging of our workforce, and the unprecedented number of retirements anticipated by the Agencies, in particular Metro-North, over the next 3-5 years, it is imperative that we continue our ongoing efforts and increase our focus on developing the talent and improving the skills of our workforce, in order to meet the challenges that the MTA, as a transportation agency, will face over the coming years.
Staff Summary

The thirteen (13) current Board-approved contracts that were competitively awarded to provide as needed organizational development and training for MTA expired on December 31, 2012. In order to continue to provide these services and to offer professional development and leadership training among each of the agencies, a Request for Proposal (RFP) was publicly advertised and letters informing potential proposers of the RFP’s availability were mailed to a total of fifty-eight (58) firms, four of which are NYS Certified M/WBEs. Thirty-one proposals were received. The firms were evaluated on their program content, faculty references, project coordination, responsiveness to the RFP and cost. The Selection Committee, consisting of representatives from HQ, New York City Transit Authority, Metro-North Railroad, Long Island Railroad, Bridges and Tunnels, Capital Construction Company, the Bus Company and a representative of Department of Diversity of Civil Rights of, evaluated the proposals and determined that the eighteen (18) firms listed above were the most technically qualified, and in accordance with the prevailing industry standards, best suited to perform the services identified in the RFP. Two of the firms being awarded contracts are certified as New York State M/WBE’s.

As a result of negotiations, the negotiated daily rates range from $1,000 to $2,000 and the negotiated hourly rates for design and organizational development consulting range from $95 to $500. These are the same rates as provided for in the previous contract. Based on the foregoing the total, not-to-exceed amount of $2,309,100 is deemed to be fair and reasonable.

III. D/M/WBE INFORMATION

No goals were assigned by the Department of Diversity and Civil Rights for these contracts.

IV. IMPACT ON FUNDING

Funding is allocated in each agency’s operating budgets.

V. ALTERNATIVES:

1. Use of in-house staff: This alternative is not feasible. MTA does not have sufficient in-house subject matter experts to develop and/or facilitate all of the required training. In addition, the recent 15% and 20% staffing reductions resulted in a reduction of 18 Full Time Equivalents (FTE) in this training area. Consequently, utilizing external training resources is a more cost effective manner to deliver these necessary organizational and training development services.

2. Do not approve the award of these contracts. This would curtail MTA’s ability to foster growth in organizational and training development for its employees.
MARCH 2013
MTA REAL ESTATE
LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ACTION ITEMS

MTA LONG ISLAND RAIL ROAD

Lease with EMD Transportation Inc. for the operation of a taxi dispatch office in the Riverhead station building.

MTA METRO-NORTH RAILROAD

Lease with Grand Central Soups LLC dba Hale and Hearty for the retail sale of tenant-prepared soups, salads and sandwiches, a limited selection of dessert items and non-alcoholic beverages in Retail Space LC-49A at Grand Central Terminal.

Lease with Rent-A-Chef Inc. dba Babycakes Café for the operation of a café in the Poughkeepsie station building, Poughkeepsie, New York.

Sublease between Metro-North and the City of New York for installation, maintenance and repair of piping and drainage improvements in Riverdale.

MTA NEW YORK CITY TRANSIT

Lease amendment between New York City Transit and 3120 Bainbridge, LLC relating to a Department of Buses swing room at 3120 Bainbridge Avenue, Bronx, NY.

Authorization to proceed with acquisition by negotiated purchase or condemnation of the fee interests in 104-01 165th Street, 103-16, 103-30, 103-34, 104-02, 104-10, 104-12, and 104-22 Merrick Boulevard, Jamaica, Queens (Block 10164, Lots 41, 53, 60, 61, 63, 66, 68, & 72) on behalf of NYCT Department of Buses and MTA Bus.

Lease with Gaelic Park Restaurant and Catering, LLC for the construction and operation of a bar and banquet hall facility at 201 West 240th Street, Bronx, NY.

“On the Go” kiosk pilot agreement with Control Group, Inc.

License agreement between New York City Transit and College of S.I. (CUNY) for operation of bus route.

METROPOLITAN TRANSPORTATION AUTHORITY

All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines required by Public Authorities Law Sections 2895-2897

(To be distributed)
MANHATTAN AND BRONX SURFACE TRANSIT OPERATING AUTHORITY

Lease amendment between MaBSTOA and Royal Charter Properties, Inc. relating to a Department of Buses swing room at 53 Audubon Avenue, New York, NY
Subject: LEASE AGREEMENT

Department: REAL ESTATE

Department Head Name: JEFFREY B. ROSEN

Department Head Signature: [Signature]

Project Manager Name: JOHN COYNE

Date: MARCH 11, 2013

Vendor Name: 

Contract Number: 

Contract Manager Name: 

Table of Contents Ref. #:

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

TENANT: EMD Transport Inc. (DBA Islandwide Transportation)

LOCATION: Riverhead Station Building, Town of Riverhead, Suffolk County, New York (the "Property")

ACTIVITY: Taxi office

ACTION REQUESTED: Approval of terms

TERM: 10 years, terminable at LIRR’s sole discretion on 180 days’ notice.

SPACE: Approximately 1,200 square feet

COMPENSATION:

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<th>Per Sq. Ft.</th>
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Present Value (discounted at 9%): $136,907.38

COMMENTS

Due to very low ridership at Riverhead, the station building has been closed to the public for several years. MTA Real Estate released a request for proposal ("RFP") in 2012, offering a 10 year leasehold interest in the Property. The RFP specified that the Tenant would be required to make the waiting area and restrooms available to LIRR commuters at peak hours, which currently are weekdays from 5:30 AM to 6:30 AM, and 7:00 PM to 8:00 PM. Three proposals were received in response to the RFP.
Staff Summary

FINANCE COMMITTEE MEETING

- EMD Transport Inc. ("Islandwide"), a local taxi company, submitted a proposal to operate a taxi dispatching operation. Islandwide submitted a rental proposal with a present value of $136,907.38.

- JTE Enterprises, Inc. (DBA Lindy's Taxi) a local taxi company, submitted a proposal to operate a taxi dispatching operation. JTE's submitted a rental proposal with a present value of $103,755.65.

- Sandra Williams, a local resident, submitted a proposal to operate a café. She submitted a proposal with a present value of $79,129.62.

The rent proposed by Islandwide exceeds the fair market rental value of $18,300 per annum, as estimated by MTA Real Estate's independent consultant. Islandwide, based in Mastic Beach, New York, has been active since 2008. Its principal, John A. Ferro, has over five years of experience operating a taxi business in Long Island. Mr. Ferro and EMD Transportation Inc. have sufficient financial resources to successfully operate the business under this proposed lease.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease with EMD Transportation Inc. on the above-described terms and conditions.
LEASE AGREEMENT

MTA Metro-North Railroad ("Metro-North")
Grand Central Soups LLC dba Hale and Hearty ("Hale and Hearty")
Retail Space LC-49A and Storage Space LCS-01F
The retail sale of tenant prepared soups, salads, sandwiches, a limited selection of dessert items and non-alcoholic beverages
Approval of terms
Ten years
Approximately 500 sq. ft. and approximately 166 sq. ft. of storage space
Annual Base Rent plus 10% of gross sales over Breakpoint, as follows:

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<th>Rent</th>
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STORAGE RENT: $75.00 per sq. ft. per year, increasing annually by 3%
MARKETING: $10.61 per sq. ft. per year increasing annually by 3%
COMMON AREA MAINTENANCE: $110.00 per sq. ft. per year increasing annually by 3%
TRASH: $12.00 per sq. ft. per year increasing annually by 3%
SECURITY: Three months’ base rent plus a guaranty of Hale and Hearty Holding LLC (limited to six months’ rent after vacating of premises)
INSURANCE: Standard
CONSTRUCTION PERIOD: 60 days
FINANCE COMMITTEE MEETING
Grand Central Soups LLC dba Hale and Hearty (cont.)

COMMENTS:
In response to a recent MTA Request for Proposals (“RFP”) for Retail Space LC-49A at Grand Central Terminal, proposals were received from Hale and Hearty, Julian Medina dba Xicama Taqueria, FFH NYC Inc dba French Fry Heaven, Fulton Quality Foods dba GRK, Peppers Mexican Grill LLC dba Peppers Mexican Grill, Empire Lanzhou Hand-Pull Noodle Store Inc dba Comebuy and JC 1973 Corp. dba New York Lanzhou La Mian.

Pursuant to the Guidelines for Selection of Tenants for Grand Central Terminal approved by the MTA Board in November 2009, the proposals received were independently evaluated by Williams Jackson Ewing and Jones Lang LaSalle, and subsequently evaluated by the Director of GCT Development. When evaluating the proposals, two evaluation criteria were taken into account. Selection Criterion A, which accounts for 70% of the score, is designed to evaluate the direct economic value of a proposal. Selection Criterion B, which accounts for 30% of the score, is the evaluator's determination of the indirect benefit to the MTA.

As illustrated in the attached chart, the Unadjusted Guaranteed Rent Amount (i.e. the proposed guaranteed minimum rent, on a present value basis determined using a discount rate of 6%) and the Total Selection Criteria Score for Hale and Hearty were both higher than the Unadjusted Guaranteed Rent Amount and the Total Selection Criteria Scores for the remaining six proposers; consequently a selection committee was not convened. The rent proposed by Hale and Hearty exceeds the estimated fair market rental value of the subject space, as determined by Williams Jackson Ewing prior to the RFP.

Hale and Hearty serves fresh soups, salads and sandwiches and has been a successful tenant in the Terminal since first opening in 2002. Sales levels at Hale and Hearty are historically among the highest in the Dining Concourse. Hale and Hearty has proposed a significant renovation, which will include new kitchen equipment and other fixtures throughout the store.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with Hale and Hearty on the above-described terms and conditions.
AGENCY: MTA Metro-North Railroad ("Metro-North")
LESSEE: Rent-A-Chef Inc. d/b/a Babycakes Café ("Babycakes")
LOCATION: Poughkeepsie Station Building
ACTIVITY: Operation of a café
TERM: Ten years
SPACE: 2500 square feet with an additional 100 square feet for a kiosk

Annual Base Rent plus 8% of gross sales over a breakpoint beginning Year 4.

COMPENSATION:

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ACTION REQUESTED: Approval of terms

COMMENTS:

A Request for Proposals ("RFP") was offered for the concession area (2500 square feet), a mandatory morning coffee kiosk in the overpass, and the Hudson overlook area (900 square feet) at the Poughkeepsie Station Building and attached garage.
In response to the RFP, two proposals were received. The two proposers were Bread Alone Inc. ("Bread Alone") and Babycakes. Both proposals were for the operation of a café offering breakfast and lunch type menus. After an analysis of the proposals, MTA Real Estate ("MTARE") concluded that it was prudent to request best and final offers from both proposers. Subsequently, after additional analysis of the foot traffic at the station and due to conflicting projects, Bread Alone withdrew its proposal.

The existing Babycakes Café, located in the Arlington neighborhood of Poughkeepsie next to Vassar College, is a well-established restaurant serving breakfast, lunch and dinner, and providing catering services. In its current location, Babycakes occupies 3000 square feet with seating for 90 guests and is well known for supporting local artists, musicians and charitable causes.

Some of Babycakes plans for Poughkeepsie Station include:
- Provision of a "grab and go" coffee cart kiosk in the station overpass above the tracks.
- Opening of the concession window space in the main lobby and installing a pastry case, beverage cooler and new service counters.
- Updating the façade with a chalk menu board and prominent signage.
- Adding tables to the space, including high top bar tables with stools.
- Offering baked goods produced daily at Babycakes' Arlington location and transported to the station.
- Offering hot and cold selections for all meal periods.
- Promotion of the new Babycakes location to the local population and visitors to the area.

Initially Babycakes will not rent the Hudson overlook area, but will (as was contemplated by the RFP) be granted a right of first offer to lease the space for its future fair market value, when and if the MTA wishes again to market such space.

After an initial three-year period of establishing the café at this promising yet unproven location, in addition to base rent, percentage rent in excess of a breakpoint will be paid as indicated above. Such rent falls well within the range of the fair market rental value of $26,050 - $31,000 per annum, as estimated by MTA Real Estate's independent consultant.

MTARE received a favorable credit report for both Babycakes and its principal Susan Wysocki, and financial statements indicating that there are sufficient financial resources to complete the intended build-out and operate the business.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with Babycakes on the terms described above.
AGENCY: MTA Metro-North Railroad ("Metro-North")

SUBLESSEE: City of New York ("NYC" or the "City")

LOCATION: Railroad Terrace at West 254th Street, and a portion of Metro-North's Riverdale Station parking lot, Hudson Line, Bronx, New York (the "Property")

ACTIVITY: Sublease

ACTION REQUESTED: Approval of terms

TERM: 262 years

SPACE: Approximately 12,000 square feet of subsurface rights (400 linear feet long by 30 feet wide)

COMPENSATION: One dollar, payment waived

COMMENTS

Metro-North has increased its efforts to identify preventative measures to be taken at railroad locations that are particularly vulnerable to storm flooding.

During storm events, storm water flows unimpeded down West 254th Street in Riverdale, from east to west, and onto MNR’s right-of-way, causing flooding of the tracks and potential safety issues. This is due to a lack of existing drainage infrastructure for almost the entire length of West 254th Street. To address this problem, Metro-North will enter into a lease with the City's Department of Environmental Protection ("NYC DEP" or "DEP"), the agency charged with matters related to sewage and drainage, to enable DEP to undertake a drainage improvement project.

Metro-North's lease for the Hudson Line with Midtown Trackage Ventures (the "Harlem/Hudson Lease"), which includes the Property, permits MTA to enter into sublease agreements, and the City has agreed to execute a sublease of the subsurface area in question for 262 years through the year 2274 (coterminous with the Harlem/Hudson Lease).

This sublease will allow DEP and its contractor to enter onto the Property to, at DEP's sole cost and expense, correct the drainage problems through the installation of appropriate piping from the intersection of West 254th Street northerly along Metro-North's Railroad Terrace and the Riverdale station parking lot, connecting with an existing subsurface culvert in the vicinity of West 255th Street, which will divert storm water under Metro-North's tracks and out to the Hudson River. Metro-North has submitted to DEP, and DEP has approved, a "Conceptual Drainage Improvement" plan which NYCDEP will pay for and implement at DEP's cost.
Staff Summary

FINANCE COMMITTEE MEETING
Railroad Terrace at West 254th Street, and a portion of Metro-North's Riverdale Station parking lot
(Cont'd.)

Further, and at its sole cost and expense, DEP will maintain and repair the drainage improvements, and provide the necessary indemnifications. For subsequent maintenance, repair or inspections, DEP and/or its contractor will have to enter into a standard MNR entry permit, the form of which will be attached to the sublease.

As this work is sufficiently removed from the Hudson Line tracks, no flagmen are required. As part of the negotiations with the City, any ancillary force account charges for monitoring the work have been waived.

An appraisal was obtained by MTA Real Estate as required by the Public Authorities Law which estimated the value of the subsurface rights in question at $50,000. However, as permitted by the Public Authorities Law, Metro-North will grant such rights to the City for $1/payment waived in consideration of the public purpose and benefit of the project, and the sublease will stipulate that the subleased interest and its use will remain with the City. There is no reasonable alternative to the proposed transfer that would achieve the same purpose of such transfer.

Based on the foregoing, Real Estate requests that the Board make a determination that there is no reasonable alternative to the proposed transfer that would achieve the same purpose of such determination, and authorization to enter into a sublease with the City of New York on the terms and conditions described above.
Subject: LEASE EXTENSION

Department: REAL ESTATE

Department Head Name: JEFFREY B. ROSEN

Department Head Signature: 

Project Manager Name: MICHAEL DANIELS

Date: MARCH 11, 2013

Vendor Name: 

Contract Number: 

Contract Manager Name: 

Table of Contents Ref. #: 

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

LESSOR: 3120 Bainbridge LLC

LOCATION: 3120 Bainbridge Avenue, Bronx, NY

USE: Swing space for bus operators and dispatchers rest space

ACTION REQUESTED: Approval of terms

TERM: Five years

OPTION TERM: Five years, with 2.5% increases per annum

SPACE: Approximately 460 square feet - 1st floor Retail Space

RENT: Year 1; $24,228.00 / $52.67 square foot
Year 2; $24,833.70 / $54.10 square foot
Year 3; $25,454.54 / $55.34 square foot
Year 4; $26,090.91 / $56.72 square foot
Year 5; $26,743.18 / $58.14 square foot

TAXES: Rent included with no escalations. If a business improvement district is established that includes this building, NYCT will pay 10% of the fees payable by the building.

UTILITIES: Electricity is directly metered. Water and sewer are billed at $736.13 per annum and will increased in line with any DEP increases.

SERVICES: Monthly extermination service, sidewalk snow, ice and debris removal provided by landlord as part of the rental consideration.

COMMENTS:

NYCT Department of Buses has occupied this swing room since 1993 and is satisfied with the location. There are no current plans to change the bus routes in the vicinity (Bx10, Bx16, Bx28, Bx30, Bx34, Bx38), whose dispatchers and operators swing space services. The landlord has agreed to keep rent at its current level for the first year of the new term, and this rent is considered to be reasonable relative to market rents in the area. A survey did not identify any suitable alternative spaces in the immediate neighborhood.
Based on the foregoing, MTA Real Estate requests authorization to enter into a lease amendment on the above-described terms and conditions.
AGENCY: MTA New York City Transit ("NYCT")
SELLER: The estate of Jesse Weiner
PROPERTY: 104-01 165th Street; 103-16, 103-30, 103-34, 104-02, 104-10, 104-12, and
104-22 Merrick Boulevard, Jamaica, Queens (Block 10164, Lots 41, 53, 60, 61, 63, 66, 68,
& 72 (the "Properties") as shown on the attached site plan

ACTIVITY: Acquisition of fee title
ACTION REQUESTED: Authorization to commence steps for acquisition
CUMULATIVE LOT SIZE: Approximately 79,000 square feet
COMPENSATION: $7,775,000

COMMENTS

To alleviate a chronic shortage of bus parking and servicing facilities in Jamaica, Queens, the NYCT Department of Buses
("NYCT DOB") has long desired to expand the footprint of the Jamaica Bus Depot, located on Block 10164, between
Merrick Boulevard and 165th Street, and bordered by South Road on the north side and 107th Street on the south side
(lots 46, 60, 84, 97 and 103 on the attached site plan).

In the meantime, NYCT DOB has been obliged to park significant numbers of buses on city streets surrounding the
Jamaica Bus Depot at night and on weekends, both impacting the quality of life in the neighborhood and presenting
security concerns for equipment and personnel. As is apparent from the attached site plan, the Properties are ideally
located for an expansion of the Jamaica Bus Depot. However, until recently, they have been fully occupied by various
businesses operating under various leases with significant remaining terms and have not been available other than by
means of condemnation.

The owner of the Properties has passed away and the executor of his estate is now offering them for sale. All but three of
the Properties have been vacated. The rest (lots 53, 60 and 61) are subject to commercial leases. Thus, the MTA is
presented with a unique opportunity to acquire the Properties and convert them to transit-related use with little to no
disruption of private interests.

Ultimately, it is NYCT DOB's intention to construct a new bus depot on the site of the existing Jamaica Bus Depot, as
expanded to include the Properties. Pending the design of the proposed new facility and vacating of lots 53, 60 and 61
by the existing commercial tenants, NYCT DOB intends to demolish the existing buildings on lots 63, 66, 68 and 72, pave,
and fence them for bus storage (the "Interim Use"), thereby alleviating the aforementioned need for off-site bus parking.
The costs of the proposed acquisition and renovation for the Interim Use have been provided for in the MTA's 2010-2014

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capital program. It is anticipated that funding for a reconstructed depot on the site of the current depot and the Properties will be provided for in the 2015-2019 capital program.

Real Estate has reached a negotiated price with the seller of $7,775,000 (additional miscellaneous closing costs and adjustments will be made prior to or at the closing), which is an amount that is supported by MTA's appraised value for the Properties. While Real Estate anticipates completing the acquisition of the Properties through a negotiated agreement, if a voluntary transaction cannot be consummated in a timely manner or on the agreed-upon terms, MTA may be compelled to take steps necessary to acquire the Properties in accordance with the Eminent Domain Procedure Law.

Based on the foregoing, MTA Real Estate requests approval to acquire fee title to the Properties by negotiated purchase or eminent domain and to adopt the attached Resolution authorizing it to commence the proposed acquisition process.
BOARD RESOLUTION

WHEREAS, MTA New York City Transit ("NYCT") Department of Buses needs to increase the bus parking capacity of the existing Jamaica Bus Depot in Queens (Block 10164 and Lots 46, 80, 84, 97 and 103), located between Merrick Boulevard and 165th Street and bordered by South Road to the north and 107th Street to the south;

WHEREAS, the deficit of bus parking capacity at the existing Jamaica Bus Depot has forced NYCT to park buses on unsecured streets nearby, impacting both the quality of life in the neighborhood and presenting security concerns for equipment and personnel;

WHEREAS, acquisition of Lots 41, 53, 60, 61, 63, 66, 68, and 72 in Queens County Block 10164 (a/k/a 104-01 165th Street; 103-16, 103-30, 103-34, 104-02, 104-10, 104-12, and 104-22 Merrick Boulevard, Queens, New York) (the "Properties") will allow NYCT to expand the Jamaica Bus Depot to accommodate the parking overflow on city streets;

WHEREAS, MTA Real Estate will seek to reach an agreement to acquire the Properties at a negotiated price;

WHEREAS, if such a negotiated agreement cannot be concluded in a timely manner, acquisition of the Properties by eminent domain will allow NYCT to move forward with the project.

NOW, THEREFORE BE IT

RESOLVED, that in accordance with the Eminent Domain Procedure Law and Section 1267 of the Public Authorities Law, the Chairman or designated staff member of the Authority is authorized to proceed with the acquisition by negotiated agreement or eminent domain of fee interests in the Properties described above and to schedule and undertake such preliminary steps, including holding a public hearing, as may be required under the Eminent Domain Procedure Law, in connection with the acquisition.

This Resolution shall take effect immediately upon its adoption.
Subject: Lease Agreement  

Department: REAL ESTATE  

Department Head Name: JEFFREY B. ROSEN  

Project Manager Name: Leah Bassknight  

Date: March 11, 2013  

Vendor Name:  

Contract Number:  

Contract Manager Name:  

Table of Contents Ref. #:  

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

LESSEE: Gaelic Park Restaurant and Catering, LLC (to be formed)  

LOCATION: 201 West 240th Street, Bronx, NY (block 5776, lot 401)  

ACTIVITY: Demolition of existing structure and construction and operation of a new bar and banquet hall facility.  

ACTION REQUESTED: Approval of terms.  

TERM: 10 years, terminable on 18 months' notice for corporate purposes. A payment to tenant would be required upon any such termination based on ten-year amortization of construction cost.  

SPACE: Approximately 17,837 square feet  

COMPENSATION:  

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<th>Monthly</th>
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COMMENTS  

The Gaelic Park banquet hall and bar located adjacent to the Manhattan College athletic field has been a center for Irish football, hurling, and other Irish sporting events in New York City for decades. The properties on which the banquet hall and athletic field sit are administered by MTA Real Estate for the account of the City of New York pursuant to the 1953 master lease between NYCT and the City of New York. The banquet hall is currently licensed on a short-term basis to the
Staff Summary

FINANCE COMMITTEE MEETING

Gaelic Park Restaurant and Catering, LLC (to be formed) (Cont’d.)

Gaelic Athletic Association of Greater New York ("GAA"). The athletic field is separately licensed by NYCT to Manhattan College, which shares use of the field with GAA.

The existing banquet hall is in very poor condition and requires extensive repairs. The banquet hall was offered via RFP for a 10-year lease term with a requirement to either renovate the existing structure or demolish it and build a new one. In response to the RFP, Gaelic Park Restaurant and Catering, LLC was the sole proposer. The present value of the rent proposed is $1,087,111 (calculated at a 9% discount rate). Such rent exceeds the fair market rental value of the property, as estimated by MTA Real Estate's independent consultant.

Gaelic Park Restaurant and Catering, LLC will be comprised of two members, the current licensee, GAA, and Masterpiece Catering Corp. GAA is a not-for-profit organization that organizes Irish sporting events in the New York metropolitan area including those held at Gaelic Park. The shareholders of Masterpiece Catering Corp. are Paul Nicaj and Gieto Nicaj. Both men have extensive experience operating restaurants and banquet facilities, including facilities at the Plaza Hotel, the Pierre, the Mandarin Oriental Hotel and the Waldorf Astoria Hotel. Paul Nicaj is currently the managing partner of Battery Gardens located in Battery Park.

Gaelic Park Restaurant and Catering, LLC proposes to demolish the existing building and invest approximately $3,200,000 in a new one. Under the lease, the reconstructed building is required to meet all NYC zoning and building code requirements, and the lessee will have the obligation to seek any variances or zoning changes from NYC in accordance with City rules and environmental review requirements should the ultimate design of its proposed building require any. The Ireland-based parent chapter of the GAA has committed to funding the construction via a grant to GAA to retain what they see as "the historic home of Gaelic sport in New York." Adequate assurance of completion will be a precondition of the commencement of construction. All improvements will become the property of the Landlord.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with Gaelic Park Restaurant and Catering, LLC on the above-described terms and conditions.
Staff Summary

Subject
ON THE GO KIOSK PILOT AGREEMENT

Date
March 11, 2013

Vendor Name
CONTROL GROUP, INC.

Department
REAL ESTATE

Contract Number

Department Head Name
JEFFREY B. ROSEN

Contract Manager Name

Department Head Signature

Table of Contents Ref. #

Project Manager Name
PETER LYONS

Board Action

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Agency: MTA New York City Transit
Licensee: Control Group, Inc.
Location(s): Various NYCT subway stations
Activity: Licensee to acquire at least 47 interactive On The Go Travel Station (OTG) kiosks that will be installed in specified locations in certain subway stations and Licensee will design and manage the customer interface and certain of the applications and will sell and display advertising.

Action Requested: Approval of terms

Term: Expiration on December 31, 2015

Compensation: Until such time as the Licensee's capital investment has been fully recouped by Licensee from gross receipts, Licensee shall retain 90% of such gross receipts and shall pay 10% of such gross receipts to NYCT. Once the cumulative gross receipts retained by Licensee equals the Licensee's capital investment, Licensee shall thereafter retain 35% of such gross receipts and shall pay 65% to NYCT.

Comments

MTA New York City Transit (NYCT) began a pilot program involving the installation and operation of five (5) OTG kiosks in September, 2011. These kiosks were located at the following three subway stations: Bowling Green, Atlantic Avenue – Pacific Street, and Jackson Heights – Roosevelt Avenue. In addition, one kiosk was installed in Grand Central Terminal and another in Penn Station. The standard OTG kiosk is a freestanding enclosure with an interactive touch screen that provides customers with access to service status and train times, maps for subways, buses, railroads and neighborhoods, TripPlanner+, real-time bus information, where available, and third-party applications to tell customers about nearby cultural, dining and entertainment destinations (e.g. at Railroad Terminals and major stations).

On February 10, 2012, MTA Real Estate issued a Request for Expression of Interest (RFEI) soliciting responses from entities interested in being the advertising agent or a sponsor of a future large scale network of OTG kiosks. MTA received 20 responses to the RFEI. Following a review and negotiation process, MTA Real Estate and NYCT decided to proceed with a second phase of the pilot deployment with three respondents. One of the three respondents withdrew, leaving the following two firms as the expanded pilot participants: CBS Outdoor (the incumbent licensee for the subway system advertising) and Control Group, Inc., an innovation strategy firm headquartered in New York City with significant prior experience with new technologies for customer interaction.
As part of the second phase of the pilot, the licensees will have the creative freedom to design the customer interface and to customize the transit-related applications that will reside on the kiosks, while also selling and displaying advertising to defray the related capital and operating expenses. During this phase, NYCT will evaluate customer perceptions, the ability to post and update information quickly, and advertising revenue opportunities. This information will inform decisions regarding deployment of additional kiosks, customer communication strategies and future advertising contracts encompassing digital media and platforms.

The terms of the license agreements with CBS and Control Group require that the licensee purchase the kiosks and deliver them to NYCT for installation. The licensees will also be responsible for paying the cost of the development of the customer interface and the customization of the transit applications. It is estimated that the hardware cost of each kiosk will be under $15,000.

Until such time as the licensee's capital investment has been fully recouped by Licensee from gross receipts, the licensee shall retain 90% of such gross receipts and shall pay 10% of such gross receipts to NYCT. Once the cumulative gross receipts retained by the licensee is equal to the licensee's capital investment, plus an interest factor representing the cost of capital, the licensee shall thereafter retain 35% of such gross receipts and shall pay 65% to NYCT. The licensees take the risk that the advertising gross revenues will be sufficient to pay them back their capital investments during the term of the pilot licenses. Title to the kiosks transfers to NYCT upon installation and acceptance.

The CBS pilot involves at least 30 OTG kiosks and is being undertaken as part of their existing subway advertising license agreement.

The Control Group pilot involves at least 47 and up to 90 OTG kiosks, in connection with which there will be a stand-alone license agreement among MTA, NYCT and Control Group. NYCT will have rights to acquire a license to the intellectual property developed by Control Group for use in the MTA transportation system.

Both the CBS and Control Group pilot licenses will expire on December 31, 2015.
**LICENSE AGREEMENT FOR S93**

**department:** REAL ESTATE  
**department head name:** JEFFREY B. ROSEN  
**project manager name:** MICHAEL DANIELS  

**AGENCY:** MTA New York City Transit Authority  
**LICENSOR:** College of Staten Island of the City University of New York ("CSI")  
**LOCATION:** 2800 Victory Boulevard, Staten Island  
**USE/ACTIVITY:** S93 bus route expansion  
**ACTION REQUESTED:** Approval of terms  
**TERM:** One year renewing automatically on an annual basis  
**SPACE:** Portion of Loop Road and other roadways on the CSI campus  
**COMPENSATION:** One dollar, payment waived  

**COMMENTS:**

CSI has agreed to allow the Department of Buses to operate the S93 route on its property to better serve its large population of students, faculty, and employees that rely on bus service. The route will be extended from its current turnaround at the college entrance on Victory Boulevard to the interior of the campus along Loop Road, and will provide a centrally located stop. The S93 route will then continue to its other destinations in Willowbrook, Castleton Corners, Sunnyside and Bay Ridge.

CSI will continue to maintain the roadway, will maintain the bus stop, and will remove snow, ice and debris from the bus route.

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

Subject: LEASE AMENDMENT

Date: MARCH 11, 2013

Metropolitan Transportation Authority

 Lease Amendment

Board Action

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Internal Approvals

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AGENCY: Manhattan and Bronx Surface Transit Operating Authority (*MaBSTOA)

LESSOR: Royal Charter Properties, Inc.

LOCATION: 53 Audubon Avenue, NY, NY

USE: Swing space for bus operators and dispatchers

ACTION REQUESTED: Approval of terms

TERM: Two years

SPACE: Approximately 735 square feet - 1st floor Retail Space

RENT: Year 1: $40,899.19 / $55.65 square foot

Year 2: $42,126.17 / $57.31 square foot

TAXES: Tenant pays proportionate share over 2007 base year.

UTILITIES: Electricity is directly metered. Water and heat are included in rent.

SERVICES: Tenant responsible for sidewalk snow, ice and debris removal.

COMMENTS:

MaBSTOA has occupied this swing room since 2007 and is satisfied with the location. There are no current plans to change the bus routes (M2, M3, M5, M100, M101, Bx7) in the vicinity, whose operators the swing room services. Year one of the renegotiated rent is 3% higher than the current rent, which is considered to be reasonable given market conditions in the area. A survey identified no suitable alternative spaces in the immediate neighborhood.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease amendment on the above-described terms and conditions.
The Procurement Agenda this month includes 23 actions for a proposed expenditure of $212.3M.
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:**

<table>
<thead>
<tr>
<th>Schedule A:</th>
<th>Non-Competitive Purchases and Public Work Contracts</th>
<th># of Actions</th>
<th>$ Amount</th>
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<tbody>
<tr>
<td>• Elleon National, Inc.</td>
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<td>• Transit Sourcing Services, Inc.</td>
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**Schedules Requiring Majority Vote**

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<tr>
<th>Schedule G:</th>
<th>Miscellaneous Service Contracts</th>
<th># of Actions</th>
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<td>• Sperry Rail Service</td>
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<tr>
<th>Schedule H:</th>
<th>Modifications to Personal/Miscellaneous Service Contracts</th>
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<td>• Sperry Rail Service</td>
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<th>Schedule J:</th>
<th>Modification to Miscellaneous Procurement Contracts</th>
<th># of Actions</th>
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<td>• GIRO, Inc.</td>
<td></td>
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</table>

SUBTOTAL 5 $2.9 M

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

MTA Bus Company proposes to award Non-Competitive procurements in the following categories: NONE
NYC Transit proposes to award Competitive procurements in the following categories:

<table>
<thead>
<tr>
<th>Schedules Requiring Two-Thirds Vote:</th>
<th># of Actions</th>
<th>$ Amount</th>
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<tr>
<td>Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)</td>
<td>1</td>
<td>$ TBD M</td>
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Schedules Requiring Majority Vote

| Schedule F: Personal Service Contracts | 4 | $ 13.4 M |
| Schedule G: Miscellaneous Service Contracts | 2 | $ 1.8 M |
| Schedule H: Modifications to Personal/Miscellaneous Service Contracts | 2 | $ 69.4 M |

SUBTOTAL | 9 | $ 84.6 M |

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

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

| Schedule G: Miscellaneous Service Contracts | 1 | $ .4 M |

SUBTOTAL | 1 | $ .4 M |

NYC Transit proposes to award Ratifications in the following categories:

| Schedules Requiring Two-Thirds Vote: | | |
| Schedule D: Ratification of Completed Procurement Actions | 3 | $ 120.6 M |

Schedules Requiring Majority Vote

| Schedule K: Ratification of Completed Procurement Actions | 1 | $ 2.2 M |

SUBTOTAL | 4 | $ 122.8 M |

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

| Schedule K: Ratification of Completed Procurement Actions | 4 | $ 1.6 M |

SUBTOTAL | 4 | $ 1.6 M |

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

TOTAL | 23 | $ 212.3 M |

COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

BUDGET IMPACT: The purchases/contracts will result in obligating funds in the amounts listed. Funds are available in the current operating/capital budgets for this purpose.

RECOMMENDATION: That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)
BOARD RESOLUTION

WHEREAS, in accordance with 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. Elcon National, Inc. $205,440
   Non-Competitive – Twenty month contract
   RFQ # 34120
   Test and evaluation of material used for the overhaul of R142/R142A/R143/R160 subway car tread brake units.

2. Transit Sourcing Services, Inc. $856,700
   Non-Competitive – Thirty-six month contract
   RFQ # 33255
   Test and evaluation of subway car wheels.

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.)

3. Sperry Rail Service $615,000 (Est.)
   Sole Source – One-Year Contract
   RFQ # 2862
   Upgrade of NYC Transit’s Track Geometry Car #2.

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.)

4. Sperry Rail Service $815,000 (Est.)
   Contract # 01L8350.5
   Modification to the contract for ultrasonic rail flaw detection services, in order to extend the term of the contract.
J. **Modification 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.)

5. GIRO, Inc. $431,321 (NTE)  
   Contract #97K7070.17  
   **Staff Summary Attached**  
   Modification to the contract for the purchase, maintenance and technical support of the Transit Vehicle and Crew Scheduling Software System (HASTUS 5) in order to extend the contract term.
MARCH 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

B. Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)
   (Staff Summaries required for items estimated to be greater than $1M.)

1. Contractor To Be Determined  Cost To Be Determined  Staff Summary Attached
   Seven-Year Contract
   Contract # TBD
   RFP Authorizing Resolution for the NYC Transit Network Infrastructure Upgrade.

Procurements Requiring Majority Vote:

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

2. Carl J. Costantino and Associates  $429,615 (NTE)
   Two Proposals – Four-year contract, plus a one-year option
   Contract #CM-1041
   This joint agency contract with MTA Bus Company (MTABC) is for the services of a Soils Consultant.
   The contract includes an unfunded option to extend the contract for up to an additional 12 months.
   Approval is sought for the base four year term only as follows: $368,566 for NYC Transit and $61,049
   for MTABC.

   Under this contract, the Consultant shall perform soils consulting services on various NYC Transit and
   MTABC projects. The work will include: on-site inspections, evaluation of boring samples,
   submission of technical reports, conducting technical training/seminars on soils technology, testing and
   evaluation of soils conditions and report their affect on existing and proposed agency structures during
   both design and construction of temporary and permanent work.

   A 2-Step Request for Proposal (RFP) was advertised and eight firms submitted Qualification Packages.
   The Selection Committee (SC) reviewed the submittals and recommended that three consultant firms
   receive the RFP. Three of the other five firms were not recommended because of potential
   organizational conflicts of interest; they already do business with the MTA agencies as prime
   consultants on several projects. The other two firms’ submissions focused primarily on testing and
   laboratory analysis and they lacked the geotechnical expertise required for a prime consultant.

   Two proposals were received. The third firm, Birdsall, failed to propose, citing their inability to
   adequately prepare a proposal. The SC reviewed the written technical proposals and conducted oral
   presentations and interviews with the firms and recommended both for negotiations. The SC review
   and decision was based on the RFP evaluation criteria.

   Carl J. Costantino and Associates (CJC) submitted the lowest BAFO. The SC considered CJC
   technically superior and unanimously selected CJC for award based upon the established evaluation
   criteria and lower cost. Based upon effective competition, CJC’s pricing was found to be fair and
   reasonable.

   CJC has not completed any MTA contracts on which goals were previously assigned; therefore, no
   assessment of the firm’s M/WBE performance can be determined at this time.
LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

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

3. Parsons Brinckerhoff, Inc. $3,000,000 (NTE) Staff Summary Attached
   Ten Proposals – Three-year contract, plus a one-year option
   Contract #CM-1050
   Indefinite quantity functional planning and conceptual engineering services for miscellaneous Capital Projects.

4. IBI Group $6,000,000 (Est.) Staff Summary Attached

5. Parsons Brinckerhoff, Inc. $6,000,000 (Est.)
   Two Proposals – Five-year contracts (with an overall budget of $10,000,000)
   Contract #sCM-1503 and CM-1504
   Indefinite Quantity Systems Engineering Support Services.

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.)

6. The Compactor Repair Co., Inc. $285,558 (Est.)
   Five Bids/Second Low Bidder – Five-year contract
   IFB #25339
   This contract is to provide on-site repair of refuse compactors, receiving boxes and associated equipment at various NYC Transit locations throughout the five boroughs. The contract also includes a provision to repair the equipment at the contractor’s facility in the event that repairs cannot be performed on-site.

   Compactor equipment compresses solid waste into a receiving box that is later detached for the disposal of the waste. NYC Transit maintains 62 compactors located at 48 different Transit facilities for the collection and staging of compacted refuse generated system-wide. In order to maintain environmentally and physically safe working conditions, Transit’s waste hauling contractor is obligated to remove filled receiving boxes within 24 hours of notice. To achieve this level of readiness, it is critical that Transit’s compactors and receiving boxes are always kept in a state of good repair and operability. This contract specifies a 4-hour response time by the contractor to ensure Transit’s operational efficiency and minimize the undesirable effects that result from exposed garbage.

   Procurement conducted an extensive outreach to the marketplace which led to receipt of five bids on this solicitation as compared to two bids on the prior solicitation. The low bidder claimed a bid mistake and after review by NYC Transit, was permitted to withdraw its bid. The second low bidder, The Compactor Repair Company, Inc. (CRC), submitted a bid that was 11.2% lower than the next low bidder. Additionally, when comparing like items from the previous contract to those under this bid, CRC’s bid price is approximately 9% lower than the previous contract pricing.

   Based upon effective competition and the aforementioned price analysis, CRC’s pricing was found to be fair and reasonable.
MARCH 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

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.)

7. Leviathan Mechanical Corp. $1,456,439 (Est.)
Three Bids/Low Bidder – Five-year contract
RFQ #27952

This contract is to provide annual testing, five-year overhaul, and repair and/or replacement of Reduced Pressure Zone (RPZ) backflow prevention devices at various NYC Transit Department of Buses and MTA Bus Company locations.

The installation and annual testing of RPZ devices is mandated by the New York State Department of Health and is necessary to prevent the backflow of foreign matter from contaminating the public water supply. A backflow prevention device is used to prevent water from re-entering the public water supply. These devices allow water to flow in only one direction, protecting the public water supply from contamination from the building or facility.

Three bids were received. The low bidder, Leviathan Mechanical Corporation (Leviathan) submitted a bid that was 0.6% lower than the second low bidder. Based upon effective competition Leviathan’s pricing was found to be fair and reasonable.
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.)

8. Henry Brothers Electronics, Inc. $579,278 (Est.)
   Contract # 06G9430.5
   Modification to the contract for preventive and remedial maintenance of security systems at two revenue facility sites, in order to extend the term of the contract and upgrade existing, outdated DVRs.

9. International Business Machines Corporation (IBM)
   Contract # 03A8602-1.87
   Modification to the contract to perform Data Center IT support services, in order to extend the contract term.
MARCH 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

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.)

1. Runway Towing Corporation  $400,215 (Est.)
Three Bids/Low Bidder – Two-year contract
Contract #MSB100723

This contract is for towing services for revenue vehicles (buses) and non-revenue support fleet vehicles (cars/SUVs) for the MTA Bus Company. The contractor will provide towing services within the five boroughs of New York City, Yonkers and several other New York and New Jersey counties.

Towing services are required in order to expeditiously remove broken down/stranded revenue and non-revenue support fleet vehicles from publicly owned highways and streets, and deliver those vehicles to various MTA Bus depots or contracted repair facilities. Pricing includes a flat rate surcharge for tows outside of the five boroughs and Yonkers.

Three bids were received. The low bidder, Runway Towing Corporation (Runway) submitted a bid that was 19% lower than the second low bidder. Based upon effective competition, Runway's pricing was found to be fair and reasonable.
MARCH 2013

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions
   (Staff Summaries required for items requiring Board approval.) 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. Henry Brothers Electronics, Inc. $17,951,000
   Contract #s C-52111/C-52112
   Furnish, install, and integrate Electronic Security Systems at the 51st Street/Lexington Avenue Station and the 74th Street/Roosevelt Avenue Station Complexes.

2. J-Track, LLC $53,000,000 (Est.)
   Contract # C-31673.50
   Superstorm SANDY Emergency Track clean-up and rebuild at Broad Channel/Rockaways in the Borough of Queens.

3. Sprague Operating Resources, LLC $49,645,846 (Est.)
   Contract #s 3915/3916 (Gasoline/ULSD)
   Purchase of bulk gasoline and bulk diesel for Non-Revenue Support Fleet and Paratransit Divisions.

Procurements Requiring Majority Vote:

K. Ratification of Completed Procurement Actions (Involving Schedule E-J)
   (Staff Summaries required for items requiring Board approval.)

4. L.K. Comstock & Co., Inc. $2,200,000
   Contract # S-32742.15
   Modification to the contract for the Signal Rehabilitation of the Church Avenue Interlocking, in order to replace the existing track switch layouts at 16 track switch locations.
K. Ratification of Completed Procurement Actions (Involving Schedule E-J)

(Staff Summaries required for items requiring Board approval.)

E.E. Cruz and Tully Construction
Company, JV, LLC
1. Contract # C-26005.124 $365,000  Staff Summary Attached
2. Contract # C-26005.134 $568,000  ↓
   Modification to the contract for civil, structural, and utility relocation for the Second Avenue
   Subway, 96th Street Station, in order to perform additional work associated with changes to
   waterproofing construction and address the repair and replacement of gas main hangers in the
   Launch Box for a 30-inch gas main.

3. E.E. Cruz and Tully Construction $376,867  Staff Summary Attached
   Company, JV, LLC
   Contract # C-26010.1
   Modification to the contract for Station finishes for the Second Avenue Subway, 96th Street
   Station, in order to perform additional work associated with changes to waterproofing
   construction.

4. Judlau Contracting, Inc. $290,000  Staff Summary Attached
   Contract #C-26006.12
   Modification to the contract for the construction of the Second Avenue Subway – 63rd Street and
   Lexington Avenue Station, in order to construct a new duct bank at an Electrical Distribution
   Room.
Schedule A: Non-Competitive Purchases and Public Work Contracts

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Name (&amp; Location)</td>
<td>Ellcon National, Inc. (Greenvtlle, SC)</td>
</tr>
<tr>
<td>Description</td>
<td>Test and evaluation of material used for the overhaul of R142/R142A/R143/R160 subway car tread brake units</td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
<td>20 months</td>
</tr>
<tr>
<td>Option(s) Included in Total Amount?</td>
<td>Yes [ ] No [ ] n/a [ ]</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: Non-competitive</td>
</tr>
<tr>
<td>Contract Number</td>
<td>RFQ #34120</td>
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<tr>
<td>Renewal?</td>
<td>Yes [ ] No [ ]</td>
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<tr>
<td>Total Amount:</td>
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<tr>
<td>Funding Source</td>
<td>Operating [ ] Capital [ ] Federal [ ] Other:</td>
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</tbody>
</table>

Discussion:

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law § 1209, subsection 9(d), and approve the purchase of material used for the overhaul of tread brake units from Ellcon National, Inc. (Ellcon) for test and evaluation. The material will be manufactured by Faiveley Transport Nordic AB (Faiveley) and distributed by Ellcon.

This procurement is for the purchase of test material to be evaluated by the Department of Subways' Division of Car Equipment (DCE). The material will be used for the overhaul of R142, R142A, R143 and R160 Tread Brake Units manufactured by Wabtec Passenger Transit (Wabtec). The tread brake unit is used to push the brake shoe against the subway car wheel to stop the train. There are four tread brake units per truck, and two trucks per subway car.

This material will be installed on a total of 40 cars of the four subway car classes noted above (10 R142 cars, 10 R142A cars, 10 R143 cars and 10 R160 cars) and those cars will be run in service for one year. If the test is successful and Faiveley's material is approved for use by NYC Transit, future requirements for this material can be solicited competitively. Currently, these items can only be purchased directly from the sole source vendor, Wabtec.

In order to determine whether the negotiated pricing is fair and reasonable, Procurement compared Ellcon's prices with the prices of the material purchased from Wabtec for the same items. A price analysis revealed that Ellcon's total weighted average price is 6.2% lower when compared to the last contract prices with Wabtec.

Based upon the aforementioned, Ellcon's price is considered fair and reasonable. In accordance with Public Authorities Law, § 1209, paragraph 9, this contract will not be awarded earlier than 30 days from the date on which the Board declares competitive bidding to be impractical or inappropriate.
Schedule A: Non-Competitive Purchases and Public Work Contracts

Item Number: 2

Vendor Name (& Location)  
Transit Sourcing Services, Inc. (Pinehurst, NC)

Description  
Test and evaluation of subway car wheels

Contract Term (Including Options, If any)  
Three Years

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

Procurement Type  
☑ Non-competitive

Solicitation Type  
☐ RFP  ☐ Bid  ☑ Other: Non-competitive

Contract Number  
RFQ #33255

Total Amount:  
$856,700

Funding Source  
☑ Operating  ☐ Capital  ☐ Federal  ☐ Other:

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

Discussion:

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law § 1209, subsection 9(d), and approve the purchase of 1,300 subway car wheels from Transit Sourcing Services, Inc. (TSS) for test and evaluation. The wheels are manufactured by Bonatrans Group and are distributed by TSS, Bonatrans' exclusive distributor of passenger rail products in the USA and Canada.

This procurement is for the purchase of test wheels to be evaluated by the Department of Subways' Division of Car Equipment (DCE). The qualification process for subway car wheels consists of the successful completion and performance evaluation of in-service testing of 1,300 wheels in two phases. For Phase I testing, NYC Transit will purchase 300 Bonatrans wheels, install them on subway cars, and operate those cars in service for six months. If NYC Transit finds the wheel performance satisfactory, testing will proceed to Phase II. In Phase II, NYC Transit will purchase 1,000 Bonatrans wheels, install them on subway cars, and operate those cars in service for one year.

If, after the completion of Phase II testing, Bonatrans' wheel is found to be satisfactory, it will be included on the NYC Transit Qualified Products List (QPL) for subway car wheels and thus allow NYC Transit to increase competition for this item. Sumitomo and Standard Steel (also owned by Sumitomo) and MWL Brasil are the manufacturers whose wheels are currently approved on the NYC Transit QPL. It should be noted that, although the wheels are different than those used by NYC Transit, Bonatrans is an approved wheel supplier for Long Island Rail Road and Metro-North Railroad.

After extensive negotiations with both TSS and Bonatrans, NYC Transit obtained a unit price of $659 each for Phase I (at a total price of $197,700) and Phase II (at a total price of $659,000) of this test and evaluation procurement. In order to determine whether this price was fair and reasonable, Procurement compared the $659 unit price with the current contract price. A competitively solicited contract for 19,500 wheels required for NYC Transit's Scheduled Maintenance System (SMS) and running repairs was awarded to Sumitomo in October 2009 at a unit price of $690 each. TSS' unit price of $659 each is 4.5% lower than the current contract unit price.

Based upon the aforementioned, TSS' price is considered fair and reasonable. In accordance with Public Authorities Law § 1209, paragraph 9, Phase I of this contract will not be awarded earlier than 30 days from the date on which the Board declares competitive bidding to be impractical or inappropriate.
Schedule G: Miscellaneous Service Contracts

| Item Number: | 3 |
| Vendor Name (& Location) | Sperry Rail Services, Inc. (Danbury, CT) |
| **Description** | Upgrade of NYC Transit’s Track Geometry Car #2 |
| **Contract Term (including Options, If any)** | One Year |
| **Option(s) included in Total Amount?** | ☐ Yes ☐ No ☒ n/a |
| **Procurement Type** | ☐ Competitive ☒ Non-competitive |
| **Solicitation Type** | ☐ RFP ☒ Bid ☒ Other: Non-competitive |

| Contract Number | RFQ. 2862 |
| Renewal? | ☒ Yes ☐ No |
| **Total Amount:** | $615,000 (Est.) |
| **Funding Source** | ☒ Operating ☐ Capital ☐ Federal ☐ Other: | Non-competitive |
| **Requesting Dept/Div & Dept/Div Head Name:** | Department of Subways, Carmen Bianco |

**Discussion:**

Under this contract, Sperry Rail Services (Sperry) will furnish and install its latest proprietary Series 1950 Ultrasonic rail flaw detection and testing system into NYC Transit’s Track Geometry Car #2 (TGC2), built by Plasser American Corporation (Plasser). Reconfiguration of the TGC2 vehicle’s interior and exterior is necessary to accommodate the upgrade. Sperry shall coordinate and consult with Plasser regarding all of the proposed work, including the necessary equipment and software interfaces with Plasser’s existing computer measuring and analyzing (track geometry) system. Sperry’s latest equipment uses sound wave technology to identify defects in the rail, thus allowing NYC Transit workforces to facilitate pre-emptive repairs. Sperry anticipates that the upgrade to the TGC2 will take approximately seven to twelve months to complete. The upgrade to the TGC2 will allow NYC Transit to have another TGC with vastly improved ultrasonic rail flaw detection capability.

Also included with this month’s Board package as a separate action, NYC Transit intends to add funding and extend Sperry’s current Contract (01L8350) under which it provides ultrasonic rail flaw detection services utilizing its diesel-powered SRS 403 vehicle for up to one year or until the upgrade of the TGC2 is completed, tested and accepted by NYC Transit. Continuation of this service is necessary in order to ensure continued testing of the subway system while the TGC2 upgrade occurs.

Through a future Board action, NYC Transit shall request a modification of this contract for Sperry to maintain the Series 1950 System and conduct ultrasonic rail flaw detection services utilizing the upgraded TGC2 vehicle for a term of five years. Once the upgrade to the TGC2 has been completed, tested and accepted by NYC Transit, the TGC2 will be put into service and the SRS 403 vehicle will be retired.

In addition to Sperry’s current Contract (01L8350), Nordco Rail Services (Nordco) also provides comprehensive ultrasonic rail testing under its contract with NYC Transit (RFQ 2857 - approved by the Board in February 2012) utilizing Nordco’s proprietary testing equipment installed on NYC Transit’s Track Geometry Cars TGC3 and TGC4. Due to the critical nature of this service, having two contractors able to simultaneously provide ultrasonic rail flaw detection services allows for redundancy and validation of each contractor’s test findings.

Sperry and Nordco are considered the premier ultrasonic rail testing firms in the nation. Sperry, the developer of ultrasonic rail testing, has provided this service for NYC Transit for the past forty-plus years. After extensive review by MOW and Track Engineering of other possible providers (Pandrol-Jackson, Speno, Herzog) it was decided that Sperry and Nordco had the depth of experience and expertise required by NYC Transit to meet its requirements.

The negotiated price for this upgrade is $615,000. Weighted average labor rates are appreciably lower than labor rates from other rail and work car related contracts. Additionally, Sperry provided written assurance that NYC Transit is receiving its most favored customer pricing. Based upon the aforementioned, Sperry’s price is considered fair and reasonable.
Schedule H: Modifications to Miscellaneous and Personal Service Contracts

<table>
<thead>
<tr>
<th>Item Number: 4</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
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<tbody>
<tr>
<td>Vendor Name (&amp; Location)</td>
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<tr>
<td>Sperry Rail Service (Danbury, CT)</td>
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<td></td>
</tr>
<tr>
<td>Description</td>
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<td></td>
</tr>
<tr>
<td>Ultrasonic rail flaw detection services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
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<td></td>
</tr>
<tr>
<td>Option(s) included in Total Amount?</td>
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</tr>
<tr>
<td>☑ Yes ☐ No ☐ n/a</td>
<td></td>
<td></td>
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<tr>
<td>Procurement Type</td>
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<td></td>
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<td></td>
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<tr>
<td>Solicitation Type</td>
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</tr>
<tr>
<td>☐ RFP ☑ Bid ☐ Other: Modification</td>
<td></td>
<td></td>
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<tr>
<td>Funding Source</td>
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</tr>
<tr>
<td>☑ Operating ☐ Capital ☐ Federal ☐ Other:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department of Subways, Carmen Bianco</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Discussion:

This modification is to increase funding and extend the contract for ultrasonic rail flaw detection services for up to one year or until the upgrade of the TGC2 vehicle, to be performed by Sperry Rail Service (Sperry) is complete and accepted by NYC Transit.

This contract is for ultrasonic rail flaw detection services using sound waves to identify defects in the rail, thus facilitating pre-emptive repairs. Possible defects include internal separations of the steel within the rail head known as transverse defects, bolt hole and web defects, and longitudinal defects such as vertical split heads, horizontal split heads, head and web separations. Sperry, the developer of ultrasonic rail testing, has provided this service continuously for NYC Transit for over 40 years. Sperry has provided these services using a vehicle custom-built to meet NYC Transit tunnel clearances, which is owned, operated and maintained by Sperry (SRS-403). This vehicle uses Sperry’s proprietary hardware and software to conduct the ultrasonic rail testing. Currently, NYC Transit’s policy mandates six complete tests of subway tracks and three complete tests of elevated and open cut tracks annually to detect internal rail defects. The original five-year contract has been modified four times in total. Three modifications were to extend the term by two years each time and add additional funding, and one modification was for the purchase of two ultrasonic walking sticks to independently verify the findings disclosed by the Sperry rail car.

Included with this month’s Board package as a separate action, NYC Transit intends to award a contract to Sperry (RFQ 2862) in which Sperry will upgrade NYC Transit’s Track Geometry Car #2 (TGC2) by furnishing and installing its latest proprietary Series 1950 Ultrasonic rail flaw detection and testing system. Sperry anticipates that the upgrade to the TGC2 will take approximately seven to twelve months to complete; therefore, continuation of the service covered under this Mod. No. 5 is necessary to ensure continued testing of the subway system while the TGC2 upgrade occurs. The upgrade to the TGC2 will allow NYC Transit to have another TGC with vastly improved ultrasonic rail flaw detection capability and, once the upgrade to the TGC2 has been completed, tested and accepted by NYC Transit, the TGC2 will be put into service and the SRS 403 vehicle will be retired.

Through a future Board action, NYC Transit shall request a modification of contract RFQ 2862 for Sperry to maintain the Series 1950 System and conduct ultrasonic rail flaw detection services utilizing the upgraded TGC2 vehicle for a term of five-years.

In 2012 NYC Transit awarded a contract to Nordco Rail Services (Nordco) to also provide comprehensive ultrasonic rail testing (RFQ 2857 - approved by the Board in February 2012) utilizing Nordco’s proprietary testing equipment installed on NYC Transit’s Track Geometry Cars TGC3 and TGC4. Due to the critical nature of this service, having two contractors able to simultaneously provide ultrasonic rail flaw detection services allows for redundancy and validation of each contractor’s test findings. Sperry and Nordco are considered the premier ultrasonic rail testing firms in the nation.

Sperry has agreed to hold its price of $14,669 per week for the extension period, which has been deemed fair and reasonable. For the remaining three months of the contract (12 weeks) and the one year extension (46 weeks per year), it is anticipated approximately $850,802 will be expended, of which $37,000 in remaining contract funds will be utilized. Therefore, approval is requested for funding in the total estimated amount of $815,000.

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## Schedule J: Modifications to Miscellaneous Procurement Contracts

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<tr>
<th>Item Number: 5</th>
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<tbody>
<tr>
<td>Vendor Name (&amp; Location)</td>
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<tr>
<td>GIRO, Inc. (Montreal, Canada)</td>
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<tr>
<td>Description</td>
</tr>
<tr>
<td>Purchase, maintenance and technical support of the Transit Vehicle and Crew Scheduling Software System (HASTUS)</td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
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<tr>
<td>August 4, 1998 – March 8, 2013</td>
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<tr>
<td>Option(s) included in Total Amount?</td>
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<td>Procurement Type</td>
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<td>☒ Non-competitive</td>
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<tr>
<td>Solicitation Type</td>
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<tr>
<td>☐ RFP ☐ Bid ☒ Other: Modification</td>
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<tr>
<td>Funding Source</td>
</tr>
<tr>
<td>☒ Operating ☐ Capital ☐ Federal ☐ Other:</td>
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<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
</tr>
<tr>
<td>Technology and Information Services, Sidney Gellineau</td>
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<table>
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<td>17</td>
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<td>Prior Budgetary Increases:</td>
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<td>Current Amount:</td>
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<tr>
<td>This Request:</td>
<td>$431,321 (Not-To-Exceed)</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>349.6%</td>
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</table>

### Discussion:

This modification is to extend the contract with GIRO, Inc. (GIRO) for two years from March 9, 2013 to March 8, 2015 for continued software and consultant support for NYC Transit's HASTUS Bus and Rail Scheduling Systems.

NYC Transit has been utilizing HASTUS scheduling software since 1986. In July 1998, due to the obsolescence of HASTUS 2, the Board approved the award of a non-competitive contract to GIRO for the purchase of HASTUS 5, Transit Vehicle and Crew Scheduling software, including training and associated support. Since award, sixteen modifications, including four that required Board approval, have been issued for the purchase of new modules, additional licenses, training, support and three major version upgrades with associated customization. NYC Transit currently uses HASTUS 2008 software licenses for 6,500 peak vehicles shared between the Departments of Buses and Subways.

This Mod. No. 17, requested by the Division of Technology and Information Services on behalf of Operations Planning, will cover support for GIRO's HASTUS Bus and Rail scheduling software and consulting services for the period of March 9, 2013 through March 8, 2015. This support will ensure that HASTUS 2008 software remains fully operational by providing software updates, patches and technical consultant assistance. NYC Transit is planning a migration to a newer version of the HASTUS software that will operate with Windows 7. We expect to implement that migration via a future modification to this contract.

GIRO submitted a proposal of $431,321 and stated that the proposed price for the two year term for maintenance and support is their most favorable price offered to their other USA customers under similar quantities and terms & conditions. The price increase for software and consultant support is 3% for each category of support, which is in line with the U.S Bureau of Labor Employment Cost Indices. Based on GIRO's pricing statement and the percentage increase to the previous amounts, GIRO's price of $431,321 is considered fair and reasonable.
Staff Summary

I. PURPOSE/RECOMMENDATION:

To request that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate, and that, pursuant to Subdivision 9(f) of Section 1209 of the Public Authorities Law, it is in the public interest to issue a competitive Request for Proposal (RFP) to design, furnish and install data communications hardware, software and an enterprise management system for a network infrastructure upgrade at three NYC Transit core data center locations (2 Broadway, 130 Livingston Street, Rail Control Center), six concentrator locations and 250 smaller remote wide area network locations throughout the Boroughs. This Capital project will be managed by NYC Transit Technology and Information Services (TIS).

II. DISCUSSION:

The existing NYC Transit data network infrastructure was installed approximately 20 years ago and consists of over 1200 network devices. A significant portion of the current data infrastructure has reached end of life and is costly to maintain. Support of network components is difficult and the existing infrastructure has limited functionality as TIS tries to incorporate new technologies such as virtualization, storage area networks to support disaster recovery and other systems into the NYC Transit environment.

The project encompasses creating a fully redundant core data network to support storage area network and application redundancy across the three core data centers and upgrade user access to the applications at facilities throughout the five Boroughs. These systems support NYC Transit key applications such as HASTUS (train scheduling system), PA/CIS, MetroCard Operations, SPEAR (asset management), UTS (timekeeping), KRONOS (timekeeping) and Law Department applications. These applications are vital to NYC Transit core business and must be included in a disaster recovery/business continuity plan to insure continued access in the event of a disaster. The intent is to enhance support and services by including wireless capabilities, minimize system downtime and provide disaster recovery capability in a controlled and safe environment at the NYC Transit core data center locations. Additionally, there are over 250 remote locations throughout the five boroughs that need to have network hardware components replaced. At these locations, user accessibility is limited by current transmission technology that was implemented over 15 years ago. This transmission technology is static and slow by today's standards, limiting the remote users' experience for application and Internet access. It does not allow for future growth and will not support voice, data and video convergence. TIS's goal is to replace the hardware in several phases over a two year period. The contract will provide an extended maintenance agreement for hardware and software support including software updates and fixes. The other Agencies were consulted but opted out of this procurement since they have standardized their network hardware and are committed to maintaining a state of good repair with their current providers. NYC Transit will, however, consult the other Agencies in the event that their current network provider is a finalist for award of this contract.
The RFP process will allow NYC Transit to arrive at the best overall proposal through negotiations and evaluation based on criteria that reflect the critical needs of the Agency. This procurement method is preferred as it provides NYC Transit with the ability to carefully evaluate a firm’s capabilities and experience in the design, software and hardware development, integration, installation and implementation of the combined system.

II. D/M/WBE INFORMATION
The goals for this project have not been determined.

IV. ALTERNATIVES:
Issue an Invitation for Bids (IFB). Not recommended given the complex technology, the negotiating flexibility and the advantages offered by the RFP process.

V. IMPACT ON FUNDING:
This project is funded by the MTA.
I. PURPOSE/RECOMMENDATION
To obtain Board approval to award a competitively negotiated consultant contract CM-1050 to Parsons Brinckerhoff, Inc. to provide Indefinite Quantity Functional Planning and Conceptual Engineering Services for Miscellaneous Capital Projects for a 36 month period for a total not-to-exceed amount of $2,000,000. The Board is also requested to authorize the Assistant Chief Procurement Officer to approve the exercise of the option to extend this contract by an additional 12 months and increase the total not-to-exceed amount by up to an additional $1,000,000 for a total approval of $3,000,000.

II. DISCUSSION
NYC Transit is seeking to retain an Indefinite Quantity (IQ) Engineering Consultant to provide services for the Department of the Executive Vice President's Office of Capital Planning and Budget. Functional Planning and Conceptual Engineering provide the building blocks and information necessary to guide NYC Transit on how to approach its projects in evaluating its technical, time and budgetary choices by addressing the following areas: transportation planning; industrial engineering; facilities planning and design; transit operations planning and analysis; feasibility studies; design studies; conceptual scopes of work; alternative analysis, cost benefit analysis and preliminary cost estimates. The work will be awarded and performed "as needed" by Task Order.

A two step Request for Proposal (RFP) was advertised for this solicitation which resulted in submittals from the following ten firms: AECOM USA, Inc. (AECOM); Ove Arup & Partners, PC. (ARUP); Parsons Brinckerhoff, Inc. (PB); STV Incorporated (STV); SYSTRA Engineering, Inc. (SYSTRA); Jacobs Civil Consultants, Inc. (Jacobs); Parsons Transportation Group of NY, Inc. (PTG); Stantec Consulting Services, Inc. (Stantec); CH2M Hill New York, Inc. (CH2M) and Field Associates, PC. (Field). Each package consisted of a Federal SF 330 form, a Schedule "J" Responsibility Questionnaire and a qualification statement. The Selection Committee (SC) reviewed the packages in accordance with the evaluation criteria and invited all but Field to submit proposals. Field was not selected because it lacked the relevant functional planning and conceptual engineering experience. Technical and Price Proposals were received from all selected Proposers with the exception of Jacobs who chose not to propose.

The technical proposals were evaluated utilizing the step two evaluation criteria contained in the RFP which included relevant experience of the consultant firm and key personnel. Based upon a review of each consultant's technical proposal, the SC invited all eight firms for oral presentations. After Oral Presentations, AECOM, PB and STV were selected for negotiations based on the knowledge and experience of the teams proposed. The three teams were considered the most qualified teams to perform the work as they were technically superior to the other firms when evaluated in accordance with the established evaluation criteria based primarily on their current and past planning experience in both transit and non-transit. While PB is the incumbent Consultant on this contract, AECOM has similar experience with NYC Transit's Flood Control on the Broadway/Seventh Avenue Line and Metro-North Railroad's West of Hudson Regional Transit Access Study in Orange County. STV has similar experience with NYC Transit under CM-1012 when it performed functional planning services for NYC Transit in 1998 and under CM-1261 in the reconstruction of the Cortlandt Street station near the World Trade Center.
The RFP provided proposers with total hours and specific titles to facilitate equal price comparison and evaluation. The initial Cost Proposals, based on 18,500 total hours for the 3-year base contract only, were as follows: STV - $1,975,044; PB - $2,095,111 and AECOM - $2,377,075. The in-house estimate was $2,000,000 for the base 3 year contract and $1,000,000 for the option year. Price negotiations were conducted and wrapped up in January, 2013. During negotiations, direct labor rates, fixed fee, escalation and out-of-pocket expenses were discussed and negotiated to levels consistent with the Cost/Price objective and competitive price range for the project. In addition, the overhead rates were negotiated in accordance with MTA Audit recommendations and all consultants were requested to also include separate pricing for the option year.

Final BAFOs for the combined base contract and option year were received on January 28, 2013 as follows: AECOM - $2,705,356; PB - $2,772,947 and STV - $2,860,957. The SC voted to recommend award of the contract to PB, which was ranked the highest technically, and as the proposal with the best overall value. Technical factors were the most important criteria and PB has proven its extensive experience in providing similar services to NYC Transit over the years. The SC determined that PB's knowledge and experience with the scope of work as an incumbent firm would offset the minimal price difference over the course of the contract. In addition, PB has previously developed design and construction cost savings as part of their planning engagements.

PB's BAFO of $2,772,947 was $67,591 or 2% higher than AECOM. Overall, PB was $227,053 or 7.6% lower than the in-house combined estimate of $3,000,000 and considered "fair and reasonable" by CPM and Procurement based upon the pricing received, negotiations and competitive nature of the RFP. PB's rates include an average of 1.5% escalation from the current CM-1335 rates for this new contract.

Background investigations and review of the documents submitted by PB disclosed no "significant adverse information" within the meaning of the All-Agency Responsibility Guidelines. Having evaluated all the available facts, Procurement finds the firm to be fully responsible for award.

III. PREVIOUS WORK OF THE SELECTED CONSULTANTS FOR MTA OR AFFILIATES

IV. D/M/WBE INFORMATION
The Department of Diversity and Civil Rights (DDCR) has established a goal of 10% MBE and 10% WBE. DDCR has approved PB's Utilization Plan. PB has achieved its previous MWDBE goals on previous MTA contracts.

V. IMPACT ON FUNDING
This contract will be funded with 100% MTA funds provided on a task order basis by the individual capital project requiring these services. Task orders will not be issued until an approved War Certificate is received.

VI. ALTERNATIVES
Perform the work using in-house personnel. Currently, NYC Transit lacks available in-house technical personnel to perform the specific tasks required under the scope of work for this contract.

VII. CAPITAL PROGRAM REPORTING
This contract has been reviewed for compliance with the requirements of the 1986 legislation applicable to Capital Contract Awards and the necessary inputs have been secured from the responsible functional departments.
I. PURPOSE/RECOMMENDATION
To obtain Board approval to award two competitively negotiated personal service consultant contracts for Indefinite Quantity Systems Engineering Support Services: CM-1503 to IBI Group (IBI) and CM-1504 to Parsons Brinckerhoff, Inc. (PB) each for an estimated amount of $6 million for 60 months. The aggregate amount of all task orders awarded shall not exceed $10 million.

II. DISCUSSION
Under these contracts, the consultants shall provide Systems Engineering (SE) support services for NYC Transit Capital projects. SE is defined as an inter-disciplinary field of engineering focusing on how complex engineering projects should be designed and managed over their life cycles resulting in reduced risks and overall cost benefits. The work shall include but not be limited to systems engineering management activities; concept of operations; requirements engineering; stakeholder management; human factors and human systems integration. The consultant shall have available the services of individuals with experience across a breadth of SE competency areas, including relevant experience applying SE practice to rail and bus transit projects.

A 2-Step Request for Proposal (RFP) was advertised in August 2012. On September 18, 2012, the following six firms submitted Qualification Packages: Parsons Brinckerhoff, Inc. (PB); AECOM USA, Inc. (AECOM); SYSTRA Engineering, Inc. (SYSTRA); BLIC North America (BLIC); The Kohl Group (KOHL) and IBI Group (IBI). The Selection Committee (SC) reviewed the submittals and, based on their specified knowledge and experience, recommended the following three consultant firms to receive the RFP: PB, BLIC and IBI. AECOM, SYSTRA and KOHL were not recommended because the SC believed, based on the information submitted, that they lacked sufficient qualified experience to successfully perform the work.

On January 10, 2013, proposals were received from PB and IBI. BLIC failed to propose citing that they underestimated the size and magnitude of the contract and lacked adequate staffing to perform the required services. The SC reviewed the written technical proposals, conducted oral presentations with the remaining firms and, based on the established RFP selection criteria recommended both for negotiations.

After the SC selected both firms for negotiations, the cost proposals were opened and evaluated. To facilitate equal price comparison, the RFP required proposals be based on a fixed number and distribution of hours, specific titles and a fixed lump sum for out-of-pocket expenses. Initial cost proposals were based upon the 17,300 hours as provided in the RFP and were as follows: $3,341,665 for IBI and $3,347,427 for PB. The engineer’s estimate was $4,994,150 and used much higher labor rates. Negotiations began on January 28, 2013 and focused on labor rates, overhead and fees.
Best and Final Offers (BAFO) were received on February 19, 2013 and found to be within a competitive range. PB - $3,182,854 IBI - $3,213,191. The fixed fee was negotiated to 8% for both teams consistent with the in-house estimate. The BAFO rates are valid for the term of each contract.

PB's BAFO was $1,811,896 (36.28%) lower than the in-house estimate and represents a reduction of $164,559 from their initial proposal. IBI's BAFO was $1,780,959 (35.66%) lower than the in-house estimate and represents a reduction of $128,461 from their initial proposal. PB's price is $30,337 or 0.95% lower than IBI's price. The two BAFOs are within 1% of each other. Both Procurement and CPM find the BAFOs to be fair and reasonable.

The intent of this solicitation was to award up to three contracts in order to ensure continuity, increase competition and cover all prospective work. Since only two proposals were received and both have been determined technically qualified and cost effective, NYC Transit recommends that both contracts be awarded. The SC unanimously recommended both teams for award based on the technical evaluation criteria and price. With the award of these two contracts, NYC Transit has adequate coverage and depth of resources to support its current needs.

A review of the proposers' submittals and the Division of Materiel's background checks disclosed no "significant adverse information" within the meaning of the All Agency Guidelines. Procurement finds IBI and PB to be fully responsible for award.

III. D/M/WBE:
The Department of Diversity and Civil Rights (DDCR) has established goals of 10% MBE and 10% WBE for this Contract. IBI has not completed any MTA contracts on which goals were assigned; therefore, no assessment of the firm's M/WBE performance can be determined at this time. PB has achieved its previous M/WBE goals on previous MTA contracts. The M/WBE Utilization Plans for both firms have been submitted to DDCR for approval. An award will not be made until DDCR approval is obtained.

IV. PREVIOUS WORK OF THE SELECTED CONSULTANT FOR MTA OR AFFILIATES:
IBI - None

V. IMPACT ON FUNDING:
This contract will be 100% MTA funded provided on a task order basis by the individual capital project requiring these services. Task orders will not be issued until an approved WAR Certificate is received.

VI. ALTERNATIVES:
Perform the work using in-house personnel. Currently, NYC Transit lacks available in-house technical personnel to perform the specific tasks required under the scope of work for this contract.

VII. CAPITAL PROGRAM REPORTING:
This Contract has been reviewed for compliance with the requirements of the 1986 legislation applicable to Capital Contract Awards and the necessary inputs have been secured from the responsible functional departments.
### Schedule H: Modifications to Miscellaneous and Personal Service Contracts

**Vendor Name (& Location):** Henry Brothers Electronics, Inc. (Fairlawn, NJ)

**Description**
Preventive and remedial maintenance for security systems at two revenue facility sites and a remote site.

**Contract Term (Including Options, if any)**
April 1, 2008 – March 31, 2013

**Option(s) included in Total Amount?** Yes

**Procurement Type**
- `☐` Competitive
- `☐` Non-competitive

**Solicitation Type**
- `☐` RFP
- `☐` Bid
- `☐` Other: Modification

**Funding Source**
- `☐` Operating
- `☐` Capital
- `☐` Federal
- `☐` Other: Modification

**Requesting Dept/Div & Dept/Div Head Name:** Division of Revenue Control, Alan Putre

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<th>Contract Number</th>
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<tr>
<td>06G9430</td>
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**Original Amount:** $1,298,500

**Option Amount:** $1,318,908

**Total Amount:** $2,617,408

**Prior Modifications:** $1,235,318

**Prior Budgetary Increases:** $0

**Current Amount:** $3,852,726

**This Request:** $579,278 (Est.)

**% of This Request to Current Amount:** 15.0%

**% of Modifications (Including This Request) to Total Amount:** 69.3%

**Discussion:**

This modification is to extend the contract for one year through March 31, 2014 and upgrade existing, outdated DVRs. Under this contract, Henry Brothers Electronics, Inc. (HBE) provides preventive and remedial maintenance for security systems at the Consolidated Revenue Facility (CRF) shared by NYC Transit and MTA Bridges and Tunnels (B&T), a reviewing and access control station at a B&T remote site and at a NYC Transit’s disaster recovery site to ensure that all electronic intrusion detection devices, access control and CCTV equipment, including approximately 700 cameras, and related software are in good working order.

Under this modification, the contract will be extended for an additional year for services at the CRF and other sites while a new five year contract is solicited. This modification also includes the replacement of 13 existing DVRs located at the CRF with 13 new DVRs. The DVRs to be replaced are five years old and have reached the end of their useful life. The remaining 32 DVRs at the CRF will be replaced at a later date.

Following negotiations with HBE, the agreed upon cost is $739,278 including $424,800 for monthly preventive and remedial maintenance of the security systems at the CRF and other sites, which reflects a 2.5% increase, .5% less than what has been consistent with the contract’s yearly escalation allowance. There is also $200K set aside as a contingency for task order work, which is allowed under the contract at established labor rates and mark-up on any material. The balance is for the replacement of the 13 DVRs. The cost of the DVRs being purchased is 33% less than prices offered to other customers utilizing HBE’s NYS Office of General Services contract. Labor rates, which were not increased for the last extension, will increase by 2%. Based upon the aforementioned, the price of this modification is considered fair and reasonable. The total cost of $739,278 will be offset by the projected remaining contract balance of $160,000, resulting in a net cost of $579,278 for this modification.
Schedule H: Modifications to Miscellaneous and Personal Service Contracts

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<td>% of Modifications (including This Request) to Total Amount:</td>
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Discussion:

This modification is for Part 2 of ASWO #87 in connection with the Data Center IT Support Services Contract (No. 03A8602-1) with International Business Machines Corporation (IBM). Although the total costs associated with Part 2 of ASWO #87 are $72,721,119, the Project Office anticipates a budget surplus of $3,900,000 as of May 31, 2013, which will be applied to ASWO #87 costs. The budget surplus was generated from previously negotiated rate reductions. Part 2 of ASWO #87 will modify the contract and extend its term by five years to May 31, 2018. The rationale for the 5-year extension is addressed at the end of this staff summary.

Part 2 of ASWO #87 includes (1) $5,041,481 for the migration of IBM’s Staten Island Data Center (SIDC) to NYC Transit Data Center locations at 2 Broadway and 130 Livingston; (2) $4,030,301 for the replacement of the mainframe (Mainframe Refresh), which will allow the MTA to increase Mainframe capacity by roughly 35% and allow it to retire its current mainframe, which is operating at maximum capacity and at the end of its useful life; (3) $742,161 for a new Automated Tape Library (ATL) and a new Virtual Tape Server (VTS), which will facilitate the rigorous testing process associated with the new mainframe equipment and expedite the migration process; (4) $56,858,136 for Steady State pricing during the five year extension period (June 1, 2013 - May 31, 2018); (5) a not-to-exceed amount of $5,000,000 for additional disaster recovery (DR) services in connection with the midrange processing environment; and (6) $524,520 for a one month lease extension at the SIDC made necessary by the delays associated with Superstorm Sandy. Note that ASWO #87 also includes funding for the potential need for a second month at the SIDC at the same monthly rate.

During its January 2013 meeting, the Board gave retroactive approval in the not-to-exceed amount of $5,316,985 for Part 1 of ASWO #87. Under Part 1, IBM was authorized to place orders for specified equipment and to initiate transition staffing in connection with the SIDC Migration. The work performed under Part 1 helped minimize the financial risk and the additional time that NYC Transit will need to remain at the SIDC beyond May 31, 2013. Note that the costs associated with Part 1 are included in the Steady State pricing component of Part 2 of ASWO #87 and will be paid out during the five-year extension period.

Before Superstorm Sandy hit in October 2012, NYC Transit was scheduled to present the complete ASWO #87 to the October 2012 Board. In the wake of the storm, however, questions were raised as to whether the SIDC should be migrated to the 2 Broadway Data Center, which was one component of ASWO #87 (i.e., migration). As a result, ASWO #87 was pulled from the October/November 2012 Board in order to facilitate a complete reevaluation of the critical planning issues associated with the SIDC Migration plan. In the end, the 2 Broadway Data Center location, which is being further hardened in light of the lessons learned from Sandy, was confirmed as the appropriate Data Center site for the SIDC Migration. Further, the migration of the SIDC into the 2 Broadway Data Center location will significantly reduce the MTA’s rent obligations over the immediate years ahead.

NYC Transit sought assistance from Gartner consultants to provide support in estimating ASWO #87 and to provide insight into Data Center market pricing. Through negotiations, NYC Transit was successful in significantly reducing the rates set forth in IBM’s initial proposal. Specifically, migration costs were reduced by $250K (5.1%) from $4,937,139 to $4,687,139. The MTA saved an additional $2.3M (4%) over the 5-year extension period by negotiating IBM’s proposed Steady State price from $59,347,187 to $57,000,000. Finally, the Mainframe Refresh cost of $4,030,301 would be paid over the course of the extension period.
Based on input received from NYC Transit's Cost Price unit, as well as Gartner's determination regarding MTA’s very competitive data center pricing, ASWO #87 pricing was deemed fair and reasonable in October 2012. When the reevaluation of the SIDC Migration plan was concluded, IBM was asked to submit a revised proposal that would expedite the SIDC Migration.

The current scope for ASWO #87, while very similar to the October 2012 scope, has undergone some changes, primarily in connection with (1) the labor hours, travel costs, and material associated with the compressed migration timeline, (2) the cost for the new ATL and VTS; and (3) the additional DR services for the midrange environment. These scope changes, inclusive of the additional month’s charges at the SIDC, increased the projected costs for ASWO #87 by $7,003,679 (or 10.7%) from $65,717,440 to $72,721,119.

IBM submitted a revised proposal, which addressed the scope changes referenced above. The new proposal included the previously negotiated rates for the migration ($4,687,139), the Mainframe Refresh ($4,030,301), and Steady State ($57,000,000), all of which had already been deemed fair and reasonable. The revised proposal also included pricing for the new ATL and VTS equipment ($742,161), which, as reported in Part 1 of ASWO #87, was deemed fair and reasonable because IBM’s pricing to NYC Transit was significantly below OGS pricing. The revised proposal also included (1) an additional $354,342 in migration labor hours, travel expenses, and some material necessitated by the shortened migration timeline; (2) a not-to-exceed amount of $5,000,000 for the additional midrange DR services, which are currently being negotiated; (3) an additional $524,520 to remain at the SIDC for one additional month through June 30, 2013; and (4) $524,520 for the potential need for a second month at the SIDC through July 31, 2013. Finally, Steady State pricing was further reduced by $141,864 to $56,858,136 to reflect the lower maintenance costs associated with the new VTS equipment. After review by the Project Office and the Cost Price unit, the additional migration and lease costs were also deemed fair and reasonable.

IBM submitted a revised proposal, which addressed the scope changes referenced above. The new proposal included the previously negotiated rates for the migration ($4,687,139), the Mainframe Refresh ($4,030,301), and Steady State ($57,000,000), all of which had already been deemed fair and reasonable. The revised proposal also included pricing for the new ATL and VTS equipment ($742,161), which, as reported in Part 1 of ASWO #87, was deemed fair and reasonable because IBM’s pricing to NYC Transit was significantly below OGS pricing. The revised proposal also included (1) an additional $354,342 in migration labor hours, travel expenses, and some material necessitated by the shortened migration timeline; (2) a not-to-exceed amount of $5,000,000 for the additional midrange DR services, which are currently being negotiated; (3) an additional $524,520 to remain at the SIDC for one additional month through June 30, 2013; and (4) $524,520 for the potential need for a second month at the SIDC through July 31, 2013. Finally, Steady State pricing was further reduced by $141,864 to $56,858,136 to reflect the lower maintenance costs associated with the new VTS equipment. After review by the Project Office and the Cost Price unit, the additional migration and lease costs were also deemed fair and reasonable.

Although the costs associated with the additional midrange DR will not exceed $5,000,000, negotiations for this service will be concluded after the March 2013 Board meeting. Notwithstanding, we seek Board approval to award a change order not-to-exceed $5,000,000, provided that the final price for this midrange DR service has been deemed fair and reasonable and the amount has also been approved by NYC Transit’s Executive Vice President.

Note that, under the terms of ASWO #87, IBM will continue to provide full DR services for mainframe processing, while, effective June 1, 2013, the MTA will have the primary responsibility for providing DR services for the midrange environment. The NYC Transit Data Center located at 130 Livingston will serve as the midrange DR facility. In the event that the primary DR services at 130 Livingston are disrupted, IBM will provide DR services for the midrange environment.

For some additional perspective, note that in 2010, the MTA hired Diamond Consultants to help it evaluate the potential for savings and related operating efficiencies from the potential consolidation of selected IT functions across all MTA agencies. One of the areas recommended for possible savings involved the SIDC. Specifically, it was recommended that the MTA in-source, or transfer Data Center IT Support Services from IBM to the MTA, of all midrange hardware assets and correlating network and storage hardware. At that time, the savings associated with this transfer of midrange responsibilities was estimated to be as much as $14M over a period of five years commencing with the completion of the in-sourcing effort. During the course of the 5-year extension period of ASWO #87, the MTA intends to implement Diamond’s recommendation to the extent possible without the need for additional staff.

Before the determination to extend the current contract was made, the initial plan was to launch a new competitive procurement for Data Center Services with award targeted about eight months prior to the current contract’s expiration date in order to allow for a smooth transition to the new vendor. In the end, it was decided, with input from the Agency CIOs, to postpone the competitive RFP effort because (1) there were significant data center scope changes that would adversely impact a competitive procurement, and (2) the MTA needed vendor stability for a reasonable period after the migration and Mainframe Refresh were implemented, so as to mitigate service disruption risks associated with the MTA’s critical applications.

The most significant scope change issue pertains to the MTA’s Automated Fare Collection system (MetroCards). The MTA is moving forward with a transition to a new fare collection system to be based on newer technologies and opportunities. To that end, a New Fare Payment Systems group has been charged with developing and implementing the MTA’s fare payment system of the future. A proper Data Center scope to support a competitive procurement, cannot be completed until a technical approach for the new fare payment system is established. The other major scope changes pertain to the migration of the SIDC to NYC Transit Data Center locations at 2 Broadway and 130 Livingston; the ongoing consolidation of 34 MTA-operated data centers into the two NYC Transit data centers; and in-sourcing of the midrange environment.

All of these activities are scheduled to take place over the next few years. Moreover, the same NYC Transit resources are required to manage the Data Center migration; transition to in-source midrange operations; and prepare, evaluate and help negotiate a competitive RFP. The current plan, which is supported by the Agency CIOs, calls for the award of a new Data Center Services contract on or about October 2017, eight months prior to the expiration date of ASWO #87, to allow for a smooth transition to the new vendor.
Schedule D: Ratification of Completed Procurement Actions

| Item Number: | 1 |
| Vendor Name (& Location) | Henry Brothers Electronics, Inc. (Fair Lawn, NJ) |
| Description | Furnish, install and integrate Electronic Security Systems for the 51st Street/Lexington Avenue Station Complex and the 74th Street/Roosevelt Avenue Station Complex |
| Contract Term (Including Options, if any) | Eighteen months |
| Option(s) included in Total Amount? | ☑ Yes ☐ No ☐ n/a |
| Procurement Type | ☑ Competitive ☐ Non-competitive |
| Solicitation Type | ☐ RFP ☑ Bid ☐ Other |
| Contract Number | C-52111/C-52112 |
| Renewal? | ☑ Yes ☐ No |
| Total Amount: | $17,951,000 |
| Funding Source | Operating ☑ Capital ☑ Federal ☐ Other |
| Requesting Dept/Div & Dept/Div Head Name: | Capital Program Management, Frederick E. Smith |

Discussion:

It is requested that the Board formally ratify the award of these contracts to Henry Brothers Electronics, Inc. (HBE) to furnish, install, and integrate Electronic Security Systems (ESS). The MTA Security Program is developing an integrated Inter-Agency ESS infrastructure to allow for commonality across all MTA agencies, as well as direct communication to the NYC Police Department (NYPD). The ESS is an infrastructure consisting of hardware and software that will integrate all NYC Transit legacy security subsystems as well as new applications onto a single platform.

Contracts C-52111/C-52112 will furnish, install and integrate an ESS at the 51st Street/Lexington Avenue Station and the 74th Street/Roosevelt Avenue Station Complexes. The scope also includes the installation and integration of a backup to the Physical Security Information Management System (PSIM) that was installed under a previous contract. This contract has been awarded pursuant to an Emergency Declaration signed by all agency presidents in December 2002. These contracts were solicited using a two-step selection process whereby interested bidders were evaluated and selected based on their technical experience and integrity. This pre-selection process afforded NYC Transit the ability to control the distribution of its security sensitive information and have competition for this procurement. Through this pre-selection process, 23 contractors were identified as possessing the capability to perform this work. All of the contractors were required to sign non-disclosure agreements and have previously worked with NYC Transit.

Following advertisement, four bids were received. HBE submitted the lowest bid of $17,951,000. The price was found to be fair and reasonable. HBE has three ongoing NYC Transit construction contracts as a prime contractor.

Henry Brothers has achieved its previous M/W/DBE goals on its previous MTA contracts.
This contract is for the emergency right-of-way clean up and rebuild of the “A” Line at Broad Channel/Rockaways in the Borough of Queens. It is issued as Work Order 50 for administrative convenience. It consists of retroactive base contract work performed on a time and materials (T&M) basis for an estimated $15,000,000. It will also consist of various modifications at an additional estimated $38,000,000; each modification will be issued upon negotiation of a lump sum price for the individual modification scope of work.

Superstorm Sandy struck on October 29, 2012, necessitating a series of emergency assessments, repairs, and purchases to eliminate threats to public health and safety, protect property, and restore service to the NYC Transit system. Accordingly, the President of NYC Transit declared the existence of an emergency involving danger to life, safety and property and that formal competitive bidding is impractical and inappropriate for the award of contracts, inclusive of construction contracts, budget adjustments, the issuance of change orders to existing contracts, purchases, personal and miscellaneous service contracts, rentals and other procurement actions as a result of the storm.

The “A” Line which serves 16,000 customers in the Rockaways and Broad Channel neighborhoods of Queens was particularly hard hit. J-Track was selected by CPM to perform the emergency clean-up and restoration work, due to its experience in NYC Transit right-of-way construction. J-Track is one of the signatories to NYC Transit “On Call” agreement C-31673; for administrative purposes this contract is designated as C-31673, Work Order 50.

The retroactive base contract consists of work performed on a T&M basis in the estimated amount of $15,000,000. On November 1, 2012, NYC Transit directed J-Track to remove thousands of tons of debris, including fencing, docks, logs, oil tanks, and boats, which covered the tracks along the Rockaway Flats, an approximate 3.6 mile stretch of tracks from the western edge of Jamaica Bay through Broad Channel Island and onto the Hammels Wye - the point where the Rockaway Line divides to serve Rockaway Park and Far Rockaway. An unpaved access road along the Line had to be graded and widened to serve as a restoration corridor. Other work included repair of two breaches of the embankment - one 120 feet long and the other 270 feet long - with ballast, rip-rap, jetty stone, concrete fill and steel sheeting. Also, the tracks were reinstalled and signal and power cables are being inspected, identified and tested; and signal equipment is being rehabilitated and reinstalled or replaced. In the initial stages, approximately 100 workers including supervision, laborers, teamsters, operating engineers, divers, dock builders and electricians worked 11 hours a day 7 days a week. MTA Audit is reviewing the T&M charges to verify that the costs are properly documented. The T&M work was essentially completed in February 2013.

Over two dozen modifications are required at an estimated $38,000,000 in additional cost, awarded upon negotiation of a fair and reasonable lump sum price for each of the various modifications, including: Re-installation of signal equipment; replacement of various signal cables, involving breakdown tests and operational tests; installation of terminal boxes, emergency telephones; 3rd rail power system; 3rd rail heater system; negative rail system; final tamping and regulating track ballast, all tracks; perimeter fencing and access roads; progressive hardening of strategic assets; stabilization of shoreline (bay and pond sides) including sheeting and jetty stone; and rehabilitation of retaining wall at Hammels Wye. The largest initiative is the construction of an 11,400 foot long sheet pile wall being constructed on the bay side. The work to be performed under the negotiated modifications is forecast for completion by the end of May 2013.
Schedule D: Ratification of Completed Procurement Actions

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<td>Description</td>
<td>Purchase of Bulk Gasoline and Bulk Diesel for Non-Revenue Support Fleet and Paratransit Carriers</td>
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Discussion:

It is requested that the Board formally ratify the Immediate Operating Need (ION) declared by the Vice President, Materiel effective September 24, 2012, waiving formal competitive bidding pursuant to Public Authorities Law §1209, and approve the issuance of various interim POs and the award of contracts issued under the ION to ensure NYC Transit had and continues to have an uninterrupted supply of bulk Gasoline and bulk Ultra Low Sulfur Diesel (ULSD) for NYC Transit non-revenue support fleet and Paratransit Carriers.

Metro Fuel Oil Corp. (Metro) was awarded several five-year contracts under a multi-agency procurement led by Metro-North Railroad (MNR) commencing May 2010. These non-“requirements” contracts awarded to Metro for NYC Transit provided bulk Gasoline (under Contracts 10D0265A, B, C, D) and bulk ULSD (under Contracts 10D0270A, C, D, E). Metro advised it could no longer provide these fuels as of September 24, 2012. Metro made an agreement with Sprague Operating Resources, LLC (Sprague) for Sprague to provide these fuels for a period of ten days, to October 4, 2012. Metro filed for Chapter 11 bankruptcy protection on September 27, 2012. Sprague agreed and successfully provided fuel to NYC Transit for several short term extensions, through November 6, 2012 for ULSD and November 16, 2012 for Gasoline, a period that ultimately included the aftermath of Hurricane Sandy during which the marketplace for fuel was severely compromised.

Shortly after September 24, 2012, NYC Transit Procurement sought to establish a contract with a long term replacement provider who could quickly mobilize to provide these critical fuel requirements at competitive pricing. Procurement explored the possibilities of piggybacking the NYC Department of Citywide Administrative Services (DCAS) contract with Sprague for bulk Gasoline, and DCAS’ contract with Castle Oil Corp. for ULSD, but neither was a viable option as the terms and conditions primarily pertaining to actual delivery for these contracts were not compatible with the delivery requirements for NYC Transit. Under the NYS Office of General Services contract, Metro was the provider of bulk Gasoline and ULSD throughout the five boroughs, so piggybacking was not an option. Through detailed discussions, Procurement worked with Sprague to establish competitive pricing for bulk Gasoline and bulk ULSD, predicated upon the original terms, conditions and pricing submitted by Sprague in response to the MNR solicitation in 2010. It should be noted that Sprague was the next lowest bidder on the MNR solicitation and only slightly higher than Metro. As the loss of Metro was a major destabilizing force in the NYC fuel marketplace and less competition could negatively impact bid pricing in the near term, a determination was made to award contracts to Sprague (ULSD November 7, 2012 and Gasoline November 17, 2012) through April 30, 2015, the original expiration date of the contracts resulting from the MNR bid. This would provide ample time to allow the fuel marketplace to stabilize and for Procurement to cultivate future competition.

Pricing is based on the differential prices that Sprague quoted in its original MNR bid. Bids were received in the original solicitation, from Metro, Sprague and Global Montello. Sprague’s gross sum total bid was only 0.63% higher than that of Metro and it was 7% lower than Global Montello. Based on this information, Sprague’s pricing is considered fair and reasonable.

The funds that were remaining in the Metro contracts have been transferred into these new awards to Sprague. It is anticipated that these funds will cover the expenditure for the term of the contracts. It should be noted that $3.6M of the amount requested for approval is retroactive.
**Schedule K: Ratification of Completed Procurement Actions**

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Name (&amp; Location)</td>
<td>L.K. Comstock &amp; Company (JV) (New York, NY)</td>
</tr>
<tr>
<td>Description</td>
<td>Signal Rehabilitation of the Church Avenue Interlocking, Culver Line, Borough of Brooklyn</td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
<td>June 30, 2010 – August 28, 2014</td>
</tr>
<tr>
<td>Option(s) included in Total Amount?</td>
<td>□ Yes □ No □ n/a</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: Modification</td>
</tr>
<tr>
<td>Funding Source</td>
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<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td>Capital Program Management, Frederick E. Smith</td>
</tr>
<tr>
<td>Contract Number</td>
<td>S-32742</td>
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<tr>
<td>AWO/Modification #</td>
<td>15</td>
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<tr>
<td>Original Amount:</td>
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<td>Prior Budgetary increases:</td>
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<tr>
<td>Current Amount:</td>
<td>$120,917,340</td>
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<td>This Request:</td>
<td>$2,200,000</td>
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<tr>
<td>% of This Request to Current Amount:</td>
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</tr>
<tr>
<td>% of Modifications (Including This Request) to Original Amount:</td>
<td>3.2%</td>
</tr>
</tbody>
</table>

**Discussion:**

This retroactive modification is for additional switch-related track work.

The contract is for the rehabilitation of the Church Avenue interlocking on the Culver Line in the Borough of Brooklyn, including signal rehabilitation, track reconstruction and the replacement of 16 switch machines.

A switch machine is installed adjacent to a track switch layout. The machine is connected by rods to the switch rails. When activated by the signal system, the switch machine moves the switch rails to the correct position allowing the train to move to another track.

The contract calls for the 16 existing switch machines to be replaced, but calls for continued use of the 16 existing track switch layouts. This is consistent with past experience; previous contracts involving the replacement of switch machines also called for similar existing track switch layouts to be left in place. However, when the contractor attempted to install the new switch machines at the Church Avenue interlocking, it was determined that the 16 new switch machines could not be properly connected to, or operate with, the 16 existing track switch layouts. Installed in 1934, over the years the 16 existing track switch layouts shifted position and became misaligned. Subways and CPM determined that the track switch layouts at this interlocking need to be replaced and that future signal rehabilitation contracts which call for the replacement of signal machines will also include the replacement of the associated track switch layouts.

Under this modification the contractor will furnish and install new switch rail, switch rods, switch rod plates, running rail and guard rail. The contractor will also install new ties and associated tie hardware; Subways will furnish the new ties and tie hardware, valued at approximately $100K.

The contractor’s proposal was $2,575,222. NYC Transit’s estimate was $2,301,600. Following negotiations, the lump sum amount of $2,200,000 was agreed upon and is considered fair and reasonable. Savings of $375,222 were achieved.

On December 21, 2012 the Senior Vice President and Chief Engineer, CPM approved a retroactive waiver. A Direction to Proceed was issued the same day, directing the contractor to purchase the materials. The work will be performed during diversions of service during a seven week period in July and August 2013.
These retroactive modifications will address: 1) station waterproofing changes and; 2) the repair and replacement of gas main hangers in the Launch Box for a 30-inch gas main. This contract is for civil, structural, and utility relocation work for the 96th Street Station for the Second Avenue Subway. The work to be performed under this contract includes: the relocation of utilities, demolition of the existing Century Lumber Building and interior demolition at Astor Terrace Condominium; construction of temporary and permanent support of excavation (SOE) retaining structures including the construction of slurry walls, secant piles and micro pile walls; connection to the existing tunnel north of 99th Street; installation of temporary roadway decking; construction of the 96th Street Station invert slab; and construction of certain station entrance and ancillary building structural elements.

Modification No. 124
In December 2011, NYC Transit Departments of Subways and CPM determined that all waterproofing in the cut-and-cover structures of the 2nd Avenue Subway Project would be changed from the previously specified High-Density Polyethylene (HDPE) membrane system to a Thermoplastic Membrane PVC system. Since Contract C-26005 was already under construction, it was determined that the 96th Street Station would have a combination of the two systems, the details of which were provided in May 2012. Mod 107 was previously approved by the Board for revisions to the HDPE system to be applied to the invert slab in the areas of the Main Station Box constructed with slurry walls. This modification addresses the change to PVC waterproofing for approximately 30,000 square feet of invert slab and side walls in the areas of Ancillaries 1 and 2. Retroactive approval was obtained from the MTACC President on August 2, 2012 in order to avoid any schedule impact resulting from the PVC material lead-time. The contractor submitted a cost proposal in the net amount of $646,611; MTACC’s revised estimate was $333,238. Negotiations resulted in the agreed upon lump sum price of $568,000, which is considered fair and reasonable. A reduction of $281,611 was achieved.

Modification No. 134
The 30 inch gas main in the Launch Box is protected by a 42 inch carrier pipe and runs the entire length of the Launch Box from 91st Street to 95th Street and was suspended from the Launch Box deck beams under TBM Contract C-26002 (with S3TC). The design of this support system was developed by S3TC and approved by Con Ed, who required biannual inspections of the hangers. During the performance of contract C-26002 a total of six bolts failed and were replaced. The latest inspection of the hangers concluded that an additional eighteen (18) hanger bolts had either failed or are failing. Modification No. 131 was initiated to immediately address these 18 bolts. Due to the increased rate of bolt failure, Con Ed decided that 50% of the hangers needed to be replaced with a new hanger design that does not rely on bolts. This Mod. No. 134 includes the replacement of 39 existing hangers with a new wire rope assembly and the replacement of 67 bolts on those remaining hangers not already addressed under Mod. No. 131. Due to the nature of this work, it is necessary that replacement of the hangers begin immediately. Retroactive approval was obtained from the MTACC President on February 12, 2013. The contractor submitted a cost proposal in the amount of $665,446; MTACC’s revised estimate was $541,685. Negotiations resulted in the agreed upon lump sum price of $568,000, which is considered fair and reasonable. Savings of $97,446 were achieved.
Schedule K: Ratification of Completed Procurement Actions

<table>
<thead>
<tr>
<th>Item Number: 3</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
<th>Original Amount: $324,600,000</th>
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<td>Vendor Name (&amp; Location)</td>
<td>C-26010</td>
<td>1</td>
<td>$324,600,000</td>
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<tr>
<td>E.E. Cruz and Tully Construction Company, JV, LLC (Holmdel, NJ)</td>
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<td></td>
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<tr>
<td>Description</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Second Avenue Subway route - 96th Street Station Finishes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>June 22, 2012 – December 22, 2015</td>
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<tr>
<td>Option(s) included in Total Amount?</td>
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<tr>
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<td>Solicitation Type</td>
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<tr>
<td>Funding Source</td>
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<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td>MTA Capital Construction, Dr. Michael Horodniceanu</td>
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Discussion:

This retroactive modification will address station waterproofing changes.

This Contract is for Station Finishes for the Second Avenue Subway - 96th Street Station.

The work to be performed under this contract includes: the rehabilitation and retrofit of the existing 99th - 105th Street Tunnel; construction of invert slabs and berms in the new existing 87th - 92nd Street Tunnels and in the northern section of the 97th - 99th Street Tunnel; waterproofing; installation of mechanical systems including HVAC, electrical medium voltage and 120V systems; plumbing; supply and installation of elevators and escalators in the station and entrances; construction of the station platform, mezzanine levels, ancillaries and entrances; construction of interior walls and rooms; installation of architectural finishes; restoration of the surface of Second Avenue and adjacent streets; removal of the temporary road deck installed in previous contracts; and perform maintenance of the station until contract completion.

In December 2011, NYC Transit Departments of Subways and CPM determined that all waterproofing in the cut-and-cover structures of the 2nd Avenue Subway Project would be changed from the previously specified High-Density Polyethylene (HDPE) membrane system to a Thermoplastic Membrane PVC system. However, further direction regarding the 96th Street Station was required since Contract C-26005, for the civil, structural, and utility relocation work was already under construction. In May 2012, it was determined that the 96th Street Station would have a combination of the two systems. These changes could not be incorporated into the C-26010 bid documents as the decision regarding 96th Street was not made until after bids had opened. Modification No. 124 under Contract C-26005, which is a part of this Board package, addresses the change to PVC waterproofing for approximately 30,000 square feet of the invert slab and side walls in the areas of Ancillaries 1 and 2. This modification addresses the change to PVC waterproofing for an additional approximately 34,000 square feet of the invert and side walls in the north and south ends of the Main Station Box constructed without slurry walls.

Considering the fact that CTJV is the contractor for both 96th Street contracts, both of which are affected by the change in waterproofing systems; it was necessary to coordinate the pouring of the concrete invert slabs and associated waterproofing between each contract; consequently, retroactive approval was obtained from the MTACC President on August 7, 2012.

The contractor submitted a cost proposal in the net amount of $588,023; MTACC’s revised estimate was in the net amount of $374,475. Negotiations resulted in the agreed upon net lump sum price of $376,867, which is considered fair and reasonable. Savings of $211,156 were achieved.

Modification No. 7, a future Board modification, will address the balance of the PVC waterproofing changes for the 96th Street Station including the entire station roof and remaining side walls as well as Entrance 1, 2 and 3 invert slabs.
**Schedule K: Ratification of Completed Procurement Actions**

<table>
<thead>
<tr>
<th>Vendor Name &amp; Location</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
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<tbody>
<tr>
<td>Judlau Contracting, Inc. (New York, NY)</td>
<td>C-26006</td>
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<tr>
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<tr>
<td>Second Avenue Subway Route 132A- 63rd St./Lexington Avenue Station Reconstruction</td>
<td>Prior Modifications:</td>
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<td>Contract Term (including Options, if any)</td>
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<thead>
<tr>
<th>Option(s) included in Total Amount?</th>
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</table>

<table>
<thead>
<tr>
<th>Procurement Type</th>
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<table>
<thead>
<tr>
<th>Solicitation Type</th>
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<th>Bid</th>
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<th>Funding Source</th>
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<tr>
<th>Requesting Dept/Div &amp; Dept/Div Head Name:</th>
<th>Requesting Dept/Div &amp; Dept/Div Head Name: Dr. Michael Horodniceanu</th>
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</table>

<table>
<thead>
<tr>
<th>This Request:</th>
<th>$290,000</th>
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</thead>
</table>

<table>
<thead>
<tr>
<th>% of This Request to Current Amount:</th>
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</table>

<table>
<thead>
<tr>
<th>% of Modifications (including This Request) to Original Amount:</th>
<th>0.6%</th>
</tr>
</thead>
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**Discussion:**

This retroactive modification is for additional work associated with the construction of a new duct bank at an Electrical Distribution Room (EDR) associated with the Second Avenue Subway Route – 63rd St./Lexington Avenue Station.

The contract calls for station reconstruction, as well as rehabilitation and reconstruction of new entrances to allow access from 3rd Avenue; connect new entrances to platforms; utility installation and relocation; and installation of elevators and escalators in the station and entrances.

Existing EDR 1 is experiencing a significant amount of water leakage that is corroding the electrical fixtures. It was confirmed that the water leakage is coming through the existing duct bank joints. This modification is for the construction of a new duct bank. The work includes soil testing, excavation and construction of a new reinforced concrete duct bank, including conduit installation connecting to EDR 1; disconnecting and pulling all existing cables from the existing duct bank which will be abandoned; installation of new cables to EDR 1 through the new duct bank; and restoration of the manhole after construction of the duct bank.

To avoid schedule impact, this work had to begin without delay. Consequently, the MTACC President approved a retroactive waiver on November 7, 2012.

The contractor’s proposal was $500,625; MTACC’s estimate was $245,352. Negotiations resulted in the agreed upon lump sum price of $290,000, which is considered fair and reasonable. Savings of $210,625 were achieved.
**PURPOSE:**
To obtain approval of the Board to award various contracts/contract modifications and purchase orders, and to inform the MTA Metro-North Railroad Committee of these procurement actions.

**DISCUSSION:**
MNR proposes to award non-competitive procurements in the following categories:

<table>
<thead>
<tr>
<th>Schedules Requiring Two-Thirds Vote (or more, where noted)</th>
<th># of Actions</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
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<tr>
<th>Schedules Requiring Majority Vote</th>
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<tbody>
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MNR proposes to award competitive procurements in the following categories:

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<th>Schedules Requiring Two-Thirds Vote (or more, where noted)</th>
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<thead>
<tr>
<th>Schedules Requiring Majority Vote</th>
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</thead>
<tbody>
<tr>
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</table>

MNR presents the following procurement actions for Ratification:

<table>
<thead>
<tr>
<th>Schedules Requiring Two-Thirds Vote (or more, where noted)</th>
<th># of Actions</th>
<th>$ Amount</th>
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<tbody>
<tr>
<td>Schedule D: Ratification of Completed Procurement Actions</td>
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<table>
<thead>
<tr>
<th>Schedules Requiring Majority Vote</th>
<th># of Actions</th>
<th>$ Amount</th>
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</thead>
<tbody>
<tr>
<td>Schedule K: Ratification of Completed Procurement Actions</td>
<td>NONE</td>
<td></td>
</tr>
</tbody>
</table>

- **C&D Technologies, Inc.** $88,994
- **Eastern Communications, Ltd.** $125,610
- **Twinco Manufacturing Company, Inc.** $1,395,000
- **Nadler Mobile, LLC** $27,332

**SUB TOTAL:** 4 $1,636,936

The contractors noted above and on the following Staff Summary Sheets have been found in all respects responsive and responsible, and are in compliance with State laws and regulations concerning procurements.

**BUDGET IMPACT:** The purchases/contracts will result in obligating MNR operating and capital funds in the amount listed. Funds are available in the current MNR operating/capital budgets for this purpose.

**RECOMMENDATION:** That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)
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.
MARCH 2013

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

NONE
MARCH 2013

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

NONE
## MARCH 2013

### 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)

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>a) C &amp; D Technologies, Inc.</td>
<td>$88,994 (not-to-exceed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Eastern Communications, Ltd.</td>
<td>$125,610 (not-to-exceed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Twinco Manufacturing Company, Inc.</td>
<td>$1,395,000 (not-to-exceed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Nadler Mobile, LLC</td>
<td>$27,332 (not to exceed)</td>
<td></td>
</tr>
</tbody>
</table>

In the wake of the significant and widespread damage resulting from Hurricane Sandy throughout MNR's Service Territory, and in accordance with the emergency powers approved by MTA Chairman Lhota, expedited procurement actions were initiated in order to provide the recovery and efficient operation of Metro-North services as well as to mitigate further risks to Metro-North's operations. MNR Procurement sought competitive quotes/bids whenever possible. In those cases where the contractors who have contracts in-place with MNR were already mobilized, had equipment readily available, and were able to respond to MNR’s requirements immediately, MNR expedited agreements to enable work to begin as soon as possible. Rates and costs were reviewed in accordance with those agreements already in place, and deemed fair and reasonable for the level of equipment and/or services provided. The procurements were funded by the MNR Operating Budget but MTA/NMR will seek reimbursement through Insurance and FEMA/Federal funding. The procurements were performed in accordance with PAL 1265-a (4 a) and in conjunction with the MTA All-Agency Procurement Guidelines Art. III-A; and are as follows:

a) C & D Technologies, Inc. – Battery Charging Systems & Battery Banks for Tarrytown, NY and Grand Central Terminal (GCT) - The Tarrytown Fiber Optic Node Battery Plant was flooded with several feet of water as a result of Hurricane Sandy, damaging the Network Infrastructure equipment. The GCT Fiber Optic Node Battery Plant was also damaged due to severe voltage and current spikes during the storm which resulted in brown outs to various parts of New York City. Both Battery Plants provide power for the Network Infrastructure system to transport telecommunications services for MNR’s Centralized Traffic Control (CTC), Supervisory Control and Data Acquisition (SCADA), Public Address, Radio, Telephone and Corporate data systems which are all critical to the daily operation of the railroad. As the reliability of both systems had been compromised, Tarrytown and GCT experienced numerous system-wide alarms, with the GCT node operating at only 50% capacity. In order to return this equipment back to full operation, emergency procurements were completed with C&D Technologies. C & D is the Original Equipment Manufacturer (OEM) of MNR’s Battery Charging Systems and Battery Banks (e.g. - battery plant, power modules, battery monitors, transducers, breakers, modular rectifiers). Utilization of a different manufacturer’s equipment would require substantial software and system changes to MNR’s Network Monitoring System that is equipped and programmed to monitor power systems. Negotiations by MNR Procurement resulted in a MNR discount of 35-40%, compared to a 25% discount that is offered to other customers. Procurement also conducted a cost analysis of MNR’s prior pricing vs. the current emergency pricing.
quoted by C&D Technologies and it was determined that MNR’s special customer/emergency 2012 pricing resulted in an additional 3% of savings from the 2011 pricing received by MNR. The total cost for the equipment is not-to-exceed $88,994.

b) Eastern Communications, Ltd. – Radio Base Stations. A storage container in Harmon housing nineteen (19) two-way radio base stations awaiting installation at MNR radio sites was flooded with several feet of water due to Hurricane Sandy. The stored equipment was completely submerged and resulted in irreparable damage to the equipment. The damaged radio base stations were part of an upgrade to MNR’s radio systems that was mandated by the Federal Communications Commission (FCC) to meet narrow banding requirements by January 1, 2013. The loss of the 19 radio base stations has prevented MNR from meeting the January 2013 deadline. Additionally, failure to show good faith effort to replace the equipment could result in the FCC taking punitive measures which could include revocation of operation licenses, fines or both.

Previously, MNR selected Eastern Communications through a competitive process to provide the radio base stations in March 2012; Eastern Communications was requested to supply the replacement equipment after the storm as well. MNR received pricing consistent with the NYS OGS contract price which is the same pricing received for the equipment previously purchased. The total cost for the equipment is not-to-exceed $125,610.

c) Twinco Manufacturing Company, Inc.- Impedance Bond Boxes (IBB)

Immediately following the storm on October 29, 2012, the C&S Department was able to assess the damage within the third rail territory on the Hudson and Harlem Lines, and the lower portion of the New Haven Line. As a result of these inspections, it was determined that all Impedance Bond Boxes throughout the signal system were significantly damaged or were rendered unreliable due to water infiltration. The Bond Boxes were manufactured by Twinco Manufacturing Co., Inc.

The Bond Boxes separate the signal circuits from the traction power return circuits in which a failure restricts the flow of train traffic in the circuit affected. While the Bond Boxes are currently functioning, there has been and continues to be an increased failure rate for this equipment, with attendant train delays. The replacement of these Bond Boxes is critical in order to maintain reliable train operations with the signal and traction return systems functioning as intended.

The negotiated unit price for the Impedance Bond Boxes is approximately 3% less than the unit price paid in 2010. In order to facilitate a system-wide replacement of these boxes for immediate need, Twinco was authorized to start manufacturing 300 Bond Boxes for January and March 2013 delivery. The total cost for the Bond Boxes for the initial replacement is a not-to-exceed amount of $1,395,000.

d) Nadler Mobile, LLC - Box Office Trailer

The Communication & Signals Department (C&S) requires a replacement to the existing trailer located at its Maintenance Headquarters in Tarrytown which was damaged due to Hurricane Sandy. The trailer and most of its internal electrical wiring, insulation and bathroom equipment was submerged and received irreparable damage from the flood waters. The damage caused by the flood water has raised safety concerns regarding the electrical wiring in addition to the concerns related to mold issues. Two competitive price quotes were received and the firm Nadler Mobile, LLC provided the lowest dollar cost per square foot ($56.94), and is approximately 8% lower per square foot ($61.79) than the other firm. Pricing is deemed fair and reasonable. The total not-to-exceed cost for the unit is $27,332.
LONG ISLAND COMMITTEE

PROCUREMENTS

FOR

BOARD ACTION

March 13, 2013

- 155 -
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.
PURPOSE:

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Long Island Rail Road Committee of these procurement actions.

DISCUSSION:

LIRR proposes to award Non-Competitive Procurements in the following categories:

Schedules Requiring Two-Thirds Vote

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Non-Competitive Purchase &amp; Public Works Contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Actions</td>
<td>$0.250M</td>
</tr>
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</table>

SUBTOTAL: 1 $0.2500M

LIRR proposes to award Competitive Procurements in the following categories:

Schedules Requiring Two-Thirds Vote

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td># of Actions</td>
<td>$ Amount</td>
</tr>
<tr>
<td>Schedule B:</td>
<td>4 TBD</td>
</tr>
<tr>
<td>Schedule C:</td>
<td>2 $18.329M</td>
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LIRR proposes to award Ratifications in the following categories:

**Schedules Requiring Majority Vote**

<table>
<thead>
<tr>
<th>Schedule</th>
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<th>$ Amount</th>
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<tbody>
<tr>
<td>F</td>
<td>Personal Service Contracts</td>
<td>1</td>
<td>$0.240M</td>
</tr>
<tr>
<td>H</td>
<td>Mods. To Personal Service Contracts &amp; Misc. Service Contracts</td>
<td>1</td>
<td>$0.957M</td>
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<tr>
<td>SUBTOTAL</td>
<td></td>
<td>8</td>
<td>$19.526M</td>
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</table>

**Schedule D: Ratification of Completed Procurement Actions**

<table>
<thead>
<tr>
<th># of Actions</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$0.245M</td>
</tr>
</tbody>
</table>

**SUBTOTAL:** $0.245M

**TOTAL:** 10 $20.021M

**BUDGET IMPACT:**
The purchases/contracts will result in obligating LIRR 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.)
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. Monogram Systems, Inc. $150,000 – LIRR
   Non-Competitive $100,000 – MNR
   Contract No. TBD $250,000 – NTE

   LIRR, on behalf of itself and Metro-North Railroad ("the Railroads"), requests MTA Board approval to award a contract for a 36-month period to Monogram Systems, Inc. ("Monogram"), in a total amount not-to-exceed $250,000 (LIRR $150,000/MNR $100,000) for various original equipment manufacturer ("OEM") toilet replacement parts required by the Railroads to maintain the toilet systems on LIRR's M-3 fleet, and MNR's M-2,3,4,8 and Coach Car Fleets. A multi-year agreement with this OEM supplier is a cost-effective way to achieve Joint Procurement Initiative goals.

Staff Summary Attached
Schedule A: Non-Competitive Purchases and Public Works

Staff Summary

<table>
<thead>
<tr>
<th>Item Number: 1</th>
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</thead>
<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location)</strong></td>
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<tr>
<td>Monogram Systems, Inc. (Carson, CA)</td>
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<tr>
<td><strong>Description</strong></td>
</tr>
<tr>
<td>Various Replacement Toilet Parts</td>
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<tr>
<td><strong>Contract Term (including Options, if any)</strong></td>
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<tr>
<td>3 Year Contract</td>
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<tr>
<td><strong>Option(s) Included in Total Amount?</strong></td>
</tr>
<tr>
<td>☐ Yes ☒ No</td>
</tr>
<tr>
<td><strong>Procurement Type</strong></td>
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<tr>
<td>☐ Competitive ☒ Non-Competitive</td>
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<td><strong>Procurement Type</strong></td>
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<tr>
<td>☐ RFP ☒ Bid ☐ Other: Sole Source</td>
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<tr>
<td><strong>Contact Number</strong></td>
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<tr>
<td>TBD</td>
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<tr>
<td><strong>Renewal?</strong></td>
</tr>
<tr>
<td>☒ Yes ☐ No</td>
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<tr>
<td><strong>Total Amount:</strong></td>
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<tr>
<td>LIRR - $150,000.00</td>
</tr>
<tr>
<td>MNR - $100,000.00</td>
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<tr>
<td>Total Amount: $250,000.00 Not to Exceed</td>
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<td><strong>Funding Source</strong></td>
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<td><strong>Requesting Dept/Div &amp; Dept/Div Head Name:</strong></td>
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<tr>
<td>Maintenance of Equipment, Daniel Cleary - CMO</td>
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<tr>
<td><strong>Contract Manager:</strong></td>
</tr>
<tr>
<td>Virginia Mahr</td>
</tr>
</tbody>
</table>

Discussion:

LIRR, on behalf of itself and Metro-North Railroad ("the Railroads"), requests MTA Board approval to award a contract for a 36-month period to Monogram Systems, Inc. ("Monogram"), in a total amount not-to-exceed $250,000 (LIRR $150,000/MNR $100,000) for various original equipment manufacturer ("OEM") toilet replacement parts required by the Railroads to maintain the toilet systems on LIRR’s M-3 fleet, and MNR’s M-2,3,4,8 and Coach Car Fleets. A multi-year agreement with this OEM supplier is a cost-effective way to achieve Joint Procurement Initiative goals.

Monogram Systems Inc. is the OEM and sole responsible source for this material. LIRR advertised its intent to award a Sole Source Contract in the NYS Contract Reporter and New York Post, as well as on the MTA/LIRR website, and no other vendor expressed an interest in competing for this requirement. LIRR has complied with the PAL 1265-a (4)(b) requirement regarding the posting of advertisements in order to identify potential alternate suppliers. There is no guarantee of purchase in this agreement as the replacement parts will be purchased on an as-needed basis. A review of quoted pricing reflects an increase of 4.2% over 2009 pricing and will be held firm for the three-year duration of the contract. The Producer Price Index (PPI) for this time period increased by 8.24%. Based on this review, Monogram’s pricing is found to be fair and reasonable.

This procurement is to be funded by the LIRR and MNR Operating Budgets.
MARCH 2013
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)

<table>
<thead>
<tr>
<th>#.</th>
<th>Contract No.</th>
<th>Vendor</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>TBD</td>
<td>STBD</td>
<td>LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public interest to use the Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a Design/Build construction contract to reconfigure the existing Johnson Avenue Train Yard as part of the Jamaica Capacity Improvements – Phase I project.</td>
</tr>
<tr>
<td>3.</td>
<td>TBD</td>
<td>STBD</td>
<td>LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate because it is in the public interest to use a Competitive Request for Proposal (RFP) process to award contracts for system-wide demolition services, and asbestos, lead and biological material abatement (hazard abatement) services on LIRR property.</td>
</tr>
<tr>
<td>4.</td>
<td>TBD</td>
<td>STBD</td>
<td>LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public interest to use the Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a Civil Works/Site preparation Design/Build construction contract for Phase I of the New Second Track on the Main Line Ronkonkoma Branch. The preliminary design is currently being progressed by LIRR’s Design Consultant.</td>
</tr>
<tr>
<td>5.</td>
<td>TBD</td>
<td>STBD</td>
<td>LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public interest to use the Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a Design/Build construction contract for a new Wyandanch Intermodal Facility/Parking Garage.</td>
</tr>
</tbody>
</table>

**Procurements Requiring Two-Thirds Vote**

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)
(Staff Summaries required for items requiring Board approval)

<table>
<thead>
<tr>
<th>#.</th>
<th>Vendor</th>
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<th>Contract No.</th>
<th>Description</th>
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<tbody>
<tr>
<td>6.</td>
<td>IntraLogic Solutions</td>
<td>$6,711,325</td>
<td>TBD</td>
<td>LIRR requests MTA Board Approval to award a ten (10) year Public Works Contract to IntraLogic Solutions, Inc. (&quot;ILS&quot;) with two (2) separate five (5) year options with contingency funding in the not-to-exceed amount of $6,711,325. This Contract is for the design, installation, full service maintenance (inspection, replacement, and repair), and augmentation of intrusion detection, CCTV and fire alarm systems within specified LIRR terminals, passenger stations, and facilities.</td>
</tr>
</tbody>
</table>
7. **Kiewit Infrastructure Co.**

   | Competitive | Firm Fixed Price | $11,618,000 | *Staff Summary Attached*

   **Contract No. 6109**

   Pursuant to a competitive RFP, Long Island Rail Road requests MTA Board approval to award a Firm Fixed Price contract to Kiewit Infrastructure Co. ("Kiewit") to provide Design/Build Services of Direct Fixation Fastener Replacement on both East and Westbound Tracks at the Massapequa Park Viaduct. The contract performance is scheduled to begin in March 2013 and attain Substantial Completion by late November 2013. The scope consists of design surveys on the viaduct at Massapequa Park to identify the necessary repairs to spalled concrete decks, track slabs, running rail plinths and guard rail plinths along both east and west bound tracks. Upon completion and approval of the design drawings, the contractor will replace all direct fixation fasteners at both viaducts.

*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)

8. **Bureau Veritas**

   | Competitive | Not-to-Exceed | $240,000 | *Staff Summary Attached*

   **Contract No.**

   LIRR, on behalf of itself and Metro North Railroad (“MNR”) (collectively “the Railroads”) request MTA Board approval to award a two-year Personal Services contract for quality assurance inspections of rail car wheels and axles to Bureau Veritas North America (“BVNA”) for an aggregate total not-to-exceed amount of $240,000 (LIRR $120,000/MNR $120,000).

**Schedule 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 require for Board approval)

9. **Standard Parking Corporation and Central Parking System**

   | Change Orders | Not-to-Exceed | $957,000 | *Staff Summary Attached*

   **Contract Nos. C4BP02775 & C4BP03113**

   LIRR requests MTA Board approval to issue a change order in the not-to-exceed amount of $957,000 to Standard Parking Corporation (“Standard”) under Contract #C4BP02775, for (i) funding to cover Standard’s costs associated with repairing and upgrading two garage elevators and shafts and other necessary work directed by LIRR, and (ii) funding for a nine-month contract extension to support the continued management, operation and maintenance of the Mineola Intermodal Center Parking Garage (“MIC”) through September 2013 to allow for the completion of a competitive RFP for replacement of the current expiring Operation and Maintenance contract.

   LIRR requests MTA Board approval to issue a change order to Central Parking System of New York (“Central”) under contract #C4BP03113. This request is for a nine-month contract extension to support the continued management, operation and maintenance of the Ronkonkoma Parking Garage (“RPG”) through September 2013. The change order will be issued at no additional cost to the LIRR, since the contract has sufficient amount of money remaining to support the nine-month extension for a total estimate of $360,000. The total contract value will remain unchanged at $2,940,000.

- 162 -
I. PURPOSE/RECOMMENDATION

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public interest to use the Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a Design/Build construction contract to reconfigure the existing Johnson Avenue Train Yard as part of the Jamaica Capacity Improvements – Phase I project.

II. DISCUSSION

LIRR has a long-term strategy to improve operations in the vicinity of Jamaica Station, including modernizing the track-level infrastructure, installing higher speed switches and more streamlined track/switch configuration, and extending all platforms to accommodate 12-car trains. The goal of these investments is to increase the capacity of the Jamaica complex by increasing the operating speed, eliminating cross-over routes, and decreasing station dwell time, thus allowing for an increase in the train throughput of the Jamaica Station. Phase I of the Jamaica Capacity Improvements (JCI) project will construct the infrastructure needed in Jamaica in order to operate the LIRR's East Side Access Opening Day Operating Plan.

The initial stage of Phase I JCI requires the reconfiguration of the existing Johnson Avenue Train Yard to provide the necessary space for a New Platform and its associated track structure. The yard reconfiguration work includes the replacement of the Johnson Avenue Yard lead track and the 4 twelve-car storage tracks; associated track level infrastructure (switch, signal and traction power); asphalt paved aisles; site drainage and utilities. Utilizing a Design/Build contract methodology, this stage of Phase I JCI will further develop the current 30% preliminary design through final design, and implement the actual reconfiguration in preparation for the new Platform construction and its associated track infrastructure. LIRR is progressing this request to use the RFP method of procurement at this time. This project’s use of a Design/Build methodology will achieve expedited delivery; support staged construction of Phase I to mitigate operational impacts; and foster the advantages of construction innovation resulting from improved coordination between the designer and contractor. The Technical Scope of Work to be provided in the RFP will be based on design documents that are approximately 30% complete ("Preliminary Design"), rather than a 100% design necessary to avoid a design-bid-build contract. Furthermore, the competitive RFP procurement method allows the LIRR to select a Contractor based upon considerations of technical capability, experience, and completion schedule and affords LIRR the ability to evaluate, refine and negotiate cost. Use of the RFP procurement method will also permit an earlier commencement and completion of the project resulting in a time savings benefit, and should reduce the operational impact through proper construction staging.

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III. D/M/WBE INFORMATION

Goals for this Contract are to be determined by the MTA Office of Civil Rights and Diversity.

IV. IMPACT ON FUNDING

Funding for the third party Design/Build construction of the reconfigured Johnson Ave Yard is included in LIRR’s proposed 2010 – 2014 revised Capital Plan.

V. ALTERNATIVES

The alternative is to use the Invitation for Bid (IFB) procurement method. The IFB procurement method does not allow the LIRR to negotiate costs or select a Contractor based upon best experience, technical capability and/or proposed work completion schedule. In addition, an IFB would (i) require drawings to be at the 100% level, thus potentially delaying the start of construction, and (ii) delay meaningful dialogue with the Contractor until after award, thereby preventing the LIRR from being able to negotiate improvements to the construction schedule and incorporate more efficient means and methods for construction.
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary

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</tr>
<tr>
<td>Department Head Signature &amp; Date:</td>
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<tr>
<td>Division &amp; Division Head Name: Safety &amp; Training: Lori Ebbighausen</td>
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SUMMARY INFORMATION

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<td>Abatement &amp; Demolition Services</td>
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<td>Three Years with One, Two-Year Option</td>
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<th>Options(s) Included in Total Amount:</th>
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<table>
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<th>Funding Source</th>
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Narrative:

I. PURPOSE/RECOMMENDATION

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate because it is in the public interest to use a Competitive Request for Proposal (RFP) process to award contracts for system-wide demolition services, and asbestos, lead and biological material abatement (Hazard Abatement) services on LIRR property.

II. DISCUSSION

Hazard Abatement Services are utilized in LIRR buildings, bridges, structures, rolling stock, manholes and cables, and related emergency projects in connection with operating and capital funded work. In order to be prepared to address hazardous conditions as they arise, LIRR requires a pool of qualified firms. The use of multiple contractors will provide price competition among qualified contractors, as well as provide assurance that the contractor can perform the work within the required schedule. Additionally the availability of pre-qualified multiple contractors will facilitate timely responses and resolution of potential emergency and unforeseen situations.

Because the Scope of Work for specific projects will not be known at the time of the initial contract awards, LIRR will issue Task Order awards pursuant to a competitive process among the qualified firms. Upon identification of a project/task, LIRR will conduct a site tour and issue a Request for Task Order along with specifications detailing the required services to the firms. LIRR will evaluate proposals and select the contractor that provides the best overall value to the LIRR considering price, schedule, and other related factors (e.g., impacts to the LIRR such as flagging, LIRR staff required to manage the schedule, and use of LIRR’s abatement consultants). There is no minimum guarantee of work to any contractor in the pool.

The All Agency Procurement Guidelines permit the Board to adopt a resolution declaring that public bidding is impractical or inappropriate because it is in the public interest to award such contracts pursuant to a RFP process. Qualified hazard abatement services contractors vary in their approaches to such work and have differing levels of experience and expertise. The use of the competitive RFP method for selection of contractors for this procurement is in the public interest because it gives the LIRR the ability to negotiate and evaluate terms other than price alone, such as technical approach, staff qualification and past performance on similar projects that would not be realized through an Invitation for Bid (IFB) process.

-165-
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary

The contract awards will be for a three-year period with one two-year option, and will support the LIRR Capital Program and Operating Program needs. LIRR has utilized this approach to Hazard Abatement since 2002 and has found it to be cost effective.

III. D/M/WBE INFORMATION

The tasks will be State funded and the MBE/WBE goals are to be determined.

IV. IMPACT ON FUNDING

These contracts will be funded on a task order type basis by Capital and Operating funds. No funds will be obligated under these contracts unless LIRR approves a specific project for implementation.

V. ALTERNATIVES

The alternative is to proceed with an Invitation for Bid (IFB) process and select qualified responsive/responsible contractors on the basis of low price alone; but for the reasons set forth above, the IFB process is not practical, appropriate, or in the public interest.
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary

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<tr>
<td>Department Head Signature &amp; Date</td>
<td>[Signature] 2/12/10</td>
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<tr>
<td>Division/Division Head Name:</td>
<td>Program Management, Richard Oakley</td>
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<td>Division Head Signature &amp; Date</td>
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| Board Reviews | | |
|----------------|-----------------|
| Order | To | Date | Approval | Info | Other |
|----------------|-----------------|
| 1 | LI Committee | 3.11.13 | | | |
| 2 | MTA Board | 3.13.13 | | | |

| Internal Approvals | | |
|-------------------|-----------------|
| Order | Approval | Order | Approval |
|----------------|-----------------|
| 1 | President | 4 | VP/CFO |
| 2 | Executive VP | 5 | VP/Gen'l Counsel |
| 3 | Sr. VP/Operations | 8 | Sr. VP/Administration |

| SUMMARY INFORMATION | | |
|---------------------|-----------------|
| Vendor Name | Contract Number |
| TBD | TBD |
| Description | New Second Track on the Main Line Ronkonkoma Branch |
| Total Amount | $TBD |
| Contract Term (including Options, if any) | November 30, 2013 – June 30, 2015 |
| Options(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: |

Narrative:

I. PURPOSE/RECOMMENDATION

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public interest to use the Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a Civil works/Site preparation Design/Build construction contract for the Ronkonkoma to Central Islip segment of the New Second Track on the Main Line Ronkonkoma Branch. The preliminary design is currently being progressed by LIRR’s Design Consultant.

The purpose of the entire project is to construct a full Second Track within the existing LIRR right-of-way in two (2) phases: Phase One will begin at the eastern end of the project area, just west of Ronkonkoma to just west of Central Islip. Phase Two will complete the project running from just west of Central Islip to Farmingdale and will include all remaining track and station work. This project will increase service reliability and on-time performance along the Main Line; allow for faster recovery time following service disruptions; and when combined with other infrastructure improvements, will provide more off-peak, and mid-day service capacity to meet existing and future service and ridership demands. It also will spur economic activity, create hundreds of construction jobs and improve service to MacArthur Airport.

II. DISCUSSION

Today, LIRR’s Main Line track between Farmingdale and Ronkonkoma consists of a single electrified at-grade track, with limited passing sidings. The total length of the corridor is 17.9 miles, with single track segments totaling 12.6 miles.

Operation of a full Double Track will allow for more reliable LIRR Main Line service and faster recovery time following service disruptions. This investment will also allow for more frequent, half-hourly, mid-day service along this corridor. For the Farmingdale to Ronkonkoma segment of the LIRR, the construction of the Double Track is the key to improving service reliability and on-time performance and increasing service during off-peak and weekend periods.

Utilizing a Design/Build methodology for Phase I of the Project will allow the current 30% preliminary design to be quickly advanced through final design and then into construction, which will include extensive site preparation and civil elements required to
Staff Summary

construct retaining walls in preparation for track installation. The use of Design/Build RFP method of procurement will achieve expedited delivery, support staged construction, and promote construction innovation. It will also ensure that the design is consistent with the necessary construction means and methods through close coordination between the designer and contractor, and will encourage the selected proposer to identify construction methods to minimize project schedule and the impact to LIRR’s customer operations and services. Furthermore, the competitive RFP procurement method allows the LIRR to select a Contractor based upon considerations of technical capability, experience, and completion schedule and affords LIRR the ability to evaluate, refine and negotiate cost. The award of this contract will be informed by the outcome of the ongoing environmental review process.

Use of the RFP procurement method will also permit an earlier commencement and completion of the project resulting in a time savings benefit.

III. D/M/WBE INFORMATION

Goals for this Contract are to be determined by the MTA Department of Diversity and Civil Rights.

IV. IMPACT ON FUNDING

Phase I Funding for the third party Design/Build construction of the New Second Track on the Main Line Ronkonkoma Branch is included in LIRR’s 2010–2014 Capital Plan.

V. ALTERNATIVES

The alternative is to use the Invitation for Bid (IFB) procurement method. The IFB procurement method does not allow the LIRR to negotiate costs or select a Contractor based upon best experience, technical capability and/or proposed work completion schedule. In addition, an IFB would (i) require drawings to be at the 100% level, thus potentially delaying the start of construction, and (ii) delay meaningful dialogue with the Contractor until after award, thereby preventing the LIRR from being able to negotiate improvements to the construction schedule and incorporate more efficient means and methods for construction.

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I. PURPOSE/RECOMMENDATION

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public interest to use the Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a Design/Build construction contract for a new Wyandanch Intermodal Facility/Parking Garage.

This project’s use of a Design/Build methodology will ensure that the design is consistent with the necessary means and methods and will encourage the selected proposer to identify innovative construction methods to minimize project schedule and the impact to LIRR’s customer operations and services. The Design/Build method is (i) more cost-effective for this type of project and (ii) results in expedited procurement. Furthermore, the competitive RFP procurement method allows the LIRR to select a Contractor based upon considerations of technical capability, experience, and completion schedule and affords LIRR the ability to evaluate, refine and negotiate cost. Use of the RFP procurement method will also permit an earlier commencement and completion of the project resulting in a time savings benefit.

II. DISCUSSION

The Town of Babylon is moving forward with the “Wyandanch Rising” initiative, a Transit-Oriented Development (TOD) project that will transform the most economically distressed area on Long Island into a vibrant mixed-use development, creating a pedestrian-friendly and environmentally-sustainable downtown. The Intermodal Facility adds more than five hundred spaces to LIRR’s parking inventory in the Wyandanch Station area, and will serve as the centerpiece of the Town’s efforts to redevelop and revitalize downtown Wyandanch. The additional parking capacity will accommodate ridership growth on LIRR’s Main Line, resulting from the TOD project, the new Main Line 2nd Track and the planned service to Grand Central Terminal. LIRR’s 2010-2014 Capital Program includes $40 million for the construction of the Intermodal Facility. Through an existing Federal Transit Administration (FTA) grant, the Town of Babylon will fund the design of the Intermodal Facility through the 30% conceptual design level. This Staff Summary will allow LIRR to pursue a Design-Build construction contract for the construction of the New Facility.
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary

At its June, 2012 meeting, the MTA Board approved the swap of two parcels in support of the project: a 1.49 acre parcel owned by LIRR located along the LIRR right of way (the “ROW Parcel”); and a 2.16 acre parcel owned by the Town commonly referred to as the “Honda Parcel.” The ROW Parcel will be integrated into the TOD, and the Honda Parcel will become the site of the Intermodal Facility.

The Intermodal Facility will also complement the Town’s TOD initiative (i.e., the “Wyandanch Rising” project) by serving as a catalyst for the creation of new public open spaces and plazas, redesigned roadway networks, and streetscape enhancements in the vicinity of the Station. The project, to be constructed in phases, will include both retail spaces and residential units (including affordable housing), as well as public spaces and infrastructure improvements. The Town has received federal and state grants toward this initiative and is one of three communities in New York State to be named a Brownfield Opportunity Area (BOA) Spotlight Community. The Wyandanch Rising initiative was also selected as a “transformative” project by the Long Island Regional Economic Development Council and, as a result, received NYS funds for infrastructure improvements. The Town of Babylon has selected Albanese Organization, Inc. as the master developer for Wyandanch Rising project.

III. D/M/WBE INFORMATION

Goals for this Contract are to be determined by the MTA Office of Civil Rights and Diversity.

IV. IMPACT ON FUNDING

Funding for the third party Design/Build construction of the new Wyandanch Intermodal/Parking Garage is included in LIRR’s 2010–2014 Capital Program and will be supplemented with Town of Babylon funds for the development of the 30% conceptual design plans.

V. ALTERNATIVES

The alternative is to use the Invitation for Bid (IFB) procurement method. The IFB procurement method does not allow the LIRR to negotiate costs or select a Contractor based upon best experience, technical capability and/or proposed work completion schedule. In addition, an IFB would (i) require drawings to be at the 100% level, thus potentially delaying the start of construction, and (ii) delay meaningful dialogue with the Contractor until after the award, thereby preventing the LIRR from being able to negotiate improvements to the construction schedule and incorporate more efficient means and methods for construction.
Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Staff Summary

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<td>Description</td>
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<td>Funding Source</td>
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</tbody>
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Narrative

I. PURPOSE/RECOMMENDATION:
LIRR requests MTA Board Approval to award a ten (10) year Public Works Contract to IntraLogic Solutions, Inc. ("ILS") with two (2) separate five (5) year options with contingency funding in the not-to-exceed amount of $6,711,325. This Contract is for the design, installation, full service maintenance (inspection, replacement, and repair), and augmentation of intrusion detection, CCTV and fire alarm systems within specified Long Island Rail Road ("LIRR") terminals, passenger stations and facilities.

Alarm systems installed within passenger stations and facilities safeguard the lives of LIRR's passengers and employees from injury and/or death from smoke and fire. LIRR assets (building structures, railroad equipment, and project materials) are protected from theft and damage from vandalism through the use of closed circuit television ("CCTV") cameras and electronic locking mechanisms programmed to either automatically or remotely secure these facilities after normal operational hours. Each of these systems is now beyond its useful life and is in need of replacement with state of the art systems and equipment capable of providing LIRR modern security protection. In addition, these systems and their equipment should be easily maintainable and upgradeable and have a projected useful life of the full contract term.

II. DISCUSSION:
It is the intention of the LIRR that the successful Contractor will design, furnish, install, and maintain the system(s) for a minimum of ten (10) years [base award] under a lease and maintenance agreement, with two (2), separate five (5) year options to be executed at the sole discretion of the LIRR. Monitoring will be performed via transmission to LIRR's C3 Command Center, which is staffed 24/7. The Contractor shall be required to maintain the system(s) in a state of good repair for the entire contract term and any extension for one or both option periods as determined by LIRR to be in its best interests. The Contractor shall be required to continue to lease and maintain the system in a state of good repair at all times while the lease is in effect. The Contractor shall provide all labor, hardware, software, training and equipment necessary for the design, installation, full service maintenance and augmentation of an integrated non-disparate intrusion detection, CCTV and fire alarm system capable of integrating with current LIRR systems. LIRR shall have the right to direct the modification, addition and/or deletion of systems and locations under the Contract.

An Expression of Interest was issued to sixteen (16) firms. Seven (7) of these firms requested a copy of the Request for Proposal ("RFP") and three (3) of those firms submitted proposals. One firm was removed from the RFP process due to concerns over its financial condition. The proposals of the remaining two (2) firms, Convergint Technologies (Convergint) and ILS were both technically evaluated by a Technical Evaluation Committee ("TEC") using a weighted evaluation criteria approach. Both firms provided oral presentations. During several TEC meetings, it was documented that Convergint's price proposal did not include 100%...
Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Staff Summary

wired-in-conduit and specific integration parameters. Prior to Convergint's oral presentation, LIRR sent clarification questions to be discussed during the oral presentation and requested Convergint to revise their proposal to include 100% wired-in-conduit and to price in the full integration. Upon completion of oral presentations, the TEC rated and ranked these two proposals. The price proposal received from Convergint was initially priced at $5,711,513 and revised to $5,907,065 to include the wired-in-conduit only and ILS proposal was priced at $10,851,000. Upon further examination of the proposals, Convergint's proposal still fell short of including the full integration requirements stated in the LIRR TSOW, while ILS's proposal price included all of the LIRR TSOW requirements along with a large percentage of risk.

Following oral presentations and at the conclusion of the TEC meetings, it was decided to request Best and Final offers (BAFOs) with specific clarifications to technical areas requested by LIRR. Convergint responded with a BAFO of $7,545,266 (an increase of $1,638,201) and ILS responded with a BAFO of $6,141,500 (a decrease of $4,709,500 or a 43% reduction). The LIRR requested MTA Audit review ILS's rate structure, which is priced lower than ILS's New York State Office of General Services (NYS OGS) rate structure listed in contract #PT64345. Through negotiations, ILS's BAFO price of $6,141,500 was further reduced by $18,250 or 2% to $6,123,250.

ILS's total price is 20% lower than the LIRR internal estimate of $7,614,888 and is therefore is deemed fair and reasonable. The total contract price breakdown includes the Base ten (10) year award of $4,316,500, Option 1 (years 11-15) in the total amount of $866,250 and Option 2 (years 16-20) in the total amount of $940,500. The requested approval amount includes an additional $588,075 of contingency funding for future expansion that may include other stations and/or facilities as the need arises and for unscheduled repairs, vandalism and acts of god.

III. D/M/WBE INFORMATION:
MTA Department of Diversity and Civil Rights has set 10% MBE and 10% WBE goals for this contract. ILS has successfully met its goals under a prior contract with LIRR for the installation and maintenance of fence sensors.

IV. IMPACT ON FUNDING:
This contract award will be funded by MTA Near Term Security Funds and Operating Funds.

V. ALTERNATIVES:
LIRR does not possess the necessary certification and skills required to design, install and maintain these systems, which are currently beyond their useful life and are in need of total replacement under a lease and maintenance agreement.

VI. FUTURE TASKS:
LIRR shall have the right to add or delete additional Systems and locations throughout the base award period on an as required basis. The LIRR has also included two (2) separate five (5) year option periods in the Contract.
Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Staff Summary

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<td>Dept &amp; Dept Head Name: Procurement &amp; Logistics, Dennis Mahon</td>
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<tr>
<td>Signature &amp; Date: [Signature] 2/13</td>
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<tr>
<td>Division &amp; Division Head Name: Dept of Program Management, Kevin Tomlinson</td>
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<tr>
<td>Division Head Signature &amp; Date: [Signature] 2/13</td>
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<th>SUMMARY INFORMATION</th>
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<tr>
<td>Vendor Name</td>
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<tr>
<td>Kiewit Infrastructure Co.</td>
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<tr>
<td>Description: Design-Build of Direct Fixation Fastener Replacement Project at Massapequa Park Viaduct</td>
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<tr>
<td>Total Amount</td>
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<td>Contract Term (Including Options, if any)</td>
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<td>Funding Source</td>
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Narrative:

I. PURPOSE/RECOMMENDATION

Pursuant to a competitive RFP, Long Island Rail Road requests MTA Board approval to award a Firm Fixed Price contract to Kiewit Infrastructure Co. ("Kiewit") to provide Design/Build Services of Direct Fixation Fastener Replacement on both east and west bound tracks at the Massapequa Park Viaduct. The contract performance is scheduled to begin in March 2013 and attain Substantial Completion by late November 2013. The scope consists of design surveys on the viaduct at Massapequa Park to identify the necessary repairs to spalled concrete decks, track slabs, running rail plinths and guard rail plinths along both east and west bound tracks. Upon completion and approval of the design drawings, the contractor will replace all direct fixation fasteners at both viaducts.

II. DISCUSSION

The total length of both tracks on the Massapequa Park Viaduct is approximately 14,400 linear feet. These tracks are affixed to concrete decking with a direct fixation fastener system that is nearing the end of its useful life. The track currently requires continuous inspection and maintenance to ensure safe rail operations. In order to bring the system to a state of good repair, all direct fixation fasteners must be replaced. It should be noted that a similar fastener replacement project was recently completed at Merrick and Bellmore Viaducts.

The design effort is scheduled to begin in March 2013 and be completed by May 2013. Except as otherwise specified, the Contractor shall perform the work on weekends between Saturday 12:01 AM and Sunday 10:00 PM. The Contractor will be provided with a total of 23 Weekend outages during 2013 for construction of the scope described above during the period May 2013 through late November, 2013. Contractor may request additional weekend outages; however the approval will be at the sole discretion of the Railroad and at the Contractor's cost. There will be no full weekend outages available beyond November 17, 2013.
The RFP sought to identify the firm best able to perform the work and capable of meeting the aggressive schedule of 281 calendar days to Substantial Completion. In November 2012, LIRR requested and received MTA Board approval to use the “Request for Proposal” procurement method in lieu of competitive bidding. The solicitation was advertised on December 5, 2012 in the New York State Contract Reporter and on December 10, 2012 in the New York Post. In addition, copies of the advertisement were mailed to those firms that submitted proposals for a similar project at Merrick and Bellmore Viaducts. On January 11, 2013, five proposers responded to LIRR’s Request for Proposal:

1) Delta Railroad Construction, Inc.
2) J-Track, LLC
3) Kiewit Infrastructure Co.
4) Railroad Construction Company, Inc.
5) Railroad Constructors, Inc.

A Technical Evaluation Committee evaluated each proposal based upon criteria set forth in the RFP. These Evaluation Criteria consisted of Technical Merits (including proposed construction method); Planning of the Work taking into consideration constraints of working within the Railroad Right-of-Way; Proposed Schedule, the Experience of the Firm and Best Price.

Specific Technical questions were prepared for each of the five proposers based on need for clarifications of their individual technical proposals and additional information.

Based upon a review of responses to specific technical questions, oral discussions were then held with three proposers, wherein LIRR discussed means and methods stated in their proposals and those areas requiring clarification. At the conclusion of those discussions two of the three proposing firms were deemed to be most responsive to this specific solicitation and the remaining three firms were deemed to be outside of the competitive range. The LIRR then requested Best and Final Proposals (BAFO) from the two selected firms.

These Best and Final Proposals were submitted on February 13, 2013 by Delta Railroad Construction, Inc. (Delta) and Kiewit Infrastructure Co. (Kiewit). Delta submitted a BAFO price of $12,142,947, compared to Kiewit’s BAFO price of $11,818,000. It was determined that Kiewit provided the best technical solution with the best possible price. Subsequent discussions with Kiewit resulted in an additional reduction of $200,000 to a final negotiated price of $11,618,000.

Significant Adverse Information (“SAI”) has been discovered in connection with Kiewit’s responsibility review. Award to Kiewit will not be issued without waiver of SAI from the MTA.

III. M/WBE INFORMATION
MBE = 10.0% / WBE = 10.0%
DDCR has informed LIRR that Kiewit has achieved its MWDBE goals on previous MTA contracts.

IV. IMPACT ON FUNDING
The funding for this project (PN-TD / Task: L10090) is included in LIRR’s 2010-2014 Capital budget.

V. ALTERNATIVES
The Direct Fixation Fastener System used at the Long Island Rail Road has reached the end of its useful life and it is not feasible or desirable to continue using internal track repair services to make frequent site inspections and continuous repairs that take the track out of service. The LIRR’s Engineering Department does not have the skilled personnel, nor the specialized equipment needed to perform the scope of work required under this contract.
Schedule F: Personal Service Contract

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<th>Item Number</th>
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**SUMMARY INFORMATION**

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**Narrative:**

**I. PURPOSE/RECOMMENDATION**

Long Island Rail Road ("LIRR"), on behalf of itself and Metro-North Railroad ("MNR") (collectively "the Railroads"), requests MTA Board approval to award a two-year Personal Services contract for quality assurance inspections of rail car wheels and axles to Bureau Veritas North America ("BVNA") for an aggregate total not-to-exceed amount of $240,000 (LIRR $120,000/MNR $120,000).

**II. DISCUSSION**

Car wheels and axles are manufactured at various facilities around the world. Quality assurance inspections ensure that manufacturing standards are in accordance with the latest LIRR, MNR and Association of American Railroad ("AAR") Specifications. Inspections are "as needed" and the number required is based on the quantity of wheels and axles inspected per individual delivery. BVNA proposed accordingly with a per wheel and axle price per inspection to be performed on an as-needed basis. The "not-to-exceed" figure is based on forecasted needs by the Railroads and establishes the maximum that the supplier will be allowed to bill for these services.

The Railroads advertised the RFP in the New York State Contract Reporter ("NYSCR") on September 13, 2012 and the New York Post on September 20, 2012. Seven firms responded to the RFP and two submitted proposals; BVNA (the incumbent) and Quality Inspection Services, Inc. Proposals were evaluated based on technical criteria including technical approach, qualifications of individuals and experience, and scheduling of the work, as well as price. Quality Inspection Services failed to provide pricing in compliance with the RFP, which required fixed unit prices per inspection that were all inclusive of labor rates, overheads, other direct costs and profit. Furthermore, the firm provided no resumes for inspection resources at OEM manufacturing sites identified in the RFP. BVNA has been satisfactorily providing these services to LIRR and MNR for the last twenty years and has indicated in its proposal that it was maintaining the same technical approach to the scope of work as well as the project team/key personnel that currently service the Railroads. BVNA has significant experience/knowledge related to the inspection of wheels & axles and has had numerous contracts to perform similar work with LIRR, MNR, Chicago Transit Authority and Massachusetts Bay Transit Authority. BVNA was therefore selected, based on offering the best overall proposal, technical and cost factors considered.

A review of the per wheel/axle price inspection prices proposed indicates a 3.0% increase from the per wheel/axles prices contained in BVNA's previous contract with the LIRR & MNR. BVNA advised that this increase is based on the firm's current contracts with its subcontractor resources at OEM manufacturing sites, the increase in exchange rates, domestic/foreign hourly labor cost and

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transportation costs. The increase in these factors, were found to be in line with the annual percentage increase found in the Bureau of Labor Statistics' database and therefore is considered fair and reasonable. Pricing will remain fixed for the two (2) year term of the contract.

III. D/M/WBE INFORMATION

There are no D/M/WBE goals for this solicitation.

IV. IMPACT ON FUNDING

This contract will be funded by the LIRR's and MNR's Operating Budget

V. ALTERNATIVES

The Railroads do not possess the required skills in-house to perform these tasks. There are no other alternatives but to issue the personal services contract at this time.
I. **Discussion:**

**Standard Parking:**
LIRR requests MTA Board approval to issue a change order in the not-to-exceed amount of $957,000 to Standard Parking Corporation ("Standard") under Contract #C4BP02775, for (i) funding to cover Standard's costs associated with repairing and upgrading two garage elevators and shafts and other necessary work directed by LIRR, and (ii) funding for a nine-month contract extension to support the continued management, operation and maintenance of the Mineola Intermodal Center Parking Garage ("MIC") through September 2013. The extension will allow for the completion of a new contract under a competitive RFP.

On October 1, 2006, pursuant to a competitive RFP, LIRR awarded a five year Operate and Maintain contract to Standard in the amount of $2,714,000. Under the contract, Standard is required to provide all management, revenue collection, supervision, operating personnel, uniforms, supplies and equipment to assure effective performance of the MIC facility. The current contract expired on December 31, 2012.

To allow consideration of an alternate strategy namely to lease the two LIRR garages at Mineola and Ronkonkoma, as well as eight surface lots, many of which were not generating revenue, in a single RFP, LIRR and MTA Real Estate Department assessed combining the surface lots and two parking garages; but determined that it was more cost-effective to operate and maintain the two garages under a separate management. LIRR also investigated repairs and upgrades required to be completed prior to the 2013 winter months. This includes elevator repairs estimated at $257,000. The estimate for the nine month extension for operation and maintenance ("O&M") of the MIC is $613,000. In addition the $957,000 includes a contingency of $87,000 for unforeseen repairs.

The nine-month extension will provide the necessary time to prepare and issue the RFP and to select/procure a third party operator to operate and maintain the two parking garages.

**Central Parking:**
LIRR requests MTA Board approval to issue a change order to Central Parking System of New York ("Central") under contract #C4BP03113. This request is for a nine-month contract extension to support the continued management, operation and maintenance of the Ronkonkoma Parking Garage ("RPG") through September 2013. The change order will be issued at no additional cost to the LIRR, since the contract has sufficient amount of money remaining to support the nine-month extension for a total estimate of $360,000. The total contract value will remain unchanged at $2,940,000.

II. **Impact on Funding:**
**Standard Parking** - LIRR's Operating Budget will fund this Change Order.
**Central Parking** - No additional funds are required for this extension; there is enough money remaining in the contract to extend the contract.
Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts

Staff Summary

III. Recommendation:
Standard Parking - Board approval to authorize a Change Order to extend the contract for a nine month period to Standard Parking Corporation in the amount of $957,000 is hereby recommended.

Central Parking - Board approval to authorize a Change Order to extend for a nine month period to Central Parking System at no additional cost to the LIRR is hereby recommended.
MARCH 2013

MTA LONG ISLAND RAIL ROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

Schedule D: Ratification of Completed Procurement Actions
(Ratifications are to be briefly summarized with staff summaries attached only for unusually large or especially significant items)

10. JES Plumbing & Heating Corporation $244,556
    Non-Competitive Firm Fixed Price
    Contract No. 4000028659

    LIRR requests MTA Board ratification of a four-month LIRR ride of the New York City Transit Authority (NYCT) Contract No. 06K9558 with JES Plumbing & Heating Corporation (JES), for On-Call Plumbing Maintenance & Repair Services performed at the Atlantic Avenue Tunnels between May 29, 2012 and September 17, 2012, in the fixed price amount of $244,556.

    Staff Summary Attached
Schedule D: Ratification of Completed Procurement Actions

MTA Long Island Rail Road

<table>
<thead>
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<tbody>
<tr>
<td>Vendor Name (&amp; Location)</td>
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<tr>
<td>Description</td>
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<td>Contract Term (including Options, if any)</td>
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<tr>
<td>Option(s) Included in Total Amount?</td>
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<td>Procurement Type</td>
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<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
</tr>
<tr>
<td>Contract Manager:</td>
</tr>
</tbody>
</table>

Discussion:

LIRR requests MTA Board ratification of a four-month LIRR ride of the New York City Transit (NYCT) Contract No. 06K9558 with JES Plumbing & Heating Corporation (JES), for On-Call Plumbing Maintenance & Repair Services performed at the Atlantic Avenue Tunnels between May 29, 2012 and September 17, 2012, in the fixed price amount of $244,556.

On October 24, 2012, LIRR’s Procurement Department received a “Payment Purposes Only” requisition from LIRR’s Engineering Department, requesting that a Purchase Order be issued to JES in the amount of $271,769 for the replacement of collapsed drainage pipes at the Atlantic Avenue tunnels performed between May 29, 2012 and September 17, 2012. Although LIRR did not have a contract in-place with JES at the time, JES performed the work in accordance with the terms and conditions of the NYCT contract that was currently in-place. Based on the LIRR Procurement Department’s review and negotiation of the invoices, the total cost was reduced by $27,213 (10%) to a final negotiated fixed price amount of $244,556.

This contract was funded through LIRR’s operating budget.
LONG ISLAND COMMITTEE
BOARD PROCUREMENT PACKAGE
MARCH 13, 2013
Staff Summary

Date: February 27, 2013

Vendor Name
Various

Contract Number
Various

Contract Manager Name
Various

Table of Contents Ref #

<table>
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Internal Approvals

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<td>President</td>
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<tr>
<td>Executive Vice President</td>
<td>Chief Financial Officer</td>
</tr>
<tr>
<td>Chief Procurement Officer</td>
<td></td>
</tr>
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PURPOSE
To obtain (i) Board approval to award various contracts/contract modifications and purchase orders and, (ii) Board ratification of the procurement actions listed below as reviewed by the Long Island Committee.

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

Schedules Requiring Two-Thirds Vote

<table>
<thead>
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Schedules Requiring Majority Vote

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<td>Schedule I</td>
<td>6</td>
<td>51,267,326</td>
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MTA Capital Construction proposes to award Ratifications in the following category:

Schedules Requiring Majority Vote

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<thead>
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<th>Schedule</th>
<th># of Actions</th>
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<tbody>
<tr>
<td>Schedule K</td>
<td>5</td>
<td>2,034,488</td>
</tr>
</tbody>
</table>

Responsibility/Responsiveness and Compliance
The contractors/consultants noted 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/modifications will result in obligating MTA Capital Construction capital funds in the amount listed. Funds are available in the current capital budget for this purpose.

Recommendation:
That the purchases/contracts/modifications be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)
WHEREAS, in accordance with Section 1285-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 works contracts, and the solicitation and award of request for proposals in regard to purchase and public works 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;

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; 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.
MARCH 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

1. To Be Determined
   Contract No. CM006
   Pursuant to Subdivision 4(f) of Section 1265-a of the Public Authorities Law and Article IIIA (6) of the All Agency Procurement Guidelines, MTACC requests that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate and it is in the public interest to issue a competitive Request for Proposal ("RFP") for Contract CM006, Construction of North Structures for the East Side Access Project.

Schedule G. Miscellaneous Service Contracts (Solicitation of Purchase and Public Work 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. Active Risk Management
   Contract No. MS-840
   Pursuant to Article XII of the MTA All Agency Guidelines for the Procurement of Services, Board approval is requested to award a competitively solicited negotiated service contract to Active Risk Management, for the implementation, integration and maintenance of a risk management software system in the amount of $274,070 for a three year period.

MTACC requires software that will assist it in analyzing various mechanisms that evaluate risk factors that can affect the cost and schedule of MTACC's mega projects. The software will enable MTACC to eliminate the multi-programs and databases it currently uses and enable them to keep all required information in one location and database. Furthermore, this software will increase communication, create structure, document history, and increase accuracy of risk assessments.

A Request for Proposals was advertised and issued on September 20, 2012. A total of 6 vendors requested the RFP documents. One (1) firm responded to the solicitation, Active Risk Management (ARM). The five firms who purchased the RFP were contacted in order to ascertain why they did not propose. The reasons given were that the firms did not have sufficient staff nor the required skillset to fulfill the requirements of the RFP. The Selection Committee evaluated the proposal based on the RFP evaluation criteria which included but was not limited to, the experience and qualifications of its key personnel, the understanding of technical requirements, and its overall ability to meet the complete requirements of the RFP. The Selection Committee determined that ARM was technically qualified to perform the services identified and that its proposal demonstrated a thorough understanding of the RFP's requirements.

ARM submitted a proposal of $292,600 for the services while MTACC's estimate was $275,000. Negotiations were held and the parties agreed to a cost of $274,070 which is considered to be fair and reasonable. There were no D/M/WBE goals assigned to this Contract.

Schedule H. Modifications To Personal and Miscellaneous Service Contracts
(Approval/Staff Sumaries required for substantial change orders and change orders that cause the original contract to equal or exceed the monetary or duration threshold required for Board approval)

3. PB America/STV/Parsons Transportation Group, Joint Venture
   Contract No. 98-0040-01R
   Modification No. 42
   Pursuant to Article XIII of the MTA All-Agency Guidelines for the Procurement of Services, MTACC seeks Board approval to incorporate design changes and add funding for Construction Phase Services.

- 184 -
4. Kratos/HBE $475,000 Staff Summary Attached
   Contract No. PS836
   Modification No. 2
   Pursuant to Article XIII of the MTA All-Agency Guidelines for the Procurement of Services, MTACC seeks Board approval for a modification to the contract to configure and integrate additional Access Control Devices into the Integrated Electronic Security System.

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)

5. Tutor Perini Corporation $14,641,209 Staff Summary Attached
   Contract No. CH054A
   Modification No. 18
   Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for a modification for revisions to the 12kV ductbank layout.

6. Yonkers Contracting Company $350,000 Staff Summary Attached
   Contract No. CM014A
   Modification No. 7
   Pursuant to Article IX of the MTA All-Agency Guidelines for the Procurement of Services, MTACC seeks Board approval for a modification to add to this contract the excavation of the elevator pit and the fit-out of the adjacent Terminal Management Center and the Station Manager’s Officer areas (scope and budget transfer).

7. Tutor Perini Corporation $6,539,195 Staff Summary Attached
   Contract No. CQ032
   Modification No. 24
   Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for a modification for rock excavation, the installation of a mud slab, and the removal of temporary works installed under Contract CQ031. This is a scope and budget transfer.

8. Dragados/Judau Joint Venture $6,544,000 Staff Summary Attached
   Joint Venture
   Contract No. CM019
   Modification No. 55
   Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for a modification for multiple scope transfers from Contract CM012 including the GCT 4 WB Wye Invert slab as well as several mud slabs in order to establish access for the follow-on Contracts.

9. Dragados/Judau Joint Venture $385,000 Staff Summary Attached
   Joint Venture
   Contract No. CM019
   Modification No. 57
   Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for a modification to repair the over-break that occurred in the Eastbound Tunnel No. 4 (EB4) at 55th Street due to poor ground conditions.

10. Granite-Traylor-Frontier Joint Venture $22,807,922 Staff Summary Attached
    Contract No. CQ031
    Modification No. 87
    Pursuant to Article IX of the All-Agency Procurement Guidelines, MTACC is requesting the Board approval for a modification for the support of excavation for the Tunnel A Approach Structure.
I. PURPOSE/RECOMMENDATION

To request and recommend that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate and that, pursuant to Subdivision 4(f) of Section 1286-a of the Public Authorities Law and Article IIIA (6) of the All Agency Procurement Guidelines, it is in the public interest to issue a competitive Request for Proposal ("RFP") for the contract for the Construction of North Structures of the East Side Access Project.

II. DISCUSSION

On October 24, 2012, bids were received for the Contract “Manhattan Structures II and Facilities Fit-Out CM012”. The bids were considerably higher than the East Side Access Program Budget and Estimate and were therefore rejected on November 21, 2012. The revised strategy for procurement of the work that was included in CM012 is to issue several minor Additional Work Orders under current Contracts, and to award three new Contracts for the remaining work. The proposed CM006 - Manhattan North Structures Contract is one of several new smaller Contracts and includes the completion work for the tunnels north of the caverns from approximately 50th Street to the West side of the 63rd Street Tunnel.

Based on our analysis of the bids received on CM012 and subsequent conversations with the bidding contractors, we have determined that access to the work site, productivity of the work force and coordination with adjacent contractors were, among other items, major contributors to the risks attributed to this work by the bidding contractors. The high level of risk translated into a high level of contingency reflected in the bid prices.

The access and coordination required by each contractor to facilitate the best price for the work, however, depends on each contractor’s planned sequence of performance, technical approaches to the work and other anticipated means and methods. Procurement through the RFP process will allow the MTA to receive means and methods proposals from contractors and afford the MTA with the opportunity to work through access, coordination and other perceived risks with each contractor in an effort to achieve the lowest price possible for the work. The RFP process will also permit MTA to evaluate the relative benefits of alternative technical proposals and weigh alternatives that are in the best interest of the MTA.

The RFP process will require the interested firms to submit a technical proposal, which will include their technical approach, qualifications, experience and schedule. The technical proposals will be evaluated against MTA’s established criteria and negotiations on technical and commercial issues will be held with those firms considered to be in a competitive range. Upon completion of the negotiations, those firms will be invited to submit a cost proposal. Award will be made to the responsible firm whose cost proposal offers the best value.

III. DBE

The DBE goals for this contract have not been determined at this time.

IV. IMPACT ON FUNDING

Funding for this Contract will be from the Capital Program.

V. ALTERNATIVES

The use of a sealed bid process in which factors other than cost cannot be considered is not recommended as it does not provide a means to evaluate different technical matters or to consider or negotiate alternative proposals to achieve the overall best value to the MTA.
Schedule H: Modifications to Personal Miscellaneous Service Contracts

Item Number: 3
Vendor Name & Location
Parsons Brinckerhoff/STV/Parsons Transportation Group, JV (NY)

Description
East Side Access General Engineering Consultant Services

Contract Term (Including Options, If any)
March 2016

Option(s) Included in Total Amount? ☑ Yes ☐ No ☐ N/A

Procurement Type ☑ Competitive ☐ Non-competitive

 Solicitation Type ☑ RFP ☐ Bid ☐ Other: Modification

Funding Source ☑ Operating ☐ Capital ☐ Federal ☐ Other

Requesting Dept/Div & Dept/Div Head Name:
East Side Access, A. Paskoff

Contract Number
98-0040-01R

Original Amount: $140,000,000
Prior Modifications: $211,001,135
Prior Budgetary Increases: $0
Current Amount: $351,001,135
This Request: $13,937,714

% of This Request to Current Amount: 3.97%
% of Modifications (Including This Request) to Original Amount: 181%

Discussion:
This Contract is for engineering, design and construction phase services for the LIRR East Side Access (ESA) project. In accordance with Article XIII of the MTA All-Agency Guidelines for the Procurement of Services, Board approval is requested to modify the Contract.

The Contract has been modified several times to increase the scope of Final Design. These changes have been required to satisfy various Program objectives such as implementation of Railroad operating requirements, realization of construction cost savings, resolution of schedule conflicts, mitigation of technical and contractual risk, and retroactive adjustment to overhead rates. The Contract has also been modified several times to increase the Contract amount allocated to Construction Phase Services (CPS). A breakdown of the Current Contract and Proposed Contract amounts is given in the following table.

<table>
<thead>
<tr>
<th>Work Category</th>
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<th>Previous Modifications</th>
<th>Current Contract</th>
<th>Proposed Modification</th>
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<td>$351,001,135</td>
<td>$13,937,714</td>
<td>$364,938,849</td>
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The current contract and proposed contract amounts do not include $2,779 previously approved by the Board for task orders and repackaging work which has not yet been allocated.

This Modification will incorporate the following changes to the Final Design:

1. Addition of a pedestrian bridge at the Mid-day Storage Yard: The current layout of the Mid-day Storage Yard requires railroad employees to walk from the Yard Services Building to assigned work locations up to 3,000 feet away. In order to provide safe and efficient access for maintenance of equipment, train & engine crews traveling between the Yard Services Building and their assigned work locations in the Yard, the LIRR has requested that an employee pedestrian bridge be included in the scope.

2. Substitution of cable trough for embedded signal & communication duct bank throughout the ESA Tunnels: In mid-2010, MTA determined that a significant reduction in construction cost and schedule risk could be realized if the signal and communication cables routed through the ducts (conduits) embedded in tunnel bench walk could instead be routed in cable trough installed in the top of the tunnel bench walk.

The Consultant proposed $1,258,842 for this work, while MTA's estimate was $472,559. Negotiations were held and the parties agreed to a cost of $437,714 which is considered fair and reasonable.
This Modification will also increase the Contract amount allocated to CPS by $13,500,000 to allow the Consultant to continue to provide CPS through the remainder of 2013. CPS is provided on a cost-plus-fixed-fee, level-of-effort, not-to-exceed task order basis. A CPS task order is typically issued in support of a particular third party or force account construction package when construction activities commence. CPS task orders are also issued for certain construction program-related support services.

At Contract inception in August 2004, the Contract budget for CPS was $20 million. As the construction program progressed, the amount allocated to CPS was reviewed, new CPS estimates were prepared, and the Contract budget for CPS was increased accordingly. Contract Modification Nos. 16, 17, 21, 36 and 38 have added a total of $57,109,782 to the CPS budget. The amount currently remaining in the Contract CPS budget is sufficient for these services to continue only through March 2013.

In June 2012, MTA completed a project-wide risk assessment of the ESA project that re-evaluated cost, schedule and risk and identified additional funding needs. As a result, the ESA construction budget increased from $5,557.3 million to $6,268.9 million and the ESA revenue date was extended to August 2018 plus 12 months contingency. A new CPS estimate was prepared to account for the re-baselined construction budget, schedule and contract packaging plan, in the amount $135,607,007.

The increase in projected CPS costs is due to the following factors:

- A revised procurement strategy and contract packaging plan involving more contract packages than originally planned, thus requiring the review of more submittals.
- The need for additional design services during construction to implement risk mitigation measures identified during the project-wide risk assessment and aimed at maintaining and improving schedule;
- The development during construction of alternative construction sequencing in Harold Interlocking to accommodate current LIRR and Amtrak resources and service requirements.
- Increased technical complexity requiring a greater reliance on consultant field staff to provide more engineering support during construction and supplement MTA construction management staff.
- Labor cost escalation over a longer construction duration.

Upon Board approval of this request, the additional funding for Construction Phase Services will be allocated on an as-needed basis for the remainder of 2013. The MTACC Chief Procurement Officer will allocate available funds upon the approval and release of additional funding under the MTACC East Side Access Capital Program. MTACC intends to return to the Board for additional funding for Construction Phase Services for the years 2014 and beyond.
Item Number: 4

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<tr>
<td>KRATOS/Henry Brothers Electronics (HBE) (NJ)</td>
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**Description**

IESS Cisco Upgrade

**Contract Term (Including Options, if any)**

12 Months

**Option(s) Included in Total Amount?**

- [ ] Yes
- [x] No
- [ ] N/A

**Procurement Type**

- [x] Competitive
- [ ] Non-competitive

**Solicitation Type**

- [x] RFP
- [ ] Bid
- [ ] Other: Modification

**Funding Source**

- [ ] Operating
- [x] Capital
- [ ] Federal
- [x] Other:

**Requesting Dept/Div & Div Head Name:**

Chief, Capital Security Program, Thomas Reed

**Contract Details:**

- **Original Amount:** $710,000
- **Prior Modifications:** $415,000
- **Prior Budgetary increases:** $0
- **Current Amount:** $1,125,000
- **This Request:** $475,000

**% of This Request to Current Amount:** 42.2%

**% of Modifications (including This Request) to Original Amount:** 125%

**Discussion:**

This contract is for the upgrade of the existing Broadware software system to a Cisco system for the Integrated Electronic Security System ("IESS"). In accordance with Article XIII of the All Agency Guidelines for the Procurement of Services, MTACC requests Board approval for a modification to configure and integrate additional Access Control Devices into IESS.

The Access Control Devices at issue here were installed and brought online in their own native subsystems through various contracts. In order to achieve full situational awareness of the C3 systems, these additional devices need to be integrated into the Intergraph subsystem of IESS (which is being upgraded under this contract). Without adding these access control devices into the Intergraph system, the IESS system would only allow for limited awareness via the access control subsystem for alarms and video information.

The Contractor proposed $542,428 while the MTACC estimate was $439,366. Negotiations were held and the parties agreed to a cost of $475,000 which is considered fair and reasonable.
Schedule I: Modifications to Purchase or Public Work Contracts

Item Number: 6

Vendor Name & Location
Tutor Perini Corporation

Description
 Harold Structures Part 2A

Contract Term (Including Options, if any)
28 Months

Option(s) Included in Total Amount
☐ Yes ☒ No ☐ N/A

Procurement Type
☒ Competitive ☐ Non-competitive

Solicitation Type
☐ RFP ☐ Bid ☒ Other: Modification

Funding Source
☐ Operating ☒ Capital ☒ Federal ☐ Other:

Requesting Dept/Div. & Dept/Div. Head Name:
East Side Access, A. Paskoff, P.E.

Contract Number
CH054A

AWO/Modification #
18

Original Amount:
$ 21,777,777

Prior Modifications:
$ 5,608,693

Prior Budgetary Increases:
$ 0

Current Amount:
$ 27,386,470

This Request:
$ 14,641,209

% of This Request to Current Amount:
53.46%

% of Modifications (Including This Request) to Original Amount:
92.98%

Discussion:
The work under this Contract involves civil construction work consisting of demolition, clearing, grubbing and grading, construction of retaining walls, storm sewers and utility relocation in the Harold Interlocking area for the East Side Access Project. Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for a modification for revisions to the 12kV ductbank layout.

The 12kV system provides traction power for Amtrak trains between Sunnyside Yard and Penn Station. Contract CH054A included construction of a new 12kV ductbank and manholes along with reusing portions of the existing 12 kV ductbank system. The design for this work did not receive Amtrak approval prior to solicitation of the CH054A contract. After the Contract was awarded, Amtrak rejected the design. The entire 12kV ductbank layout has now been redesigned and the new design has been approved by Amtrak.

The following is a list of items that were changed on the 12kV ductbank drawings:

- New locations for the tie-in of the existing 12kV system (S1, S2 and S3 Feeders) and the 125 Feeders.
- Increase the number of spare conduits for future expansion by 50%.
- Increase in the length of cables for S1, S2, S3 and 125 feeders.
- Increase in the total length of ductbank to 3,900 LF.
- Increase in the total number of electrical manholes from 9 to 19.
- Increase the size of the electrical manholes.
- Prohibit reuse of the existing 12kV ductbank.

The Contractor submitted a cost proposal in the amount of $20,809,597 for the additional work associated with the redesigned layout and MTACC's internal estimate was $14,622,118. Negotiations were held and the parties agreed to a cost of $14,641,209 for the work. The negotiated cost is considered fair and reasonable. This cost does not account for any time impacts that may be associated with this modification.

To the extent that this modification is 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 or Public Work Contracts

Item Number: 6

Vendor Name (& Location)
Yonkers Contracting Company (Yonkers, New York)

Description
GCT Concourse and Facilities Fit-Out

Contract Term (Including Options, If any)
634 Calendar Days

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

Procurement Type ☒ Competitive ☐ Non-competitive

Solicitation Type ☐ RFP ☐ Bid ☒ Other: Modification

Funding Source ☒ Operating ☐ Capital ☒ Federal ☐ Other:

Requesting Dept/Div/Dept/Div Head Name: East Side Access, A. Paskoff, P.E.

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td>CM014A</td>
<td>7</td>
</tr>
</tbody>
</table>

| Original Amount: | $43,502,000 |
| Prior Modifications: | $151,153 |
| Prior Budgetary Increases: | $0 |
| Current Amount: | $43,653,153 |

This Request $350,000

% of This Request to Current Amount: .8%

% of Modifications (including This Request) to Original Amount: 1.15%

Discussion:
The work under Contract CM014A is for the facility fit-out of the lower portion of the new LIRR Concourse located in the lower level of Grand Central Terminal for the East Side Access (ESA) project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC is requesting Board approval for a modification to add to this contract the excavation of the elevator pit and the fit-out of the adjacent Terminal Management Center and the Station Manager's Office areas. This is a scope and budget transfer from Contract CM014B.

The excavation of the elevator pit and the fit-out of the adjacent Terminal Management Center and the Station Manager's Office areas were to be performed by future Contract CM014B at the same time as this Contract 14A will be performing other fit-out and finishes work in the same area. MTACC has determined that performing this work concurrently, as designed could lead to potential safety and constructability issues. Thus, MTACC seeks to transfer this work to CM014 A in order to re-sequence the work and minimize the risk of adverse impacts.

The Contractor submitted a proposal in the amount of $399,985 and the MTACC estimate was $337,630. Negotiations were held and the parties agreed to a cost of $350,000 for the work which is considered fair and reasonable. $562,000 was budgeted for this work in CM014B and funding for this modification will be transferred from that budget. There is no time impact associated with the modification.

To the extent that this modification is the result of errors and omissions in design, MTACC intends to seek compensation for any resulting damages from the designer.

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Schedule I: Modifications to Purchase or Public Work Contracts

<table>
<thead>
<tr>
<th>Item Number: 7</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
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<tr>
<td>Vendor Name (&amp; Location)</td>
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<td>Description</td>
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<td>This Request</td>
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<td>☒ Yes ☐ No ☐ N/A</td>
<td>% of This Request to Current Amount:</td>
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<td>Procurement Type</td>
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<td>☐ Operating ☒ Capital ☐ Federal ☐ Other:</td>
<td></td>
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<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td></td>
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</tr>
<tr>
<td>East Side Access, A. Paskoff, P.E.</td>
<td></td>
<td></td>
</tr>
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</table>

Discussion:

This Contract is for the structural and architectural rehabilitation of existing facilities along the existing 63rd Street Tunnel including construction of Plaza Interlocking and Facility Power Substation B10 for the East Side Access (ESA) Project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC seeks Board approval to modify the contract for rock excavation, the installation of a mud slab, and the removal of temporary works installed under Contract CQ031. This is a scope and budget transfer.

The CQ032 Contract provides for the contractor to receive the Plaza Interlocking site with the rock excavation completed and a mud slab in place; both items of work to be performed under adjacent Contract CQ031. The mud slab is necessary to provide a substrate for the waterproofing membrane to be installed. In addition, all remaining temporary works within the Plaza Interlocking area are to be removed by the CQ031 Contractor prior to turning the site over to the CQ032. In order to facilitate turnover of the site to the CQ032 Contractor, however, MTACC is seeking to transfer the rock excavation, the installation of the mud slab, and the removal of the remaining temporary works from CQ031 to CQ032.

The primary justification for this scope transfer is that the CQ031 Contractor has begun to demobilize and turn over all sections of the Plaza interlocking open cut to the CQ032 Contractor. In addition, the rock excavation work is dependent on CQ039 completing its work in this area which is not forecasted to occur until mid-March 2013. This would create a potential compensable delay to CQ031 as its Substation completion is forecasted for mid-February, 2013. The scope transfer would also minimize potential coordination and schedule conflicts between CQ031 and CQ032 and would allow for a smooth transition from the rock excavation into the permanent superstructure work for CQ032.

The Contractor submitted a cost proposal in the amount of $6,927,111 while MTACC’s estimate was $6,119,762. Negotiations were held and the parties agreed to cost proposal in the amount of $6,539,195 for the work. The negotiated cost is considered to be fair and reasonable. A total of $10,493,912 was transferred from CQ031’s budget to CQ032 for all rock excavation scope of which there is $3,939,912 ($5,100,000 was used for Modification No. 19) left. The remaining $1,144,293 for this modification will come from the CQ032 Contingency. There is no time impact associated with the modification.

Because rock elevations were higher than anticipated, there was an overrun in quantity for rock excavation work in CQ031. Therefore, only $2,493,912 was available in the CQ031 Budget for rock excavation to be transferred to CQ032. A total of $10,493,912 was previously transferred to CQ032 for rock excavation ($2,493,912 from CQ031 and the remaining $8,000,000 from Project Contingency), of this amount, $5,100,000 was used for Modification No. 19 and the remainder will be used for this modification. The additional $1,144,293 required for this Modification will come from the CQ032 Contingency. There is no time impact associated with the modification.
## Schedule I: Modifications to Purchase or Public Work Contracts

<table>
<thead>
<tr>
<th>Item Number: 8</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
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<tbody>
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<td>Vendor Name (&amp; Location)</td>
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<td>55</td>
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<tr>
<td>Description</td>
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<tr>
<td>Manhattan Structures 1</td>
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<td>Contract Term (including Options, if any)</td>
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<td>04/01/08 – 10/29/13</td>
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<td>Procurement Type</td>
<td>This Request</td>
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<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
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</tr>
<tr>
<td>East Side Access, A. Paskoff, P.E.</td>
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</table>

**Discussion:**
This Contract includes the excavation and lining of four tunnel drives, shafts, escalator wellways, air plenums, cross passages, and caverns mainly under Grand Central Terminal for the East Side Access Project. Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for a modification for multiple scope transfers from Contract CM012 including the GCT 4 WB Wye Invert slab as well as several mud slabs in order to establish access for the follow-on Contracts.

On October 24, 2012, bids were received for Contract CM012, Manhattan Structures II and Facilities Fit-Out. All of the bids were considerably higher than the budget and estimate for this work and were, therefore, rejected on November 21, 2012. The revised strategy for procurement of the work that was to be included in CM012 is to issue several modifications to current Contracts, and to solicit and award three new Contracts.

The CM012 work being transferred into CM019 under this modification includes the transfer of the GCT 4 WB Wye invert slab and other mud slabs which are necessary to establish access for the follow-on contracts and allow for the delivery of material. Performing this work under CM012 will enable the follow-on Contracts to begin their work sooner and with unencumbered access to the site, thereby minimizing the risks to future contracts (which would likely be reflected in the bids that will be received for those future contracts) and of additional delays to the overall ESA schedule.

This modification includes the following work:

1. **GCT4 WB Wye**
   - Concrete invert slab, embedded conduits, sub-soil drainage, embedded track drainage system, north cavern end wall, and ramps from the finished invert elevation of wye cavern into the tunnels and GCT 4 Crossover
2. **GCT4 Crossover**
3. **GCT 3 Crossover**
   - Provide weepholes in existing mudslab
4. **East & West Main Cavern Pits**
   - Pour mud slabs in all pits
5. **55th Street Ventilation Facility**
   - Provide mudslab with weepholes for full scope of 55th Street (CM013A & CM019 sides). Provide blockout through mudslab for the length of the WB1 tunnel width.

Additionally, this modification will allow for the CM019 Contractor to continue providing maintenance (pumping, cleaning, DOT permits, etc.) through Substantial Completion of CM019. This maintenance was to be performed by the CM012 contractor and will now be performed by the CM019 contractor until the repackaged CM012 contracts are awarded.
The Contractor submitted a proposal for $10,252,126 and the MTACC estimate was for $6,799,699. Negotiations were held and the parties agreed to a price of $6,544,000 which is considered to be fair and reasonable. The budget for this work will be transferred from CM012. In addition, Milestones 2 & 3 were moved from June 19, 2012 to June 1, 2-13, the $5 Million in incentives tied to these milestones were deleted and potential liquidated damages for these milestones are now tied to the 6/1/13 date.
### Schedule I: Modifications to Purchase or Public Work Contracts

<table>
<thead>
<tr>
<th>Vendor Name (&amp; Location)</th>
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<td>Dragados/Judau, JV</td>
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<thead>
<tr>
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<tr>
<td>Manhattan Structures Part I</td>
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<th>Contract Term (Including Options, if any)</th>
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<td>04/01/08 – 10/29/13</td>
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<td>Procurement Type</td>
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<th>Solicitation Type</th>
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<td>Funding Source</td>
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<th>Requesting Dept/Div &amp; Dept/Div Head Name:</th>
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<tbody>
<tr>
<td>East Side Access, A. Paskoff, P.E.</td>
<td></td>
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</table>

**Discussion:**

The work under this Contract includes the excavation and lining of four tunnel drives, shafts, escalator wellways, air plenums, cross passages, and caverns mainly under Grand Central Terminal. In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for a modification to repair the over-break that occurred in the Eastbound Tunnel No. 4 (EB4) at 55th Street.

During excavation of the 55th Street Vent Facility, the Contractor encountered poor ground conditions which resulted in "overbreak" – rock fallout beyond the designed limits. This modification is to install rock bolts, welded wire fabric reinforcement, 20 #10 vertical & horizontal rock dowels and steel fiber reinforced concrete to secure the overbreak area. Under the terms of the contract, the contractor is entitled to be compensated for securing the overbreak area caused by poor ground conditions.

The Contractor submitted a proposal for \$419,562 and MTACC's estimate is \$308,592. Negotiations were held and the parties agreed to a price of \$385,000 which is considered fair and reasonable.
### Schedule I: Modifications to Purchase or Public Work Contracts

**M:\ Capital Construction**

<table>
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<th>Item Number: 10</th>
<th>Contract Number</th>
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<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location)</strong></td>
<td>CQ031</td>
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<tr>
<td>Granite-Traylor-Frontier (&quot;GTF&quot;), Joint Venture</td>
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<td><strong>Description</strong></td>
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<td>Queens Bored Tunnels and Structures</td>
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<td><strong>Contract Term (including Options, if any)</strong></td>
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<td>40 Months</td>
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<td><strong>Funding Source</strong></td>
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<td>East Side Access, A. Paskoff, P.E.</td>
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**Discussion:**

The work under this contract includes the construction of four soft-ground bored tunnels and miscellaneous demolition of surface structures for the East Side Access (ESA) project. Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval of a modification for the support of excavation for the Tunnel A Approach Structure.

This modification is for the procurement of material and installation of the support of excavation (SOE) for the Tunnel A Approach Structure (TAA5). The work included in this modification consists of furnishing all materials and installation of secant piles and soldier piles. Also included is the installation of all temporary SOE as well as excavation and disposal of material.

Tunnel A was originally planned to be bored under this Contract using a Tunnel Boring Machine (TBM). However, due to delays in relocating the 12kV duct bank, MTACC had to terminate the TBM earlier than anticipated and now the remainder of the tunnel must be constructed using the "cut and cover" method. MTACC had planned to develop a separate Contract package for this work but the CQ031 Contractor is on-site completing other contract work and the benefits of using the CQ031 Contractor for this work include, but are not limited to, significant savings in the schedule and overall construction costs associated with reduced mobilization and increased efficiency in operation start up.

In order to negotiate and begin the work in a timely manner, the scope of work was separated into steel procurement for core beams and two phases of construction for the support of excavation. The material cost for the secant pile core beams was negotiated separately ($1,808,248) and an order for the beams placed to meet a January steel roll date. The first phase of construction is the installation of the secant piles core beams for the support of excavation, including design work and test pitting from Station A1199+00 to 1203+00. Also included is the abandonment of the existing sacrificial portion of the Tunnel A that was previously installed. The second phase of construction is the installation of waters and struts as well as excavation and disposal of soil. Permanent concrete work will be awarded in a separate contract or modification.

The Contractor submitted a total cost of $23,288,172 for the work, while MTACC's estimate was $21,846,101. Negotiations were held and the parties agreed to a cost of $22,807,922 (this number includes the steel); which is considered to be fair and reasonable. This number also includes a $250,000 increase to the Hazardous material allowance, and $553,400 to cover the cost for potential railroad delays (the extended costs were estimated and calculated based on unit prices negotiated with the Contractor). These items will be utilized only as necessary and, in that case, payment will be based on the established unit costs.

The time impact associated with this modification is non-compensable delay. The date established for completion of the Work is December 31, 2013 and for Final Completion of the Contract is January 31, 2014.

To the extent that this modification is the result of errors and omissions in design, MTACC intends to seek compensation from the designer for any resulting damages.
MARCH 2012

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

Schedule K. Ratification of Completed Procurement Actions (Involving Schedule E – J)
(Staff Summaries required for items requiring Board approval.)

1. CCA Civil – Halcrow International, LLC
   Contract No. CM013
   Modification No. 25
   Pursuant to Articles IX and X of the All-Agency Procurement Guidelines, MTACC is requesting the Board ratify a modification to the Contract to include the installation of a final arch tunnel lining and invert slab in the Approach Tunnel.

2. Granite-Traylor-Frontier Joint Venture
   Contract No. CQ031
   Modification No. 85 ($625,000)
   Modification No. 86 ($450,000)
   Pursuant to Articles IX and X of the All-Agency Procurement Guidelines, MTACC is requesting the Board ratify modifications for; additional payment to the Contractor for standby time as a result of delays to Tunnel Boring Machine (TBM) operations waiting for the construction and cure of a jet grout block cut off wall during tunneling operations for Track A and; additional payment to the Contractor for standby time experienced during the B/C Tunnel boring operations waiting for the Long Island Railroad 813 Switch to be taken out of service.

3. Schiavone/Kiewit Joint Venture
   Contract No. CQ039
   Modification No. 17
   Pursuant to Articles IX and X of the All-Agency Procurement Guidelines, MTACC is requesting the Board ratify a modification to compensate the Contractor for revisions to the specified waterproofing system.

4. Yonkers Contracting Company
   Contract No. CM004
   Modification No. 63B
   Pursuant to Articles IX and X of the All-Agency Procurement Guidelines, MTACC is requesting the Board ratify a modification for a revision to the blasting plan for the excavation of shaft#1 from elevation 282' to 233'.
Schedule K: Ratification of Completed Procurement Actions

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<td>CCA Civil – Hailmar International, LLC</td>
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<td><strong>Description</strong></td>
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<td>50th Street Ventilation Facility for the ESA Project</td>
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<tr>
<td><strong>Contract Term (including Options, if any)</strong></td>
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<td>January 4, 2010 – February 19, 2013 (1143 days)</td>
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<td><strong>Procurement Type</strong></td>
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<td>☐ Competitive ☐ Non-competitive</td>
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<td>☐ RFP ☐ Bid ☒ Other: Modification</td>
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<td><strong>Funding Source</strong></td>
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<td>East Side Access, A. Paskoff, P.E.</td>
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<tr>
<td><strong>Contract Number</strong></td>
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<td>.31%</td>
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**Discussion:**

This contract is for the 50th Street Ventilation Facility for the East Side Access Project. In accordance with Articles IX and X of the All-Agency Procurement Guidelines, MTACC is requesting that the Board ratify a retroactive modification to the contract to include the installation of a final arch tunnel lining and invert slab in the Approach Tunnel.

The installation of the final arch lining of the Approach Tunnel was, most recently, intended to be completed as part of CM012, prior to construction of the invert and bench walls as part of CM013's contract work in the Approach Tunnel. However, because the bench walls and invert could not be built without the arch lining behind the bench installed first, and due to delays associated with the solicitation of CM012, it was decided to transfer a limited portion of the permanent lining work required to support bench construction to CM013. The remaining portion of permanent lining work above the bench remains in the successor contract to the cancelled CM012 solicitation (all bids for CM012 were rejected because the bids received were over budget). Contract CM013 was best situated to complete this work as it controls access to this location, and was able to complete this transferred work in conjunction with the contractually required concrete duct benches and invert slab.

The Contractor submitted a cost proposal in the amount of $538,577. MTACC’s estimate was $421,155. Negotiations were held and the parties agreed to cost proposal in the amount of $300,000 for the work which is considered to be fair and reasonable. The budget in CM012 for this work is $300,000 and the funding for this modification will be transferred from that Budget.
## Schedule K: Ratification of Completed Procurement Actions

**Item Number: 2 - 3**

<table>
<thead>
<tr>
<th>Vendor Name (&amp; Location)</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Granite-Strata-Frontier (<em>GTF</em>), Joint Venture</td>
<td>CQ031</td>
<td>85 &amp; 86</td>
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</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Original Amount:</th>
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<tbody>
<tr>
<td></td>
<td>$ 659,200,700</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Contract Term (including Options, if any)</th>
<th>Prior Modifications:</th>
</tr>
</thead>
<tbody>
<tr>
<td>40 Months (including option)</td>
<td>$113,888,402 (includes an option of $58,400,000)</td>
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<table>
<thead>
<tr>
<th>Option(s) Included in Total Amount?</th>
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<tbody>
<tr>
<td>☒ Yes ☐ No</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Procurement Type</th>
<th>Solicitation Type</th>
<th>Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒ Competitive</td>
<td>☐ RFP ☐ Bid ☒ Other: Modification</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>☐ Operating ☒ Capital ☒ Federal ☐ Other:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Requesting Dept/Div &amp; Dept/Div Head Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Side Access, A. Paskoff, P.E.</td>
</tr>
</tbody>
</table>

### Discussion:

The work under this contract includes the construction of four soft-ground bored tunnels and miscellaneous demolition of surface structures for the East Side Access (ESA) project. In accordance with Articles IX and X of the All-Agency Procurement Guidelines, MTACC is requesting that the Board ratify the following modifications:

**Modification No. 85: Tunnel A Stop Work Order for Jet Grout Block Installation at Station A1199+00**

This modification is to provide additional payment to the Contractor for standby time as a result of delays to Tunnel Boring Machine (TBM) operations waiting for the construction and cure of a jet grout block cut off wall during tunneling operations for Track A.

Due to delays in relocating the 12kV duct bank, MTACC had to terminate TBM operations earlier than anticipated and complete the balance of the tunnel using the "Cut and Cover" method. In anticipation of the new cut and cover structure, a Jet Grout Block cut off wall was constructed in order to minimize water infiltration as well as to act as the east support wall for excavation which would take place in the future. The block provides a water tight connection between the bore tunnel and the open cut tunnel segments. The decision to install the jet grout block was made after the tunnel drive had already commenced, however, the timing was such that the TBM standby time was unavoidable. Time was needed to allow the jet grout block to cure prior to the TBM being able to proceed beyond station 1169+00. The standby costs only include resources which could not be utilized to do other contract work between November 11, 2011 and December 6, 2011.

The Contractor submitted a total cost of $852,286 for this work, while MTACC’s estimate was $824,943. Negotiations were held and the parties agreed to a cost of $825,000 which is considered to be fair and reasonable. There is no time impact associated with this modification.

**Modification No. 88: B/C Tunnel Stoppage at 1200+00 Awaiting LIRR Switch**

This modification is to provide for additional payment to the Contractor for standby time experienced during the B/C Tunnel boring operations waiting for the Long Island Railroad 913 Switch to be taken out of service.

MTACC extended the length of the B/C Tunnel drive via Modification No. 64 which included bored tunnel in extremely low ground cover beneath LIRR tracks. As a prerequisite to this work, LIRR required the 913 switch to be out of service during tunneling operations in this area. Due to the heavy usage of the 913 switch, the outage required extensive planning and the outage was scheduled for July 6, 2012, however the Tunnel Boring Machine (TBM) arrived at the hold point ahead of schedule on June 28, 2012, requiring a forced stoppage between June 29, 2012 and July 6, 2012. This modification includes costs for resources that the Contractor was unable to utilize elsewhere in the Contract during the standby period.

The Contractor submitted a cost proposal in the amount of $462,982. MTACC’s estimate was $413,682. Negotiations were held and the parties agreed to a cost of $450,000 which is considered fair and reasonable. There is no time impact associated with this modification.

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Schedule K: Ratification of Completed Procurement Actions

Item Number: 4
Vendor Name (& Location):
Schiavone/Kiewit Joint Venture (Secaucus, New Jersey)

Description
Revised Waterproofing System

Contract Term (Including Options, if any)
One thousand sixty days (1,060)

Option(s) Included in Total Amount?
☐ Yes  ☐ No  ☒ N/A

Procurement Type
☐ Competitive  ☒ Non-competitive

Solicitation Type
☐ RFP  ☒ Bid  ☒ Other: Modification

Funding Source
☐ Operating  ☒ Capital  ☒ Federal  ☐ Other:

Requesting Dept/Div & Dept/Div Head Name:
East Side Access, A. Paskoff, P.E.

Contract Number
CQ039

<table>
<thead>
<tr>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
</tr>
</tbody>
</table>

Original Amount: $ 84,950,000
Prior Modifications: $ 14,236,229
Prior Budgetary Increases: $ 0
Current Amount: $ 98,886,229

This Request
$ 285,120

% of This Request to Current Amount: 0.29%

% of Modifications (including this Request) to Original Amount: 17.1%

Discussion:
Contract CQ039 is for the construction of the Northern Boulevard Crossing tunnels along with temporary construction services and facilities, and operation and maintenance of equipment work on the East Side Access Project. In accordance with Articles IX and X of the All-Agency Procurement Guidelines, MTACC requests that the Board ratify a modification to compensate the Contractor for revisions to the specified waterproofing system.

This modification is to compensate the Contractor for the change in the waterproofing that was originally specified by the CQ039 Contract. The waterproofing was changed from cross-laminated high-density polyethylene (HDPE) film to a layered system of synthetic Poly Vinyl Chloride (PVC) membrane and non-woven polypropylene filter fabric (geotextile). The change was initiated by MTACC as a result of the water tightness issues experienced in the South Ferry Project, where the HDPE waterproofing system was used and proved to be deficient. The PVC waterproofing system is also being used in the neighboring Contracts which allows for uniformity and simplified tie-ins between adjacent contracts, which then ensures a greater level of water-tightness.

The Contractor's proposal was for $185,121 for direct cost and $350,000 for indirect cost (time impact of 35 days at 10,000 per day). MTACC’s estimate was $186,950 for the direct cost and $0 for the indirect cost (time impact). However, the Contractor already performed the work and MTACC verified the provided documentation that the actual duration was 16 work-shifts which translate to an impact of 14 days to the schedule. The parties then agreed to a total cost (inclusive of direct and indirect cost) of $285,120 which is considered fair and reasonable.
**Schedule K: Ratification of Completed Procurement Actions**

**Item Number: 5**

<table>
<thead>
<tr>
<th>Vendor Name (&amp; Location)</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yonkers Contracting Company</td>
<td>CM004</td>
<td>63B</td>
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</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Original 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>
<th>% of Modifications (including This Request) to Original Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>44th Street Vent Plant and 245 Park Avenue Entrance for the ESA Project</td>
<td>$40,765,000</td>
<td>$1,549,634</td>
<td>$0</td>
<td>$42,314,634</td>
<td>$374,388</td>
<td>.92%</td>
<td>4.71%</td>
</tr>
</tbody>
</table>

**Discussion:**

The work under this Contract is to complete excavation/final lining of shaft #1, construct the 44th Street Ventilation Facility, and 245 Park Avenue Entrance of the East Side Access (ESA) project. In accordance with Articles IX and X of the All-Agency Procurement Guidelines, MTACC is requesting that the Board ratify a modification for a revision to the blasting plan for the excavation of shaft #1 from elevation 282' to 233'.

Work for the extension of the 44th Street Vent Plant Shaft between elevations 282' to 233' (added in modification No. 63) was negotiated based on a single blast to perform the work. FDNY required five (5) blasts (3 test blasts and 2 production blasts) to be performed. The change in the additional required blasts caused sub-level caving which resulted in a wider spread muck pile into access tunnel #1 and lower pile elevation. Additional fill was required to develop the proper staging height in order for the scaling operations and initial rock support installation to commence.

The Contractor submitted a proposal in the amount of $358,483 for direct cost and $473,021 for indirect cost associated with compensable delays of 61 days. MTACC's estimate was $231,227 for direct cost and $122,417 for indirect cost associated with compensable delays of 18 days. Negotiations were held and the parties agreed to a cost of $374,368 ($251,951 for direct and $122,417 for indirect) for the work which is considered fair and reasonable. There is a 39 day time impact associated with the modification of which 18 days are compensable.
Staff Summary

Subject: Request for Authorization to Award Various Procurements

Date
February 29, 2013

Vendor Name

Contract Number

Contract Manager Name

Table of Contents Ref #

<table>
<thead>
<tr>
<th>Board Action</th>
<th>Internal Approvals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order</td>
<td>To</td>
</tr>
<tr>
<td>1</td>
<td>President</td>
</tr>
<tr>
<td>2</td>
<td>MTA B&amp;T Committee</td>
</tr>
<tr>
<td>3</td>
<td>MTA Board</td>
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<table>
<thead>
<tr>
<th>Internal Approvals (cont.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order</td>
</tr>
<tr>
<td>Chief Financial Officer</td>
</tr>
<tr>
<td>Chief Security Officer</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:

<table>
<thead>
<tr>
<th>Schedules Requiring Majority Vote</th>
<th># of Actions</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule G Miscellaneous Service Contracts</td>
<td>1</td>
<td>$0.048M</td>
</tr>
</tbody>
</table>

SUBTOTAL 1 $0.048M

MTA B&T proposes to award Competitive procurements in the following categories:

<table>
<thead>
<tr>
<th>Schedules Requiring Two-Thirds Vote</th>
<th># of Actions</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule H Modifications to Personal/Miscellaneous Service Contracts</td>
<td>3</td>
<td>$9.574M</td>
</tr>
<tr>
<td>Schedule I Modifications to Purchase &amp; Public Works Contracts</td>
<td>2</td>
<td>$2.202M</td>
</tr>
</tbody>
</table>

SUBTOTAL 5 $11.776M

The legal name of MTA Bridges and Tunnels is Triborough Bridge and Tunnel Authority.
MTA B&T presents the following procurement actions for Ratification:

<table>
<thead>
<tr>
<th>Schedules Requiring Majority Vote</th>
<th># of Actions</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule D</td>
<td>Ratification of Completed Procurement Actions (Involving Schedule A-C)</td>
<td>2</td>
</tr>
<tr>
<td>Schedule K</td>
<td>Ratification of Completed Procurement Actions (Involving Schedule E-J)</td>
<td>6</td>
</tr>
</tbody>
</table>

SUBTOTAL: 8 actions totaling $0.825M

TOTAL: 14 actions totaling $12.649M

**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.)
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 NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
MARCH 2013

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

G: Miscellaneous Service Contracts
(Staff Summaries required for items greater than: $100K Sole Source; $250K Other Non-Competitive; $1M RFP; No Staff Summary required if Sealed Bid Procurement)

1. New York State Industries for the Disabled
   Contract No. 12-STS-2905
   Total $24,269.00 - B&T
       $23,980.00 - LIRR
   3 yr. contract - Non-Competitive
   B&T and LIRR require the services of the New York State Industries for the Disabled (NYSID) to provide on-site document destruction services. These services are required since the agencies do not possess the equipment or personnel needed to perform this work. Large bins and overflow bags will be provided throughout various locations at each agency. The materials deposited in these bins will then be picked up by the contractor on an as-needed basis and destroyed on-site in its secure, mobile shredding vehicle. Under Section 162 of the New York State Finance Law, B&T is required to purchase designated services from preferred sources such as NYSID. The award is made pursuant to this Section of the Finance Law and is therefore exempt from statutory competitive procurement requirements. Numerous entities are members of NYSID and it has identified the American Security Shredding Corporation as the associate member that will provide these services.

   The scope of services for the agencies under the prospective contracts differs from that compared with the prior contracts. B&T excluded the requirement to destroy various media, e.g. CDs, DVDs, VHS tapes and hard drives resulting in a reduced need to shred the materials. Under LIRR’s scope of services, estimated quantities for various line items were revised. NYSID submitted proposals of $24,371.50 for B&T and $24,130 for LIRR. The user’s estimates were $23,776 and $23,740 for each agency, respectively. Negotiations resulted in nominal reductions for both agencies; in comparison with each agency’s estimate the negotiated price of $24,269 for B&T is 2.1% higher and LIRR’s negotiated price of $23,980 is 1% higher. The total value of this procurement is $48,249. The prices for these contracts are fixed over a period of three years and are considered fair and reasonable. Funding is available in each agency’s Operating Budget.
LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
MARCH 2013

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)

   $8,500,000.00 (aggregate not-to-exceed amount for the 5 contracts)
   Staff Summary Attached
   Increase funding in the aggregate amount of $8,500,000 for five personal service contracts to provide miscellaneous design services on an as-needed basis for various projects, which include design scoping, designing safety and red flag repairs, deck repairs, structural steel repairs, value engineering, condition inspections and engineering investigations.

2. Henningson, Durham & Richardson Architecture and Engineering, P.C.
   Contract No. PSC-10-2885
   $787,281.77 Staff Summary Attached
   Additional design and engineering services for Project MP-03, Electrical and Mechanical Rehabilitation at the Marine Parkway - Gil Hodges Memorial Bridge.

3. HNTB New York Engineering and Architecture, PC
   Contract No. PSC-10-2875
   $287,047.00 Staff Summary Attached
   Additional design services for Project MP-06, Substructure and Underwater Work at the Marine Parkway - Gil Hodges Memorial Bridge.

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. Ahern Painting Contractors, Inc.
   Contract No. TN-82B
   $1,250,000.00 Staff Summary Attached
   Additional work to furnish and install 3" conduit under the Bronx Approach at the Throgs Neck Bridge under Contract TN-82B.

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LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
MARCH 2013

5. El Sol Contracting and Construction Corp./El Sol Limited Enterprises Inc. (a Joint Venture)
   Contract No. TN-85C
   Additional work to furnish and install 3" conduit under the suspended span at the Throgs Neck Bridge under contract TN-85C.
   $952,000.00
   Staff Summary Attached
**Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts**

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Vendor Name &amp; Location</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>WSP-Sells, Briarcliff Manor, NY</td>
<td>PSC-06-2807A</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>STV Incorporated, New York, NY</td>
<td>PSC-06-2807B</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>HNTB New York Engineering &amp; Architecture, P.C., New York, NY</td>
<td>PSC-06-2807C</td>
<td></td>
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<tr>
<td>4</td>
<td>Jacobs Civil Consultants, Inc.*, New York, NY</td>
<td>PSC-06-2807D</td>
<td></td>
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<tr>
<td>5</td>
<td>Gannett Fleming Engineers and Architects, P.C., New York, NY</td>
<td>PSC-06-2807E</td>
<td></td>
</tr>
</tbody>
</table>

**Description**

Miscellaneous Design Services on an As-Needed Basis

**Contract Term (Including Options, if any)**

- October 26, 2007 - May 31, 2014 (A)
- November 1, 2007 - May 31, 2014 (B)
- February 14, 2008 - May 31, 2014 (C)
- October 23, 2008 - May 31, 2014 (D)
- August 14, 2008 - May 31, 2014 (E)

**Option(s) included in Total Amount?**

- Yes
- No

**Procurement Type**

- Competitive
- Non-competitive

**Solicitation Type**

- RFP
- Bid
- Other:

**Funding Source**

- Operating
- Capital
- Federal
- Other:

**Requesting Dept/Div & Dept/Div Head Name:**

Engineering & Construction, Joe Keane, P.E.

<table>
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<tr>
<th>Original 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>
<th>% of Modifications (including This Request to Original Amount)</th>
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<tbody>
<tr>
<td>$12,000,000</td>
<td>$10,000,000</td>
<td>N/A</td>
<td>$22,000,000</td>
<td>Aggregate NTE</td>
<td>$8,500,000</td>
<td>39%</td>
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**Discussion:**

B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to increase funding under five personal service contracts for miscellaneous design services on an as-needed basis in the aggregate amount of $8,500,000. Consistent with the Procurement Guidelines these amendments constitute a substantial change. Contracts PSC-06-2807A through PSC-06-2807E were awarded pursuant to a competitive proposal process to the above five firms in an aggregate amount not to exceed $12M over a period of five years. The aggregate amount has subsequently been increased to $22M and the contracts have been extended through May 31, 2014. Under these contracts B&T issues work orders to perform various projects, which typically include design scoping, designing safety and red flag repairs, deck repairs, structural steel repairs, value engineering, condition inspections and engineering investigations.

Through February 4, 2013, work orders totaling over $19.8M have been awarded or are in the process of being awarded. Through the remainder of 2013, B&T estimates another $10.6M in work orders will be required. Activity under these contracts has significantly increased due in large part to the impact that Superstorm Sandy has had on our facilities and operations. B&T has determined that continuing to acquire these types of services by utilizing these miscellaneous design contracts is administratively more cost effective and time efficient than soliciting these services under separate RFPs. A new group of contracts for these requirements is in the solicitation process and is anticipated to be awarded in the third quarter of 2013.

The additional funding requested under this amendment will support essential miscellaneous design needs in the 2012-14 Major Maintenance Budget, 2010-14 Capital Program and for Sandy restoration projects until new contracts are awarded. The consultants will be compensated in accordance with the rates included in the contracts. Based on the above, the aggregate value of $8,500,000 under the prospective contract amendments is considered fair and reasonable.

* PSC-06-2807D was awarded to Edwards & Kelcey, Inc. which was purchased by Jacobs Civil Consultants, Inc. (JCCI) and later assigned to JCCI.
Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts

Item Number 2  (Final)

Vendor Name & Location
Henningson, Durham & Richardson Architecture and Engineering, PC

Description
Design and Construction Support Services for Project MP-03, Electrical and Mechanical Rehabilitation at the Marine Parkway - Gil Hodges Memorial Bridge

Contract Term (including Options, if any)
December 28, 2011 - February 27, 2014

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

Procurement Type ☑ Competitive ☐ Non-competitive

Solicitation Type ☑ RFP ☐ Bid ☐ Other:

Funding Source ☑ Operating ☐ Capital ☐ Federal ☐ Other:

Requesting Dept/Div & Dept/Div Head Name:
Engineering & Construction, Joe Keane, P.E.

Contract Number
PSC-10-2885

AWO/Modification #

Original Amount: $1,499,542.19

Prior Modifications: N/A

Prior Budgetary Increases: N/A

Current Amount: $1,499,542.19

This Request: $787,281.77

% of This Request to Current Amount: 52.5%

% of Modifications (including This Request) to Original Amount: 52.5%

Discussion:
B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to amend this contract with Henningson, Durham & Richardson Architecture and Engineering, PC (HDR) for funding to perform additional design and engineering services at the Marine Parkway - Gil Hodges Memorial Bridge. The scope of work for this Contract, approved by the Board in December 2011, encompassed findings in the 2009 Biennial Inspection and various feasibility studies performed in 2010. However, the 2012 Biennial Inspection and additional design inspection performed under this Contract revealed new field conditions. Based on the information contained in those reports, the additional services required under this amendment include: (i) fire alarm system upgrades; (ii) closed circuit television system upgrades; (iii) a motor drive upgrade/replacement at the span; (iv) droop cable replacement (power and communication cables required for safe bridge operation installed between the towers and the lift span); (v) a lift span transverse balancing investigation; and (vi) an electrical and mechanical system service life evaluation for a total amount of $787,281.77. Consistent with the Procurement Guidelines this amendment constitutes a substantial change.

HDR submitted a proposal in the amount of $787,281.77. The Engineer's estimate is $743,000. Based on further review of the scope and discussions with the consultant, HDR's proposed cost was accepted. This amount is 6% above the estimate and is fair and reasonable. Funding for this amendment is available in the 2010 - 2014 Capital Program under Project MP-03.
Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Vendor Name (&amp; Location)</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HNTB New York Engineering and Architecture, PC, New York, NY</td>
<td>PSC-10-2875</td>
<td></td>
</tr>
</tbody>
</table>

**Description**
Design and Construction Support Services for Project MP-06, Substructure and Underwater Work at the Marine Parkway – Gil Hodges Memorial Bridge

**Contract Term (including Options, if any)**
February 28, 2011 - October 27, 2014

**Option(s) included in Total Amount?**  Yes  No

**Procurement Type**  Competitive  Non-competitive

**Solicitation Type**  RFP  Bid  Other:

**Funding Source**  Capital  Federal  Other:

**Requesting Dept/Div & Dept/Div Head Name:**
Engineering & Construction, Joe Keane, P.E.

**Original Amount:**  $2,034,545.00

**Prior Modifications:**  $90,578,00

**Prior Budgetary Increases:**  $0.00

**Current Amount:**  $2,125,123.00

**This Request:**  $287,047.00

**% of This Request to Current Amount:**  13.5%

**% of Modifications (including This Request) to Original Amount:**  18.6%

**Discussion:**
B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to amend this contract with HNTB New York Engineering and Architecture, PC (HNTB) for funding to perform the following services at the Marine Parkway – Gil Hodges Memorial Bridge: (i) design a fireboat mooring platform to enable New York City Fire Department (NYCFD) fireboats to anchor at the tower pier fender system; (ii) design manual dry standpipe risers in accordance with NYCFD and NFPA requirements; (iii) design a corrosion protection system for piers and additional repairs for fenders; (iv) repackage abutment repairs and electrical work; and (v) perform additional design reviews in an amount totaling $287,047. Consistent with the Procurement Guidelines this amendment together with the previous amendments totaling $90,578 constitutes a substantial change.

This contract was approved by the Board in December 2010 and awarded to HNTB in February 2011. The Contract requires the Consultant to provide design and construction support services for underwater rehabilitation and repair work. Additional funds are required for the services described above. HNTB submitted a proposal in the amount of $289,195. The Engineer’s estimate is $306,326. Negotiations resulted in a cost of $287,047, which is 6.3% below the estimate and is fair and reasonable. Funding for this amendment is available in the 2010 - 2014 Capital Program under Project MP-06.
Schedule I: Modifications to Purchase and Public Works Contracts

<table>
<thead>
<tr>
<th>Item Number: 4 (Final)</th>
<th>Vendor Name (&amp; Location)</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ahern Painting Contractors, Inc., Woodside, New York</td>
<td>TN-82B</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Interim Repair of Orthotropic Deck Structures at the Throgs Neck Bridge</td>
<td></td>
<td></td>
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<tr>
<td>Option(s) included in Total Amount?</td>
<td>☑ Yes ☐ No</td>
<td></td>
<td></td>
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<tr>
<td>Procurement Type</td>
<td>☑ Competitive ☐ Non-competitive</td>
<td></td>
<td></td>
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<tr>
<td>Solicitation Type</td>
<td>☑ RFP ☐ Bid ☐ Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering &amp; Construction, Vincent Montanti, P.E.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Original Amount: | $47,359,845.00 |
| Prior Modifications: | $99,750.00 |
| Prior Budgetary Increases: | $0.00 |
| Current Amount: | $47,459,595.00 |
| This Request: | $1,250,000.00 |
| % of This Request to Current Amount: | 2.6% |
| % of Modifications (Including This Request) to Original Amount: | 2.9% |

Discussion:

B&T is seeking the Board’s approval under the All-Agency Procurement Guidelines to modify the Contract with Ahern Painting Contractors, Inc. (Ahern) to furnish and install 3” conduit (approximately 5,400 LF) under the Bronx Approach at the Throgs Neck Bridge (TNB) in the negotiated amount of $1,250,000. These conduits shall be utilized for upcoming fiber optic cable installations at this facility. On February 13 B&T provided authorization to proceed in an amount not-to-exceed $250,000 for the purchase of materials.

Ahern continues to perform the Work under the Bronx Approach utilizing an under deck work platform, which shall be removed at the completion of the Contract. The Engineer has determined that since Ahern is mobilized, by requiring it to perform the conduit installation at this time, B&T will not incur additional costs beyond those negotiated under this amendment. If this work were to be performed at a later date, B&T would have to seek other means to enable a separate contractor to access the work site. The Contractor would also be required to provide maintenance and protection of traffic. This alternative is less desirable and not cost effective. Ahern submitted a proposal in the amount of $1,289,313.40. The Engineer’s estimate is $1,510,935. Negotiations resulted in the parties agreeing to $1,250,000 to perform the Work, which is 17.3% below the estimate. The negotiated price is considered fair and reasonable. This contract will be extended through June 30, 2014. Funding for this amendment is available in the 2010 to 2014 Capital Program under Project AW-36.
### Schedule I: Modifications to Purchase and Public Works Contracts

<table>
<thead>
<tr>
<th>Item Number: 5 (Final)</th>
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<tbody>
<tr>
<td><strong>Vendor Name &amp; Location</strong></td>
<td></td>
</tr>
<tr>
<td>El Sol Contracting and Construction Corp./El Sol Limited Enterprises Inc., (a Joint Venture), Maspeth, New York</td>
<td></td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td></td>
</tr>
<tr>
<td>Suspended Span Repairs at the Throgs Neck Bridge</td>
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<tr>
<td><strong>Contract Term (including Options, if any)</strong></td>
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<td>June 30, 2011 - February 28, 2013</td>
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<td><strong>Option(s) included in Total Amount?</strong></td>
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<td><strong>Procurement Type</strong></td>
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<td><strong>Solicitation Type</strong></td>
<td>☐ RFP</td>
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<td><strong>Funding Source</strong></td>
<td>☑ Operating</td>
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<td><strong>Requesting Dept/Div &amp; Dept/Div Head Name:</strong></td>
<td>Engineering &amp; Construction, Vincent Montanti, P.E.</td>
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<tr>
<td><strong>Contract Number</strong></td>
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<td><strong>Original Amount:</strong></td>
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<td><strong>Current Amount:</strong></td>
<td>$25,301,099.00</td>
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<tr>
<td><strong>This Request:</strong></td>
<td>$952,000.00</td>
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<tr>
<td><strong>% of This Request to Current Amount:</strong></td>
<td>3.8%</td>
</tr>
<tr>
<td><strong>Request</strong></td>
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<tr>
<td><strong>% of Modifications (Including This Request) to Original Amount:</strong></td>
<td>7.7%</td>
</tr>
</tbody>
</table>

### Discussion:

B&T is seeking the Board's approval under the All-Agency Procurement Guidelines to modify the Contract with El Sol Contracting and Construction Corp./El Sol Limited Enterprises Inc., (a Joint Venture) [El Sol] to furnish and install 3" conduit (approximately 3,000 LF) under the suspended span at the Throgs Neck Bridge (TNB) in the negotiated amount of $952,000. These conduits shall be utilized for upcoming fiber optic cable installations at this facility. On February 11 B&T provided authorization to proceed in an amount not-to-exceed $250,000 for the purchase of materials.

El Sol continues to perform the Work under the suspended span utilizing an under deck work platform, which shall be removed at the completion of the Contract. The Engineer has determined that since El Sol is mobilized, by requiring it to perform the conduit installation at this time, B&T will not incur additional costs beyond those negotiated under this amendment. If this work were to be performed at a later date, B&T would have to seek other means to enable a separate firm to access the work site. Such firm would also be required to provide maintenance and protection of traffic. This alternative is less desirable and not cost effective. El Sol submitted a proposal in the amount of $1,007,192.62. The Engineer's estimate is $989,136.53. Negotiations resulted in the parties agreeing to $952,000 to perform the Work, which is 3.8% below the estimate. The negotiated price is fair and reasonable. This contract will be extended through December 31, 2013. Funding for this amendment is available in the 2010 to 2014 Capital Program under Project AW-36.
LIST OF RATIFICATIONS FOR BOARD APPROVAL
MARCH 2013

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

D: Ratification of Completed Procurement Actions
(Ratifications are to be briefly summarized with Staff Summaries attached only for unusually large or especially significant items)

1. Auster Rubber Co., Inc. $ 83,479.23 Staff Summary Attached
   Contract No. 3000001170
   2 wk. contract - Non-Competitive
   Six inch polyvinyl chloride piping components and parts for use at the Queens Midtown Tunnel.

2. Schwing Electric Supply Corp. $ 62,740.00 Staff Summary Attached
   Contract No. 3000001164
   2 wk. contract - Non-Competitive
   Ballasts for lighting the east and west tubes of the Hugh L. Carey Tunnel.

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

3. Western Oilfields Supply d/b/a Rain for Rent $ 187,193.65 Staff Summary Attached
   Contract Nos. 3000001191 and 3000001192
   3 wk. contract - Non-Competitive
   Pumping and cleaning of the Queens Midtown Tunnel and rental of emergency generators at the Queens Midtown and Hugh L. Carey Tunnels.

4. Servpro of Northeast Queens $ 51,884.10 Staff Summary Attached
   Contract Nos. 300000137 and 3000001181
   3 wk. contract - Non-Competitive
   Dewater the trailers and toll plaza at the Cross Bay Veterans Memorial Bridge and pump out water, clean and disinfect the Queens Midtown Tunnel Ventilation Building gun range.
LIST OF RATIFICATIONS FOR BOARD APPROVAL
MARCH 2013

5. JG Electrical Testing Corporation $370,000.00
Contract No. 10-MNT-2878Y
Amendment for installation of electrical breakers and wiring to repair and restore
equipment at the Bronx-Whitestone and Cross Bay Veterans Memorial Bridges and at
the Hugh L. Carey and Queens Midtown Tunnels.

6. GenServe, Inc. $70,000.00
Contract No. 09-MNT-2847
Amendment for generator repairs performed at the Hugh L. Carey Tunnel (HCT) and
Cross Bay Veterans Memorial Bridge and the acquisition of a generator at the HCT.

Staff Summary Attached
Schedule D: Ratification of Completed Procurement Actions

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>1 (Final)</th>
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<tbody>
<tr>
<td>Vendor Name (&amp; Location)</td>
<td>Auster Rubber Co., Inc., Brooklyn, NY</td>
</tr>
<tr>
<td>Description</td>
<td>Six Inch Polyvinyl Chloride (PVC) Piping Components and Parts</td>
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<tr>
<td>Contract Term (including Options, if any)</td>
<td>Two weeks</td>
</tr>
<tr>
<td>Option(s) Included in Total Amount?</td>
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</tr>
<tr>
<td>Procurement Type</td>
<td>☒ Non-competitive</td>
</tr>
<tr>
<td>Solicitation Type</td>
<td>☒ RFP ☒ Bid ☐ Other: Quotation</td>
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<tr>
<td>Contract Number</td>
<td>Purchase Order 3000001170</td>
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<tr>
<td>Renewal</td>
<td>☐ Yes ☒ No</td>
</tr>
<tr>
<td>Total Amount:</td>
<td>$83,479.23</td>
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<tr>
<td>Funding Source</td>
<td>Operating ☒ Capital ☐ Federal ☐ Other:</td>
</tr>
<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td>Operations, James Fortunato</td>
</tr>
<tr>
<td>Contract Manager:</td>
<td>Janet Lebron</td>
</tr>
</tbody>
</table>

Discussion:
As a result of Superstorm Sandy, B&T is seeking the Board’s ratification under the All-Agency Procurement Guidelines of a Purchase Order awarded under the Declaration of Emergency issued by the President effective on October 29, 2012.

Due to the floodwaters that poured into the Queens Midtown Tunnel, authorization was given to purchase 6" polyvinyl chloride (PVC) piping components and required parts from Auster Rubber Co. (Auster) for use by contractors to pump out water that had accumulated in the tunnel. This plastic pipe system is used extensively due to its low cost and high chemical resistance in comparison with more traditional materials such as copper or rubber.

The prices charged by Auster were discounted 30% off its list price. The discount, offered by the contractor to all governmental agencies, was applied to Purchase Order 3000001170 and is subject to the terms of the Most Favored Customer provision. The cost for these components and parts totaling $83,479.23 was considered fair and reasonable. Auster was deemed to be a responsible contractor. Funding under this contract is available in the Operating Budget under GL #711362.
### Schedule D: Ratification of Completed Procurement Actions

<table>
<thead>
<tr>
<th>Item Number: 2 (Final)</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>Contract Number</th>
<th>Renewal?</th>
<th>Total Amount:</th>
<th>Funding Source</th>
<th>Requesting Dept/Div &amp; Dept/Div Head Name:</th>
<th>Contract Manager:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Schwing Electric Supply Corp., Farmingdale, NY</td>
<td>Ballasts for Hugh L. Carey Tunnel Lighting</td>
<td>Two weeks</td>
<td>Yes</td>
<td>Non-competitive</td>
<td>RFP</td>
<td>3000001164</td>
<td>No</td>
<td>$62,740.00</td>
<td>Operating</td>
<td>Operations, James Fortunato</td>
<td>Nicole Costa</td>
</tr>
</tbody>
</table>

**Discussion:**

As a result of Superstorm Sandy, B&T is seeking the Board’s ratification under the All-Agency Procurement Guidelines of a Purchase Order awarded under the Declaration of Emergency issued by the President effective on October 29, 2012.

Flooding in the east and west tubes of the Hugh L. Carey Tunnel (HCT) resulted in significant damage to the ballasts. Ballasts are electrical devices that are used to energize high pressure sodium bulbs in the HCT so that its lighting system may operate efficiently. An inspection following the removal of the floodwater from the tunnel disclosed that 1,400 ballasts needed to be replaced. B&T determined, however, that the local availability for 1,000 ballasts (each supporting 150 watts) was limited. We identified Schwing Electric Supply Corp. (Schwing) as one firm that could meet our entire supply need in a timely manner. An initial amount of 531 units were drop shipped by the manufacturer in Texas to the HCT on November 9. The HCT received the balance (469) from other locations in Pennsylvania and New Jersey. The contractor delivered the remaining quantity of 400 from its local affiliate. B&T personnel performed the installation work.

Schwing’s quote for these items was discounted 42% off its list price. Purchase Order 3000001164 was awarded in the amount of $62,740. The price was considered fair and reasonable. This firm was deemed to be a responsible contractor. Funding is available in the Operating Budget under GL #713004.
Item Number: 3  (Final)

Vendor Name & Location:
Western Oilfields Supply d/b/a Rain for Rent, Monroeville, NY

Description:
Pumping and Cleaning of the Queens Midtown Tunnel and Rental of Emergency Generators at the Queens Midtown and Hugh L. Carey Tunnels

Contract Term (including Options, if any):
Three weeks

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

Procurement Type:
☐ Competitive  ☒ Non-competitive

Solicitation Type:
☐ RFP  ☐ Bid  ☒ Other: Quotation

Funding Source:
☒ Operating  ☐ Capital  ☐ Federal  ☐ Other:

Requesting Dept/Div & Dept/Div Head Name:
Operations, James Fortunato

Contract Number
POs 3000001191 and 3000001192

AWO/Modification #

Original Amount:
PO 3000001191  $159,221.92
PO 3000001192  $27,971.73

Prior Modifications:
$0.00

Prior Budgetary Increases:
$0.00

Current Amount:
PO 3000001191  $159,221.92
PO 3000001192  $27,971.73

This Request:
PO 3000001191  $159,221.92
PO 3000001192  $27,971.73

Total  $187,193.65

% of This Request to Current Amount: 0%/0%

% of Modifications (Including This Request) to Original Amount: 0%/0%

Discussion:
As a result of Superstorm Sandy, B&T is seeking the Board’s ratification under the All-Agency Guidelines for Procurement of Services of Purchase Orders awarded under the Declaration of Emergency issued by the President effective on October 29, 2012.

Due to significant damage and flooding at the Queens Midtown Tunnel (QMT) and Hugh L. Carey Tunnel (HCT), various services were required. Such services, performed by Western Oilfields Supply d/b/a Rain for Rent (Rain for Rent), included pumping out storm water accumulated in the QMT in addition to supplying two generators at that facility and one at the HCT. The generators, which were rented by B&T, were used by in-house personnel to facilitate the pumping and removal of water that flooded the tunnels' service buildings.

Purchase Orders 3000001191 and 3000001192 were awarded to Rain for Rent in the amount of $159,221.92 for the work performed at the QMT and $27,971.73 for B&T’s use of the rental generators at each tunnel. Our combined estimate for both services was $188,989. Since Rain for Rent’s cost compared favorably with the estimate, the prices were considered fair and reasonable. This firm was deemed to be a responsible contractor. Funding for these contracts is available in the Operating Budgets under GL #s713302 and 711315.
Schedule K: Ratification of Completed Procurement Actions (Involving Schedules E Through J)

<table>
<thead>
<tr>
<th>Item Number: 4</th>
<th>Vendor Name (&amp; Location)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Servpro of Northeast Queens, Bayside, NY</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Pumping and Cleaning at the Cross Bay Veterans Memorial Bridge and Queens Midtown Tunnel</td>
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<tr>
<td>Contract Term (including Options, if any)</td>
<td>Three weeks</td>
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<tr>
<td>Option(s) included in Total Amount?</td>
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<tr>
<td>Procurement Type</td>
<td>☐ Competitive ☒ Non-competitive</td>
<td></td>
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<tr>
<td>Solicitation Type</td>
<td>☐ RFP ☐ Bid ☒ Other: Quotations</td>
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<tr>
<td>Funding Source</td>
<td>☒ Operating ☐ Capital ☐ Federal ☐ Other:</td>
<td></td>
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<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td>Operations, James Fortunato</td>
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</table>

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>AWO/Modification #</th>
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</thead>
<tbody>
<tr>
<td>POs 3000001137 and 3000001181</td>
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</tr>
<tr>
<td>Original Amount: PO 3000001137</td>
<td>$15,000.00</td>
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<tr>
<td>PO 3000001181</td>
<td>$36,884.10</td>
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<td>Prior Modifications:</td>
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<td>Prior Budgetary Increases:</td>
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<td>PO 3000001181</td>
<td>$36,884.10</td>
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<tr>
<td>This Request: PO 3000001137</td>
<td>$15,000.00</td>
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<td>PO 3000001181</td>
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Discussion:
As a result of Superstorm Sandy, B&T is seeking the Board's ratification under the All-Agency Guidelines for Procurement of Services of Purchase Orders awarded under the Declaration of Emergency issued by the President effective on October 29, 2012.

Due to significant damage and flooding at the Cross Bay Veterans Memorial Bridge (Cross Bay) and Queens Midtown Tunnel (QMT), various services were required. Such services, performed by Servpro of Northeast Queens (Servpro), included dewatering the trailers and toll plaza at the Cross Bay and pumping out storm water accumulated at the QMT Ventilation Building gun range and then cleaning and disinfecting the area. These services were required to ensure the safety of our employees and customers and render the facilities fully operational.

Purchase Orders 3000001137 and 3000001181 were awarded to Servpro in the amount of $15,000 for services performed at the Cross Bay and $36,884.10 at the QMT, respectively. B&T's combined estimate for both services was $60,000. Since Servpro's cost compares favorably with the estimate, the prices were considered fair and reasonable. This firm was deemed to be a responsible contractor. Funding under these contracts is available in the Operating Budget under GL #711315.
### Schedule K: Ratification of Completed Procurement Actions (Involving Schedules E Through J)

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>5 (Final)</th>
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<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location)</strong></td>
<td>JG Electrical Testing Corporation, Keyport, NJ</td>
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<tr>
<td><strong>Description</strong></td>
<td>Maintenance, Testing, Inspection &amp; Repair of Low and Medium Voltage Electrical Distribution Equipment</td>
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<tr>
<td><strong>Contract Term (including Options, if any)</strong></td>
<td>February 8, 2012 - February 7, 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: Quotation</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>Operations, James Fortunato</td>
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<tr>
<td><strong>Contract Number</strong></td>
<td>10-MNT-2878Y</td>
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<tr>
<td><strong>AWO/Modification #</strong></td>
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<td><strong>Original Amount:</strong></td>
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<td><strong>Prior Budgetary Increases:</strong></td>
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<td><strong>Current Amount:</strong></td>
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<tr>
<td><strong>This Request:</strong></td>
<td>$370,000.00</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>50%</td>
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### Discussion:

As a result of Superstorm Sandy, B&T is seeking the Board's ratification under the All-Agency Guidelines for Procurement of Services of an amendment issued against Contract 10-MNT-2878Y under the Declaration of Emergency issued by the President effective on October 29, 2012.

An amendment was issued to JG Electrical Testing Corporation under a competitively bid miscellaneous service contract, Contract 10-MNT-2878Y, for installation of electrical breakers and wiring to repair and restore the equipment that was damaged at the Bronx-Whitestone and Cross Bay Veterans Memorial Bridges and at the Hugh L. Carey and Queens Midtown Tunnels. This equipment is critical since it monitors and distributes power to the electrical systems that reside at each facility. The value of the original contract was $739,800; the contractor will be compensated for an amount of $370,000 for the work performed at the four facilities in accordance with the rates under the contract. The value of this amendment was considered fair and reasonable. Funding under this contract is available in the Operating Budget under GL #711315.
## Schedule K: Ratification of Completed Procurement Actions (Involving Schedules E Through J)

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>6 (Final)</th>
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<tbody>
<tr>
<td>Vendor Name &amp; Location</td>
<td>GenServe, Inc., Bayshore, NY</td>
</tr>
<tr>
<td>Description</td>
<td>Preventive Maintenance and Repair of the Authority's Emergency Generators</td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
<td>February 1, 2010 through May 31, 2013</td>
</tr>
<tr>
<td>Option(s) included in Total Amount?</td>
<td>☒ Yes ☐ No</td>
</tr>
<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>Operations, James Fortunato</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>09-MNT-2847</th>
</tr>
</thead>
<tbody>
<tr>
<td>AWO/Modification #</td>
<td></td>
</tr>
<tr>
<td>Original Amount:</td>
<td>$172,950.00</td>
</tr>
<tr>
<td>Prior Modifications:</td>
<td>$202,700.00</td>
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<tr>
<td>Prior Budgetary Increases:</td>
<td>$0.00</td>
</tr>
<tr>
<td>Current Amount:</td>
<td>$375,650.00</td>
</tr>
<tr>
<td>This Request:</td>
<td>$70,000.00</td>
</tr>
<tr>
<td>% of This Request to Current Amount:</td>
<td>19%</td>
</tr>
<tr>
<td>% of Modifications (including This Request) to Original Amount:</td>
<td>158%</td>
</tr>
</tbody>
</table>

### Discussion:
As a result of Superstorm Sandy, B&T is seeking the Board's ratification under the All-Agency Guidelines for Procurement of Services for an amendment issued to GenServe, Inc. (GenServe) for generator repairs performed at the Hugh L. Carey Tunnel (HCT) and Cross Bay Veterans Memorial Bridge. GenServe provides all labor, material and equipment to perform preventive and corrective maintenance on B&T-owned emergency generators under this contract. Funding in an amount of $15,000 was required to cover generator repairs at both B&T sites. In addition due to water damage created by the superstorm, the generator at the HCT needed to be replaced. The cost for the new generator was $55,000 which included the contractor's cost in addition to the markup contained in the contract. Since the purchase of the new generator was outside the scope of the contract this amendment constituted a substantial change. GenServe was compensated for the work performed in accordance with the terms of the contract. The total value of the amendment was $70,000 which was considered fair and reasonable. Funding for this contract is available in the Operating Budget under GL #713302.
Purpose:

To obtain Board approval of the MTA’s mission statement and performance measurements and to authorize submission of the annexed 2012 Mission Statement and Performance Measurement Report to the State Authorities Budget Office.

Discussion:

Section 1269-f and Section 2824-a of the Public Authorities Law require MTA annually to reexamine its mission statement and selected performance measurement indicators and to submit a report based on the performance indicator results from the past year to the State Authorities Budget Office.

The MTA and its Board engages in oversight of agency operating performance throughout the year. The Board, through its transit, rail and bridge/tunnel operation committees, closely monitors agency operating performance. Each operating agency reports its most recent performance data in posted monthly reports and in committee books distributed in advance of public MTA operating committee meeting, which are conducted at least eight times a year. At these public meetings, operating agency results are reviewed and discussed by Board members and agency senior staff. In addition, presentations focused on particular areas of performance are made by the agency staff to the Board operating committees periodically through the year, in accordance with the work plan schedule of each operating committee. The MTA website also contains a “Performance Dashboard” for each of the MTA operating agencies, updated monthly, summarizing the agencies’ leading performance measurements.

The attached report (the “2012 Mission Statement and Performance Measurement Report”) compiles the MTA mission statement and the measurements from 2012 for the performance indicators listed in the MTA mission statement. The operating agencies have each submitted, within the Report, a summary that evaluates agency performance on the applicable indicators in the past year. The Report also contains a copy of the MTA mission statement, to facilitate the Board’s annual review.

Recommendation:

It is recommended that the MTA Board approve the annexed 2012 Mission Statement and Performance Measurement Report for submission to the Authorities Budget Office.
MTA Mission Statement

The Metropolitan Transportation Authority (MTA) preserves and enhances the quality of life and economic health of the region it serves through the cost-efficient provision of safe, on-time, reliable, and clean transportation services.

Stakeholder Assessment

The main stakeholders of the MTA are its customers; the businesses, residents, and taxpayers of our service area and the State; the MTA’s employees and unions; and its government partners. A set of goals for each group has been defined, along with performance indicators to measure the attainment of these goals.

<table>
<thead>
<tr>
<th>MTA Goals</th>
<th>Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure our customers' safety</td>
<td>✓ Customer injury rates</td>
</tr>
<tr>
<td></td>
<td>✓ Bus collision rate</td>
</tr>
<tr>
<td>Provide on-time and reliable services</td>
<td>✓ On-time performance (subway and commuter railroads)</td>
</tr>
<tr>
<td></td>
<td>✓ Subway wait assessment</td>
</tr>
<tr>
<td></td>
<td>✓ Bus trips completed</td>
</tr>
<tr>
<td></td>
<td>✓ Mean distance between failures</td>
</tr>
<tr>
<td>Provide services to people with disabilities</td>
<td>✓ Elevator availability</td>
</tr>
<tr>
<td></td>
<td>✓ Escalator availability</td>
</tr>
<tr>
<td></td>
<td>✓ Bus passenger wheelchair lift usage (does not include paratransit)</td>
</tr>
<tr>
<td></td>
<td>✓ Paratransit ridership</td>
</tr>
<tr>
<td>Repair, replace, and expand transportation</td>
<td>✓ Capital Program commitments</td>
</tr>
<tr>
<td>infrastructure</td>
<td>✓ Capital Program completions</td>
</tr>
</tbody>
</table>
### Businesses, Residents, and Taxpayers

The businesses, residents, and taxpayers in our service area want the MTA to spend its resources efficiently and appropriately, while enhancing the mobility of the region.

<table>
<thead>
<tr>
<th>MTA Goals</th>
<th>Performance Indicators</th>
</tr>
</thead>
</table>
| Perform services in an efficient manner | ✓ Farebox operating ratio  
  ✓ Operating cost per customer  
  ✓ Total support to mass transit |
| Maximize system usage | ✓ Ridership  
  ✓ Traffic volume |
| Repair, replace, and expand transportation infrastructure | ✓ Capital Program commitments  
  ✓ Capital Program completions |

### Employees and Unions

Our employees and unions expect a safe workplace, skills training relevant to their roles, and opportunities for growth.

<table>
<thead>
<tr>
<th>MTA Goals</th>
<th>Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure our employees’ safety</td>
<td>✓ Employee lost time and restricted duty rate</td>
</tr>
</tbody>
</table>
| Maintain a workforce that reflects the regional availability of all races, nationalities, and genders for our industry | ✓ Female representation in MTA workforce  
  ✓ Minority representation in MTA workforce |

### Government Partners (Federal, State, and Local Governments)

Our government partners expect us to enhance regional mobility by providing excellent service, while spending our resources in a cost-effective and appropriate manner.

<table>
<thead>
<tr>
<th>MTA Goals</th>
<th>Performance Indicators</th>
</tr>
</thead>
</table>
| Provide on-time and reliable services | ✓ On-time performance (subway and commuter railroads)  
  ✓ Subway wait assessment  
  ✓ Bus trips completed  
  ✓ Mean distance between failures |
| Maximize system usage | ✓ Ridership  
  ✓ Traffic volume |
| Perform services in an efficient manner | ✓ Farebox operating ratio  
  ✓ Operating cost per customer |
| Repair, replace, and expand transportation infrastructure | ✓ Capital Program commitments  
  ✓ Capital Program completions |
Note

Because of the timing of this report, the performance indicators against which the MTA agencies measure their performance are preliminary and subject to subsequent reconciliation and adjustment as data is finalized over the course of the year. For that reason, some of the 2011 data that was reported in last year's report has been adjusted, and our 2012 performance is being measured against this more recent and accurate data, even if it differs only slightly from the data in last year's report. Similarly, our 2012 preliminary data is also subject to subsequent adjustment, and our 2013 report will similarly measure performance against the most recent and accurate data available.
# MTA New York City Transit

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On-Time Performance – Terminal</td>
<td>85.4%</td>
<td>83.7%</td>
</tr>
<tr>
<td>Subway Wait Assessment</td>
<td>78.8%</td>
<td>79.0%</td>
</tr>
<tr>
<td>Elevator Availability – Subways</td>
<td>96.2%</td>
<td>97.7%</td>
</tr>
<tr>
<td>Escalator Availability – Subways</td>
<td>93.7%</td>
<td>96.2%</td>
</tr>
<tr>
<td>Total Ridership – Subways</td>
<td>1,640,434,672</td>
<td>1,654,157,543</td>
</tr>
<tr>
<td>Mean Distance Between Failures – Subways (miles)</td>
<td>172,700</td>
<td>162,138</td>
</tr>
<tr>
<td>Mean Distance Between Failures – Staten Island Railway (miles)</td>
<td>201,523</td>
<td>74,773</td>
</tr>
<tr>
<td>On-Time Performance – Staten Island Railway</td>
<td>95.1%</td>
<td>93.1%</td>
</tr>
<tr>
<td>% of Completed Trips – NYCT Bus</td>
<td>98.1%</td>
<td>98.9%</td>
</tr>
<tr>
<td>Total Paratransit Ridership – NYCT Bus</td>
<td>8,947,191</td>
<td>9,343,283</td>
</tr>
<tr>
<td>Bus Passenger Wheelchair Lift Usage – NYCT Bus</td>
<td>1,280,678</td>
<td>1,416,967</td>
</tr>
<tr>
<td>Total Ridership – NYCT Bus</td>
<td>665,312,549</td>
<td>662,247,180</td>
</tr>
<tr>
<td>Mean Distance Between Failures – NYCT Bus (miles)</td>
<td>3,340</td>
<td>4,546</td>
</tr>
<tr>
<td><strong>Safety Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Injury Rate – Subways (per million customers)</td>
<td>2.91</td>
<td>2.79</td>
</tr>
<tr>
<td>Customer Accident Injury Rate – NYCT Bus (per million customers)</td>
<td>1.17</td>
<td>1.15</td>
</tr>
<tr>
<td>Collisions with Injury Rate – NYCT Bus (per million vehicle miles)</td>
<td>6.94</td>
<td>6.50</td>
</tr>
<tr>
<td>Employee Lost Time and Restricted-Duty Rate (per 100 employees)</td>
<td>3.32</td>
<td>3.09</td>
</tr>
<tr>
<td><strong>Workforce Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female Representatives in NYCT Workforce</td>
<td>17.4%</td>
<td>17.3%</td>
</tr>
<tr>
<td>Minority Representatives in NYCT Workforce</td>
<td>73.1%</td>
<td>73.9%</td>
</tr>
<tr>
<td><strong>Financial Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farebox Operating Ratio</td>
<td>59.5%</td>
<td>56.4%</td>
</tr>
<tr>
<td>Operating Cost per Passenger</td>
<td>$2.78</td>
<td>$2.89</td>
</tr>
<tr>
<td><strong>Capital Program Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitments in $ Millions (% of planned value)</td>
<td>$1,819 (50%)</td>
<td>$2,267 (58%)</td>
</tr>
<tr>
<td>Completions in $ Millions (% of planned value)</td>
<td>$1,794 (50%)</td>
<td>$2,560 (86%)</td>
</tr>
</tbody>
</table>
MTA GOAL: Ensure Customer Safety
PERFORMANCE INDICATORS: Customer Injury Rate

MTA New York City Transit (NYCT) saw a continued decline in customer injury rates on both subways and buses during 2012. Subway injuries declined for the third consecutive year to 2.79 injuries per million customers, down from 2.91 for the previous year. NYCT bus customer injuries fell 0.8 percent, from 1.16 to 1.15 per million customers in 2012. In addition, bus collisions with injury fell by 4.6 percent in 2012, from 6.92 injuries to 6.60 injuries per million vehicle miles.

The NYCT Bus Department, jointly with MTA Bus Company, introduced a new Bus Accident Safety Improvement Coordination System (BASICS) in March 2012. The program, which involves bus depots, road control management, and bus operators, seeks to improve basic safety and customer service skills. NYCT also continues to conduct a number of safety and public awareness campaigns, in addition to providing supplemental training for bus operators. In addition, NYCT, with support from all represented unions, continues its “zero-tolerance” ban against the use of cell phones or other electronic devices by bus operators on duty.

It is worth noting that although bus collisions with injuries declined during 2012, it remains challenging to interpret collision data, due to inconsistencies in some multiple injury reports. This perspective is shared by the New York State Public Transportation Safety Board (PTSB), which has observed frequent disconnects between multiple injury reports and physical evidence at the scene. NYCT vigorously defends against injury claims it has reason to believe are without factual basis.
MTA GOAL: Provide On-Time and Reliable Services
PERFORMANCE INDICATORS: On-Time Performance, Mean Distance Between Failures, Subway Wait Assessment, Bus Trips Completed

NYCT Subways on-time performance (OTP) declined by 1.7 percent, from 85.4 percent in 2011 to 83.7 percent in 2012, largely as a result of extensive maintenance and continued rebuilding throughout the system. For the same reasons, the subway “wait assessment” rate increased slightly, by 0.2 percent in 2012 over the previous year. The subway “mean distance between failures” (MDBF) fell from 172,700 miles in 2011 to 162,138 miles in 2012 due to the aging of the subway fleet.

At Staten Island Railway (SIR), the 2012 MDBF fell by over 58 percent, from 201,523 miles in 2011 to 74,773 miles in 2012. This significant decline, the second in as many years, is attributable to failing converters and door systems and other problems on a rail fleet nearly 40 years old. Correspondingly, SIR’s 2012 OTP fell by about 2.0 percent to 93.1 percent. The decline was attributable, in part, to the effects of Superstorm Sandy, as well as a number of capital projects affecting SIR bridges and a Department of Transportation (DOT) rehabilitation of the St. George ramps.

The NYCT Bus 2012 MDBF was 4,546 miles, an increase of 36.1 percent over the previous year. New maintenance initiatives, begun in late 2011, contributed to the improved performance. The percentage of “bus trips completed,” which depends on both vehicle and operator availability, increased from 98.1 percent to 98.9 percent in 2012. The increase is primarily attributable to improved bus performance.

MTA GOAL: Provide Services to People with Disabilities
PERFORMANCE INDICATORS: Elevator Availability, Escalator Availability, Bus Passenger Wheelchair Lift Usage, Paratransit Ridership

NYCT elevator availability improved by 1.5 percent in 2012 to 97.7 percent. Escalator availability improved by 2.5 percent to 96.2 percent. The improvements were due to several internal changes. After a reorganization in 2012, NYCT’s Division of Elevators and Escalators
modified its maintenance and repair schedules, which now include round-the-clock work on
major repairs to speed the return to service.

Wheelchair ridership at NYCT Department of Buses increased by 10.6 percent in 2012 to a total
of 1.4 million passengers. NYCT received over 200 new low-floor buses in 2012 that provide
easier boarding and more reliable service for wheelchair passengers. Also contributing to the
increase in wheelchair ridership was the milder weather experienced in the first half of 2012.

NYCT Paratransit’s Access-A-Ride program saw 1.6 percent more requests for service in 2012,
which was offset by a 0.5 percent decline in “no show” customers, resulting in a 4.24 percent
increase in annual ridership.

MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure
PERFORMANCE INDICATORS: Capital Program Commitments and Completions

NYCT committed nearly $2.3 billion of its Capital Programs funds in 2012, representing 58
percent of the 2012 total commitment goal of $3.9 billion. This is slightly higher than the 50
percent of goal awarded in 2011. In terms of numbers, 116 projects out of 142 planned projects,
or 82 percent, were awarded in 2012, as compared to 93 out of 101 projects, or 92 percent,
during the previous year. The shortfall in 2012 commitments was due largely to delays in
awarding a small number of high value projects, including two signal projects ($356 million),
several bus procurements ($715 million), and station renewals on the Pelham line ($89 million)
and the Liberty Avenue line ($124 million).

NYCT achieved capital project completions in 2012 worth nearly $2.3 billion, or 86 percent of
the year’s $3.0 billion completion goal. This compares with a 60-percent completion value in
2011. In terms of the number of projects, NYCT completed 72 percent of 174 planned projects
for 2012, versus 66 percent of 98 planned projects in 2011. Overall, NYCT’s Capital Program
completions fell short of the agency’s 2012 goal by about $402 million. Notable delays in 2012
capital project completions included improvement projects at stations on the Broadway/7th
Avenue line, the Culver line, and the Rockaway line ($205 million combined), as well as two
major bus purchases ($135 million).
MTA GOAL: Perform Services in an Efficient Manner
PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger

NYCT’s farebox operating ratio declined in 2012 to 56.4 percent of operating costs from 59.5 percent for the previous year. The 2012 “operating cost per passenger” rose to $2.89, representing a 4.0 percent increase over the previous year’s cost of $2.78 per passenger. Both trends were driven largely by the increasing cost to NYCT of pensions, fringe benefits, and traction power.

MTA GOAL: Maximize System Usage
PERFORMANCE INDICATORS: Ridership

NYCT subways continued to experience strong subway ridership in 2012, surpassing total rides for the previous year and the system’s peak ridership in the 1950s, with some lines now running near peak levels for much of the day. Total subway ridership increased by over 10 million rides from the previous year to over 1.65 billion rides in 2012 – this despite millions of rides lost due to Superstorm Sandy. NYCT Bus ridership continued to stabilize in 2012 after years of decline, with a small loss from the previous year due mainly to the impact of Superstorm Sandy.

MTA GOAL: Ensure Our Employees’ Safety
PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate

Employee “lost time” injury rates declined in 2012 from 3.33 to 3.09 per 100 employees. Preliminary analysis suggests that a combination of factors contributed to the improvement, including mild winter weather, increased focus on existing internal safety programs, and the introduction of the new FASTRACK maintenance program, which is intended to speed maintenance work and reduce worker exposure to the risk of accidents. In addition, NYCT Bus and MTA Bus have launched major initiatives aimed at protecting MTA bus operators from assault, including oversight by an executive task force, enhanced training, and the ongoing installation of bus operator shields.
MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders

PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

Female representation agency-wide continues to be below the estimated percentage of women available for work within NYCT’s recruiting area. A contributing factor is the low percentage of women who apply for what are generally considered nontraditional jobs. NYCT will continue to increase its outreach and recruitment efforts to improve female representation within its workforce. The percentage of minority representation, which grew slightly in 2012, from 73.1 percent to 73.9 percent, exceeds the estimated percentage of minorities available for work within NYCT’s recruiting area.
<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On-Time Performance</td>
<td>93.7%</td>
<td>94.3%</td>
</tr>
<tr>
<td>Elevator Availability</td>
<td>97.2%</td>
<td>97.4%</td>
</tr>
<tr>
<td>Escalator Availability</td>
<td>95.8%</td>
<td>72.6%</td>
</tr>
<tr>
<td>Total Ridership</td>
<td>81,027,281</td>
<td>81,754,143</td>
</tr>
<tr>
<td>Mean Distance Between Failures (miles)</td>
<td>169,724</td>
<td>194,382</td>
</tr>
<tr>
<td><strong>Safety Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Injury Rate (per million customers)</td>
<td>5.91</td>
<td>6.13</td>
</tr>
<tr>
<td>Employee Lost Time and Restricted-Duty Rate (per 200,000 worker hours)</td>
<td>2.90</td>
<td>2.50</td>
</tr>
<tr>
<td><strong>Workforce Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female Representatives in LIRR Workforce</td>
<td>15.2%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Minority Representatives in LIRR Workforce</td>
<td>32.0%</td>
<td>32.6%</td>
</tr>
<tr>
<td><strong>Financial Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farebox Operating Ratio</td>
<td>50.5%</td>
<td>47.0%</td>
</tr>
<tr>
<td>Operating Cost per Passenger</td>
<td>$14.03</td>
<td>$15.18</td>
</tr>
<tr>
<td><strong>Capital Program Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitments in $ Millions (% of planned value)</td>
<td>$181.33 (101%)</td>
<td>$291.64 (120%)</td>
</tr>
<tr>
<td>Completions in $ Millions (% of planned value)</td>
<td>$336.72 (119%)</td>
<td>-$286.02 (106%)</td>
</tr>
</tbody>
</table>

MTA GOAL: Ensure Customer Safety

PERFORMANCE INDICATORS: Customer Injury Rate

In 2012, the customer injury rate for MTA Long Island Rail Road (LIRR) was 6.13 per million customers, representing an increase of 3.7 percent over 2011. The LIRR conducted an analysis of customer injuries with the goal of determining targeted interventions for reducing these injuries. As a result of the analysis a new multimedia customer safety awareness campaign was launched focusing on the leading cause of customer injuries: slips, trips, and falls. The new campaign, which builds on the success of LIRR’s “Be TrainSmart” campaign, promotes safe riding practices, with an emphasis on those customer behaviors that contribute to slips, trips, and falls.
MTA GOAL: Provide On-Time and Reliable Services

PERFORMANCE INDICATORS: On-Time Performance, Mean Distance Between Failures

The LIRR's on-time performance (OTP) for 2012 was 94.3 percent across all fleets, an improvement of 0.6 percent over the previous year. The improvement was primarily driven by fewer track- and signal-related delays and fewer mechanical failures associated with the rolling stock.

The agency's 2012 mean distance between failures (MDBF) set a new record at 194,382 miles, a 14.5 percent improvement over the 2011 MDBF of 169,724 miles. This increase was largely attributable to the efforts of the Reliability Centered Maintenance program, the M3 Performance Improvement Team (which enhances performance on LIRR's oldest fleet), and initiatives targeting the entire diesel fleet. The year-end MDBF exceeded the goals set for each of the LIRR fleets.

MTA GOAL: Provide Services to People with Disabilities

PERFORMANCE INDICATORS: Elevator Availability, Escalator Availability

Elevator availability rose to 97.4 percent in 2012, up 0.2 percent from the previous year. In 2012, the LIRR initiated a comprehensive project to refurbish the safety features of its older escalators. Eleven LIRR escalators underwent major rehabilitations, resulting in a significant but temporary decline in escalator availability during 2012. Ten escalators were returned to service by the end of the year. The rehabilitations included updated safety sensors, new or refurbished steps, new step chains, new brake assemblies, and new comb plates and controllers. In addition, the LIRR established a new Elevator & Escalator Operations group staffed with certified "Qualified Elevator-Escalator Inspectors." The new group oversees rehabilitation work and is developing a remote monitoring system that will automatically notify the LIRR of any unit that goes out of service.

MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure

PERFORMANCE INDICATORS: Capital Program Commitments and Completions

The LIRR's 2012 capital commitments totaled nearly $292 million. Commitments that exceeded the anticipated capital expenditures included new elevators for the Flushing-Main Street Station, and initiation of the design for a second track on the LIRR Main Line between Farmingdale and Ronkonkoma.
The LIRR's 2012 capital completions totaled $286 million. Highlights include completion of the new state-of-the-art Babylon Train Wash and the Direct Fixation Track Fastening System at the Merrick and Bellmore stations on the Babylon Branch.

**MTA GOAL: Perform Services in an Efficient Manner**

**PERFORMANCE INDICATORS:** Farebox Operating Ratio, Operating Cost per Passenger

The LIRR's farebox operating ratio decreased from 50.5 percent in 2011 to 47.0 percent in 2012. This relative decrease was driven by cost increases, in particular costs relating to pensions, fringe benefits, and electric power. These were only partly offset by an increase in farebox revenue due to ridership growth.

The LIRR's operating cost per passenger increased from $14.03 in 2011 to $15.18 in 2012. Again, the increase stemmed largely from higher costs relating to pensions, fringe benefits, and electric power.

**MTA GOAL: Maximize System Usage**

**PERFORMANCE INDICATORS:** Ridership

LIRR's ridership rose from 81.0 million customers in 2011 to over 81.7 million in 2012, a 0.9 percent increase. The ridership growth can be attributed to many factors, including an improving economy, the popularity of added train service to the Barclays Center in Brooklyn, LIRR's successful 2012 marketing initiatives, more reliable service as reflected by improved MDBF, the restoration of half-hourly midday service on the Port Washington Branch, and new weekend trains on the Ronkonkoma Branch. Prior to Superstorm Sandy, the LIRR experienced 13 consecutive months of ridership growth, suggesting that 2012 ridership would have been even higher if not for the storm.
MTA GOAL: Ensure Our Employees' Safety

PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate

The employee “lost time and restricted-duty” rate, based on reported incidents per 200,000 worker hours, decreased from 2.9 in 2011 to 2.5 in 2012. This decrease was attributable to planning at both the corporate and departmental levels. Emphasizing safety as the agency’s number-one priority, LIRR’s Safety Management System approach stresses the implementation of comprehensive, sustainable, and measurable safety initiatives at every level of the organization. Areas addressed included corporate policies; goal setting; classroom training; technology-based training and resources; trend analysis and data-driven decision making; observations; and reinforcement.

MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders

PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

Over the course of 2012 the number of women represented in the LIRR workforce increased from 15.2 percent to 15.7 percent. Minority representation also increased in 2012 from 32.0 percent to 32.6 percent. These gains can be attributed to the LIRR’s aggressive efforts to reach and recruit qualified women and minorities.

The percentage of minority representation exceeds the estimated percentage of minorities available in LIRR’s recruiting area. The percentage of women in the LIRR workforce continues to be below the estimated percentage of women available for work in the area. Despite LIRR’s recruitment efforts, many of the positions that became available in 2012 are still considered nontraditional jobs for women, and as a result, a low percentage of the applicants for these positions are women.
MTA Metro-North Railroad

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On-Time Performance (East of Hudson)</td>
<td>96.9%</td>
<td>97.6%</td>
</tr>
<tr>
<td>On-Time Performance (West of Hudson)</td>
<td>96.6%</td>
<td>97.1%</td>
</tr>
<tr>
<td>Elevator Availability</td>
<td>99.3%</td>
<td>98.9%</td>
</tr>
<tr>
<td>Escalator Availability</td>
<td>95.5%</td>
<td>94.7%</td>
</tr>
<tr>
<td>Total Ridership</td>
<td>82,037,784</td>
<td>82,953,628</td>
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<tr>
<td>Total Ridership on Connecting Services Provided by MNR Contractors</td>
<td>555,281</td>
<td>550,223</td>
</tr>
<tr>
<td>Mean Distance Between Failures (miles)</td>
<td>114,347</td>
<td>165,694</td>
</tr>
<tr>
<td><strong>Safety Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Injury Rate (per million customers)</td>
<td>3.20</td>
<td>2.58</td>
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<tr>
<td>Employee Lost Time and Restricted-Duty Rate (per 200,000 worker hours)</td>
<td>2.04</td>
<td>1.90</td>
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<td><strong>Workforce Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female Representatives in MNR Workforce</td>
<td>12.4%</td>
<td>12.6%</td>
</tr>
<tr>
<td>Minority Representatives in MNR Workforce</td>
<td>32.5%</td>
<td>32.8%</td>
</tr>
<tr>
<td><strong>Financial Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farebox Operating Ratio</td>
<td>61.1%</td>
<td>60.9%</td>
</tr>
<tr>
<td>Operating Cost per Passenger</td>
<td>$11.70</td>
<td>$12.00</td>
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<tr>
<td><strong>Capital Program Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitments in $ Millions (% of planned value)</td>
<td>$399 (61%)</td>
<td>$293 (71%)</td>
</tr>
<tr>
<td>Completions in $ Millions (% of planned value)</td>
<td>$138 (74%)</td>
<td>$214 (83%)</td>
</tr>
</tbody>
</table>

**MTA GOAL: Ensure Customer Safety**

**PERFORMANCE INDICATORS: Customer Injury Rate**

Customer injuries at MTA Metro-North Railroad (Metro-North) decreased in 2012 from 3.20 to 2.58 per million customers, below the year’s goal of 2.70. This decrease was due in part to Metro-North’s continued focus on reducing passenger injuries and maintaining the physical environment of trains and stations in a safe condition. The railroad continued its safety information programs, communicating directly with the public through safety reminders in customer publications, social media, and the MTA website. Also in 2012, Metro-North’s Safety
Department worked with the FDNY and Con Edison, as well as other emergency responders, to conduct a preparedness drill simulating a steam release in Grand Central to better enhance the railroad’s emergency response capabilities for customers.

**MTA Goal: Provide On-Time and Reliable Services**

**Performance Indicators:** On-Time Performance, Mean Distance Between Failures

Metro-North’s 2012 on-time performance (OTP) totaled 97.6 percent systemwide, a significant increase over the 96.9 percent OTP in 2011, despite a relatively poor November result due to the impact of Superstorm Sandy. The railroad also achieved the highest quarterly OTP in its history. From January to March, Metro-North attained a systemwide OTP of 98 percent. For five months of the year, OTP was above 98 percent; for three months it was at 97 percent or better; and for another three months it was at 96 percent or better. Out of the 211,014 trains operated by Metro-North in 2012 (as compared to 209,020 in 2011) a total of 205,866 trains were on time.

In 2012, Metro-North’s fleet attained a record “mean distance between failures” (MDBF) of 165,694 miles. That represents a 23 percent increase over the 2011 MDBF of 114,347 miles and is well above the agency’s 2012 goal of 135,000 miles. The condition of equipment and the number of cars available for service continues to improve to meet Metro-North’s record ridership growth. The railroad commits a significant amount of funding to the revitalization of its fleet by purchasing new equipment and by remanufacturing selected cars, coaches, and locomotives.

**MTA Goal: Provide Services to People with Disabilities**

**Performance Indicators:** Elevator Availability, Escalator Availability

At 98.9 percent, Metro-North’s elevator availability remained at a high service level. The railroad is currently focusing on escalator repairs, particularly in Grand Central Terminal, with the aim of improving escalator availability in 2013 and increasing that category’s 94.7 percent rating for 2012.

Following major rehabilitation work now underway, Metro-North plans to replace all eleven escalators in Grand Central with a new, heavy-duty model that has been designed to handle the terminal’s high pedestrian traffic. Many of the existing escalators are over 15 years old, and while they remain safe, the original vendor is no longer in business, making parts for repairs
impossible to find. Replacement of these escalators will begin by 2015 and will be completed by 2018.

In addition to ensuring that elevators and escalators are functioning as intended, Metro-North posts the current status of station elevators and escalators online to provide customers with up-to-date information.

**MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure**

**PERFORMANCE INDICATORS: Capital Program Commitments and Completions**

Metro-North’s Capital Program commitments and completions for 2012 came in at 71 percent and 83 percent of the year’s goal, respectively, an increase of over 60 percent and 74 percent of goal in 2011.

The shortfall in completions was caused, in part, by the fact that the M-8 project accepted 104 cars in 2012 versus a goal of 120 cars. Additionally, the Tagging Relay project continued to be delayed due to the incorporation of site-specific modifications that were required for several of the relays.

**MTA GOAL: Perform Services in an Efficient Manner**

**PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger**

Metro-North’s 2012 farebox operating ratio of 60.9 percent is 0.1 percent higher than the 2011 ratio. This change is due to higher farebox revenues from a roughly 1.0 increase ridership, as well as a January 2012 fare increase in the State of Connecticut and lower car maintenance material requirements. This added revenue was largely offset by a net increase in expenses related to employee benefits and power and fuel costs.

The railroad’s 2012 “cost per passenger” of $12.00 is $0.23 higher than the 2011 cost per passenger. This unfavorable change is largely due to a net increase in expenses related to employee benefits and propulsion costs, which were only partly offset by lower car maintenance material requirements and ridership growth of approximately 1 percent.
MTA GOAL: Maximize System Usage

PERFORMANCE INDICATORS: Ridership

In 2012, Metro-North ridership totaled approximately 83 million rides, a 0.8 percent increase over the previous year. It was the railroad’s second highest ridership ever, surpassed only by the record 83.6 million rides in 2008. Total East-of-Hudson ridership increased 0.9 percent to 81.3 million rides. Ridership increased on all three East-of-Hudson lines, with the largest increase occurring on the New Haven Line, where ridership set a new record of 38.8 million rides in 2012, an increase of 1.3 percent over the previous record of 38.3 million rides in 2011.

Several factors contributed to the ridership boost in 2012, including the reputation and reliability of Metro-North service, as measured in OTP and MDBF; the beginnings of an economic recovery; and the comparatively high price of gasoline, parking, and tolls. It is worth noting that these increases occurred despite severe ridership losses resulting from Superstorm Sandy. The railroad estimates that it lost almost 1.8 million rides due to the storm, by far the most severe weather event in Metro-North’s history. As of 2012, total Metro-North ridership has increased by 100 percent since 1983.

Ridership on the West-of-Hudson lines, which New Jersey Transit operates under contract with Metro-North, was 1.61 million in 2102. Ridership on the Port Jervis Line continued to be impacted by the three-month suspension of service during 2011 due to damage from Tropical Storm Irene. However, ridership showed an increase on the Pascack Valley Line.

The three Metro-North-operated connecting services (Haverstraw-Ossining Ferry, Newburgh-Beacon Ferry, and Hudson Rail Link) decreased slightly during 2012, due largely to the impact of Superstorm Sandy. Combined ridership on the three services was approximately 550,223, a decrease of 1.3 percent from 2011. Ridership increased by 6 percent on the Haverstraw-Ossining Ferry and by 2 percent on the Newburgh-Beacon Ferry, but decreased by 4 percent on the Hudson Rail Link.
MTA GOAL: Ensure Our Employees' Safety

PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate

Metro-North’s employee “lost time and restricted-duty” rate for 2012 was 1.90 reported incidents per 200,000 worker hours, a 6 percent drop from 2011. The Safety & Security Department was reorganized, and key positions were added to better serve the safety and security needs of employees and the railroad.

In the field, safety and security training was expanded to support the efforts of Metro-North’s highly successful Local Safety Committees. This contributed, in part, to a new low of 11 injuries in September of 2012, a record for that month and 54 percent lower than the injury rate for the previous September. Local and district safety committees continued to hold Safety Awareness Days in their locations, enhancing safety communications, which are crucial to spreading Metro-North’s “Priority One” safety message in the workplace. Yard and facility “clean-ups” were carried out in various district locations to remove safety hazards and further reduce the chance of injury.

MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders

PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

Metro-North’s minority workforce representation of 32.8 percent exceeds the estimated availability of minorities in a majority of its EEO job categories. Female workforce representation falls below the estimated availability for women in a majority of its EEO job categories. The railroad will continue its outreach and recruitment efforts to attract qualified women and minorities.
MTA Bridges and Tunnels

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Traffic</td>
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<td>282,646,972</td>
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<tr>
<td><strong>Safety Indicators</strong></td>
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<td></td>
</tr>
<tr>
<td>Collisions with Injury Rate (per million vehicles)</td>
<td>0.88</td>
<td>0.89</td>
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<tr>
<td>Employee Lost Time Rate (per 200,000 work hours)</td>
<td>5.4</td>
<td>4.3</td>
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<tr>
<td><strong>Workforce Indicators</strong></td>
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<td></td>
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<tr>
<td>Female Representation in B&amp;T Workforce</td>
<td>21.0%</td>
<td>21.3%</td>
</tr>
<tr>
<td>Minority Representation in B&amp;T Workforce</td>
<td>50.8%</td>
<td>50.7%</td>
</tr>
<tr>
<td><strong>Financial Indicators</strong></td>
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</tr>
<tr>
<td>E-ZPass Market Share</td>
<td>79.4%</td>
<td>81.0%</td>
</tr>
<tr>
<td>Total Support to Transit ($ millions)</td>
<td>$939.6</td>
<td>$892.7</td>
</tr>
<tr>
<td><strong>Capital Program Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitments in $ Millions (% of planned value)</td>
<td>$367 (59%)</td>
<td>$477.2 (83%)</td>
</tr>
<tr>
<td>Completions in $ Millions (% of planned value)</td>
<td>$109 (129%)</td>
<td>$359.3 (126%)</td>
</tr>
</tbody>
</table>

MTA GOAL: Ensure Customer Safety
PERFORMANCE INDICATOR: Customer Injury Rate

MTA Bridges and Tunnels (Bridges and Tunnels) reported 252 customer accidents with injuries in 2012, the second lowest number on record, only slightly higher than the record low of 248 in 2011. As a result, the number of accidents with injuries per million vehicles increased slightly from 0.88 in 2011 to 0.89 in 2012. The agency continues to make safety its top priority through safety training and protocols, monitoring and enforcement of speed limits and laws against driving while intoxicated, as well as interdepartmental reviews of all accidents.

MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure
PERFORMANCE INDICATORS: Capital Program Commitments and Completions

In 2012, Bridges and Tunnels committed to 83 Capital Program projects, as opposed to its goal of 75 project commitments. While the agency exceeded the number of planned commitments, the
total value of the awards was $477.2 million. This represents 83 percent of the 2012 goal, as compared with $367 million and 59 percent of the goal committed in 2011. The actual awards in 2012 were $101.4 million less than their planned values, due to favorable market conditions. Major project commitments in 2012 included: replacement of the upper-level span deck on the Verrazano-Narrows Bridge; upgrading of the Queens Midtown Tunnel ventilation building; deck replacement of the Manhattan-to-Queens ramp of the Robert F. Kennedy Bridge; anchorage repairs at the Bronx-Whitestone Bridge; design for the replacement of the upper- and lower-level plazas and the southbound approach of the Henry Hudson Bridge; and the Robert F. Kennedy Bridge maintenance facility.

The value of Capital Program projects completed in 2012 totaled $359.3 million, versus planned completions of $285.8 million, representing 126 percent of the 2012 goal. In 2011, by comparison, a total of $108.5 million was completed, representing 129 percent of goal. Major projects completed in 2012 included: replacement of the Bronx approaches and repairs to the Queens anchorage at the Bronx-Whitestone Bridge; the tower painting and removal of toll booths at the Verrazano-Narrows Bridge; substructure and underwater work at the Cross-Bay Bridge; and the design for the rehabilitation of the suspended span decks of the Verrazano-Narrows bridge.

MTA GOAL: Perform Services in an Efficient Manner
PERFORMANCE INDICATORS: Total Support to Transit

A total of $892.7 million in surplus revenue from Bridges and Tunnels was provided for MTA transit services.

MTA GOAL: Maximize System Usage
PERFORMANCE INDICATORS: Traffic Volume

Bridges and Tunnels saw a total of 282.6 million crossings in 2012, a decrease of about 0.4 percent or 1.0 million fewer crossings than in 2011. Favorable weather earlier in 2012 and an additional leap-year day contributed toward a year-to-year traffic growth of 1.4 percent through October 26. However, the onset of Superstorm Sandy on October 29 and a declared state of emergency brought unfavorable impacts lasting through the end of the year, with traffic from
October 27 through December down by 1.9 percent. Overall E-ZPass usage in 2012 increased to 81.0 percent from 79.4 percent in 2011.

**MTA GOAL: Ensure Our Employees' Safety**

**PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate**

Bridges and Tunnels experienced 69 lost-time injuries in 2012, a decrease from 87 in 2011. This represented a decreasing injury rate in 2012, from 5.4 to 4.3 per 200,000 work hours, continuing a downward trend. Analysis of the injury accidents, which were overwhelmingly slips, trips, and falls, did not reveal any pattern or hazardous condition. The agency’s Health and Safety staff is working closely with facility managers and has increased safety inspections. Employee safety programs include roll call discussions on injury prevention, safety meetings, safety audits, safety interactions, and incident investigations by supervisory personnel. Bridges and Tunnels has invited unions to participate in a partnership to reduce injuries and address specific safety concerns.

**MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders**

**PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce**

The percentage of minority representation in the Bridges and Tunnels workforce exceeds the estimated percentage of minorities available for work within the agency’s recruiting area. The percentage of female representation is below the estimated percentage of women available for work, and Bridges and Tunnels is continuing its efforts to recruit qualified women. Extensive outreach and recruitment efforts were made this year for a new management training program and for the maintenance civil service exam, and a record 340 applicants took the test. The exam results are pending.
# MTA Bus Company

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Completed Trips</td>
<td>97.42%</td>
<td>98.84%</td>
</tr>
<tr>
<td>Bus Passenger Wheelchair Lift Usage</td>
<td>42,935</td>
<td>58,582</td>
</tr>
<tr>
<td>Total Ridership</td>
<td>118,281,292</td>
<td>119,731,634</td>
</tr>
<tr>
<td>Mean Distance Between Failures (miles)</td>
<td>3,430</td>
<td>5,300</td>
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<tr>
<td><strong>Safety Indicators</strong></td>
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<td></td>
</tr>
<tr>
<td>Customer Accident Injury Rate (per million customers)</td>
<td>1.52</td>
<td>1.25</td>
</tr>
<tr>
<td>Collisions with Injury Rate (per million vehicle miles)</td>
<td>4.72</td>
<td>5.39</td>
</tr>
<tr>
<td>Employee Lost Time Rate (per 100 employees)</td>
<td>9.25</td>
<td>8.36</td>
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<tr>
<td><strong>Workforce Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female Representation in MTA Bus Workforce</td>
<td>12.3%</td>
<td>12.4%</td>
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<tr>
<td>Minority Representation in MTA Bus Workforce</td>
<td>67.0%</td>
<td>69.4%</td>
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<tr>
<td><strong>Financial Indicators</strong></td>
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</tr>
<tr>
<td>Farebox Operating Ratio</td>
<td>36.8%</td>
<td>35.9%</td>
</tr>
<tr>
<td>Operating Cost per Passenger</td>
<td>$4.42</td>
<td>$4.47</td>
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<tr>
<td><strong>Capital Program Indicators</strong></td>
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<td></td>
</tr>
<tr>
<td>Commitments in $ Millions (% of planned value)</td>
<td>$113.3 (64%)</td>
<td>$23.5 (51%)</td>
</tr>
<tr>
<td>Completions in $ Millions (% of planned value)</td>
<td>$7.5 (13%)</td>
<td>$84.5 (65%)</td>
</tr>
</tbody>
</table>

**MTA GOAL:** Ensure Customer Safety

**PERFORMANCE INDICATORS:** Customer Injury Rate

MTA Bus Company (MTA Bus) saw a 17.0 percent decrease in its customer accident injury rate in 2012, as compared to 2011. By implementing its new Bus Accident Safety Improvement Coordination System (BASICS), the agency is taking steps to continue that favorable trend. The BASICS program, initiated in March 2012, is a joint effort between bus depot and road control management designed to reinforce basic safety and customer service skills. It is being carried out in conjunction with supplemental training for bus operators and in-service safety performance observation campaigns.
Although the 14.2 percent increase in the 2012 collision injury rate is being addressed, analyzing performance and establishing operational solutions remains challenging. MTA Bus continues to see collisions where the multiple reported injuries are not necessarily consistent with the circumstances. This perspective is shared by the New York State Public Transportation Safety Board (PTSB), which has found frequent discrepancies between the purported injuries sustained in an accident and the physical evidence at the scene. MTA Bus vigorously challenges injury claims it has reason to believe are without factual basis.

MTA Bus continues to incorporate relevant accident findings into its safety and training initiatives. Additionally, MTA Bus, in joint agreement with all represented labor unions, continued to emphasize a “zero-tolerance” policy banning cell phones and other electronic devices for bus operators on duty.

**MTA GOAL: Provide On-Time and Reliable Services**

**PERFORMANCE INDICATORS:** Mean Distance Between Failures, Bus Trips Completed

MTA Bus had a “mean distance between failures” (MDBF) for 2012 of 5,300 miles, which represents an increase of 54.5 percent from the 2011 MDBF of 3,430 miles. Maintenance initiatives started in late 2011 and continuing throughout 2012 were prime contributors to this significant improvement in bus performance and reliability.

The number of trips completed depends on the availability of both buses and bus operators. The percentage of trips completed increased from 97.42 percent in 2011 to 98.84 percent in 2012, primarily attributable to improved bus performance.

**MTA GOAL: Provide Services to People with Disabilities**

**PERFORMANCE INDICATORS:** Bus Passenger Wheelchair Lift Usage

Wheelchair ridership on MTA buses was 58,582 passengers in 2012, an increase of 26.7 percent from the 2011 result of 42,935 passengers. In 2012, MTA Bus received new low-floor local buses that provide easier boarding and more reliable service for wheelchair passengers. Also contributing to the increase in wheelchair ridership was the milder weather experienced in the first half of 2012.
MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure

PERFORMANCE INDICATORS: Capital Program Commitments and Completions

In 2012, MTA Bus committed $23.5 million in capital project funds. This represents 51 percent of planned commitments, compared to 64 percent committed in 2011. The planned commitments not achieved in 2012 consist of various small facility projects that fell behind schedule.

In terms of the number of projects committed, 5 out of 10 planned projects, or 50 percent, were awarded in 2012, compared to 11 out of 18 planned projects, or 61 percent, in 2011. Notable 2012 commitments included the award of bus cameras on 79 compressed natural gas (CNG) buses, fuel tanks and a bus washer at the Eastchester Depot, and construction of a new storage building at the College Point Depot.

In 2012, MTA Bus completed $84.5 million in capital projects. This represents 65 percent of the value of planned completions for the year, as compared to 12.7 percent of planned completions in 2011. Notable completions for the year included two purchases totaling 124 CNG buses ($64 million) and a new roof and ventilation system at the Baisley Park Depot ($8.5 million). The shortfall in 2012 is primarily a result of delays to roofing, ventilation, and fire protection projects at four depots.

MTA GOAL: Perform Services in an Efficient Manner

PERFORMANCE INDICATORS: Farebox Operating Ratio, Operating Cost per Passenger

The farebox operating ratio was 35.9 percent in 2012, down from 36.8 percent in 2011. Fare collections from increased ridership in 2012 were largely offset by increased operating expenses, primarily attributable to higher pension, health, and welfare costs. The operating cost per customer was $4.42 in 2011, compared to $4.47 in 2012. The $0.05 increase is the result of increased operating costs.
MTA GOAL: Maximize System Usage
PERFORMANCE INDICATORS: Ridership

Total MTA Bus ridership increased by 1 percent in 2012 to 120.9 million riders, as compared to 119.4 million riders in 2011. Bus ridership in 2011 had been negatively affected by severe winter weather and Tropical Storm Irene.

MTA GOAL: Ensure Our Employees' Safety
PERFORMANCE INDICATORS: Employee Lost Time and Restricted-Duty Rate

MTA Bus saw a 9.6 percent improvement in the employee lost-time accident rate in 2012. This favorable trend is, in part, the result of the safety programs recently implemented at MTA Bus. These include an oversight group which focuses on preventing injuries through increased safety awareness campaigns, as well as a continuing focus on the root causes of incidents leading to injuries. The agency will continue to closely monitor its performance in this area. In addition, NYCT Bus and MTA Bus have launched major initiatives aimed at protecting MTA bus operators from assault, including oversight by an executive task force, enhanced training, and the ongoing installation of bus operator shields.

MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders
PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

Women and minorities are underrepresented within certain job categories, some of which may be considered nontraditional for women. One contributing factor is the low percentage of female applicants for open positions still perceived as nontraditional for women. MTA Bus will continue to conduct its outreach and recruitment efforts to attract qualified women and minority candidates.
MTA Capital Construction

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>2011 Actual</th>
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<tbody>
<tr>
<td><strong>Performance Indicator</strong></td>
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<td></td>
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<tr>
<td><strong>Workforce Indicators</strong></td>
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</tr>
<tr>
<td>Female Representatives in MTACC Workforce</td>
<td>28.6%</td>
<td>28.2%</td>
</tr>
<tr>
<td>Minority Representatives in MTACC Workforce</td>
<td>51.2%</td>
<td>51.6%</td>
</tr>
<tr>
<td><strong>Capital Program Indicators</strong></td>
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<td></td>
</tr>
<tr>
<td>Commitments in $ Billions (% of planned value)</td>
<td>$1.844 (63%)</td>
<td>$1.176 (60%)</td>
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<tr>
<td>Completions in $ Millions (% of planned value)</td>
<td>$387 (63%)</td>
<td>$1,744 (91%)</td>
</tr>
</tbody>
</table>

MTA GOAL: Repair, Replace, and Expand Transportation Infrastructure

PERFORMANCE INDICATORS: Capital Program Commitments and Completions

MTA Capital Construction (MTACC) had a total commitment goal of $2.1 billion in capital funds for 2012, of which approximately $1.17 billion, or nearly 60 percent, was awarded. The shortfall resulted from delays in placing contracts for certain East Side Access projects. Notable MTACC commitments in 2012 included the finishes contract for the 96th Street Station of the Second Avenue Subway; the construction of a secondary station entrance on the 7 Line Extension; and the 55th Street ventilation plant for the East Side Access project.

MTACC’s goal for capital project completions in 2012 was $1.9 billion, of which $1.7 billion, or 91 percent, was achieved. Notable completions during the year included the contracts for running tunnels and station structures on the 7 Line Extension; the tunnels and shafts contract on the Second Avenue Subway; and a station rehabilitation and several finishes contracts at the Fulton Center.

MTA GOAL: Maintain a Workforce that Reflects Regional Availability of All Races, Nationalities, and Genders

PERFORMANCE INDICATORS: Female and Minority Representation in the Workforce

The percentage of female representation exceeds the estimated availability of women available for work within the MTACC recruitment area. The percentage of minorities falls below the estimated availability of minorities within a few job categories. Capital Construction will continue its outreach and recruitment efforts to attract qualified minority candidates.
**Purpose:**

To obtain Board authorization of proposed revisions to the All-Agency Travel and Business Expense Policy, as set forth on Attachment A to this staff summary.

**Discussion:**

Pursuant to Public Authorities Law Section 2824, Board members of state authorities are to establish written policies and procedures regarding travel. Based upon a recent review of the existing MTA All-Agency Travel and Business Expense Policy by the Agency Comptrollers, one substantive revision to the Policy is proposed.

The substantive revision (contained on page 9 of the proposed Policy) would establish the MTA's maximum per diem allowance for domestic travel based upon U.S. General Services Administration rates. This approach is consistent with how the MTA establishes maximum per diem allowances for foreign travel as well as with travel guidelines established by the New York State Comptroller.

**Recommendation:**

It is recommended that the Board approve the proposed revisions to the All-Agency Travel and Business Expense Policy.
All Agency Policy Directive

TRAVEL AND BUSINESS EXPENSE

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I. PURPOSE

The purpose of this All-Agency Policy Directive is to establish a standardized policy for employees of MTA Headquarters and its Constituent Agencies (collectively, to be referred to as the “Authority”) when incurring, recording, approving and claiming reimbursement for eligible travel and business expenses.

II. SCOPE

This Policy Directive applies to all employees of the MTA including MTA Headquarters; MTA (including the Business Service Center); MTA Long Island Rail Road, MTA Capital Construction, MTA Bridges and Tunnels, MTA Bus Company, MTA Metro-North Railroad, MTA New York City Transit, and all future subsidiary/affiliated entities of the MTA.

III. DEFINITIONS

1. **Agency Head**: An “Agency Head” is defined as including: the Chairman/Chief Executive Officer and Agency Presidents.

2. **Authorized Signer**: An individual who has been granted the authority to approve employee expense documents and travel authorization requests.

3. **Business Meal**: A meal (breakfast, lunch, dinner, or other) whereby the attendees’ principal function is to conduct Authority business.

4. **Constituent Agencies**: For the purposes of this policy, the group of agencies referred to as “Constituent Agencies” include: MTA Long Island Rail Road; MTA Metro-North Commuter Railroad; MTA New York City Transit; MTA Staten Island Railway; MTA Bridges and Tunnels; MTA Capital Construction; MTA Bus Company and all future subsidiary/affiliated entities of the MTA.

5. **Foreign Travel**: Travel outside the Continental United States is considered “Foreign Travel.”

6. **Local Travel**: Travel inside the New York Metropolitan area is considered “Local Travel.”
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7. **Official Station**: A location within 35 miles of the office where an employee is regularly assigned is her/her "Official Station."

8. **Out-of-Area Travel**: Travel outside the New York Metropolitan area or an employee's Official Station; and beyond the boundaries of the States of New York, New Jersey and Connecticut is considered "Out-of-Area Travel."

9. **Per Diem Allowance**: A payment made to reimburse, without receipts, the personal meal expenses of an Authority employee, payable under certain conditions on days when the employee is in travel status is a "Per Diem Allowance." It is the policy of the Authority that lunch expenses while in travel status shall remain the obligation of the employee. An employee who has been included in a business meal for which reimbursement is sought under the employee expense policy is not eligible for a per diem allowance for the same meal.

10. **Travel Status**: An employee who travels outside his/her Official Station for at least three consecutive hours on Authority business on a regular workday, authorized holiday or weekend is in "Travel Status." Employees of the Long Island Rail Road and Metro-North Commuter Railroad must see "SPECIAL NOTE", below, for proper determination of travel status designation.

**SPECIAL NOTE:**

Long Island Rail Road employees must travel outside of their Official Station and outside of the Borough of Queens and the Counties of Nassau and Suffolk to be considered in any type of travel status.

Metro-North Commuter Railroad employees must travel at least 35 miles beyond Metro-North territory to qualify for any type of travel status designation.

**IV. POLICY**

**A. GENERAL**

1. **Policy Authority**: This policy takes precedence over all other policies of any MTA Constituent Agency regarding reimbursement of employee travel and...
business expenses.

2. **Categories of Expenditures:** This policy instruction covers the general categories of expenditures related to business travel and meal expenses, such as, transportation, lodging, per diem meals, business meals, and other miscellaneous expenses.

3. **Actual and Necessary Expenses:** Reimbursement for travel and business expenses will be made only for actual and necessary expenses incurred in the performance of official duties and upon submission of properly documented and approved employee expense reports as outlined in this policy instruction.

4. **Travel Arrangements through Travel Agent:** Except as set forth herein, employees must make all arrangements for lodging and transportation (excluding local travel) through the Authority's official Travel Agent. Amtrak train tickets may be purchased directly from Amtrak without use of the Travel Agent provided such tickets are purchased at a widely available discount rate. Employees can make lodging reservations directly at a location if they are attending conferences, seminars or meeting at that location and the travel agent is unable to book alternative lodging that is cost effective (after taking into account the cost of travel to alternative lodging). Travel arrangements secured by any other means must be fully explained and justified in writing by the employee and approved according to the Agency-specific procedures covered in Section VII.

5. **Discounted, No Cost or Reimbursed Travel:** Prior to accepting discounted or no cost travel arrangements or travel arrangements reimbursed by a source other than MTA, Employees should review Sections 2.01, 3.03, and 3.08 of the MTA All Agency Code of Ethics or consult their Agency Ethics Officer.

6. **Emergency Situations:** During an emergency situation or under extraordinary circumstances, expenses which normally would be disallowed may be considered for reimbursement. The employee must provide a complete explanation of the emergency and the need for the expense, and obtain approval from the respective Agency Head or his/her designee. This documentation must be submitted along with the employee's expense report.

B. **AUTHORIZATION**
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1. **General:** All employee travel and business expense reports must be approved by the employee's Supervisor or, if the Supervisor is not authorized to approve such expenses, by the next highest individual in the employee's chain of command designated as the Authorized Signer to approve expense documents.

2. **Expense Reports of Agency Heads:** Travel and business expense reports of Agency Heads must be approved by the MTA Chairman/CEO or his/her designee.

3. **Reports Covering Business Meals for More than One Employee:** Travel and business expense reports covering business meals for more than one employee must be submitted by the highest-ranking employee and approved according to this policy.

4. **Expenditures Requiring Prior Approval:** All business travel must be approved in advance. Requests for travel must be made by an employee by completing an Agency-designated travel request form. In addition, prior approval is required for cash advance requests; expenses to be directly billed to the Authority; interview and relocation expenses; and other special circumstances as described in this policy instruction. See the respective section of this policy to determine the approval requirements.

C. METHODS OF PAYMENT

1. **Payment by Employees:** Employees are expected to pay for their business and travel expenses at the time they are incurred. Payment in advance is permitted if necessary to secure reservations and/or advantageous rates.

2. **Direct Billing:** Direct billing to the Authority is permitted when advantageous to the Authority. Arrangements for direct billing are subject to prior approval. See Section VII, Agency-specific procedures for the required approvals.

3. **Cash Advances:** An Employee may request a cash advance to cover anticipated business and travel expenditures eligible for reimbursement under this policy instruction. No cash advances will be granted for interview and relocation expenses. Requests for cash advances must be made using an Agency-designated form and must be approved according to the Agency-specific procedures. Cash
advances needed for out-of-area travel must be approved by the Agency Head, or designee.

Cash advances will be made by check disbursed through payroll. Refunds of unused portions of cash advances from employees will be accepted only by personal check, money order, or bank check. Cash will not be accepted.

If the trip is canceled or postponed, appropriate documentation must be filed and the cash advance must be returned within five business days of notification of the cancellation or postponement.

4. **Credit Cards:** Employees who have been authorized to purchase goods and services for business and travel purposes with an Authority credit card must account for these purchases by filing expense reports. Expense reports must be filed even in those instances when no additional business expenses are incurred. Authority credit cards are not to be used for personal items.

D. **DOCUMENTATION**

1. **Use of Travel Request Form:** Plans for travel must be documented and requested, in specific detail, by the employee on an Agency-designated travel request form.

2. **Use of Expense Report Form:** Travel and business expenses must be reported on an Agency-designated employee expense report form.

3. **Actual Expenditures:** Unless specifically exempted herein, all reimbursements for employee expenses must be based on actual expenditures and must be supported by receipts or other acceptable documentation.

4. **Acceptable Documentation:** Acceptable documentation may include ticket stubs; paid receipts; invoices indicating dates and amounts of payment; original cardholder’s copies of validated credit card charge vouchers; or copies of the employee’s canceled checks. With the exception of canceled checks, original documents, not copies, must be submitted.

5. **Statement of Purpose:** A specific statement of the business purpose must be included on the employee’s expense report. General statements such as “on
official business,” “by direction of supervisor,” or “in connection with duties as director of division” will not suffice.

6. Conventions and Conferences: Travel vouchers for expenses incurred when attending conventions and conferences must be supported by program literature setting forth the opening and closing dates of the convention.

7. Documentation of Authorization: Copies of any documents approved by an appropriate Agency official authorizing the travel must be attached to the employee’s expense report.

8. Cash Advances: Cash advances must be requested using an Agency-designated the appropriate BSC cash advance request form. The approved form must be attached to the expense report along with related schedules and other documentation.

9. Separate Reports: Separate reports should be filed for each business trip. Requests for reimbursement for different types of expenses (local business meals; business travel and out-of-town business meals; interview and relocation expenses) should be submitted on separate employee expense report forms.

10. Timeliness of Report Submission: Employee expense reports must be submitted in accordance with the time frames established by the respective Agency Head or his/her designee. See Section VII, Agency-specific Procedures, for timing requirements regarding the filing of expense reports.

E. TRAVEL (GENERAL POLICY)

1. Official Business: Reimbursement for travel and business expenses of employees will be made only for actual and necessary expenses in the performance of official duties upon proper documentation.

2. Out-of-Area Travel: Employees who are planning out-of-area travel for business must obtain prior written approval of their respective Agency Head or his/her designee. Employees, who usually travel to Washington, D.C. or other out-of-area locations, should request blanket approval from their Agency Head or his/her designee. Out of area travel costing more than $1,500 or by an Agency Head
requires the prior written approval of MTA's Chief of Staff.

3. **Travel:** Except as provided above in Section IV. A.4, all Authority business travelers must make arrangements for all lodging and transportation needs (excluding local travel) through the Authority's official Travel Agent. Travel must be by the most cost effective route reasonably possible, and must be by either coach, economy, or equivalent discount fare unless (a) the trip is of an emergency nature and coach, economy or equivalent discount fares are not available; or (b) a business purpose necessitates late night and/or over-night travel or requires continuous air travel in excess of six hours in duration. Any travel by other than coach, economy, or equivalent fare must be approved in writing in advance by the Agency Head or his/her designee. Unless so approved, an employee shall assume any extra expense incurred.

It is important that travelers make airline reservations as much in advance as possible to secure the lowest possible fare.

F. **BUSINESS MEALS**

1. **Business Purpose:** Business meal expenses are reimbursable only when the principal purpose of the meeting or meal is to transact Authority business. A statement of the business purpose must be set forth on the expense report.

2. **Attendance:** A list of attendees present at the business meal must be included with the expense report.

The cost of food at a business meeting attended only by Authority employees must be approved by an Agency Head or his/her direct reports to be eligible for reimbursement. If a business meal involves consultants and/or contractors hired by the Authority, prior approval is required to be eligible for reimbursement.

3. **Responsibility to Report Meals:** Business meal expenses must be reported by the highest-ranking employee in attendance.

4. **Documentation:** Original receipts must be attached to the travel and business expense report.
5. **Maximum Allowance**: Business meal expenses are reimbursed at actual but reasonable cost.

G. **PER DIEM MEAL ALLOWANCE (DOMESTIC TRAVEL)**

1. **Eligibility**: Employees in travel status are eligible for a per diem allowance (or a portion thereof) to cover certain meals, subject to the following limits on time of departure and return:

   When departing from home or office at the beginning of a trip before the following hours:
   - Breakfast: 6:00 a.m.
   - Dinner: 6:00 p.m.

   When returning to home or office at the conclusion of a trip after the following hours:
   - Breakfast: 8:00 a.m.
   - Dinner: 8:00 p.m.

   Foreign travelers should see Foreign Travel Expense section for per diem allowance discussion.

2. **Ineligibility within Employee’s Official Station**: No per diem meal allowance shall be allowed while an employee is within his or her official station or place of residence, regardless of the departure or arrival times of a particular trip.

3. **Ineligibility of Meal Reported as Business Meal**: An employee who has been included in an employee expense report requesting reimbursement for a business meal is not eligible for a per diem allowance for the same meal.

4. **Documentation**: The per diem allowance is payable upon approval of an employee expense report. No receipts are required. The per diem allowance pertains only to an employee’s personal meal expenses; business meals involving non-MTA Headquarters or Constituent Agency personnel are discussed in Section IV-F.
5. **Maximum Allowance:** The Authority uses the maximum allowable per diem meal allowances for domestic travel (See those set by U.S. General Service Administration (GSA)). Current and prior year rates are available from the GSA website at [http://www.gsa.gov/portal/content/104877](http://www.gsa.gov/portal/content/104877) for the maximum per diem allowance rate. GSA rates are established based upon a fiscal year beginning October 1. Authority employees must use the rates that were in effect during the period the date of travel. (Example: if you travel on November 1, 2013 use the GSA rate that would be in effect on that date which would be for fiscal year 2014)

6. It is the policy of the Authority that lunch expenses while in domestic travel status shall remain the obligation of the employee.

7. An employee who has been included in a business meal for which reimbursement is sought under the employee expense policy is not eligible for a per diem allowance for the same meal.

H. **TRANSPORTATION**

1. **Intercity Travel:** (Plane, Train, or Bus)
   
a. Travel must be arranged through the authorized MTA Travel Agency except as authorized above in Section IV.A.4. Travel generally shall be by either coach, economy, or equivalent discount fare. All other travel at rates other than coach, economy, or equivalent rates must be approved in advance by the Agency Head or his/her designee to secure reimbursement.

b. The employee must attach the passenger’s portion of used tickets and must return any unused tickets.

2. **Local Travel:** (Mass Transit, Taxicabs, etc.)
   
a. The use of established mass transit lines is encouraged.

b. If it is necessary to use taxicabs, receipts must be submitted for expenses of $10 or more (including tips).
c. If receipts are not available for individual taxicab rides or mass transit fares of $10 or more, the employee must explain the circumstances when submitting his/her expense report.

3. **Automobiles**

a. **Official Cars:** If travel by an automobile is required, employees are encouraged to use official vehicles. The MTA All-Agency Policy, 41-002, regarding use of official automobiles must be followed.

b. **Personal Cars:** Employees, with approval of their supervisors, will be reimbursed for the use of personal cars at the mileage rate established at intervals by the Authority. This mileage rate, as calculated, includes costs for depreciation, gasoline, oil, maintenance and repairs, and insurance. See Section VI, Attachment B, for the mileage rate in force at the time of publication of this policy instruction.

c. **Tolls and Parking Fees:** Tolls and parking fees are reimbursable at actual cost. Receipts must be submitted for expenses of $10 or more. Long-term parking fees (4 or more consecutive days) must be justified as cost effective and reimbursement for long-term fees requires pre-approval.

4. **Rental Cars**

a. **Justification:** Car rental expenses will not be reimbursed unless cost savings based on alternative modes of transportation and/or business necessity can be substantiated. Compact cars should be chosen unless a larger car is justified.

b. **Arrangements:** If an employee has been approved to use a rental car while on a business trip, arrangements to rent a car must be made through the Authority’s official Travel Agent.

c. **Documentation:** The signed car rental agreement, other appropriate receipts and the justification must be submitted with documentation.

d. **Drop-Off Charges:** Drop-off charges for one-way rentals should be avoided, if possible, by obtaining a vehicle assigned to the destination city. Advance reservations and/or early inquiry will assist in obtaining such vehicles.
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e. **Insurance:** When renting a car in a domestic location, collision insurance and third-party liability insurance coverage available through the car rental company should not be selected and will not be reimbursed. Employees are covered for any accidents that occur through:

   MTA Self Insurance  
   Risk Management  
   347 Madison Avenue  
   New York, New York 10017

This address should be given to the rental car agency if it is requested.

When renting a car in a foreign location, employees are advised to purchase collision insurance and third-party insurance coverage if available through the rental company. These insurance costs are reimbursable to the employee.

f. **Weekly or Monthly Rates:** If the use is sufficiently long to justify a weekly or other discount rate, efforts should be made to secure such a rate.

I. **LODGING**

1. **Official Business:** Hotel and motel room expenses shall be reimbursed when incurred in the conduct of official business.

2. **Arrangements:** Reservations for hotel/motel stays should be made through the Authority's official Travel Agent.

3. **Government Rates:** State or Government discount rates shall be secured whenever possible.

4. **Weekly or Monthly Rates:** If the stay is sufficiently long to justify a weekly or monthly rate, efforts should be made to secure such rates.

5. **Documentation:** Original hotel bills and receipts for hotel and motel room expenses must be attached to the travel and business expense report.

6. **Tax-Exemption:** Lodging accommodations on official business are exempt from...
payment of occupancy tax in New York State. In addition, Metro-North Commuter Railroad employees are exempt from paying occupancy tax in the State of Connecticut. Employees will not normally be reimbursed for any ineligible taxes included in their bills for lodging. Employees can obtain tax exemption forms to supply to vendors from their respective Agency Comptroller's Office (Accounts Payable Manager).

7. Advance Payment: Requests for a check from MTA Headquarters or a Constituent Agency to make an advance payment for hotel accommodations or registration fees must be made by submitting the applicable agency form to the Agency Comptroller and approved in advance.

8. Ineligible Costs: When the cost of lodging has been included in the cost of a program reimbursable under this policy, no reimbursement will be made for lodging substituted at additional cost.

9. Maximum Allowance: Lodging costs are reimbursed at actual but reasonable cost.

J. EXTENDED OR WEEKEND STAYS; TRAVELING WITH SPOUSE OR OTHERS

1. Extended or Weekend Stays: Any extension of business travel to include weekends or any days prior or following the minimum time necessary to accomplish Authority business is subject to prior written approval. Such approval must be attached to the related employee expense reports. If such an extension will result in increased costs for the Authority, prior approval must be requested from the respective Agency Head or his/her designee. Reimbursement for meals and lodging for authorized extended or weekend stays would apply.

2. Extensions Resulting in Cost Savings: If the extension of business travel beyond the normal length of time necessary will result in overall savings to the Authority when all costs are considered, an analysis of the cost savings using the lowest rates available must be included in the request for approval of the extension. Expenses incurred during the extended portion of trip will be reimbursed only when savings to the Authority can be substantiated.

3. Traveling with Spouse or Others: Expenses incurred on behalf of a spouse or
other person who is not involved in the conduct of Authority business, or expenses incurred while on vacation or personal leave, will not be reimbursed. Such expenses should be deducted from the related expense reports.

K. TELEPHONE AND SIMILAR SERVICES

1. Business Calls and Similar: Employees will be reimbursed for all business calls, telegrams, express mail, facsimile transmissions, or similar expenditures required in the performance of their official duties. Receipts for these expenses must be included as supporting documentation with the employee’s expense report.

2. Personal Calls: Reimbursement for personal telephone calls is limited to two per day while in travel status. The calls must be reasonable in length in order to obtain full reimbursement.

L. FOREIGN TRAVEL-BUSINESS TRAVEL

1. Foreign travelers can use a per diem rate for reimbursement of meals and incidental travel costs such as laundry and dry cleaning. The Authority uses the foreign travel per diem rates of the U.S. State Department. The rates are available from the MTA Comptroller’s Department or from the following Internet website: http://aoprals.state.gov/web920/per_diem.asp Reimbursement for partial day travel should follow the same allocation method as defined for the domestic per diem allowance.

2. Other allowable expenses related specifically to foreign travel include the cost of passports and visas, the cost of immunizations and inoculations (if required or recommended), the cost of car rental insurance coverage, travelers’ check fees, currency exchange fees, travel fees and taxes, and airport fees and taxes.

3. It is important that all currency exchange transactions are supported by documentation which reflects the exchange rates used for the transactions. Acceptable documentation will include the exchange rate per the credit card statement or, if not available, the Wall Street Journal rate on the last day of the trip.

4. Lodging costs are reimbursed at actual but reasonable cost.
M. OTHER REIMBURSABLE EXPENSES

Expenses not specifically listed in the preceding paragraphs shall be reimbursable when incurred for business purposes as follows:

1. Laundry and Dry Cleaning: On domestic trips lasting more than three days, employees will be reimbursed for the actual cost of such services when incurred and paid for after the third day in travel status. Foreign travelers are reimbursed for laundry and dry cleaning costs through the per diem allowance which includes a portion of the rate for incidental cost items.

2. Baggage Checking and Tips: Baggage checking, tips, and normal gratuities are reimbursable. Tips related to another expense such as meals, taxi fare, etc. should be reported in the total cost of the related expenses.

3. Other Miscellaneous Expenses: Reimbursement for any other category of expenditures is subject to the interpretation of the Agency Comptroller.

N. INTERVIEW & RELOCATION EXPENSES

Employees and job candidates eligible for the reimbursement of certain travel, lodging, meal, or other expenses pursuant to the All-Agency Interview and Relocation Policy (11-001) should refer to that policy instruction for further details. Nothing in the Travel and Business Expense Policy shall be interpreted as in any way superseding or mitigating the requirements of the Interview and Relocation Policy.

O. UNALLOWABLE EXPENSES

The following categories of expenditures are eligible for reimbursement only on an exceptional basis, or under the special circumstances outlined in this policy instruction.

1. Direct Billing: No employee may incur business expenses to be billed directly to the Authority, except for the authorized use of Authority credit cards for air travel or gasoline, or as otherwise authorized in advance.

2. Expenses Incurred on Behalf of Spouse or Others: The costs of travel, lodging,
meals, or other expenses for a spouse, dependent, or other person who is not performing official Authority business and who accompanies an employee on a business trip are not reimbursable.

3. **Personal, Recreational or Entertainment Expenses**: Costs incurred for personal, recreational or entertainment purposes, or while on vacation or personal leave, even when such leave has been approved as an extension of approved business travel, are not reimbursable.

4. **Commuting Costs**: Transportation costs incurred for commuting between the employee's residence and official work station are not reimbursable.

5. **Expenses Eligible for Third-Party Recovery**: Business expenses which are legitimately recoverable from a third-party are not reimbursable. Such expenses and recovery must be explained on the employee's expense report.

6. **Personal Losses**: Reimbursement is not allowed for losses of personal property or the loss of funds or tickets.

7. **Substituted Lodging**: Costs for this item included in a seminar or other package is not allowed.

8. **Clothing, Valet Service, and Similar**: Reimbursement for clothing, toiletries, barbering, or similar personal goods or services is not allowed. Laundry and dry cleaning or valet services are reimbursed at actual cost for domestic trips only after an employee has been in travel status for at least three consecutive days, as explained in Section IV-M.1., and as part of the per diem allowance for foreign trips.

9. **Alcoholic Beverages**: The cost of alcoholic beverages, of any kind, are not reimbursable.

10. **Personal Car Expenses**: Repairs or maintenance costs of any kind are not reimbursable. Expenses for gasoline, motor oil and other automobile fluids are not reimbursable. These types of expenses are included when the standard mileage rate of reimbursement is calculated and determined.
11. Insurance, Fines and Fees: Reimbursement is not allowed for personal credit cards fees, fines for traffic/parking violations, third-party liability insurance on automobile rentals, or travel insurance.

P. RESPONSIBILITIES

1. Agency Comptrollers: Each Agency Comptroller is responsible for overall administration of this Policy instructionDirective for his/her respective agency, and for ensuring that all expenditures included in employee expense reports are in accordance with Authority policy.

2. MTA Comptroller: The MTA Comptroller is responsible for administration of this policy for MTA Headquarters, for providing policy interpretation to the Constituent Agencies, and for establishing effective reimbursement rates.

3. Agency Heads: Exceptions to this policy may be approved in writing by the respecting Agency Head or his/her designee based on the recommendation of the Agency Comptroller.

4. MTA Chairman and Chief Executive Officer: The MTA Chairman/CEO or his/her designee has the authority to grant exceptions to this policy without the recommendation or approval of another Agency Head in circumstances deemed by the MTA Chairman/CEO to warrant special consideration.

5. Authorized Signers: Authorized Signers are responsible for informing their staffs of this policy instruction; for controlling expenditures by careful examination of travel requests and expense reports; and for insuring that only reasonable expenses actually incurred and directly related to Authority business are reported.

6. All Employees: Employees are responsible, prior to incurring any expenses or submitting expense reports, for seeking appropriate authorization from their supervisors and/or clarification from their respective Agency Comptroller’s Office of any exceptional circumstances or expenditures.
V. ADDITIONAL REQUIREMENTS

MTA Headquarters and each of its Constituent Agencies shall issue Agency-specific procedures consistent with this Policy instructionDirective for the recording and claiming of reimbursement for eligible employees travel and business expenses.

Each Agency shall issue its own reporting forms and/or authorizing documents which will allow their employees to obtain pre-approval for all travel requests and cash advances, and for the recording and filing for reimbursement of travel and business expenses. Detailed instructions for completing and filing these forms/documents should also be provided.
Purpose:
To obtain MTA Board approval of revisions to the All Agency Procurement Guidelines and the All Agency Guidelines for Procurement of Services (together, the “Procurement Guidelines”), pursuant to Public Authorities Law Section 2879.

Discussion:
As announced during the January 2013 Board meeting, the MTA and its Agencies have adopted as a new standard operating procedure the posting of notices on the MTA website of proposed sole source purchases. The revisions to the All Agency Procurement Guidelines reflect this new standard operating procedure. In addition, references to the Metropolitan Suburban Bus Authority are being removed from the Procurement Guidelines.

Recommendation:
It is recommended that the Board approve the annexed revised All Agency Procurement Guidelines and the All Agency Guidelines for the Procurement of Services.
ALL AGENCY GUIDELINES FOR
PROCUREMENT OF SERVICES

These guidelines apply to the Metropolitan Transportation Authority ("MTA"), the New York City Transit Authority ("Transit"), the Long Island Rail Road Company ("LIRR"), the Metro-North Commuter Railroad Company ("MNCRR"), Staten Island Rapid Transit Operating Authority ("SIRTOA"), Metropolitan Suburban Bus Authority ("Li-Transit")-Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"), Metropolitan Transportation Authority ("MTT") or MTA Capital Construction ("MTACC"), MTA Bus Company ("MTA Bus") and to the Triborough Bridge and Tunnel Authority ("Bridges and Tunnels") insofar as they are consistent with the provisions of law applicable to Bridges and Tunnels (each of which is referred to as the "Authority").

Article I-Applicability of guidelines

This policy applies to contracts for services. A contract for services is either a personal service contract or a miscellaneous service contract.

A. Personal services contracts generally involve retaining a consultant who specializes in one of the following:

(1) Legal
(2) Financial
(3) Accounting
(4) Auditing
(5) Management
(6) Human Resources
(7) Investment
(8) Bonds
(9) Planning
(10) Analysis
(11) Training
(12) Data Processing
(13) Computer Systems
(14) Statistics
(15) Research
(16) Public and corporate relations
(17) Architecture
(18) Engineering
(19) Surveying
(20) Labor Relations
(21) Real Estate
(22) Legislation
(23) Public Affairs
(24) Marketing
(25) Advertising
(26) Records Management
(27) Office services requiring specialized skills
(28) Printing where editorial services predominate
(29) Other Consulting, Professional or Technical Services

B. A miscellaneous service contract is any contract for service which is not a: i) personal service contract; ii) public work contract; or iii) a miscellaneous procurement contract. Examples include but are not limited to contracts for guard service, custodial service and maintenance work performed by laborers, workers or mechanics which does not result in a substantial improvement to a building or other fixed asset.

C. In the event a proposed contract contains elements of more than one type of contract under these guidelines or the All Agency Procurement Guidelines, the elements which predominate shall determine the type of contract for purposes of both Guidelines.

Article II - Delegation of Authority

The Chairman, the presidents of the Authorities or the designated representative or representatives thereof (each defined for purposes of these guidelines as an "Authorized Officer") are hereby empowered with respect to service contracts to be entered into by his/her respective Authority acting on its own behalf or as agent for the MTA, as follows:

A. to implement these guidelines.

B. to establish procedures which shall be in accordance with these guidelines to the extent deemed practicable by the Authorized Officer, for the award of: (i) a miscellaneous service contract estimated to involve the expenditure of $15,000 or less; and (ii) a personal service contract estimated to involve the expenditure of $25,000 or less, provided that the contract shall be advertised, Board approval of the award obtained and reported if otherwise required under these guidelines.

C. to determine whether a miscellaneous service contract shall be awarded pursuant to the provisions of these guidelines or the provisions of the All Agency Procurement Guidelines, provided that, notwithstanding the vote otherwise required by the All Agency Procurement Guidelines, the vote of approval of a majority of the members of the Board present at a meeting at which a quorum is present shall in any event be required for the award of the following miscellaneous service contracts:

i) Without regard to whether or not the contract was awarded pursuant to
sealed competitive bidding, the actual or estimated amount of the contract is $15,000 or more and the services will be rendered over a period in excess of one year.

ii) Without regard to the period of performance of the services, the miscellaneous service contract provides for the expenditure of more than $25,000 and was not awarded pursuant to sealed competitive bidding.

Article III - Policy

It is the policy of the Authority to contract for personal and miscellaneous services when, because of factors such as timing, costs, qualifications or the nature of the services to be rendered, it is more beneficial for such services to be contracted for than performed by employees of the Authority.

Contractors shall be selected on a competitive basis except when competition is not required pursuant to these Guidelines or is waived as impractical or inappropriate.

Article IV - Advertising

A. Regardless of the selection process used, notice of a contract for the acquisition of services of any kind in the actual or estimated amount of $15,000 or more shall be published at least one time in New York State Contract Reporter, except as provided in paragraph C of this Article. The publication shall be no less than fifteen business days prior to the planned date on which a bid or proposal is due, provided that if the contract is to be awarded without bids or proposals and advertising is required, the timing of the publication shall be determined by an Authorized Officer.

B. The notice must contain, as applicable, a statement of: i) the name of the contracting Authority; ii) the contract identification number; iii) a brief description of the services sought, the location where services are to be provided and the contract term; iv) the address where bids or proposals are to be submitted; v) the date when bids or proposals are due; vi) a description of any eligibility or qualification requirement or preference; vii) a statement as to whether the contract may be fulfilled by a subcontracting, joint venture or co-production arrangement; viii) any other information which the Authority deems useful to potential contractors; ix) the name, address and the telephone number of the person to be contacted for additional information; and x) a statement as to whether the services sought had, in the immediately preceding three year period, been supplied by a foreign business enterprise as that term is defined in Article 4-C of the Economic Development Law.

C. The advertisement is not required under the following circumstances:

i) In the event of an emergency or critical need for the services as determined by an Authorized Officer;
ii) The contract is re-bid or re-solicited for substantially the same services within forty-five business days after the date bids or proposals were originally due;

iii) The contract is awarded to a not-for-profit provider of human services;

iv) The contract is awarded pursuant to the provisions of Article V(C)(1) or (2) (single or unique source) of these Guidelines.

D. In addition to the above advertisements, the Authority shall provide notice to professional and other organizations that regularly notify certified minority and women owned business enterprises ("MWBEs") of the type of procurement opportunity that is the subject of the solicitation.

Article V - Selection of Personal Services Contractors

A. Requirements

The following are the requirements to be followed for selection of contractors for personal services, except for: i) contracts for architectural, engineering, and survey services (which are subject to paragraph B); ii) contracts equal to or less than $25,000 (which may be entered into pursuant to the provisions of this paragraph or pursuant to procedures established by an Authorized Officer which shall be competitive to the extent deemed practicable by the Authorized Officer); and iii) contracts for services for which a competitive selection process is inappropriate pursuant to the provisions of paragraph C.

1. The Division/Department of the Authority requiring the services shall prepare a written statement containing a description of the services, the reasons why they are required, and the required or estimated schedule or duration of the services.

2. A request for proposals ("RFP") to perform the required services shall be sent to three or more firms to assure competition, including any DBE/WBE/MBE firms selected to receive the RFP pursuant to applicable Authority or New York State DBE/WBE/MBE programs, unless there are only two qualified firms or unless competition is waived as hereinafter provided. The RFP or notice thereof shall also be provided to professional and other organizations that represent or regularly notify certified MWBEs of the type of procurement opportunity that is the subject of the RFP notice.

3. The RFP shall describe the services to be performed, any completion dates or time requirements, DBE/WBE/MBE requirements, if applicable, and the criteria to be utilized by the Authority in evaluating proposals and shall contain a requirement for a cost proposal and the date, time and place when proposals must be received.
4. The Authority may select one or more proposers with which to negotiate after evaluation of the proposals received. The award shall be made to the proposer or proposers whose proposal(s) will be the most advantageous to the Authority, price, qualifications and other factors considered, using the evaluation criteria specified in the RFP as the basis for the decision.

B. Architectural-Engineering and Survey Contracts

1. In the procurement of architectural, engineering and surveying services, the Authority shall determine whether to comply with the RFP procedures set forth in paragraph A or the "Brooks" method set forth in this paragraph, provided that if federal assistance is involved, the decision shall take into account applicable federal requirements.

2. The Authority shall encourage professional firms engaged in the lawful practice of the profession to submit an annual statement of qualifications and performance data. For each proposed project identified in accordance with Article V(A)(1), the Authority shall evaluate current statements of qualifications and performance data on file with the Authority. If desired and to the extent appropriate if federal assistance is involved, the Authority may conduct discussions with three or more professional firms regarding anticipated design concepts and proposed methods of approach to the assignment.

3. The Authority shall then evaluate whether a modification to the written statement prepared in accordance with subparagraph 1 of Paragraph A is appropriate, and shall then comply with the provisions of subparagraphs 2 and 3 of Paragraph A.

4. The Authority shall select from the proposals submitted, in order of preference, based upon the criteria established by the Authority, no less than three professional firms deemed to be the most highly qualified to provide the services required.

5. The Authority shall negotiate a contract with the highest qualified professional firm for architectural, engineering or surveying services at compensation which the Authority determines in writing to be fair and reasonable. In making this decision, the Authority shall take into account the estimated value of the services to be rendered, the scope, complexity, and professional nature thereof. Should the Authority be unable to negotiate a satisfactory contract with the professional firm considered to be the most qualified, at a fee it determines to be fair and reasonable, negotiations with that professional firm shall be formally terminated. The Authority shall then undertake negotiations with the second most qualified professional firm. Failing accord with the second most qualified professional firm, the Authority shall formally terminate negotiations.
The Authority shall then undertake negotiations with the third most qualified professional firm. Should the Authority be unable to negotiate a satisfactory contract with any of the selected professional firms it shall select additional professional firms, in order of their competence and qualification and it shall continue negotiations in accordance with this subparagraph until an agreement is reached.

6. The provisions of this paragraph B shall apply only to engineering, architectural, or surveying services contracts in excess of $25,000.00. Contracts for engineering, architectural or surveying services involving lesser amounts may be entered into pursuant to the provisions of this paragraph or pursuant to procedures established by an Authorized Officer which shall be competitive to the extent deemed practicable by the Authorized Officer.

C. It is hereby determined that a competitive selection process is inappropriate and that a competitive process shall not be required in the following instances:

1. When the services are obtainable from one source only.
2. When the provider of the services has unique or otherwise outstanding qualifications.
3. When an emergency or other circumstances exist which make competition impracticable or inappropriate.
4. Legal Services.

D. Pursuant to Section 2879(3)(b)(i) of the Public Authorities Law, a contract in an amount not to exceed $200,000, that is not federally funded, for personal services or miscellaneous services may be awarded without competitive procedures otherwise required by law or these Guidelines, where the proposed award is to a small business concern or a certified minority or women-owned business enterprise (“MWBE”). Contracts may be designated for solicitation and award pursuant to Section 2879(3)(b)(i) by the Chairman or the Chairman’s designee in consultation with the Authorized Officer of the appropriate agency. In the case of contracts that are designated pursuant to Section 2879(3)(b)(i) for award to eligible small business concerns or MWBEs, there shall be notice of the proposed contract on the Authority website inviting responsive bids or proposals from qualified small business concerns and MWBEs. Notice of such procurements shall also be provided to identified organizations that represent or regularly notify small business concerns or MWBEs, of the type of procurement opportunity that is the subject of the award. Awards pursuant to Section 2879(3)(b)(i) shall be made to the bidder or proposer determined to have submitted the bid or proposal that is most advantageous to the Authority, price and any other relevant factors considered. An award proposed to be made to a bidder or proposer other than the lowest responsible, responsive bidder or proposer, shall require approval by a majority of the Board at a meeting at which a quorum is present; in addition, the approval of the Board is required in any other instance in which it is required by law. The Chairman or his designee, in consultation with the Authorized Officer
of the appropriate agency, may reject all offers and withdraw the designation of a contract as one to be awarded pursuant to Section 2879(3)(b)(i) if the Chairman or his designee determines that an award will result in the payment of an unreasonable price or otherwise not be advantageous to the Authority. The requirements of Article IV and of Article V(B) shall not apply to contracts awarded in accordance with Section 2879(3)(b)(i).

EE. The Chairman, President, General Counsel, or Chief Procurement Officer of the Authority, or such individuals as they may designate, may give verbal authorization to contractors or consultants to commence the performance of contracts entered into pursuant to the provisions of this paragraph EE, where prior written agreement is impracticable, provided, however, that the contract shall be reduced to writing as soon as practicable. Prior to issuing a verbal authorization for a federally assisted contract, consideration should be given to the steps which may be taken to assure that federal assistance is not jeopardized.

Article VI – Minority/Women Owned and Disadvantaged Business Enterprises

The potential exists for disadvantaged/minority/women owned business enterprise involvement in personal service and miscellaneous service contracts. The Authority shall use its best efforts to maximize the utilization, as applicable, of DBEs under the Authority's federal program, and MBEs/WBEs under the New York State program set forth in Public Authorities Law §2879, Article 15-A of the Executive Law and these guidelines.

A. The MTA Chief Diversity Officer ("Chairman's Designee") is responsible for overseeing the programs established by the MTA to promote and assist: i) the participation by certified MWBEs in procurement opportunities and facilitation of the award of procurement contracts to such enterprises; ii) the utilization of certified MWBEs as subcontractors to Authority prime contractors; and iii) the utilization of partnerships, joint ventures ("JVs") or other similar arrangements between certified MWBEs and prime contractors. The Chief Diversity Officer reports directly to the Chairman in connection with the responsibilities set forth herein, and will participate in the procurement process either directly or through his or her designees.

B. For contracts awarded pursuant to these Guidelines, the Authority shall establish appropriate goals for participation by certified MWBEs and for the utilization by prime contractors of MWBEs as subcontractors and suppliers. Statewide numerical participation target goals will be established by the Authority based on the findings of the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study.

C. The Authority will conduct non-federally funded procurements in a manner that enables the Authority to achieve the maximum feasible portion of the goals set pursuant to Article VI(B) including taking the following actions: (i) establishing measures and procedures to ensure that certified MWBEs are given the opportunity for maximum feasible participation in the performance of Authority contracts.
contracts and to assist in the identification of those contracts that are best suited for which certified MWBEs may best bid to actively and affirmatively promote and assist their participation in the performance of Authority contracts so as to facilitate the Authority's achievement of the maximum feasible portion of the MWBE goals; (ii) designating the New York State Division of Minority and Women-owned Business Development ("DMWBD") to certify and decertify MWBEs for purposes of these guidelines; (iii) setting forth in each contract solicitation the expected degree of MWBE participation based on potential subcontracting opportunities and the availability of certified MWBEs to respond competitively to those opportunities; (iv) providing to prospective contractors in writing or by identifying a link to a specific website a current list of MWBEs; (v) with regard to JVs, allowing a bidder to count toward meeting its MWBE participation goal, the MWBE portion of the JV; (vi) waiving a contractor's obligation relating to MWBE participation after a showing of good faith efforts to comply with the participation goal; and (vii) verifying that MWBEs listed in a successful bid or proposal are actually participating to the extent listed in the project for which the bid or proposal was submitted. The Authority will also consider, where practicable: (i) the severability of service requirements and other bundled service contracts; (ii) the implementation of a program that will enable the Authority to evaluate each contract to determine the appropriateness of the goal pursuant to the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study; (iii) compliance with the requirements of any federal law concerning opportunities for any MWBEs which effectuates the purpose of this section; and (iv) consultation of the most recent disparity study.

Article VII-Types of Provisions to be Contained in Service Contracts

A. The following types of provisions shall be contained in all personal services contracts, except that it is not necessary to include any provision which is inapplicable or unnecessary because of the nature or duration of the services to be performed, the location or locations where they are to be performed or the type of compensation being paid.

1. Description of Services
2. Compensation
3. Time for Performance or Date of Completion
4. Liability of Contractor or Consultant; Indemnification of Authority
5. Reports of Contractor or Consultant
6. Ownership of Plans, Drawings or Other Products of the Performance of the Services
7. Assignments; Subcontracts
8. Maintenance of Records, Accounts
9. Right of Authority to Inspect and/or Audit Books and Records of Contractor or Consultant

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10. Insurance Requirements
11. Termination
12. Monitoring of the Performance of Services
13. Use of Authority Supplies, Facilities or Property
14. Use of Authority Personnel
15. All Provisions required to be included in Authority contracts by Federal, State or Local Laws Ordinances, Codes, Rules or Regulations.
16. Such modifications and additions as are appropriate in light of the specific circumstances presented.

B. To the extent practicable, a verbal authorization to commence work and a writing which is not intended to constitute the final agreement, at a minimum shall:

1. Describe the services to be performed;
2. Specify the amount of compensation to be paid or the rates or fees which will be utilized to determine such compensation; and
3. Specify a date for completion or the anticipated duration of the services (except in instances where the nature of the services makes an estimate of the time required impossible or impracticable or where the contract is a retainer for the performance of services over an extended period of time on an "as-needed" basis and contains provisions allowing termination by the Authority at any time without cause).

C. Miscellaneous service contracts shall contain those provisions of paragraph A and of other standard forms of contract deemed appropriate by an Authorized Officer.

Article VIII - Responsibilities of Services Contractors

A service contractor shall have the following responsibilities:

A. To perform the contract in accordance with it terms;
B. To perform the services required under the contract competently, efficiently, in a timely manner, at a reasonable cost and in a manner which is satisfactory to the Authority; and
C. To cooperate with the Authority personnel who are directing, supervising or monitoring the performance of the services or who are assisting in their performance.

Article IX - Contracts Involving Former Officers or Employees of the Authority

The Authority may enter into contracts with any Authority's former officers or employees or with firms employing such officers or employees only to the extent permitted by Public Officers Law §73.

Article X - Monitoring of Service Contracts
The Division/Department of the Authority requiring the services shall be responsible for monitoring the performance of the contract to assure that the contract is performed in accordance with its terms.

**Article XI-Reporting of Service and Purchase Contracts**

A. Each Division/Department of an Authority shall maintain records, for each fiscal year, of the following contracts entered into by the Authority at the request of such Division/Department: i) personal service contracts in the actual or estimated amount of $15,000 or more; ii) miscellaneous service contracts in the actual or estimated amount of $15,000 or more; and iii) purchase contracts in an actual or estimated amount of $15,000 or more.

B. The Authority's Authorized Officer shall designate a Division or Department which shall be responsible for preparing a report at the end of each fiscal year with respect to the foregoing contracts. With respect to each such contract, the report shall contain the following information:

1. Name of Contractor;
2. Short description of the services involved;
3. Amounts paid pursuant to the contract as of the end of such fiscal year;
4. The selection process used;
5. Status of the contract;
6. If it was exempt from advertising in the New York State Contract Reporter pursuant to Article IV(C) of these Guidelines:
   i) a statement to that effect; and
   ii) the basis for such exemption; and
7. Whether the contract was entered into with a New York State business enterprise or a foreign business enterprise, as those terms are defined in Public Authorities Law § 2879.
8. Whether the contract was entered into with a New York State certified minority or women-owned business enterprise.
9. Referrals to and penalties imposed by the Director of DMWBD pursuant to Executive Law § 316.

C. Each Authority shall submit a copy of such report to the board of the Authority upon its completion.

**Article XII-Personal Service Contracts Requiring Approval of the Board**

The following personal service contracts shall require the approval of the Board of the Authority by resolution approved by a majority of the members present at a meeting at which a quorum is in attendance and shall be reviewed by the Board on an annual basis:
A. Personal Service Contracts of all Authorities except for Bridges and Tunnels: All personal service contracts entered into by an Authority in the actual or estimated amount of $20,000 or more;

B. Personal Service Contracts of Bridges and Tunnels: All personal services contracts entered into by Bridges and Tunnels in the actual or estimated amount of $15,000 or more where the services will be rendered over a period in excess of one year; and

C. Miscellaneous service contracts: See Article II(C) of these guidelines.

Article XIII-Change Orders

An Authority may enter into a change order or amendment to a personal service or miscellaneous service contract provided that approval of the Board of the Authority by a resolution approved by a majority of the members present at a meeting at which a quorum is in attendance, shall be required in the following circumstances:

A. The contract did not equal or exceed the applicable monetary or durational threshold for board approval set forth in Article XII or Article II of these guidelines and the applicable threshold is equaled or exceeded as a result of the change order or amendment. This provision applies to all contracts subject to these Guidelines, including budget adjustments to estimated quantity contracts previously approved by the Board which exceed the threshold.

B. The contract was approved by the Board and the change order or amendment, including any change orders or amendments since Board approval was, last obtained, results in a substantial change in the contract as determined by an Authorized Officer.

C. The miscellaneous service contract was awarded pursuant to the All-Agency Procurement Guidelines and the change order or amendment equals or exceeds the requirements for Board approval under Article IX of the All Agency Procurement Guidelines.

D. Notwithstanding the foregoing, an Authorized Officer may enter into a change order or amendment in any of the following situations as determined by an Authorized Officer,

1. The existence of an emergency; or
2. The risk of a substantial increase in cost or delay if prompt action is not taken.

E. The Chief Operating Officer shall establish policies with respect to the delegation of responsibilities set forth in this Article.
Article XIV – Miscellaneous

A. Any provision of these guidelines may be waived by the Chairman, an Authority President or the Board, or such individuals as they may designate, except to the extent prohibited by law. A waiver may also be in the form of a ratification. If a contract is federally assisted, prior to issuing a waiver, consideration should be given to the steps which may be taken to assure that federal assistance is not jeopardized.

B. No Board committee procedure or action or Authority policy, other than one approved by the Chairman, shall be inconsistent with these Guidelines.

C. A contract awarded by an Authority pursuant to the provisions of these Guidelines may provide that the contract includes the requirements of one or more other Authorities.

D. An Authority may contract for a service available through an existing contract between a contractor and the State of New York or the City of New York or another Authority if: i) the existing contract was awarded pursuant to a process of competitive sealed bids or a competitive request for proposals; ii) the Authority's Authorized Officer determines that the price and other commercial terms specified in the contract are satisfactory; and iii) if board authorization would otherwise be required under these Guidelines, the Board adopts a resolution by a majority vote of the members of the Board present meeting at which a quorum is in attendance which sets forth the reasons why a competitive process is impractical or inappropriate and authorizes the Authority to enter into the contract.

E. These Guidelines are intended for the guidance of officers and employees of the Authority only. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under or by reason, of any requirement or provision thereof.

F. Nothing contained in these Guidelines shall be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, the provisions of these Guidelines.

G. Where applicable federal, state or local laws, ordinances, codes, rules or regulations contain requirements which are in conflict with or which impose greater obligations upon the Authority than these Guidelines, then such requirements shall take precedence over those contained herein.

H. The Authority shall prepare a publicly available report no less frequently than annually, summarizing procurement activity by the Authority for the period of the report, in accordance with the reporting requirements of Section 2879(6) of the Public Authorities Law.
I. Nothing in these guidelines shall preclude the Authority from accepting bids or proposals in an electronic format, to the extent permitted by law.
ALL AGENCY PROCUREMENT GUIDELINES

These guidelines apply to the Metropolitan Transportation Authority ("MTA"), the New York City Transit Authority ("Transit"), the Long Island Rail Road Company ("LIRR"), The Metro-North Commuter Railroad Company ("MNCRR"), Staten Island Rapid Transit Operating Authority ("SIRTOA"), Metropolitan Suburban Bus Authority ("LI- Bus"), Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"), MTA Capital Construction ("MTACC"), MTA Bus Company ("MTA Bus"), and to the Triborough Bridge and Tunnel Authority ("Bridges and Tunnels") insofar as they are consistent with the provisions of law applicable to Bridges and Tunnels (each of which is referred to severally and together, as the "Authority").

Article I - Applicability of Guidelines

This policy applies to i) purchase contracts for supplies, materials or equipment ("purchase contracts"); ii) public work contracts ("public work contracts"); and iii) leases of equipment with or without an option to purchase, computer software licenses and maintenance agreements, printing contracts (where editorial services do not predominate), and to any other contract which is not otherwise classified under these guidelines or the All Agency Guidelines for Procurement of Services ("miscellaneous procurement contracts"). In the event a proposed contract contains elements of more than one type of contract under these Guidelines or the All Agency Guidelines for Procurement of Services, the elements which predominate shall determine the type of contract for purposes of both Guidelines.

Article II - Delegation of Authority

The Chairman, the presidents of the Authorities, or the designated representative or representatives thereof (each defined for purposes of these guidelines as an "Authorized Officer") are hereby empowered with respect to purchase contracts, public work contracts, and miscellaneous procurement contracts to be entered into by the respective Authority acting on its own behalf or as agent for MTA, as follows:

A. to establish procedures which shall be competitive to the extent deemed practicable by the Authorized Officer, for the award of purchase contracts estimated to involve the expenditure of $15,000 or less and public work contracts estimated to involve the expenditure of $25,000 or less;

B. to establish procedures for the award of miscellaneous procurement contracts regardless of the estimated expenditure, which procedures shall provide for Board approval of the award if the contract provides for the estimated expenditure of more than $25,000 and is not awarded pursuant to sealed competitive bidding. A majority of the members of the Board in
attendance at a meeting at which a quorum is present shall be required to approve the resolution authorizing such award;

C. for purchase contracts estimated to involve the expenditure of more than $15,000 and public work contracts estimated to involve the expenditure of more than $25,000:

1. to determine the criteria for the evaluation of bids which may include but are not limited to unit or aggregate amount bid, life cycle costs or savings (including but not limited to costs or savings associated with installation, energy use, maintenance, operation, salvage and disposal), discounts and costs of maintenance and inspection services;
2. to determine whether a contract required to be advertised in the New York State contract reporter is exempt from such requirement on the basis of a need to award the contract on an emergency or critical basis;
3. to advertise for, solicit and open bids;
4. to record the name of each bidder and the amount(s) bid;
5. to determine the lowest responsive and responsible bidder, including, in the event two or more responsible bidders submit identical bids which are the lowest bids, to award the contract to any of such bidders or obtain new bids from such bidders;
6. to reject all bids when it is determined to be in the public interest to do so;
7. to award the contract.

D. to determine whether a bidder or prospective bidder should be ineligible to act or bid as a contractor or act as a subcontractor for a fixed or indefinite period of time with respect to contracts of the Authority in question.

E. in addition to the other authorizations set forth elsewhere in this document, to establish guidelines governing the qualifications of bidders for public works and public contracts, and to fix the standards for the prequalification of bidders entering into such contracts, for the East Side Access Project in accordance with Section 1265-a.2(c) of the Public Authorities Law.

**Article III - Award of Contracts Without Competitive Bidding**

A. A purchase contract estimated to involve the expenditure of more than $15,000 and a public work contract estimated to involve the expenditure of more than $25,000 may be awarded without competitive bidding under the circumstances set forth below, provided that the Authorized Officer recommends such an action and the Board adopts a resolution declaring competitive bidding to be impractical or inappropriate and states the
reasons therefore, and summarizes any negotiations that have been conducted. Except in a situation specified in Article III (A) (1), such resolution shall be approved by two-thirds of the members of the Board then in office. A declaration under Article III (A) (1) shall require approval by a majority of the members of the Board in attendance at a meeting at which a quorum is present.

1. The existence of an emergency involving danger to life, safety or property which requires immediate action and cannot await competitive bidding; or when the item to be purchased is essential to the efficient operation of or the adequate provision of service and, as a consequence of an unforeseen circumstance, such purchase cannot await competitive bidding. Competitive bidding is hereby declared to be impractical and inappropriate in any of the foregoing situations where an Authorized Officer must take appropriate action and cannot await action by the Board; provided, however, that notice of such action shall be given to the Board at its next scheduled meeting together with a statement of the reasons for such action and a request for ratification by the Board.

2. The item to be purchased is available only from a single responsible source provided, however, that a notice of the Authority's intent to purchase such item without competitive bidding shall be posted on the Authority's website, and, if bids have not been solicited for such item within the preceding twelve months, a notice must be published pursuant to Article VI(A) hereof. Any notices required by this paragraph shall -which sets forth the Authority's intent to purchase the item without competitive bidding because the item is available from only one source and invites any firm which believes it can provide the item to so inform the Authority and to provide the Authority with additional information which confirms that it can supply the item.

3. Competitive bids are solicited and
   a. no responsive bid is received; or
   b. only a single responsive bid is received, and the Authorized Officer rejects the bid.

4. With respect to a product or technology, the Authority wishes to:
   a. experiment with or test it;
   b. experiment or test a new source for it; or
   c. evaluate its service or reliability.
Such a contract may not be awarded until at least thirty days after
the date the Board has declared competitive bidding to be
impractical or inappropriate.

5. The item is available through an existing contract between a
vendor and any of the following and the resolution adopted by the
Board includes a determination that, and the reasons, why, it is in
the public interest to do so:

a. An Authority or any other public authority provided such
   contract had been awarded through a process of
   competitive bidding or a competitive request for proposals;

b. The State of New York, The City of New York, or (except
   for Transit and MaBSTOA) the County of Nassau.

It is hereby determined that competitive bidding is inappropriate and,
because of the likelihood that a competitive process will not result in better
commercial terms, that it is in the public interest to purchase an item
through an existing contract of the State of New York, The City of New
York or an Authority, or in regard to LI Bus, the County of Nassau, where
price and other commercial terms specified in such contract are
satisfactory to the Authorized Officer. Such a determination shall be
documented in writing by the Authorized Officer.

6. The Authority determines that it is in the public interest to award
the contract though a competitive request for proposals ("RFP") in
accordance with the procedures set forth in Article IV. For
purposes of this subsection, a competitive RFP shall mean a
method of soliciting proposals and awarding a contract on the basis
of a formal evaluation of the characteristics which are deemed
relevant to the Authority's operations, such as quality, cost,
delivery schedule and financing, against stated selection criteria.
Where the RFP involves the purchase or rehabilitation of rail cars,
transit cars or buses, the selection criteria may also include the
extent to which the performance of all or a portion of the contract
will involve the use of sites within the State of New York or the
use of goods produced or services provided within the State of
New York.

B. Under the MTA Small Business Mentoring Program, a non-federally
funded public work contract that is designated by the Authority as a small
business mentoring program contract within the meaning of Section 1265-
b(1)(e) of the Public Authorities Law, may be awarded in accordance with
the provisions of Section 1265-b of the Public Authorities Law,
notwithstanding any other provision of law or these guidelines. A public
work contract that is partially or wholly federally funded, subject to
Department of Transportation regulations and estimated to involve an
expenditure of not more than $3 million, may be awarded pursuant to the MTA Small Business Federal Program established under 49 CFR 26.39 in accordance with the competitive procedures established under that Program, notwithstanding any other provision of law or these guidelines. The Chairman or his designee is authorized to designate which eligible public work contracts shall be small business mentoring program or small business federal program contracts.

C. A contract, in an amount not to exceed $200,000 for the purchase of goods, for public works or for a miscellaneous procurement that is not federally funded, may be awarded pursuant to Section 2879(3)(b)(i) of the Public Authorities Law without competitive bidding or other formal competitive process, notwithstanding any other provision of law or these guidelines, where either (i) the contract involves goods or technology that are recycled or remanufactured or (ii) the proposed award is to a small business concern or a certified minority or women-owned business enterprise ("MWBE"). The Chairman or his designee shall determine which contracts are appropriate for such types of procurements in consultation with the Authorized Officer of the appropriate agency. In the case of contracts that are designated pursuant to Section 2879(3)(b)(i) for award to eligible small business concerns or MWBEs, there shall be notice of the proposed contract on the Authority website inviting responsive bids or proposals from qualified small business concerns and MWBEs. Notice of such procurement shall also be provided to identified organizations that represent or regularly notify small business concerns or MWBEs of the type of procurement opportunity that is the subject of the award. Awards pursuant to Section 2879(3)(b)(i) shall be made to the bidder or proposer determined to have submitted the bid or proposal that is most advantageous to the Authority, price and any other relevant factors considered. An award proposed to be made to a bidder or proposer other than the lowest responsible, responsive bidder or proposer shall require approval by a majority of the Board at which a quorum is present. The Chairman or his designee, in consultation with the Authorized Officer of the appropriate agency, may reject all offers and withdraw the designation of a contract as one to be awarded pursuant to Section 2879(3)(b)(i) if the Chairman or his designee determines that an award will result in the payment of an unreasonable price or otherwise not be advantageous to the Authority.

Article IV - Requests for Proposals

A contract authorized pursuant to Article III (A)(6) may be awarded after the issuance of an RFP in the following manner:

A. Public notice shall be given of the RFP in accordance with the procedures specified in Article VI(A) and (B). In addition to the information required
under Article VI(C), the public notice must include a statement of the selection criteria. Such notice shall also be provided to professional and other organizations that represent or regularly notify certified MWBEs of the type of procurement opportunity that is the subject of the RFP. The Authority may engage in a selection process involving multiple steps such as requests for qualifications, requests for technical proposals and requests for quotations. After the publication of the notice, any or all of the selection criteria specified in the advertisement may be changed, provided that, if the change is material, proposers and potential proposers who, prior to the deadline for the receipt of proposals, have expressed an interest in the RFP, shall be informed of the change and afforded the opportunity to modify their proposals.

B. After receipt of the proposals, an Authority may:

1. change the selection criteria provided that, if the change is material, all proposers are informed of the change and afforded the opportunity to modify their proposals;
2. request that any of the proposers make a presentation. If it does so, it is not required to afford such opportunity to all proposers;
3. negotiate with any of the proposers. If it does so, it is not required to negotiate with all proposers;
4. reject any proposal at any time; and
5. reject all proposals, in which event the Authority may decide to take no further action, solicit new proposals or solicit bids.

C. A contract may be awarded pursuant to an RFP only after adoption of a resolution by a 2/3 vote of the Board members then in office (the "award resolution"). The award resolution:

1. must be recommended to the Board by the Authority's Authorized Officer;
2. must identify all proposers;
3. must set forth the substance of the proposals received;
4. must, as applicable, summarize the negotiation process including the opportunities, if any, available to proposers to present and modify their proposals; and
5. must set forth the criteria upon which the selection was made.

D. The award resolution may be adopted simultaneously with or subsequent to the adoption of the resolution declaring that competitive bidding is impractical or inappropriate because it is in the public interest to use the RFP process specified in the opening paragraph of Article III hereof (the "RFP authorizing resolution"), provided that, if the RFP authorizing resolution and the RFP award resolution are adopted simultaneously or
within less than thirty days of each other, the contract may be executed by the Authority no less than thirty days after the adoption of the RFP authorizing resolution.

**Article V - Qualified Products Lists ("QPL")**

The Board hereby determines that for reasons of efficiency, economy, compatibility or maintenance reliability, there is a need for standardization as to various supplies, materials and equipment which are purchased by the Authorities and authorizes the establishment of a qualified products list ("QPL") identifying such supplies, materials and equipment as hereinafter provided. A purchase contract for an item which has been included on a QPL duly established and maintained by an Authority, may be entered into by that Authority as hereafter set forth:

A. The Authorized Officer of the Authority determines as to a specific item that, for reasons of efficiency, economy, compatibility or maintenance reliability, there is a need for standardization.

B. The QPL is reviewed no less than two times per year. The purpose of this review is to evaluate whether to add or delete items or vendors to or from the QPL.

C. A notice is published by the Authority no less than one time per year in a general circulation newspaper and in the New York State contract reporter which:

1. advertises the existence of the QPL;
2. states that the QPL is available for public inspection; and
3. specifies the name and address of the Authority's office which may be contacted in regard to the procedure for the compilation of the QPL.

D. A contract for an item on the QPL may be awarded:

1. without competitive bidding if only one source for the item is specified on the QPL;
2. by competitive sealed bidding but without advertising provided the invitation to bid is sent to all vendors listed on the QPL for the particular item;
3. by competitive sealed bidding after advertising the bid pursuant to Article VI (A) of these procedures.

E. Two or more Authorities may utilize the same QPL provided that such Authorities jointly comply with the provisions of this Article.
Article VI - Advertising

Except as provided in subsection D of this Article and Article II(C)(2), in those instances where advertising is required under these Guidelines:

A. For purchase contracts in the actual or estimated amount in excess of $15,000 for all Authorities and for public work contracts in the estimated amount in excess of $25,000, the advertisement shall be published at least once in a newspaper of general circulation in the area served by the Authority and in the New York State contract reporter provided that, if the contract is to be awarded without the solicitation of competitive bids or RFP, the timing of the publication in the New York State contract reporter shall be determined by an Authorized Officer;

B. The first publication shall be no less than fifteen business days prior to the planned bid opening date and the second publication shall be within a reasonable period prior to the planned bid opening date.

C. The advertisement must contain, as applicable, a statement of: (i) the time and place where bids received will be publicly opened and read; (ii) the name of the contracting Authority; (iii) the contract identification number; (iv) a brief description of the public work supplies, materials, or equipment sought, the location where work is to be performed, goods are to be delivered or services provided and the contract term; (v) the address where bids or proposals are to be submitted; (vi) the date when bids or proposals are due; (vii) a description of any eligibility or qualification requirement or preference; (viii) a statement as to whether the contract requirement may be fulfilled by a subcontracting, joint venture or co-production arrangement; (ix) any other information which the Authority deems useful to potential contractors; and (x) the name, address, and telephone number of the person to be contacted for additional information. In addition, if a purchase contract is involved, the advertisement in the New York State contract reporter shall also include a statement as to whether the goods sought had in the immediately preceding three year period been supplied by a foreign business enterprise as that term is defined in Article 4-C of the Economic Development Law.

D. Advertisement in a general circulation newspaper and in the New York State contract reporter is not required if the Authority regularly purchases the particular supplies, material or equipment and bids are solicited from a list of potential suppliers for the item which has been established and maintained as set forth in Article VII hereof.

E. In addition to the above advertisements, the Authority shall provide notice to professional and other organizations that regularly notify certified
MWBEs of the type of procurement opportunity that is the subject of the solicitation.

Article VII - Contractor Outreach

The Authority shall encourage firms to be interested in competing for Authority contracts. The Authority shall do so in the following manner:

A. Suppliers Lists for Purchase Contracts: The Authority shall compile a list of potential sources of supplies, materials or equipment which it regularly purchases. Such list must be compiled in accordance with the following procedures:

1. Advertisements must be periodically placed in one or more publications which are likely to be read by manufacturers, suppliers and others who deal in the item including firms which may be minority or woman owned businesses, which set forth a general description of categories of items which are regularly procured by the Authority and invites firms to advise the Authority in writing of their interest in being placed on the suppliers list for specific items or categories of items.

2. A periodic effort:

i) must be undertaken to identify potential bidders for the item who are not on the list including minority or woman owned businesses. Such effort shall include the use of the Authorities' websites, use of appropriate publications, including those that serve minority and women's business communities, other sources of information, and cooperation with federal, state and local agencies and other Authorities. Where appropriate, a print or electronic letter shall be sent to a new potential bidder which invites it to request that it be added to the list and, if it does not wish to be added, requests that it indicate why.

ii) where appropriate, must be undertaken to identify firms which have not responded to bids or expressed an interest in remaining on a list. An effort should be made to contact such firms to determine why they have not bid, whether they are interested in remaining on the list and, if not, why not. A firm may be deleted from the list where it requests deletion, or where the circumstances indicate that it is unlikely that the firm is interested in remaining on the list.

3. The Authority will maintain lists of qualified and certified MWBEs, including professional firms that have expressed an interest in doing business with the Authority and ensure that such
lists are updated regularly. The Authority will also consult the lists of certified MWBEs maintained by the New York State Department of Economic Development ("DED").

4. An advertisement must be placed quarterly in the State Register and in the New York State contract reporter.

5. In the event it is not practicable to maintain a suppliers list for a specific item, such item shall be included in a broader category or other appropriate classification which reasonably includes the item, and a suppliers list shall be maintained with respect to the category or classification.

B. Capital Program Purchase and Public Work Contracts: The Authority shall place an advertisement in the New York State contract reporter no less than four times per year which sets forth a general list of anticipated capital program purchase contracts and public work contracts, and the address of the Authority's office which may be contacted in order to be afforded the opportunity to compete for such contracts and for other Authority contracts. Advertisements will also be placed in publications that serve minority and women's business communities.

**Article VIII – Minority/Women Owned and Disadvantaged Business Enterprises**

The potential exists for disadvantaged/minority/women owned business enterprise involvement in Authority contracts. The Authority shall use its best efforts to maximize the utilization, as applicable, of DBEs under the Authority's federal program, and MBEs/WBEs under the New York State program set forth in Public Authorities Law §2879, Article 15-A of the Executive Law and these guidelines.

A. The MTA Chief Diversity Officer ("Chairman’s Designee") is responsible for overseeing the programs established by the MTA to promote and assist: i) the participation by certified MWBEs in procurement opportunities and facilitation of the award of procurement contracts to such enterprises; ii) the utilization of certified MWBEs as subcontractors and suppliers to Authority prime contractors; and iii) the utilization of partnerships, joint ventures ("JVs") or other similar arrangements between certified MWBEs and prime contractors. The Chief Diversity Officer reports directly to the Chairman in connection with the responsibilities set forth herein, and will participate in the procurement process either directly or through his or her designees.

B. For contracts awarded pursuant to these Guidelines, the Authority shall establish appropriate goals for participation by certified MWBEs and for
the utilization by prime contractors of MWBEs as subcontractors and suppliers. Statewide numerical participation target goals will be established by the Authority based on the findings of the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study.

C. The Authority will conduct procurements in a manner that enables the Authority to achieve the maximum feasible portion of the goals set pursuant to Article VIII (B) above, including by taking the following actions: i) establishing measures and procedures to ensure that certified MWBEs are given the opportunity for maximum feasible participation in the performance of Authority contracts and to assist in the identification of those contracts that are best suited for which certified MWBEs may best bid to actively and affirmatively promote and assist their participation in the performance of Authority contracts so as to facilitate the Authority's achievement of the maximum feasible portion of the MWBE goals; ii) designating the New York State Division of Minority and Women-owned Business Development ("DMWBD") to certify and decertify MWBEs for purposes of these guidelines; iii) setting forth in each contract solicitation the expected degree of MWBE participation based on potential subcontracting opportunities and the availability of certified MWBEs to respond competitively to those opportunities; iv) providing to prospective contractors in writing, or by identifying a link to a specific web site, a current list of MWBEs; v) with regard to joint ventures, allowing a bidder to count toward meeting its MWBE participation goal, the MWBE portion of the joint venture; vi) waiving a contractor's obligation relating to MWBE participation after a showing of good faith efforts to comply with the participation goal; and vii) verifying that MWBEs listed in a successful bid or proposal are actually participating to the extent listed in the project for which the bid or proposal was submitted. In implementing its MWBE programs, the Authority will also consider, where practicable: i) the severability of construction projects and other bundled contracts; ii) the implementation of a program that will enable the Authority to evaluate each contract to determine the appropriateness of the goal pursuant to the New York State 2010 Disparity Study, or any subsequent New York State Disparity Study; iii) compliance with the requirements of any federal law concerning opportunities for any MWBEs which effectuates the purpose of this section; and iv) consultation of the most recent disparity study.

Article IX - Change Orders

A. A change order which exceeds the lesser of $250,000 or $50,000 in the event such change order exceeds 15% of the adjusted contract value, may be entered into by an Authorized Officer, upon the approval of the Board pursuant to a resolution adopted in accordance with Article IX hereof. The submission to the Board shall include an explanation of the need for the change order. All other change orders shall be approved by an
Authorized Officer. For purposes of this Article, the "adjusted contract value" shall mean the original amount of the contract plus the aggregate amount of all prior change orders (whether or not approved by the Board). This provision applies to all contracts subject to these Guidelines, including budget adjustments to estimated quantity contracts previously approved by the Board which exceed the threshold.

B. Notwithstanding the foregoing, an Authorized Officer may enter into a change order in any of the following situations as determined by an Authorized Officer:

1. The existence of an emergency; or
2. There is a risk of a substantial increase in cost or delay if prompt action is not taken.

C. The Chief Operating Officer shall establish policies with respect to the delegation of responsibilities set forth in this Article.

**Article X - Form of Board Resolution**

A. Except as otherwise required in Article III and Article IV(C), the procedure for the adoption by the Board and the format of a resolution pursuant to this policy shall be determined by the MTA Chairman. Provided, however, that any Board resolution sought pursuant to these Guidelines shall (i) identify the contract by vendor; (ii) briefly describe the substance of the contract; (iii) specify all the information required under the applicable provisions of this policy; and (iv) specify the estimated or actual cost to the Authority.

B. To the extent practicable, the request for the resolution shall first be submitted to the standing committee of the Board responsible for the Authority.

C. The MTA Chairman may modify the procedures in this Article for all Authorities.

**Article XI - Miscellaneous**

A. Any provision of this policy may be waived by the Chairman, an Authority President, or the Board except to the extent prohibited by law. A waiver may also be in the form of a ratification.

B. No Board Committee action or Authority policy, other than one approved by the Chairman, shall be inconsistent with these Guidelines.

C. An Authority may not divide or split any contract or series of contracts for the purpose of avoiding the requirements of these Guidelines.
D. If prior to the commencement of an Authority fiscal year, an Authorized Officer reasonably anticipates that, during the next fiscal year, the Authority will expend, in the aggregate, in excess of fifteen thousand dollars for a series of purchase contracts for the same or substantially similar good: i) such requirement shall be met pursuant to a requirements contract awarded pursuant to the applicable provisions of these guidelines; or ii) each such contract shall be awarded pursuant to the provisions of Article II(C), III, IV, V or Article VII of these Guidelines.

E. If prior to the commencement of an Authority fiscal year, an Authorized Officer reasonably anticipates that, during the next fiscal year, the Authority will expend, in the aggregate, in excess of twenty-five thousand dollars for a series of contracts for same or substantially the same type of public work: i) such requirements shall be met pursuant to a requirements contract awarded pursuant to the provisions of Article II(C), III, or IV or a procedure determined by an Authorized Officer to be comparable to Article V or VII of these Guidelines; or ii) each such contract shall be awarded pursuant to the provisions of Article II(C), III, or IV or a procedure determined by an Authorized Officer to be comparable to Article V or VII.

F. Nothing in these Guidelines shall preclude the Authority from accepting bids or proposals in an electronic format, to the extent permitted by law.

G. A contract awarded by an Authority pursuant to these Guidelines may provide that the contract includes the requirements of one or more other Authorities.

H. The Authority shall prepare a publicly available report no less frequently than annually, summarizing procurement activity by the Authority for the period of the report in accordance with the reporting requirements of Section 2879(6) of the Public Authorities Law.

I. These guidelines are intended for the guidance of officers and employees of the Authority only. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof.