MEETING AGENDA
METROPOLITAN TRANSPORTATION AUTHORITY BOARD
November 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 September 18, 2013
   NYCT/MaBSTOA/SIR/Bus Company Regular Board Meeting of September 18, 2013
   MTA Metro-North Railroad Regular Board Meeting of September 18, 2013
   MTA Long Island Rail Road Regular Board Meeting of September 18, 2013
   Triborough Bridge & Tunnel Authority Regular Board Meeting of September 18, 2013
   MTA Capital Construction Regular Board Meeting of September 18, 2013
   MTA Special Board Meeting of October 1, 2013
   MTA Metro-North Railroad Special Board meeting of October 1, 2013

3. COMMITTEE ON FINANCE
   Action Item
      TBTA Bonds Authorization
   Information Item
      2012-2013 Station Maintenance Receivable
   Procurements
      Non-Competitive
      Competitive
      Ratifications (no items)
   Real Estate Items

4. COMMITTEE ON NYCT & BUS
   Procurements
      Non-Competitive
      Competitive
      Ratifications

5 COMMITTEES ON METRO-NORTH RAILROAD/LONG ISLAND RAIL ROAD
   Procurements
   MNR/LIR/MTACC
      Non-Competitive (no items)
      Competitive
      Ratifications
6. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS
   Procurements
   Non-Competitive (no items) --
   Competitive 132
   Ratifications 144

7. FIRST MUTUAL TRANSPORTATION ASSURANCE CO (FMTAC) (No Items)

8. CFO PRESENTATION ON MTA 2014 FINAL PROPOSED BUDGET
   AND NOVEMBER FINANCIAL PLAN 2014-2017

9. EXECUTIVE SESSION

Date of next MTA Board meeting: Wednesday, December 18, 2013 at 10:00 a.m.
The following members were present:

Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Norman Brown
Hon. Charles G. Moerdler
Hon. David A. Paterson

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Carmen Bianco, President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, President/SVP, MTA Bus Operations and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Board of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road, the Metro-North...
Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

Unless otherwise indicated, these minutes reflect items on the agenda of the Board of the Metropolitan Transportation Authority, the Metropolitan Suburban Bus Authority, and the First Mutual Transportation Assurance Company. Refer to the other agencies’ minutes of this date for items on the agendas of the Boards of the other agencies.

1. **PUBLIC SPEAKERS.** There were two (2) 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.

2. **CHAIRMAN’S OPENING COMMENTS.**

Chairman Prendergast announced the appointment of Carmen Bianco to the position of President of NYCTA and wished him well in his new role.

Chairman Prendergast formally acknowledged, thanked, and presented the following employees with an award for their heroism: Antoine Taylor, New York City Transit Authority, James Fortunato, V.P. of Triborough Bridge and Tunnel Authority, and Triborough Bridge and Tunnel Authority Officers Jimmy Moy and John Esposito.

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on July 24, 2013.

4. **COMMITTEE ON FINANCE.**

A. **Action Items.** Upon motion duly made and seconded, the Board approved the following action items, described in further detail in the staff summaries and documentation filed with the meeting materials. Board member Jonathan Ballan abstained from the vote on action item # 2 below.

1. **Board Authorization to File for and Accept Federal Grants.** Approved a resolution to permit the filing and acceptance of Federal capital assistance for FFY 2013 and 2014.

2. **Selection of Bond Underwriters.** Approved the selection of firms for underwriting assignments for MTA bond and note issuances in connection with MTA financed approved capital programs, and to finance special projects outside of the approved capital programs. The selected firms include: a pool of ten (10) bond underwriters to serve as senior managers, including one joint venture for a total of eleven (11) firms; a pool of twenty-two (22) bond underwriters to serve as co-managers, including two joint ventures for a total of twenty (24) firms; and a pool of eighteen (18) bond underwriters to serve as selling group members, as set forth in the staff summary.

Regular Board Meeting
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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. **Various Contractors - Blue Ribbon Panel – Nos. 13191-0100 thru 0600.** Approved non-competitive contracts with Louis T. Cerny, Mortimer L. Downey, Jack Quinn, Conrad Ruppert, Jr., Rodney E. Slater, and William Van Trump to serve on a Blue Ribbon Panel of transportation safety officials and railroad industry leaders to assist and identify possible agency track and infrastructure improvement programs to improve workplace safety and minimize derailments.

2. **NASDAQ OMZ Corporate Solutions – Board Communication System – No. 13119-0100.** Approved a competitively negotiated contract to provide software services that will publish Board and committee materials, support board communications, and in an effort to improve efficiency, reduce paper usage, enhance flexibility, and offer easy-to-use collaboration tools.

3. **Miller Advertising Agency, Inc. – All-Agency Classified, Legal and Recruitment Advertising Services – No. 13102-0100.** Approved a competitively negotiated contract to provide as-needed classified, legal and recruitment advertising services.


5. **Pulsar Advertising, Inc./Arcade Creative Group, Inc. – All-Agency Full Service Marketing Agency – No. 12104-00100.** Approved competitively negotiated contracts to provide full service marketing and advertising services to MTAHQ and its affiliates and subsidiaries.

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 consideration of the Real Estate item contained in the Board book relating to the modification of Real Estate Policies was deferred until the November 13, 2013 Board meeting.
New York City Transit Authority

1. License agreement with The Brooklyn Navy Yard Development Corporation for the extension of bus route B67 to serve the Brooklyn Navy Yard, as part of the 2013-2014 Service Investments.

2. License agreement with Gateway Center Properties Phase II, LLC for the diversion of three bus routes to a bus terminal facility to be built by Gateway Center Properties Phase II, LLC at a new shopping center located at Gateway Center Boulevard, Spring Creek, Brooklyn, N.Y.

Long Island Rail Road

3. License agreement with the Village of Lynbrook for commuter and commercial parking lots at Lynbrook Station, Nassau County.

4. Lease agreement with BT To Go PS LLC (to be formed) d/b/a Beer Table To Go for retail sale of specialty beer, cheeses, prepared meat, condiments, dry packaged goods and gift items at Penn Station, Level A, Exit Corridor, Space 8, New York, N.Y.

5. Lease with Hudson Group Retail, LLC for retail operation of a Dunkin Donuts located at Penn Station, Level A, Exit Corridor, Space 13, New York, N.Y.

6. Sale of a 3,408 sq. ft. parcel adjacent to the Sutphin Blvd. underpass in Jamaica, Queens (the “Loading Dock Parcel” and a 773 sq. ft. adjoining parcel under such underpass (the “Underpass Parcel”) to 91-43 Sutphin, LLC.

Metro-North Railroad

7. Lease with Central Watch Band Stand, Ltd. d/b/a Central Watch for retail spaces Y-1, Y-2, Y-3, Y-4, and Y-5 for the repair, servicing and sale of watches and related accessories at Grand Central Terminal, New York, N.Y.

8. Lease with Menta, Inc. d/b/a Dishes At Home for retail space MKT-25/26 and storage space BS-06 for retail sale of tenant-prepared appetizers, entrees, side dishes, desserts and a limited selection of juices, iced teas and condiments at Grand Central Terminal, New York, N.Y.

9. Lease with a corporation to be formed with Steven Cross as principal for net lease of station building for operation of a restaurant, bar and coffee concession at Peekskill Station on Metro-North’s Hudson Line, Peekskill, N.Y.

MTA Capital Construction

10. Determination and Findings, pursuant to a public hearing, under the New York Eminent Domain Procedure Law, to acquire additional permanent and temporary

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easements in portions of the Building located at 301 East 69th Street (Block 1444, Condominium #377) (formerly Lot 1) located on the northeast corner of Second Avenue and East 69th Street in order to construct a new subway station entrance (Entrance 1") for the 72nd Street Station of the Second Avenue Subway Project, New York, N.Y.

5. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board voted to convene an executive session in accordance with Section 105(1)(f) of the New York State Public Officers Law to discuss matters relating to the appointment, employment, or promotion of a particular person or corporation. Upon motion duly made and seconded, the Board approved a salary and other terms of employment for Mr. Prendergast's service as Chairman and Chief Executive Officer. Chairman Prendergast was not present for the vote. Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.

5. **ADJOURNMENT.** Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:45 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, September 18, 2013
10:00 a.m.

The following members were present:

Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Norman Brown
Hon. Charles G. Moerdler
Hon. David A. Paterson

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Carmen Bianco, President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, President/SVP, MTA Bus Operations and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.
1. **CHAIRMAN PRENDERGAST CALLED THE MEETING TO ORDER**

2. **PUBLIC COMMENT PERIOD**

   There were no public speakers on NYC Transit/MTA Bus issues.

3. **CHAIRMAN PRENDERGAST'S COMMENTS**

   Chairman Prendergast announced to the Board the appointment of Carmen Bianco as President of NYC Transit. Details of Chairman Prendergast'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 MTA New York City Transit/SIR/MIT Bus Company.

4. **MINUTES**

   Upon motion duly made and seconded, the Board unanimously approved the minutes of the regular board meeting of MTA New York City Transit, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Railway Transit Operating Authority, and MTA Bus Company held on July 24, 2013.

5. **COMMITTEE ON FINANCE**

   **Real Estate Item(s):**

   MTA New York City Transit: Upon motion duly made and seconded, the Board approved: (i) a license agreement between NYC Transit and the Brooklyn Navy Yard and (ii) a license agreement between NYC Transit and Spring Creek/Gateway Center.

6. **COMMITTEE ON TRANSIT & BUS OPERATIONS**

   **NYC Transit & MTA Bus Company**

   **Procurements:**

   **Non-Competitive Procurements:** Upon motion duly made and seconded, the Board approved NYC Transit's non-competitive procurements requiring a two-thirds vote (Schedule A in the Agenda) and those requiring a majority vote (Schedules G and H in the Agenda). Board member Ballan abstained from the vote on procurement item A-2: Bombardier Transportation. 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 New York City Transit/SIR/MIT Bus Company.

   **Competitive Procurements:** Upon motion duly made and seconded, the Board approved NYC Transit's competitive procurements requiring a two-thirds vote (Schedule B in the Agenda) and those requiring a majority vote (Schedules F, G 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 New York City Transit/SIR/MIT Bus Company.
Procurement Ratifications: Upon motion duly made and seconded, the Board approved NYC Transit’s ratifications requiring a two-thirds vote (Schedule D in the Agenda) and those 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 New York City Transit/SIR/MTA Bus Company.

7. EXECUTIVE SESSION

The Board convened into Executive Session pursuant to Section 105(1)(f) of the New York State Public Officers Law to discuss matters relating to the appointment, employment, or promotion of a particular person or corporation. Upon motion duly made and seconded, the Board approved the salary and other terms of employment for Mr. Prendergast’s service as Chairman and Chief Executive Officer. Chairman Prendergast was not present for the vote. Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:45 a.m.

Respectfully submitted,

Martin B. Schnabel
Secretary
The following members were present:

Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following member was absent:

Hon. Norman Brown
Hon. Charles G. Moerdler
Hon. David A. Paterson

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Carmen Bianco, President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, President/SVP, MTA Bus Operations and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Board of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

1. Chairman Prendergast called the meeting to order.

2. Public Speakers: There were two public speakers.
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.

Procurements:

The Board voted on MTA Headquarters procurements. Upon motion duly made and seconded, the members of the Board present approved the following non-competitive procurements that relate to Metro-North.

- Award of a multi-agency, personal service contract requiring majority vote to engage the services of a Blue Ribbon Panel of transportation safety officials and railroad industry leaders following a recent series of safety-related incidents, including derailments and workplace accidents involving Metro-North, Long Island Rail Road and New York City Transit.

The Board voted on MTA Headquarters procurements. Upon motion duly made and seconded, the members of the Board present approved the following competitive procurements that relate to Metro-North.

- Award of an all-agency personal service contract requiring majority vote with Miller Advertising Agency, Inc. to provide as-needed classified, legal and recruitment advertising services
- Award of an all-agency, personal service contract with Pulsar Advertising Inc./Arcade Creative Group, Inc. to provide full service marketing and advertising services.

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 Action Items:

Upon motion duly made and seconded, the members of the Board present approved the following real estate items recommended to it by the Committee on Finance that relate to Metro-North.

- Lease with Central Watch Stand, Ltd. d/b/a Central Watch for the repair, servicing and retail sale of watches and related accessories in retail space Y1-Y5 at Grand Central Terminal.
- Lease with Mehta, Inc. d/b/a Dishes at Home for the sale of tenant-prepared appetizers, entrees, side dishes, desserts and a limited selection of juices, iced teas and condiments in retail space MKT-25/26 at Grand Central Terminal.
- Lease for the operation of a café, restaurant and bar (with a corporation to be formed by Steven Cross, as principal) at the Peekskill Station building in Peekskill, New York.
Staff summaries setting forth the details of the above items are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

6. **Committee on Metro-North Railroad Operations:**

**Procurements:**

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

- A request to use the RFP process to solicit and evaluate proposals from prospective vendors to perform a complete refurbishment on the existing Catenary Maintenance Vehicles and reel trailers utilized by Metro-North's Maintenance of Way Division.
- A competitively solicited, three-year miscellaneous service contract with Mermecc, Inc. for track geometry testing along Metro-North's Hudson, Harlem and New Haven Lines.

Upon motion duly made and seconded, the members of the Board present approved the following ratifications recommended to it by the Committee on Metro-North Railroad Operations.

- Election of the option with Transportation Technology Center, Inc. (TTCI) to conduct a Ground Penetrating Radar (GPR) survey and analysis of Metro-North's main line tracks.
- A non-competitive, negotiated and awarded miscellaneous service contract with C&G Surfacing for right-of-way surfacing being provided in support of Metro-North's Maintenance of Way Division.
- A non-competitive, negotiated and awarded miscellaneous service contract with Simplex Grinnell for emergency repairs to a fire alarm control panel at Metro-North's facility in Bridgeport, Connecticut.
- A non-competitive, negotiated and awarded miscellaneous service contract with Delta Rail Group, Ltd. for the relocation of Metro-North's Wheel Chex Detection System used for the timely identification of wheel defects.

The details of the approved procurements are set forth in the staff summaries and reports filed with the records of this meeting.

7. **Committee on Long Island Rail Road Operations:**

The Board voted on Long Island Rail Road procurements. Upon motion duly made and seconded, the members of the Board present approved the following competitive procurement requiring two-thirds vote that relates to Metro-North.

- Board approval to authorize Long Island Rail Road and Metro-North to award the M-9 car procurement contract to Kawasaki Rail Car, Inc. (KRC) in an amount not-to-exceed $1,834,888,620 to design, test, furnish and deliver up to 92 Long Island Rail Road self-propelled married pair cars on a base order and up to
584 Long Island Rail Road and Metro-North cars (including unpowered cars) on future options.

Board Member Blair noted that the PCAC is ready to participate in efforts to obtain rider input into the design of the M-9 railcars. He asked that a Committee presentation be made prior to the exercise of a contract option to explain the recommended choice and provide an examination of the car designs that were rejected. Chairman Prendergast stated that he was aware of the dialogue with the Committee with respect to the approval process for the options and that the MTA is committed to including the Committee in that process. President Permut added that he and President Williams will come back to the Board for a full discussion of the rolling stock strategy in advance of making any decision on exercising the options and in advance of the approval of the 2015-2019 Capital Program which will include funding for the option cars.

A staff summary and report setting forth the details of the above item is filed with the minutes of the meeting of the Long Island Rail Road held this day.

8. Executive Session:

The Board convened into Executive Session pursuant to Section 105(1)(f) of the New York State Public Officers Law to discuss matters relating to the appointment, employment, or promotion of a particular person or corporation. Upon motion duly made and seconded, the Board approved the salary and other terms of employment for Mr. Prendergast's service as Chairman and Chief Executive Officer. Chairman Prendergast was not present for the vote. Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.

9. Adjournment:

Upon motion duly made and seconded, the members of the Board present voted to adjourn the meeting at 10:45 a.m.

Respectfully submitted,

[Signature]

Linda Montanino
Assistant Secretary

Sept 2013 Board Minutes
Legal/Corporate
Minutes of the Regular Meeting  
Long Island Rail Road Company  
347 Madison Avenue  
New York, NY 10017  

Wednesday, September 18, 2013  
10:00 a.m.

The following members were present:  
Hon. Thomas F. Prendergast, Chairman & CEO  
Hon. Fernando Ferrer, Vice Chairman  
Hon. Jonathan A. Ballan  
Hon. John H. Banks, III  
Hon. Robert C. Bickford  
Hon. Allen P. Cappelli  
Hon. Ira R. Greenberg  
Hon. Jeffrey A. Kay  
Hon. Mark D. Lebow  
Hon. Susan Metzger  
Hon. John J. Molloy  
Hon. Mark Page  
Hon. Mitchell H. Pally  
Hon. Andrew M. Saul  
Hon. James L. Sedore, Jr.  
Hon. Carl V. Wortendyke

The following member was absent:  
Hon. Norman Brown  
Hon. Charles G. Moerdler  
Hon. David A. Paterson

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Carmen Bianco, President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, President/SVP, MTA Bus Operations and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Board of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

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

There were two public speakers. Murray Bodin of Concerned Grandparents expressed his opinion that new rail cars be in units of three cars similar to articulated buses. William Hendersen, Executive Director of the PCAC commented on the M-9 procurement. He noted that the contract includes design work and options to be exercised. The PCAC believes that incorporating meaningful input from riders who will use the cars on a daily basis can identify issues and provide an opportunity to improve the design and the final product. He also noted that the LIRR Commuter Council has had discussions with LIRR staff, which he expects will continue.

2. **Opening Remarks:**

Chairman Prendergast announced the appointment of Carmen Bianco as President of New York City Transit. He recognized seven exceptional MTA employees who assisted customers in need, including MTA Police Officers who assisted in a birth at Penn Station.

The details of Chairman Prendergast's opening remarks 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.

3. **Approval of Minutes:**

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of July 24, 2013 were approved.

4. **Committee on Finance:**

**Action Items:**

The Board voted on action items. Upon motion duly made and seconded, the Board approved the following items that relate to LIRR:

- Approval to file for and accept grants for Federal Fiscal Year (FFY) 2013 and 2014.
- Selection of Bond underwriters.

Board Member Ballan abstained from the vote on the selection of underwriters. 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.

**Procurements:**

The Board voted on MTA Headquarters procurements. Upon motion duly made and seconded, the Board approved the following procurements that relate to LIRR:

- Award of six negotiated, non-competitive personal service contracts to engage a Blue Ribbon Panel of transportation safety officials and railroad industry leaders, following a recent series of safety-related incidents, including derailments and
workplace accidents, involving Metro-North, Long Island Rail Road and New York City Transit.

• Award of an all-agency personal service contract to Miller Advertising Agency, Inc. to provide as-needed classified, legal and recruitment advertising services.

• Award of an all-agency, personal service contract to Pulsar Advertising Inc. / Arcade Creative Group, Inc. to provide full service marketing and advertising services.

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:

• License agreement with the Village of Lynbrook for five surface parking lots containing a total of 233 spaces, for a ten-year term, at Lynbrook Station, Nassau County.

• Lease agreement with BT To Go PS LLC (to be formed) d/b/a Beer Table to Go for the retail sale of specialty beer, cheeses, prepared meats, condiments, dry packaged goods and gift items, for a ten-year term, at Penn Station, Level A, Exit Corridor, Space 8.

• Lease agreement with Hudson Group (HG) Retail, LLC for retail operation of a Dunkin' Donuts, for a 10-year term, at Penn Station, Level A, Exit Corridor, Space 13.

• Sale of a 3,408 sq. ft. parcel adjacent to the Sutphin Blvd. underpass in Jamaica, Queens (the Loading Dock Parcel) and a 773 sq. ft. parcel under such underpass (the Underpass Parcel), to 93-43 Sutphin, LLC, for $1.7 million as part of RFP undertaken jointly with the Greater Jamaica Development Corp., to allow a hotel with retail spaces to be developed.

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

5. Metro-North Railroad Procurements:

Among the procurements approved for Metro-North was a ratification of an election of the option with Transportation Technology Center, Inc. (TTCI) to conduct a Ground Penetrating Radar (GPR) survey and analysis of tracks, including an option of $450,000 for LIRR.

6. Long Island Rail Road Committee:

Action Item:

• Service Enhancement to restore half-hourly weekend service on the Port Washington Branch and to extend Greenport weekend service from April through Thanksgiving.
Upon motion duly made and seconded, the resolution with respect to the Service Enhancements was approved.

**Procurements:**

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

- A non-competitive renewal contract to New York State Industries for the Disabled, to provide janitorial services at LIRR's Penn Station and West Side Yards Facilities, for a period of 5 years from January 1, 2014 through December 31, 2018, in the estimated amount of $19,510,997, and to ratify a 6 month extension from July 1, 2013 through December 31, 2013 in the firm fixed amount of $1,782,024.

- Award of a competitive contract, as a result of an RFP process, for M-9 Rail Cars to Kawasaki Rail Car, Inc., on behalf of LIRR and Metro-North, in the not-to-exceed amount of $1,834,888,620 to design, test and furnish up to 92 LIRR self-powered married pair cars on a base order and up to 584 LIRR and Metro-North cars (including unpowered cars) on future options, including authorization for LIRR and Metro-North to exercise their respective car and apparatus options pursuant to the M-9 contract and consistent with an approved 2015-2019 Capital Program.

- On behalf of LIRR, Metro-North and Bridges and Tunnels, award of a five-year competitively negotiated lease to BSM Wireless in the not-to-exceed amount of $4,164,788 for the furnishing, installation and maintenance of an Automatic Vehicle Location Monitoring System on up to 1420 highway vehicles, with an additional five-year option period.

- On behalf of LIRR and MTAHQ, pursuant to competitive sealed bidding, the award of 5 separate, 3-year contracts with an option for two additional years, for Scheduled Rubbish Removal and On-Call Container Services to Royal Waste Service, Inc., Atlas Roll-Off, Jet Sanitation Service Corp., IESI NY and Jamaica Ash & Rubbish in the combined not-to-exceed amount of $9,393,004.

An item for the award of contracts to design, integrate and furnish Positive Train Control systems was deferred.

Board Member Blair noted that the PCAC is ready to participate in efforts to obtain rider input into the design of M-9 rail cars. With respect to the Metro-North Committee, he asked that a Committee presentation be made prior to the exercise of a contract option to explain the recommended choice and provide an examination of the car designs that were rejected. Chairman Prendergast stated that he was aware of the dialogue with the Committee with respect to the approval process for the options and that the MTA is committed to making including the Committee in that process. President Permut added that he and President Williams will come back to the Board for a full discussion of the rolling stock strategy in advance of making any decision on exercising the options and in advance of the approval of the 2015-2019 Capital Program, which will include funding for the option cars. Board Member Greenberg noted that the LIRR Commuter Council's concern was primarily with the design of the 92 base order cars, and that he looks forward to a continuing dialogue on the design of those cars.
Staff summaries and reports setting forth the details of the above items are filed with the minutes of the meeting of the Metropolitan Transportation Authority held this day.

MTA Capital Construction Procurements:

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

- Modification to Contract No. CH053 for additional funding related to the installation of signal bridges in an amount of $1,454,697.

- Ratification of a modification to Contract No. CQ032 to perform a portion of the rehabilitation and ductbank work for the East Bound 63rd Street Tunnel. This is a scope and budget transfer in the amount of $25,600,000.

- Ratification of a modification to Contract No. CH053 for revisions to the Support of the Excavation of the Tunnel A Approach Reception Pit in the amount of $1,853,971.

- Ratification of a modification to Contract No. 98-0040-01R to increase the Guaranteed Maximum Cost by $1,348,948 to reimburse the Contract’s Task Order Budget for the partial repackaging of Contract No. CM012R into Contract No. CM005 and Contract No. CM006 in the amount of $1,348,948.

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

7. Executive Session:

The Board convened into Executive Session pursuant to Section 105(1)(f) of the New York State Public Officers Law to discuss matters relating to the appointment, employment, or promotion of a particular person or corporation. Upon motion duly made and seconded, the Board approved the salary and other terms of employment for Mr. Prendergast’s service as Chairman and Chief Executive Officer. Chairman Prendergast was not present for the vote. Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.

8. Adjournment:

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:45 a.m.

Respectfully submitted,

Richard L. Gans
Secretary
Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
September 18, 2013

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

10:00 a.m.

The following members were present:

Hon. Thomas F. Prendergast, Chairman & CEO, MTA
Hon. Fernando Ferrer, Vice Chairman, MTA
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark D. LeBow
Hon. Susan Metzger
Hon. John J. Malloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

Not Present:
Hon. Norman Brown
Hon. Charles G. Moerdler
Hon. David A. Paterson

Nuria Fernandez, Chief Operating Officer; Catherine Rinaldi, Chief of Staff; James B. Henly, MTA General Counsel; Stephen J. Morello, Counselor to the Chairman; Board Member Andrew Albert; Board Member James Blair; Carmen Bianco, President, New York City Transit; Helena Williams, President, Long Island Rail Road; Howard Permut, President, Metro-North Railroad; James Ferrara, President, Triborough Bridge and Tunnel Authority; Darryl Irick, President, MTA Bus Operations; and Michael Horodniceanu, President, MTA Capital Construction, also attended the meeting.
The Board of the Metropolitan Transportation Authority also met as the Board of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

Chairman and Chief Executive Officer Prendergast called the meeting to order.

1. **Public Speakers**

   There were two (2) 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 the MTA’s and other agencies’ minutes of the meeting of this date, for the content of the speakers’ statements.

2. **Chairman and Chief Executive Officer Prendergast’s Opening Comments**

   Chairman and CEO Prendergast opened his remarks by announcing that Carmen Bianco was named as President of New York City Transit and congratulated him on having demonstrated that he has the knowledge, temperament and experience to lead the agency, which is the largest transit organization in the Western Hemisphere.

   Chairman and CEO Prendergast formally commended seven MTA employees for their bravery and heroism – three Triborough Bridge and Tunnel Authority employees, Executive Vice President and Chief of Operations James Fortunato, Bridge and Tunnel Officer Jimmy Moy and Bridge and Tunnel Officer John Esposito, who rescued two motorists trapped in a burning truck after it had collided with a garbage truck on the Verrazano Narrows Bridge and four MTA Police Officers who delivered a baby in Penn Station.

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

3. **Approval of the Minutes of the Regular Meeting July 24, 2013**

   Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on July 24, 2013 were unanimously approved.

4. **Committee on Finance**

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

   (a) Action Items:

   - Resolution to apply for and accept federal grants for capital assistance for 2013 and 2014.
   - To approve selection of bond underwriters. Commissioner Ballan abstained from this vote.
(b) Procurements:

- 10 competitive procurement actions in the amount of $23.2 million, and
- No ratifications.

(c) Real Estate Items:

- 10 real estate action items.

A copy of the staff summaries and documents 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.

5. Committee on MTA Bridges and Tunnels Operations

Procurements

Commissioner Cappelli stated that there were 13 procurements totaling $140.1 million.

Non-Competitive Procurements

Commissioner Cappelli stated that there was one non-competitive procurement at no additional cost.

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

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

**Awarded as Contracts for Services**

Catherine S. Cline, PHD

Contract No. 3000001095

Extend the period of performance from October 9, 2013 through April 30, 2014 to enable the consultant to continue to perform test validation services in connection with the occupational title of Bridge and Tunnel Lieutenant. The value of this amendment is $0.00.

Competitive Procurements

Commissioner Cappelli stated that there were 12 competitive procurements totaling $140.1 million.

Upon a motion duly made and seconded, the Board 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

Contractor to be Determined  Contract No. MP-03S  Cost to be Determined
Request that the Board declare competitive bidding to be impractical and/or inappropriate and authorize B&T to enter into a competitive Request for Proposal process for Design/Build Services for Replacement and Relocation of the Electrical Equipment from the North Abutment at the Marine Parkway Bridge.

Contractor to be Determined  Contract No. CB-99S  Cost to be Determined
Request that the Board declare competitive bidding to be impractical and/or inappropriate and authorize B&T to enter into a competitive Request for Proposal process for Design/Build Services for the Replacement and Relocation of the Mechanical and Electrical Equipment located in the Service Building and South Abutment at the Cross Bay Bridge.

Contractors to be Determined  Contract No. BB-28S/QM-40S  Costs to be Determined
Request that the Board declare competitive bidding to be impractical and/or inappropriate and authorize B&T to enter into a competitive Request for Proposal process for the Superstorm Sandy Restoration and Capital Program construction projects at the Hugh L. Carey and Queens Midtown Tunnels.

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

Various Contractors  Contract Nos. GFM-509A through J And A-F through J-F Miscellaneous construction services on an as-needed basis. $80,000,000.00 (Aggregate not to exceed amount)
Personal Service Contracts

Contract Nos. | $40,000,000.00 (Aggregate not to exceed amount)
--- | ---
PSC-12-2891A - N and A-F through N-F
Provide miscellaneous design and inspection services on an as-needed basis.

A) AECOM USA, Inc PSC-12-2891A /A-F
B) Dewberry Engineers, Inc. PSC-12-2891B /B-F
C) Gannett Fleming Engineers and Architects, PC PSC-12-2891C /C-F
D) Haks Engineers, Architects & Land Surveyors, PC PSC-12-2891D /D-F
E) Henningson, Durham and Richardson, PC PSC-12-2891E /E-F
F) HNTB NY Engineering and Architecture, PC PSC-12-2891F /F-F
G) Jacobs Civil Consultants, Inc. PSC-12-2891G /G-F
H) Parsons Brinckerhoff, Inc. PSC-12-2891H /H-F
I) Parsons Transportation Group of New York, Inc. PSC-12-2891I /I-F
J) STV, Incorporated PSC-12-2891J /J-F
K) URS Corporation - New York PSC-12-2891K /K-F
L) WSP USA Corp. PSC-12-2891L /L-F
M) Ysrael A. Seinuk, PC PSC-12-2891M /M-F
N) Gandhi Engineering, Inc. PSC-12-2891N /N-F

Provide design and construction support services for Project BW-14, Various Repairs and Removal of Tuned Mass Damper and Project BW-84, Inspection of Select Main Cable Panels at the Bronx-Whitestone Bridge.

HNTB New York Engineering and Architecture, PC Contract No. PSC-12-2922 $3,364,897.00
Provide scoping services for toll plaza layouts at various facilities.

AECOM USA, Inc. Contract No. PSC-12-2917 $2,186,282.49
Provide scoping development, environmental assessments, and...
permit acquisition services for Project BW-07, Installation of Fender Protection for Towers and Anchorages at the Bronx-Whitestone and Throgs Neck Bridges.

Ammann and Whitney Consulting Engineers, PC  Contract No. PSC-13-2924  $1,395,189.00
Provide construction administration and inspection services for Project MP-06, Substructure and Underwater Work at the Marine Parkway Bridge.

Miscellaneous Service Contracts

Cycle Chem, Inc.  Contract No. 12-HS-2908  $109,982.00
In April 2013 B&T issued a solicitation for a contractor to perform removal, transportation and disposal of hazardous and/or industrial wastes at various Authority facilities. The service requirements were publicly advertised. The solicitation notice was sent to 270 firms. Twelve firms requested copies of the solicitation. On May 21, 2013, six bids were submitted as follows:

<table>
<thead>
<tr>
<th>Bidders</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allstate Power Vac, Inc.</td>
<td>$72,667.50</td>
</tr>
<tr>
<td>Cycle Chem, Inc.</td>
<td>$109,982.00*</td>
</tr>
<tr>
<td>Triumvirate Environmental</td>
<td>$146,928.30</td>
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<tr>
<td>Aarco Environmental</td>
<td>$152,218.75</td>
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<tr>
<td>Environmental Industrial Services Corp. of New Jersey</td>
<td>$153,854.34</td>
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<tr>
<td>MXI Environmental</td>
<td>$157,498.66</td>
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</table>

*Lowest responsive, responsible bidder

On May 29, 2013, the apparent low bidder, Allstate Power Vac, Inc., withdrew its bid due to an error. The scope of services under the new contract differs from that compared with the current contract. Estimated quantities in connection with various
wastes to be removed and disposed of under the prospective contract have either increased or decreased. Based on these quantity variations a meaningful comparison between the rates in each contract cannot be made. Cycle Chem’s overall bid is substantially higher than the user’s estimate of $69,917. This disparity may primarily be attributed to the user’s application of a nominal increase to the rates under the current contract which resulted in understated projected costs for this service over the four year period of the new contract. The rates are fixed over the four year period. After evaluation of the bids, it was determined that Cycle Chem is the lowest responsive, responsible bidder. Based on competition, the prices are considered fair and reasonable. No M/WBE goals were established by the MTA Department of Diversity and Civil Rights. Funding is available in the Operating Budget under GL #711642.

### Modifications to Personal Service Contracts and Miscellaneous Service Contracts

**Awarded as Contracts for Services**

<table>
<thead>
<tr>
<th>Company</th>
<th>Contract No.</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modjeski and Masters, Inc.</td>
<td>PSC-11-2884</td>
<td>Perform additional design work and render design changes under Project RK-23, Reconstruction and Rehabilitation of the Manhattan Approach Ramps to the Robert F. Kennedy Bridge.</td>
<td>$7,440,274.00</td>
</tr>
<tr>
<td>Ammann and Whitney Consulting Engineers, PC</td>
<td>PSC-12-2915</td>
<td>Perform construction management and inspection services under Project VN-80C, Construction of a New Ramp at the Verrazano Narrows Bridge (VNB) and add the scope of work under Project VN-35, Miscellaneous Steel Repairs and Painting at the VNB.</td>
<td>$2,216,410.26</td>
</tr>
</tbody>
</table>
Commissioner Ballan abstained from competitive procurement items #5 and #7, which are listed in the Board Book.

Ratifications
Commissioner Cappelli stated that there were no ratifications.

6. Executive Session
Upon a motion duly made and seconded, the Board unanimously voted to convene in Executive Session pursuant to Public Officers Law §105(1)(f) to discuss matters relating to the appointment, employment or promotion of a particular person or corporation.

Upon a motion duly made and seconded, the Board approved the salary and other terms of employment for Mr. Prendergast's service as Chairman and CEO. Chairman and CEO Prendergast was not present for the vote.

7. Public Session
Upon a motion duly made and seconded, the Board unanimously voted to reconvene in Public Session.

8. Adjournment
Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 10:45 a.m.

Respectfully submitted,

[Signature]
Julia R. Christ
Acting Assistant Secretary
Regular Board Meeting
MTA Capital Construction Company
347 Madison Avenue
New York, NY 10017

Wednesday, September 18, 2013
10:00 a.m.

The following members were present:

Hon. Thomas F. Prendergast, Chairman & Chief Executive Officer
Hon. Fernando Ferrer, Vice Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Ira R. Greenberg
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following member was absent:

Hon. Norman Brown
Hon. Charles G. Moerdler
Hon. David A. Paterson

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Carmen Bianco, President, NYCTA, Helena Williams, President, Long Island Rail Road, Howard Permut, President, Metro-North Railroad, James Ferrara, President, TBTA, Darryl Irick, President/SVP, MTA Bus Operations 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 Triborough Bridge and Tunnel Authority, the Long Island Rail Road, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

Chairman and Chief Executive Officer (“CEO”) Prendergast called the meeting to order.
Chairman and Chief Executive Officer Presentation of Awards and his Remarks

The Chairman and CEO presented awards to three employees from the Triborough Bridge and Tunnel Authority and four from the MTA Police Department. The Chairman and CEO's remarks are recorded and filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held on September 18, 2013.

Public Comment Period

There were two (2) public speakers none of whom spoke on MTA Capital Construction matters. The names of the speakers and the subject matter of their comments are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held on September 18, 2013.

Approval of Minutes

Upon motion duly made and seconded, the Board approved the minutes of the regular meeting of the Board of the Metropolitan Transportation Authority held on July 24, 2013.

Real Estate Item

Upon motion duly made and seconded, the Board approved the acquisition, by eminent domain, if necessary, of additional permanent and temporary easements in portions of 301 East 69th Street (Block 1444, Condominium #377) formerly (Lot 1) located at the northeast corner of Second Avenue and East 69th St. in Manhattan in order to construct a new subway station entrance (Entrance 1) for the 72nd Street Station of the Second Avenue Subway Project.

Procurement Items

Upon motion duly made and seconded, the Board approved a competitive procurement item, a modification to the East Side Access Project's Harold Structures Part I contract for additional funding related to the installation of signal bridges.

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

1. A modification to the Second Avenue Subway Project's Preliminary and Final Engineering Services contract for the resolution of a claim for 17 design items classified as outside the contractual scope of work.
2. A modification to the Second Avenue Subway Project's Preliminary and Final Engineering Services contract for payment of overhead adjustments, per Federal regulations, owed to AECOM, Inc. as a result of two audits performed by MTA Audit covering six fiscal years (2006 – 2011).
3. A modification to the Second Avenue Subway Project's 96th St. Station Finishes contract to address additional station waterproofing changes.
4. A modification to the Second Avenue Subway Project's 63rd St./Lexington Avenue Station Reconstruction contract for the relocation of building utilities at 200 East 63rd St. (Entrance 1).
5. A modification to the Second Avenue Subway Project's Consultant Construction Management Services contract for additional consultant construction management services.

6. A modification to the East Side Access Project's Plaza Substation and Queens Structures contract to perform a portion of the rehabilitation and ductbank work for the East Bound 63rd Street Tunnel.


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 September 18, 2013.

**Executive Session**

Upon motion duly made, seconded, the Board voted to convene into Executive Session pursuant to Section 105(1)(f) of the New York State Public Officers Law to discuss matters relating to the appointment, employment, or promotion of a particular person or corporation.

Upon motion duly made and seconded, the Board approved the salary and other terms of employment for Mr. Prendergast's service as Chairman and Chief Executive Officer. Chairman Prendergast was not present for the vote.

Thereafter, upon motion duly made and seconded, the Board voted to resume proceedings in public session.

**Adjournment**

Upon motion duly made and seconded, the Board voted to adjourn the public meeting at 10:45.

Respectfully submitted,

David K. Cannon
Assistant Secretary
Metropolitan Transportation Authority
Minutes of
Special Board Meeting
347 Madison Avenue
New York, NY 10017

Tuesday, October 1, 2013
3:30 p.m.

The following members were present:

Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Charles G. Moerdler
Hon. David A. Paterson
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Norman Brown
Hon. Ira R. Greenberg
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Howard Permut, President, Metro-North Railroad also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Board of the Metro-North Commuter Railroad Company.

Chairman Prendergast called the meeting to order.
1. **PUBLIC SPEAKERS.** The following speaker addressed the agenda item. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the content of the speaker's statement.

Ellyn Shannon, Metro-North Railroad Commuter Council.

2. **CREDIT FOR NEW HAVEN LINE TICKET HOLDERS.**

Chairman Prendergast thanked the Board members and staff for attending the Special Board meeting.

The Chairman stated that the purpose of the Special Board meeting is to provide the Board with an overview of the incident that occurred on the New Haven Line on Wednesday, September 25, 2013, to inform the Board of the actions being taken to restore the New Haven Line to full operation, and to seek Board approval to take certain actions relating to this matter.

The Chairman stated that at this time his primary focus is to work together with all parties involved in this incident to restore full electrical services on the New Haven Line. Chairman Prendergast indicated that at approximately 5:17 a.m. last Wednesday, September 25, 2013, full electrical power was lost at a substation supplying power to a section of New Haven Line track between Harrison and Mount Vernon. Chairman Prendergast said that Metro-North is working with Con Edison, which has set up a temporary substation at Harrison to provide partial replacement electrical service so that some of the electric train service can be restored. During the past weekend, two transformers had been set up to enable Metro-North to run two of the ten normally scheduled electric trains per hour; together with the operation of the diesel fleet service, approximately fifty percent of the train services was operational compared to normally scheduled service. Chairman Prendergast stated that late yesterday, September 30, 2013, an additional transformer was restored, enabling the substation to operate three electric trains.

Howard Permut, President of Metro-North Railroad provided the Board with additional information regarding the incident, and further updated the Board on the progress of restoring full service to the New Haven Line. Mr. Permut thanked New York City Transit for providing bus service to Metro-North customers, and he thanked the New York State Department of Transportation and Westchester County for working on a plan to provide park and ride facilities.

Chairman Prendergast, reiterating that the primary focus is the permanent repair of the substation to restore full power to the New Haven Line, noted that investigations into this incident are ongoing to determine the cause, to devise contingency plans and look at ways to prevent future incidents.

Chairman Prendergast introduced to the Board a proposal to authorize credit for New Haven Line monthly and weekly ticket holders to address the period of service disruption. He noted that, although it is rare to offer this type of relief to customers, it is appropriate in this situation, considering the magnitude and duration of this service disruption and Governor Cuomo's request that we consider some form of relief to ameliorate the impact to our customers.
Extensive discussion among members of the Board followed. The details of the discussion are included in the video recording of the meeting produced by the MTA and maintained in MTA records.

Upon motion duly made and seconded, the Board authorized providing a credit toward the purchase of a future ticket to all New Haven Line customers with monthly or weekly tickets valid during the time-period that a Con Edison power failure caused a significant reduction in New Haven Line service. Board member Banks recused himself from the vote.

Chairman Prendergast thanked the Board members for their time and consideration.

3. **ADJOURNMENT.**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 3:50 p.m.

Respectively submitted,

Victoria Clement  
Assistant Secretary
Metro-North Commuter Railroad Company
Minutes of
Special Board Meeting
347 Madison Avenue
New York, NY 10017

Tuesday, October 1, 2013
3:30 p.m.

The following members were present:

Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Jonathan A. Ballan
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Charles G. Moerdler
Hon. David A. Paterson
Hon. Andrew M. Saul
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Norman Brown
Hon. Ira R. Greenberg
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mark Page
Hon. Mitchell H. Pally

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Stephen J. Morello, Counselor to the Chairman, Board Member Andrew Albert, Board Member James Blair, Howard Permut, President, Metro-North Railroad also attended the meeting.

The Board of the Metro-North Commuter Railroad Company also met as the Board of the Metropolitan Transportation Authority.

Chairman Prendergast called the meeting to order.
1. **PUBLIC SPEAKERS**

The following speaker addressed the agenda item. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the content of the speaker’s statement.

Ellyn Shannon, Metro-North Railroad Commuter Council.

2. **CREDIT FOR NEW HAVEN LINE TICKET HOLDERS**

Chairman Prendergast thanked the Board members and staff for attending the Special Board meeting.

The Chairman stated that the purpose of the Special Board meeting is to provide the Board with an overview of the incident that occurred on the New Haven Line on Wednesday, September 25, 2013, to inform the Board of the actions being taken to restore the New Haven line to full operation, and to seek Board approval to take certain actions relating to this matter.

The Chairman stated that at this time his primary focus is to work together with all parties involved in this incident to restore full electrical services on the New Haven Line. Chairman Prendergast indicated that at approximately 5:17 a.m. last Wednesday, September 25, 2013, full electrical power was lost at a substation supplying power to a section of New Haven Line track between Harrison and Mount Vernon. Chairman Prendergast said that Metro-North is working with Con Edison, which has set up a temporary substation at Harrison to provide partial replacement electrical service so that some of the electric train service can be restored. During the past weekend, two transformers had been set up to enable Metro-North to run two of the ten normally scheduled electric trains per hour; together with the operation of the diesel fleet service, approximately fifty percent of the train services was operational compared to normally scheduled service. Chairman Prendergast stated that late yesterday, September 30, 2013, an additional transformer was restored, enabling the substation to operate three electric trains.

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Chairman Prendergast introduced to the Board a proposal to authorize credit for New Haven Line monthly and weekly ticket holders to address the period of service disruption. He noted that, although it is rare to offer this type of relief to customers, it is appropriate in this situation, considering the magnitude and duration of this service disruption and Governor Cuomo’s request that we consider some form of relief to ameliorate the impact to our customers.
Extensive discussion among members of the Board followed. The details of the discussion are included in the video recording of the meeting produced by the MTA and maintained in MTA records.

Upon motion duly made and seconded, the Board authorized providing a credit toward the purchase of a future ticket to all New Haven Line customers with monthly or weekly tickets valid during the time-period that a Con Edison power failure caused a significant reduction in New Haven Line service. Board member Banks recused himself from the vote.

Chairman Prendergast thanked the Board members for their time and consideration

3. **ADJOURNMENT**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 3:50 p.m.

Respectfully submitted,

[Signature]

Seth L. Cummins
Secretary

Special Board Meeting
October 1, 2013
Staff Summary

Date: November 13, 2013

Vendor Name

Contract Number

Contract Manager Name

Table of Contents Ref #

Board Action

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<th>To</th>
<th>Date</th>
<th>Approval</th>
<th>Info</th>
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<td></td>
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Purpose

The MTA Finance Department is seeking Triborough Bridge and Tunnel Authority ("TBTA") Board authorization of the annexed 2001 Subordinate Revenue Refunding Bond Supplemental Resolution, Series 2013D (the "Supplemental Resolution"), authorizing TBTA to issue Subordinate Revenue Refunding Bonds, Series 2013D (the "2013D Bonds") as taxable fixed and/or variable rate subordinate revenue bonds to current refund callable TBTA Series 2002E Subordinate Revenue Refunding Bonds (the "2002E Bonds") for which no current refunding authorization exists. In addition, authorization is sought to undertake a defeasance through the issuance of a public tender offer for a portion of the remaining non-callable 2002E Bonds.

Discussion

The TBTA 2002E Subordinate Revenue Refunding Bonds were issued to establish escrow accounts to defease previously issued TBTA bonds authorized by the 1980 Resolution and the Special Obligation 1991 and 1994 Resolutions which provide for actual payment of such bonds at maturity (the "Defeased Bonds"). In order to preserve the possible benefits to TBTA of a future restructuring of the related escrows, TBTA retained early redemption rights on some of the Defeased Bonds. The Internal Revenue Service has recently issued proposed regulations, which can currently be availed of by TBTA, containing provisions which could enable TBTA to accelerate the actual payment of the Defeased Bonds and to achieve potentially significant economic benefits from the accelerated payment. A taxable refunding of the 2002E Bonds would provide TBTA with the greatest future flexibility to access the potentially significant savings associated with the early redemption and payment of the Defeased Bonds. Due to both the possible use of variable rate refunding bonds and current market conditions, such taxable refunding cannot be accomplished under existing refunding authorizations.

At this time it is Staff's determination

- that a taxable variable rate refunding of the 2002E Bonds will provide the greatest flexibility to TBTA. Staff believes issuing taxable debt on a variable rate basis is likely to be a prudent and cost effective way to take advantage of the taxable curve steepness. However, no final determination has been made regarding the issuance of fixed or variable rate debt and Staff requests Board authorization to proceed with either or both forms of debt; and
Staff Summary

- that it is in the best economic interests of the TBTA to refund up to 100% of the 2002E Bonds on a taxable basis (which may require the use of a tender offer in the case of the non-callable 2002E Bonds), to provide the flexibility necessary to potentially realize significant additional savings from the restructuring of the escrow for the Defeased Bonds in the future. The savings realized from the transactions described above will be used to fund projects in Approved Capital Programs.

TBTA Board approval is being requested for the aforementioned transactions, including approval of the following:

(1) the adoption of the Supplemental Resolution and the issuance, in one or more series and subseries and from time to time, of the 2013D Bonds to refund all or a portion of the outstanding 2002E Bonds, including in part by means of a public tender offer, upon compliance with the issuance condition described below; and

(2) a public tender offer, including all documents required to accomplish such tender offer, for the non-callable 2002E Bonds to be structured in substantially the same manner as the public tender offer the MTA and TBTA Boards previously approved (January 25, 2012) for the Transportation Revenue Bonds, Series 2002B and to use documentation substantially similar to that used in such tender offer.

Alternatives

TBTA could refund only those bonds that fall within the Refunding Policy for savings in excess of the contemplated refunding; however, based on current market conditions, this approach could delay and significantly reduce or eliminate the possibility to capture potential significant future savings from any escrow restructurings.

Recommendation

That the TBTA Board authorize (a) the annexed 2001 Subordinate Revenue Refunding Bond Supplemental Resolution, Series 2013D, the issuance of the 2013D Bonds and the refunding of the 2002E Bonds (including by public tender offer), as well as all actions related to the public tender and the issuance of the refunding bonds described above, including without limitation, the dissemination of tender documents and the completion of any purchase of the 2002E Bonds pursuant thereto, the payment of legal and advisor fees related to the public tender, if any, and other costs of issuance and transaction costs, from time to time deemed necessary or desirable in connection therewith; and (b) issuance of the 2013D Bonds, the refunding of the Defeased Bonds and such other related actions hereunder, which authorizations shall continue in effect without any further action by the Board until May 1, 2014, unless modified or repealed prior to that date.
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

2001 SUBORDINATE REVENUE REFUNDING BOND SUPPLEMENTAL RESOLUTION, SERIES 2013D

Adopted November 13, 2013
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2001 SUBORDINATE REVENUE REFUNDING BOND
SUPPLEMENTAL RESOLUTION, SERIES 2013D

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 “2001 Subordinate Resolution Authorizing General Revenue Obligations” (the “Resolution”).

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this 2001 Subordinate Revenue Refunding Bond Supplemental Resolution, Series 2013D (the “Supplemental Resolution”) shall have the same meanings, respectively, as such terms are given by Section 1.02 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution and the Chair of the Finance Committee of MTA, 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.

“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.

“Refunded Bonds” shall mean all or any portion of the Series 2002E Bonds, as shall be specified in one or more Certificates of Determination, to be refunded with the proceeds of the Refunding Bonds.

“Refunding Bonds” shall mean the 2001 Subordinate Revenue Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.
“Series 2002E Bonds” shall mean the Issuer’s Outstanding Subordinate Revenue Refunding Bonds, Series 2002E.

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 REFUNDING BONDS

Section 2.01. Authorized Principal Amount, Designation and Series.

1. Pursuant to the provisions of the Resolution and in order to issue Refunding Subordinate Revenue Obligations, multiple Series of Subordinate 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 “Refunding Bonds”, subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions and constituting Taxable Subordinate Revenue Obligations 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 or premium 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 any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 2.03 of the Resolution.

3. Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, “Subordinate Revenue Bonds, Series 2013D” or such other title or titles set forth in the related Certificate of Determination.

Section 2.02. Purposes. The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include only the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Series 2002E Bonds deemed advisable by an Authorized Officer in accordance with Section 2.03 or 2.04 of the Resolution, as applicable, and Section 2.09 hereof.

Section 2.03. Dates, Maturities, Principal Amounts and Interest. The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding 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 Refunding 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 Refunding 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 Refunding Bonds shall be
issued in fully registered form
without coupons in the denomination of $5,000 or any integral multiple thereof. The Refunding
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 Refunding Bonds
shall be payable to the registered owner of each Refunding Bond when due upon presentation of
such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise
provided in the related Certificate of Determination, interest on the registered Refunding 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 Refunding 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 Refunding Bonds, if any, determined in
the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro
rata, or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set
forth in the Certificate of Determination, on each date in the year or years determined in the
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 Refunding Bonds.

Section 2.08. Redemption Prices and Terms. The Refunding 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)
determined in the related Certificate of Determination, plus accrued interest up to but not
including the redemption date. Notwithstanding the foregoing, if set forth in the Certificate of
Determination, the Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

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 Refunding Bonds:

   (a) to determine whether and when to issue any Refunding Bonds constituting Refunding Subordinate Obligations and Taxable Subordinate Revenue Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Series 2002E Bonds or portions thereof to be refunded and the date or dates, if any, on which such Refunded Bonds shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

   (b) to determine the principal amounts of the Refunding 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 Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

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

   (d) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Refunding Bonds issued as fixed rate Obligations shall be subject to a maximum interest rate of not greater than 12% per annum and any Refunding Bonds issued as Variable Interest Rate 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;

   (e) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price may reflect provisions providing for a make whole redemption plus accrued interest thereon up to but not including the date of redemption and the redemption terms may allow for pro rata redemption;

   (f) to determine whether the sale of all or any portion of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements described or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10
hereof which 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 Refunding Bonds;

(g) to determine the whether the sale of all or any portion of the Refunding Bonds shall be accomplished directly to any financial institution or institutions referred to in a Direct Purchase Agreement described in Section 2.10 hereof and to determine the purchase price for the Refunding Bonds to be paid by such financial institution or institutions which may include such discount or payment to such financial institution or institutions as shall be determined in any Certificate of Determination;

(h) to take all actions required for the Refunding 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 Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as 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 Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, calculation agents, 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 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 Refunding 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 Refunding 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;
(m) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding; and

(n) to determine such other matters specified in or permitted by (i) Sections 2.02, 2.03, 2.04 and A-201 of the Resolution or (ii) this Supplemental Resolution, or to determine matters relating to the payment or defeasance of the Refunded Bonds, including preparation of any documentation therefor.

2. Any such Authorized Officer is hereby delegated authority under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order to undertake any actions relating to any Refunding Bonds issued in multimodal form, including, without limitation, to change interest rate modes or auction periods, if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine all subseries into a single Series, if any Refunding Bonds consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of such subseries, to extend, amend or modify any existing Credit Facility, to obtain a substitute or additional Credit Facility, to provide that any required or desired remarketing of the Refunded Bonds be conducted pursuant to a competitive or negotiated (including direct sales) process or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

3. 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 Refunding 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 Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

Section 2.10. Sale or Remarketing of Refunding Bonds. If it is determined that any sale or remarketing of the Refunding Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell or remarket and award all or any portion of the Refunding Bonds to the purchasers or remarketing agents who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the purchase or remarketing agreement or agreements, which shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale or remarketing of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or remarketing agents 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 or remarketing agents.

If it is determined that any sale or remarketing of the Refunding Bonds shall be conducted by a direct sale to any financial institution or institutions, each Authorized Officer is hereby further authorized to sell or remarket and award all or any portion of the Refunding Bonds through a direct sale to the financial institution or institutions who shall be referred to in the direct purchase or remarketing agreement or agreements, which direct purchase or remarketing agreement or agreements shall be substantially in the form of the Purchase Agreement with such revisions to reflect the direct sale or remarketing of the Refunding Bonds to such financial institution or institutions as may be approved by the Authorized Officer executing the direct purchase or remarketing agreement or agreements (each, a "Direct Purchase Agreement").

If it is determined that any sale or remarketing of any Refunding Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale or remarketing and award of the Refunding 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 or remarketing of the Refunding 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, remarketing agents or other appropriate parties of a preliminary official statement, offering circular, remarketing circular or other disclosure document in connection with each public offering or any direct sale or remarketing of the Refunding 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 "Preliminary Official Statement"). The Issuer authorizes any of such officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement (as defined below), 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 (as defined below) 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 (the "Official Statement"), to sign such Official Statement and to deliver such Official Statement to the purchasers or remarketing agents of such issue of the
Refunding 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 most recently executed or delivered by the Issuer, 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 Refunding 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 Refunding 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 escrow 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, Direct 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 Refunding Bonds and for implementing the terms of each issue of the Refunding 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 Refunding Bonds and Trustee’s Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Refunding 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 any Certificate of Determination.

Section 2.12. Appointment of Trustee and Paying Agent. Unless otherwise provided by Certificate of Determination, U.S. Bank Trust National Association shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.
ARTICLE III

DISPOSITION OF REFUNDING BOND PROCEEDS

Section 3.01. Disposition of Refunding Bond Proceeds. Any proceeds of the sale of the Refunding Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding 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 refunding of the Refunded Bonds, or portions of any of them, in accordance with Section 2.02 hereof; and

(b) the balance of such proceeds, exclusive of accrued interest and capitalized interest, if any, 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 and any capitalized interest, if any, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

ADDITIONAL COVENANTS

Section 4.01. Additional Covenants.

1. The Issuer covenants and agrees that it will not issue any Senior Obligations under the Senior Resolution (other than pursuant to Section 205 thereof) unless in addition to satisfying the requirements of the Senior Resolution, an Authorized Officer delivers to the trustee under the Senior Resolution a certificate demonstrating that for any period of 12 consecutive calendar months out of the 18 complete calendar months next preceding the date of authentication and delivery such issue of Senior Obligations, Net Revenues are at least equal to 1.10 times the Combined Maximum Annual Calculated Debt Service for all Subordinate Revenue Obligations, Parity Debt, Senior Obligations and Senior Parity Debt.

2. The Issuer covenants and agrees that in addition to complying with the provisions of Section 6.04 of the Resolution, the Issuer shall at all times establish, levy, maintain and collect, or cause to be established, levied, maintained and collected, such tolls, rentals and other charges in connection with the TBTA Facilities as shall always be sufficient, together with other money available therefor (including the anticipated receipt of proceeds of sale of Obligations or other bonds, notes or other obligations or evidences of indebtedness of the Issuer that will be used to pay the principal of Obligations issued in anticipation of such receipt, but not including any anticipated or actual proceeds from the sale of TBTA Facilities), to equal or exceed in each calendar year the greater of (a) an amount equal to the sum of amounts necessary in such calendar year (i) to pay all Operating Expenses of the Issuer, plus (ii) to pay the sum of Calculated Debt Service as defined in the Bond Resolution and Calculated Debt Service as
defined in the Senior Resolution, plus (iii) to maintain any reserve established by the Issuer pursuant to the Senior Resolution, in such amount as may be determined from time to time by an Authorized Officer in his or her judgment, or (b) an amount such that Revenues less Operating Expenses shall equal at least 1.10 times the sum of Calculated Debt Service as defined in the Senior Resolution and Calculated Debt Service as defined in the Bond Resolution for such calendar year.
The MTA bills the counties and the City of New York for station maintenance each fiscal year based on a statutory formula, which incorporates an annual CPI adjustment factor.

Under Section 1277 of the Public Authorities Law, if a municipality fails to make a full payment of the amounts owed the MTA, the Chief Executive Officer of the MTA or such other person as the Chairman shall designate and shall certify to the State Comptroller for the collection of the amount due and owing.

The attached schedule shows all monies billed and received by the MTA for Station Maintenance as of October 31, 2013.
<table>
<thead>
<tr>
<th>AMOUNT BILLED</th>
<th>AMOUNT RECEIVED</th>
<th>BALANCE DUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEW YORK CITY</td>
<td>$ 90,855,829</td>
<td>$ 90,855,829</td>
</tr>
<tr>
<td>NASSAU</td>
<td>28,394,605</td>
<td>28,394,605</td>
</tr>
<tr>
<td>SUFFOLK</td>
<td>17,501,267</td>
<td>17,501,267</td>
</tr>
<tr>
<td>WESTCHESTER</td>
<td>19,623,792</td>
<td>19,623,792</td>
</tr>
<tr>
<td>DUTCHESS</td>
<td>2,339,419</td>
<td>2,339,419</td>
</tr>
<tr>
<td>PUTNAM</td>
<td>914,866</td>
<td>914,866</td>
</tr>
<tr>
<td>ORANGE</td>
<td>483,961</td>
<td>483,961</td>
</tr>
<tr>
<td>ROCKLAND</td>
<td>51,454</td>
<td>51,454</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$160,165,193</strong></td>
<td><strong>$160,165,193</strong></td>
</tr>
<tr>
<td>Budget Date</td>
<td>New York City</td>
<td>Nassau County</td>
</tr>
<tr>
<td>-------------</td>
<td>---------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Billed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>90,855,829.00</td>
<td>28,394,605.00</td>
</tr>
<tr>
<td>Audit Adj.</td>
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<td>0.00</td>
</tr>
<tr>
<td>Total Due</td>
<td>90,855,829.00</td>
<td>28,394,605.00</td>
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<table>
<thead>
<tr>
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<th>New York City</th>
<th>Nassau County</th>
<th>Suffolk County</th>
<th>Westchester County</th>
<th>Rockland County</th>
<th>Dutchess County</th>
<th>Orange County</th>
<th>Putnam County</th>
<th>Local Total</th>
</tr>
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<tbody>
<tr>
<td>02-Jul-13</td>
<td></td>
<td></td>
<td>17,501,267.00</td>
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<td>10-Jul-13</td>
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<tr>
<td>28-Aug-13</td>
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<td>28,394,605.00</td>
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<tr>
<td>28-Aug-13</td>
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<td></td>
<td>28,394,605.00</td>
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<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Received</th>
<th>New York City</th>
<th>Nassau County</th>
<th>Suffolk County</th>
<th>Westchester County</th>
<th>Rockland County</th>
<th>Dutchess County</th>
<th>Orange County</th>
<th>Putnam County</th>
<th>Local Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$90,855,829.00</td>
<td>$28,394,605.00</td>
<td>$17,501,267.00</td>
<td>$19,623,792.00</td>
<td>$51,454.00</td>
<td>$2,339,419.00</td>
<td>$483,961.00</td>
<td>$914,866.00</td>
<td>$160,166,193.00</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Balance due 2013</th>
<th>New York City</th>
<th>Nassau County</th>
<th>Suffolk County</th>
<th>Westchester County</th>
<th>Rockland County</th>
<th>Dutchess County</th>
<th>Orange County</th>
<th>Putnam County</th>
<th>Local Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</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:

Schedule H: Modification to Personal Services Contracts & Misc. Service Contracts
- Port Authority of New York and New Jersey

<table>
<thead>
<tr>
<th>Order</th>
<th># of Actions</th>
<th>$ Amount</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>$2,040.00</td>
</tr>
</tbody>
</table>

SUBTOTAL 1 $2,040.00

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule F: Personal Service Contracts
Schedule H: Modification to Personal Services Contracts & Misc. Service Contracts

<table>
<thead>
<tr>
<th>Schedule</th>
<th># of Actions</th>
<th>$ Amount</th>
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<tbody>
<tr>
<td>F</td>
<td>2</td>
<td>$1,075,000.00</td>
</tr>
<tr>
<td>H</td>
<td>1</td>
<td>$4,200,000.00</td>
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</tbody>
</table>

SUBTOTAL 3 $5,275,000.00

MTAHQ presents the following procurement actions for Ratification:

<table>
<thead>
<tr>
<th>Action</th>
<th># of Actions</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

TOTAL 4 $5,327,040.00

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, NOVEMBER 2013**

**NON-COMPETITIVE PROCUREMENTS**

**METROPOLITAN TRANSPORTATION AUTHORITY**

*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.)

<table>
<thead>
<tr>
<th>Procurement Details</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Port Authority of New York and New Jersey $52,040 Expert Services on Federal Matters (Total) Contract No. 13253-0100</td>
<td><strong>$52,040</strong></td>
</tr>
</tbody>
</table>

Base Amount = $12,000

To recommend that the Board approve the award of a non-competitive, personal service agreement to a sister agency, the Port Authority of New York and New Jersey (Port Authority) to continue to engage its employee, Mr. David Garten, to provide expert services on federal matters for a monthly fee of $3000 for a six-month period from November 14, 2013 to May 13, 2014, with an option to renew for an additional six months, for a total amount of $52,040 (including out-of-pocket expenses).

MTA has utilized the services of Mr. David Garten to provide representation of its interest with respect to federal legislation, federal regulatory matters, and other federal affairs (Federal Matters). Both agencies, which face many similar financial and operational challenges, have benefited and will continue to benefit from shared information, knowledge and in-house expertise that each has acquired by sharing Mr. Garten’s expert qualifications.

Mr. Garten was formerly MTAHQ’s Director of Federal Affairs and in 2012, while employed at the MTA, was also assigned to provide representation of the Port Authority with respect to federal affairs. Subsequently, he was hired by the Port Authority as Chief of Staff to the Vice Chairman. Because of his familiarity and working knowledge of both agencies, he is uniquely qualified to jointly represent the interest of both agencies. This arrangement has strengthened relationships between the Port Authority and the MTA, helped to develop professional and personal contacts which serve both agencies now and in the future, continue to coordinate mutual strategies and communications between the Port Authority and the MTA and enhanced shared goals, strengthening the region’s transportation commerce.
LIST OF PROCUREMENTS FOR BOARD APPROVAL, NOVEMBER 2013

COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Majority Vote:

F. Personal Service Contracts
   Staff Summaries required for items greater than: $100k Sole Source; $250k other Non-Competitive, $1 million Competitive

1-2. AFT Projects at NYCT stations- AFT to provide technical design, fabrication, crating, storage, delivery and oversight of installation of materials at the two stations specified below.
   Competitively negotiated – 75 proposals – 48 months
   Vik Muniz Studio, Inc., 72nd Street, Second Avenue Line, ($925,000)

   Competitively negotiated – 290 proposals – 24 months
   Jenna Lucente, Arthur Kill station, Staten Island Railway ($150,000)

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.)

3. Corvel Healthcare Corporation $4,200,000 Staff Summary Attached
   All-Agency Medical Bill Review and Payment Svts. (Total)
   Contract No. 08341-0100
   Base Amount = $6,419,982
   Contractor to provide Medical Bill Review and Payment Services to MTAHQ and its agencies. Since inception of this contract in 2009, the MTA has realized a savings of $133,287,731. MTA and its agencies are legally required to pay medical expenses for employees injured on duty and no fault medical expenses for customers and third parties injured in motor vehicle accidents involving MTA vehicles. These medical bills are paid on behalf of employees and customers under the Worker’s Compensation, No Fault and Federal Employers Liability Act (FELA) laws. The Base Contract annual fee of $917,140 due to Corvel was based on an average of 163,853 medical claims totaling $44,192,660. At the time of the award this number was based on volume of medical bills paid by the agencies for claims during Year 2007. Since the inception of the contract, the annual fee has increased to $1,400,000 due to increase in the volume of bills processed totaling $279,499,201.
## Staff Summary

### Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Name (&amp; Location): CorVel Healthcare Corporation</td>
<td>08341-0100</td>
<td>1</td>
</tr>
<tr>
<td>Description: All-Agency Medical Bill Review and Payment Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Term (Including Options, if any): August 1, 2009 thru July 31, 2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option(s) Included in Total Amount?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Procurement Type:</td>
<td>Competitive</td>
<td>Non-competitive</td>
</tr>
<tr>
<td>Solicitation Type:</td>
<td>RFP</td>
<td>Bid</td>
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<tr>
<td>Funding Source:</td>
<td>Operating</td>
<td>Capital</td>
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<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name: Risk &amp; Insurance Management / L. Coyne</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Original Amount: | $6,419,982 (including optional years) |
| Prior Modifications: | - |
| Prior Budgetary Increases: | - |
| Current Amount: | $6,419,982 |
| This Request: | $4,200,000 |
| % of This Request to Current Amount: | 65.42% |
| % of Modifications (Including This Request) to Original Amount: | 65.42% |

### DISCUSSION:

To recommend that the Board approve an amendment to a previously Board-approved, all-agency contract with CorVel Healthcare Corporation for Medical Bill Review and Payment Services which has resulted in reducing medical bill payments by $133,287,731.04 since the inception of the contract. The increase in funding of $4,200,000 from $6,419,982 to total of $10,619,982 is required to continue these services and realize additional savings.

In July 2009, the Board approved a competitively awarded contract to CorVel Healthcare Corporation to perform medical bill review and payment services for the MTA and its agencies for a period of seven years from August 1, 2009 to July 31, 2016 for a total amount of $6,419,982.

MTA and its agencies are legally required to pay medical expenses for employees injured on duty and no fault medical expenses for customers and third parties injured in motor vehicle accidents involving MTA vehicles. These medical bills are paid on behalf of employees and customers under the Worker’s Compensation, No Fault and Federal Employers Liability Act (FELA) laws. Under these laws, healthcare providers agree to accept pre-determined fees for specific medical services rendered based on State fee schedules. These medical bills are routinely submitted by providers in excess of the scheduled allowable amounts. Medical bill review vendors reduce and pay medical bills based on State schedules and negotiated Usual and Customary Review (UCR) through the use of proprietary systems as well as nurse and physician reviews on large or unusual bills.

The Base Contract annual fee of $917,140 due to Corvel was based upon processing an average of 163,853 medical claims totaling $44,192,660 in 2007 for all MTA agencies. Since the inception of the contract in 2009 the annual fee has increased to $1,400,000 as CorVel has processed an increased amount of medical bills totaling $279,499,201. The use of the CorVel bill review technology has resulted in a reduction of $133,287,731.04 in bill charges.
NOVEMBER 2013
MTA REAL ESTATE
LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ACTION ITEMS

MTA NEW YORK CITY TRANSIT

Surrender of East Gun Hill Road property from NYC/NYCT master lease

Lease Agreement with Consul International, Inc. for the operation of a newsstand at 14th Street, Eighth Avenue Line, Mezzanine, Unit 01B, Manhattan

Lease Agreement with Mohammed E. Khan for the operation of a newsstand at 14th Street, Seventh Avenue/Broadway Line, Mezzanine, Unit 01, Manhattan

Lease Agreement with Farhana Corp. for the operation of a newsstand at Westchester Square - East Tremont Avenue, Street Level, Unit 01, Bronx (note: this will be a newsstand+ since they can do coffee/food)

Master lease with Columbus LLC for the retail concourse at 59 St – Columbus Circle station

METROPOLITAN TRANSPORTATION AUTHORITY

Proposal to modify certain existing policies and approve additional policies regulating how MTA Real Estate enters into certain agreements

Lease for MTA Police Department at 420 Lexington Avenue, New York, NY

MTA MANHATTAN AND BRONX SURFACE TRANSIT OPERATING AUTHORITY

Lease Agreement between 16 Westchester LLC and MaBSTOA for a swing room
AGENCY: MTA New York City Transit ("NYCT")

PROPERTY: A 550,000 sq. ft. portion of Block 4804, Lot 100 in the Bronx, as shown on the attached site plan (the "Property")

LOCATION: East Gun Hill Road, in the Baychester section of the Bronx

ACTIVITY: Release from master lease

ACTION REQUESTED: Approval of terms

COMPENSATION: Contribution of up to $30,500,000 to MTA's 2010-2014 capital program, subject to possible environmental remediation credit as described below

COMMENTS

The Property comprises the southern portion of a larger, 30+ acre parcel on which NYCT's Gun Hill Bus Depot is located (the "Bus Depot Property"), and has been licensed on an interim basis for use as a golf driving range, among other purposes. The Bus Depot Property is bounded by the New England Thruway to the east, the Hutchinson Parkway to the south and East Gun Hill Road to the southeast. The Property is currently vacant except for a small portion that is used for parking by C&M Trucking Company (the "Licensee") pursuant to a license that is terminable on 60 days' notice (the "License"). The entire Bus Depot Property was acquired by the City of New York in the mid-1980's and incorporated into the 1953 master lease between the City and NYCT (as amended, the "Master Lease"). At the time of the City's acquisition of the Bus Depot Property, the MTA reimbursed the City for the acquisition cost of $4,525,000, of which $1.86 million is attributable to this portion of the Property.

The Master Lease provides for surrender of master-leased property to the City when NYCT determines that it no longer requires such property for transportation purposes. In March 2012, as part of a real property value capture initiative first presented to the MTA Board in September of 2011, the MTA entered into an arrangement whereby (a) the Property and six other Master Lease properties (collectively the "Master Lease Properties") would be marketed through a request for proposals ("RFP") process to be undertaken by the New York City Economic Development Corporation ("EDC"), (b) following the selection of a purchaser and requisite City and MTA Board approvals, NYCT would surrender such property to the City for conveyance through EDC to the successful proposed purchaser, and (c) the net proceeds from such sale (after reimbursement to MTA for pre-funded marketing costs, and, in the case of the Property and one other Master Lease Property, the MTA's site acquisition costs), would be contributed by the City to the MTA's 2010-2014 capital program and credited against an incremental $250 million contribution that the City has undertaken to make toward such capital program.
In March 2012, EDC issued an RFP for the Property. The RFP required that the selected respondent's proposed use and design minimize any impact on Gun Hill Bus Depot operations, and enhance the efficiency of the street grid for transit operations.

The RFP generated robust competition and EDC received a total of seven proposals, the most advantageous of which was made by Gun Hill Square, LLC, an affiliate of Urban Strategic Investments, which is a joint venture of Grid Properties, Inc. and Gotham Organization, Inc. (the "Developer"). The Developer is the owner and operator of large-scale urban retail projects, including HARLEM USA -- a 285,000 square foot, six-level retail and entertainment complex located at 125th Street and Frederick Douglass Boulevard in Upper Manhattan -- and DC USA -- an 890,000 square foot, $145 million two-story complex that is the largest retail development in the District of Columbia.

The Developer has proposed:

a) to plan, design and construct (i) a high-quality pedestrian-oriented retail development containing approximately not less than 260,000 square feet of floor area with landscaped publicly-accessible areas and ancillary parking uses, and (ii) subject to the availability of subsidized financing, a senior housing development containing approximately 80 -100 dwelling units;

b) to pay to EDC a purchase price of $30,500,000 (to be applied as described above);

c) to complete the required subdivision of tax lot 10 at its own cost and expense;

d) to install, at the Developer's cost, security measures for the MTA that would separate the balance of the Bus Depot Property from the Property, including a perimeter fence at least 12 feet high and a fiber optic intrusion detection system including up to six pan-tilt-zoom cameras;

The proposed purchase price is higher than any of the other offers EDC received for the Property (the next three highest of which were $27 million, $26.3 million and $26 million, respectively), even in the unlikely event that the full amount of the environmental credit described below were applied.

Under EDC's RFP process, the final purchase price for the Property must be the higher of the price set forth above or the appraised value of the Property as determined by an independent appraisal, to be commissioned by EDC and paid for by the Developer and delivered prior to closing. If the appraised value were to exceed the price offered by the Developer, the Developer has an option to cancel the contract of sale.

The disposition and redevelopment of this City-owned property will require City zoning approvals (due to the Property being situated in an M1-1 zoning district), City Environmental Quality Review, compliance with the Uniform Land Use Review Procedure and City Charter 384(b)(4) approvals and authorizations. MTA's surrender of the Property will occur only when and if such City approvals are in hand (and concurrently with the closing of the contract between EDC and the Developer). The contract of sale will provide for an outside closing date of August 29, 2017. In the meanwhile, the Developer will be required to post a 10% cash security deposit, and to meet a variety of interim predevelopment deadlines.

EDC commissioned Phase 1 and Phase 2 environmental site assessments that found no underground storage tanks or spills on the Property or migration of hazardous materials onto the Property from elsewhere on the Bus Depot Property. However, the MTA will continue to be responsible for two NYS DEC Open Spill Numbers associated with the Gun Hill Bus Depot and for mitigation of any hazardous materials that may migrate onto the Property from elsewhere on the Bus Depot Property after contract. After the License terminates and the Licensee has vacated the License area, the Developer will have 90 days to undertake additional environmental testing of the License area to ensure that no new contamination ("New Contamination") occurred there between the date of the contract of sale and the vacating of the site by the Licensee. If New Contamination were found in the License area, the Developer would assume responsibility for the remediation of such New Contamination, and receive a credit against the purchase price equal to lesser of the cost of such remediation or $1,000,000. (If the cost of such remediation were to exceed $1,000,000, the parties would negotiate in good faith to try to reach a resolution, failing which the contract of sale would terminate). In all events, the MTA would retain its rights against the Licensee.

Based on the foregoing, MTA Real Estate requests authorization to surrender the Property to the City to facilitate its sale as described above.
AGENCY: MTA New York City Transit ("NYCT")
LESSEE: Consul International, Inc. ("Consul")
LOCATION: 14th Street, Eighth Avenue Line, Unit 01B, Manhattan
ACTIVITY: Operation of a newsstand
ACTION REQUESTED: Approval of terms
TERM: 10 years
SPACE: 324 square feet

COMPENSATION:

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual</th>
<th>Monthly</th>
<th>% Increase</th>
<th>Per Sq. Ft.</th>
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<tbody>
<tr>
<td>1</td>
<td>$259,800.00</td>
<td>$21,650.00</td>
<td>3%</td>
<td>$801.85</td>
</tr>
<tr>
<td>2</td>
<td>$267,594.00</td>
<td>$22,299.50</td>
<td>3%</td>
<td>$825.91</td>
</tr>
<tr>
<td>3</td>
<td>$275,621.82</td>
<td>$22,968.49</td>
<td>3%</td>
<td>$850.68</td>
</tr>
<tr>
<td>4</td>
<td>$283,890.41</td>
<td>$23,657.53</td>
<td>3%</td>
<td>$876.20</td>
</tr>
<tr>
<td>5</td>
<td>$292,407.07</td>
<td>$24,367.26</td>
<td>3%</td>
<td>$902.49</td>
</tr>
<tr>
<td>6</td>
<td>$301,179.21</td>
<td>$25,098.27</td>
<td>3%</td>
<td>$929.57</td>
</tr>
<tr>
<td>7</td>
<td>$310,214.40</td>
<td>$25,851.20</td>
<td>3%</td>
<td>$957.45</td>
</tr>
<tr>
<td>8</td>
<td>$319,520.83</td>
<td>$26,626.74</td>
<td>3%</td>
<td>$986.18</td>
</tr>
<tr>
<td>9</td>
<td>$329,106.38</td>
<td>$27,425.53</td>
<td>3%</td>
<td>$1,015.76</td>
</tr>
<tr>
<td>10</td>
<td>$338,979.55</td>
<td>$28,248.30</td>
<td>3%</td>
<td>$1,046.23</td>
</tr>
</tbody>
</table>

COMMENTS

MTA RE issued a request for proposal ("RFP") for this retail space and received 17 responsive proposals. Consul proposed the highest rent, offering $259,800 for the initial year with 3% annual increases over the term of the lease. The proposed rent exceeds the fair market value of the space as estimated by MTA Real Estate's independent consultant. Over the ten year term, the present value of the proposed rent, calculated using a 9% discount rate, is $1,871,924.

Details of the proposals are listed in the following table:
<table>
<thead>
<tr>
<th>Name of Proposer</th>
<th>First Year Rent</th>
<th>Present Value: Ten Year Term, 9% Discount Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consul International, Inc.</td>
<td>$259,800</td>
<td>$1,871,924</td>
</tr>
<tr>
<td>Gulam Zilani</td>
<td>$234,000</td>
<td>$1,824,833</td>
</tr>
<tr>
<td>Mohammed A. Rahman</td>
<td>$223,200</td>
<td>$1,740,605</td>
</tr>
<tr>
<td>Mohammed E. Khan</td>
<td>$216,000</td>
<td>$1,592,035</td>
</tr>
<tr>
<td>Mahabubar Rahman</td>
<td>$204,000</td>
<td>$1,590,860</td>
</tr>
<tr>
<td>Suranjn Datta</td>
<td>$198,600</td>
<td>$1,548,769</td>
</tr>
<tr>
<td>Bachubhai Mehta</td>
<td>$190,000</td>
<td>$1,481,701</td>
</tr>
<tr>
<td>Jet News Inc.</td>
<td>$204,000</td>
<td>$1,454,594</td>
</tr>
<tr>
<td>Shaikh Tariq</td>
<td>$186,000</td>
<td>$1,450,508</td>
</tr>
<tr>
<td>SF News Inc.</td>
<td>$175,000</td>
<td>$1,364,737</td>
</tr>
<tr>
<td>AMH Newsstand Inc.</td>
<td>$170,000</td>
<td>$1,333,377</td>
</tr>
<tr>
<td>Jai Ambe Newsstand Corp.</td>
<td>$156,000</td>
<td>$1,216,562</td>
</tr>
<tr>
<td>Ayub Ali</td>
<td>$150,000</td>
<td>$987,400</td>
</tr>
<tr>
<td>Baziur Rob Hazari</td>
<td>$150,000</td>
<td>$962,649</td>
</tr>
<tr>
<td>Abdul Rahim</td>
<td>$101,000</td>
<td>$787,631</td>
</tr>
<tr>
<td>Dilu Chowdhury</td>
<td>$90,755</td>
<td>$707,747</td>
</tr>
<tr>
<td>Hashmukhbhai Patel</td>
<td>$72,000</td>
<td>$570,543</td>
</tr>
</tbody>
</table>

Consul's principal, Mr. Fakhrul Alam, is a longtime, successful operator of newsstands throughout the New York City Transit subway system. He currently operates 10 newsstands within Manhattan, including 4 at 42nd Street – Grand Central. He has the resources to complete a full renovation of the newsstand and has a satisfactory credit history.

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

AGENCY: MTA New York City Transit ("NYCT")  
LESSEE: Mohammed E. Khan  
LOCATION: 14th Street, Seventh Avenue/Broadway Line, Unit 01, Manhattan  
ACTIVITY: Operation of a newsstand  
ACTION REQUESTED: Approval of terms  
TERM: 10 years  
SPACE: 160 square feet  

COMPENSATION:

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual</th>
<th>Monthly</th>
<th>% Increase</th>
<th>Per Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$220,000.00</td>
<td>$18,333.33</td>
<td>5%</td>
<td>$1,375.00</td>
</tr>
<tr>
<td>2</td>
<td>$231,000.00</td>
<td>$19,250.00</td>
<td>5%</td>
<td>$1,443.75</td>
</tr>
<tr>
<td>3</td>
<td>$242,550.00</td>
<td>$20,212.50</td>
<td>5%</td>
<td>$1,516.94</td>
</tr>
<tr>
<td>4</td>
<td>$254,677.50</td>
<td>$21,223.13</td>
<td>5%</td>
<td>$1,591.73</td>
</tr>
<tr>
<td>5</td>
<td>$267,411.37</td>
<td>$22,284.28</td>
<td>5%</td>
<td>$1,671.32</td>
</tr>
<tr>
<td>6</td>
<td>$267,411.37</td>
<td>$22,284.28</td>
<td>0%</td>
<td>$1,671.32</td>
</tr>
<tr>
<td>7</td>
<td>$267,411.37</td>
<td>$22,284.28</td>
<td>0%</td>
<td>$1,671.32</td>
</tr>
<tr>
<td>8</td>
<td>$267,411.37</td>
<td>$22,284.28</td>
<td>0%</td>
<td>$1,671.32</td>
</tr>
<tr>
<td>9</td>
<td>$267,411.37</td>
<td>$22,284.28</td>
<td>0%</td>
<td>$1,671.32</td>
</tr>
<tr>
<td>10</td>
<td>$280,781.94</td>
<td>$23,398.50</td>
<td>5%</td>
<td>$1,754.89</td>
</tr>
</tbody>
</table>

COMMENTS

MTA Real Estate issued a request for proposals ("RFP") for the location above and received 9 responsive proposals. Mohammed E. Khan proposed the highest rent, offering $220,000 for the initial year with annual increases over the term of the lease. Such rent approximates the fair market value of the space as estimated by MTA Real Estate's independent consultant. Over the ten year term, the present value of the proposed rent, calculated using a 9% discount rate, is $1,619,441.
Details of the proposals are listed in the following table:

<table>
<thead>
<tr>
<th>Name of Proposer</th>
<th>First Year Rent</th>
<th>Present Value: Ten Year Term, 9% Discount Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mohammed E. Khan</td>
<td>$220,000</td>
<td>$1,619,441</td>
</tr>
<tr>
<td>Ayub Ali</td>
<td>$210,000</td>
<td>$1,466,698</td>
</tr>
<tr>
<td>Bazir Hazari</td>
<td>$210,000</td>
<td>$1,466,698</td>
</tr>
<tr>
<td>Mahabubar Rahman</td>
<td>$156,000</td>
<td>$1,216,596</td>
</tr>
<tr>
<td>Zakir Hossain</td>
<td>$157,500</td>
<td>$1,180,396</td>
</tr>
<tr>
<td>Fakhru Alam</td>
<td>$156,600</td>
<td>$1,173,650</td>
</tr>
<tr>
<td>Mohammad A. Rahman</td>
<td>$150,000</td>
<td>$1,169,759</td>
</tr>
<tr>
<td>Rainy Day News Inc.</td>
<td>$112,000</td>
<td>$873,418</td>
</tr>
<tr>
<td>Hasmukhblai Patel</td>
<td>$96,000</td>
<td>$755,126</td>
</tr>
</tbody>
</table>

Mr. Khan is a successful operator of three newsstands at the recently renovated Delancey Street – Essex Street subway station. He has the resources to complete a full renovation of the newsstand and has good credit.

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

LESSEE: Farhana Corp.

LOCATION: Westchester Square – East Tremont Avenue, Pelham Line, Unit 01, the Bronx.

ACTIVITY: Operation of a newsstand

ACTION REQUESTED: Approval of terms

TERM: 10 years

SPACE: 199.5 square feet

COMPENSATION:

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual</th>
<th>Monthly</th>
<th>% Increase</th>
<th>Per Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$24,000.00</td>
<td>$2,000.00</td>
<td>6%</td>
<td>$120.30</td>
</tr>
<tr>
<td>2</td>
<td>$25,389.47</td>
<td>$2,115.79</td>
<td>5%</td>
<td>$127.27</td>
</tr>
<tr>
<td>3</td>
<td>$26,725.76</td>
<td>$2,227.15</td>
<td>5%</td>
<td>$133.96</td>
</tr>
<tr>
<td>4</td>
<td>$28,132.38</td>
<td>$2,344.37</td>
<td>5%</td>
<td>$141.01</td>
</tr>
<tr>
<td>5</td>
<td>$29,613.03</td>
<td>$2,467.75</td>
<td>5%</td>
<td>$148.44</td>
</tr>
<tr>
<td>6</td>
<td>$33,600.00</td>
<td>$2,800.00</td>
<td>13%</td>
<td>$168.42</td>
</tr>
<tr>
<td>7</td>
<td>$35,368.42</td>
<td>$2,947.37</td>
<td>5%</td>
<td>$177.29</td>
</tr>
<tr>
<td>8</td>
<td>$37,625.97</td>
<td>$3,135.50</td>
<td>6%</td>
<td>$188.60</td>
</tr>
<tr>
<td>9</td>
<td>$40,458.04</td>
<td>$3,371.50</td>
<td>8%</td>
<td>$202.80</td>
</tr>
<tr>
<td>10</td>
<td>$43,976.13</td>
<td>$3,664.68</td>
<td>9%</td>
<td>$220.43</td>
</tr>
</tbody>
</table>

COMMENTS

MTA Real Estate issued a request for proposals ("RFP") for this retail space and received 7 responsive proposals. Farhana Corp., proposed the highest rent, offering $24,000 for the initial year with annual increases over the term of the lease. The proposed rent exceeds the fair market value of the space as estimated by MTA Real Estate's independent consultant. Over the ten year term, the present value of the proposed rent, calculated using a 9% discount rate, is $198,671.
Details of the proposals are listed in the following table:

<table>
<thead>
<tr>
<th>Name of Proposer</th>
<th>First Year Rent</th>
<th>Present Value: Ten Year Term, 9% Discount Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farhana Corp.</td>
<td>$24,000</td>
<td>$198,671</td>
</tr>
<tr>
<td>Mohammad Mondal</td>
<td>$15,600</td>
<td>$120,137</td>
</tr>
<tr>
<td>Main News Inc.</td>
<td>$15,840</td>
<td>$113,956</td>
</tr>
<tr>
<td>Gulam Zilani</td>
<td>$17,472</td>
<td>$104,274</td>
</tr>
<tr>
<td>New Equity Enterprises</td>
<td>$7,200</td>
<td>$50,620</td>
</tr>
<tr>
<td>Hasmukhbai Patel</td>
<td>$6,000</td>
<td>$46,893</td>
</tr>
<tr>
<td>Mofazzar Hossain</td>
<td>$4,800</td>
<td>$37,432</td>
</tr>
</tbody>
</table>

Ms. Shahanara Zaman of Farhana Corp. operates a grocery store at 2148 Starling Avenue in neighboring Parkchester. She has good knowledge of the local submarket. She has the resources to complete a full renovation and has good credit.

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

Subject: Master Lease Agreement

Date: NOVEMBER 12, 2013

Vendor Name

Order

To

Date

Approval

Info

Other

1

Finance Committee

11/12/13

X

2

Board

11/13/13

X

Vendor Name

Contract Number

Contract Manager Name

Table of Contents Ref. #

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

TENANT: Columbus LLC d/b/a Drop By at Columbus Circle ("Drop By")

PREMISES: As shown on the attached Exhibit A, approximately 27,000 square feet of space at NYCT's 59 Street–Columbus Circle station (the "Station"), consisting of 13 stores collectively containing approximately 11,500 square feet of retail space (the "Stores"). In addition, Tenant will have limited rights and obligations with respect to the adjoining public circulation space underlying 8th Avenue (the "Common Area"), a portion of which may be used for retail kiosks.

ACTIVITY: Operation of retail center under master lease

PERMITTED USES: Retail uses of the level of quality generally prevailing at other high-quality shopping malls associated with transportation facilities in New York City, such as, by way of example, the below-grade retail concourses at Rockefeller Center and the up-to-date terminals at the New York area's major airports (the "Retail Standard")

ACTIONS REQUESTED: Approval of terms

TERM: From commencement of construction until 20 years after opening, plus one 10-year extension period at Tenant's option

COMPENSATION: In the first year after opening, 10% of Tenant's net operating income. In the second year after opening, 10% of Tenant's gross revenue (with no breakpoint). Thereafter, annual base rent plus a percentage of such gross revenue over a breakpoint, as follows:

<table>
<thead>
<tr>
<th>Year (after opening)</th>
<th>Annual Base Rent</th>
<th>% Increase</th>
<th>PSF of floor area in Stores</th>
<th>Percentage</th>
<th>Breakpoint</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>720,000</td>
<td>3%</td>
<td>63</td>
<td>20%</td>
<td>2,775,000</td>
</tr>
<tr>
<td>4</td>
<td>741,600</td>
<td>3%</td>
<td>64</td>
<td>20%</td>
<td>2,775,000</td>
</tr>
<tr>
<td>5</td>
<td>763,848</td>
<td>3%</td>
<td>66</td>
<td>20%</td>
<td>2,775,000</td>
</tr>
<tr>
<td>6</td>
<td>786,763</td>
<td>3%</td>
<td>68</td>
<td>20%</td>
<td>2,913,750</td>
</tr>
<tr>
<td>7</td>
<td>810,366</td>
<td>3%</td>
<td>70</td>
<td>20%</td>
<td>2,913,750</td>
</tr>
<tr>
<td>8</td>
<td>834,677</td>
<td>3%</td>
<td>73</td>
<td>20%</td>
<td>2,913,750</td>
</tr>
<tr>
<td>9</td>
<td>859,718</td>
<td>3%</td>
<td>75</td>
<td>20%</td>
<td>2,913,750</td>
</tr>
<tr>
<td>10</td>
<td>885,509</td>
<td>3%</td>
<td>77</td>
<td>20%</td>
<td>2,913,750</td>
</tr>
</tbody>
</table>
**Staff Summary**

**FINANCE COMMITTEE MEETING**

Columbus Circle Master Lease (Cont’d.)

p. 2 of 4

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>912,074</td>
<td>3%</td>
<td>79</td>
<td>22%</td>
</tr>
<tr>
<td>12</td>
<td>939,437</td>
<td>3%</td>
<td>82</td>
<td>22%</td>
</tr>
<tr>
<td>13</td>
<td>967,620</td>
<td>3%</td>
<td>84</td>
<td>22%</td>
</tr>
<tr>
<td>14</td>
<td>996,648</td>
<td>3%</td>
<td>87</td>
<td>22%</td>
</tr>
<tr>
<td>15</td>
<td>1,026,548</td>
<td>3%</td>
<td>89</td>
<td>22%</td>
</tr>
<tr>
<td>16</td>
<td>1,057,344</td>
<td>3%</td>
<td>92</td>
<td>24%</td>
</tr>
<tr>
<td>17</td>
<td>1,089,065</td>
<td>3%</td>
<td>95</td>
<td>24%</td>
</tr>
<tr>
<td>18</td>
<td>1,121,737</td>
<td>3%</td>
<td>98</td>
<td>24%</td>
</tr>
<tr>
<td>19</td>
<td>1,155,389</td>
<td>3%</td>
<td>100</td>
<td>24%</td>
</tr>
<tr>
<td>20</td>
<td>1,190,050</td>
<td>3%</td>
<td>103</td>
<td>24%</td>
</tr>
<tr>
<td>21*</td>
<td>1,225,752</td>
<td>3%</td>
<td>107</td>
<td>26%</td>
</tr>
<tr>
<td>22*</td>
<td>1,262,524</td>
<td>3%</td>
<td>110</td>
<td>26%</td>
</tr>
<tr>
<td>23*</td>
<td>1,300,400</td>
<td>3%</td>
<td>113</td>
<td>26%</td>
</tr>
<tr>
<td>24*</td>
<td>1,339,412</td>
<td>3%</td>
<td>116</td>
<td>26%</td>
</tr>
<tr>
<td>25*</td>
<td>1,379,594</td>
<td>3%</td>
<td>120</td>
<td>26%</td>
</tr>
<tr>
<td>26*</td>
<td>1,420,982</td>
<td>3%</td>
<td>124</td>
<td>26%</td>
</tr>
<tr>
<td>27*</td>
<td>1,463,612</td>
<td>3%</td>
<td>127</td>
<td>28%</td>
</tr>
<tr>
<td>28*</td>
<td>1,507,520</td>
<td>3%</td>
<td>131</td>
<td>28%</td>
</tr>
<tr>
<td>29*</td>
<td>1,552,746</td>
<td>3%</td>
<td>135</td>
<td>28%</td>
</tr>
<tr>
<td>30*</td>
<td>1,599,328</td>
<td>3%</td>
<td>139</td>
<td>28%</td>
</tr>
</tbody>
</table>

*Beginning in year 21, the base rent will be reset to the sum of the base rent listed above plus 75% of the average percentage rent that would have been payable by the Tenant to the Landlord during years 18 and 19 of the initial 10-year lease term if the retail space had been fully leased throughout such period at the average effective rent per square foot that Tenant received from its subtenants during such two-year period.

For purposes of the foregoing, "gross revenues" will exclude certain common area maintenance fees that may be charged to subtenants, not to exceed 3% of total subtenant rents, and revenue from advertising. Following the expiration of the MTA's current agreement with CBS Outdoor, Inc., Drop By may introduce digital advertising displays in the Premises. The MTA would receive 70% of the gross revenues generated by the advertising, after the cost of the installation of digital display installations are first recouped from revenues by Tenant.

**SECURITY:**

At lease signing, 25% of the year 5 base rent. At start of construction a guaranty of completion from a creditworthy Tenant principal or a letter of credit in the amount of 125% of the projected construction cost.

**ASSIGNABILITY:**

With Landlord consent (not to be unreasonably withheld) following full lease-up or in connection with exercising of remedies by persons providing financing to Tenant.

**COMMENTS:**

The Premises comprises one of the only true "shopping centers" in the NYCT system and (pending the completion of the Fulton Center) by far its largest. For that reason, and because the Premises are located on the Station's periphery (in a section of the Station's "free zone" that does not accommodate transfers between lines), the Premises are ideally suited to disposition by means of a master lease. Accordingly, in 2012, MTA Real Estate issued a request for proposals from prospective master lessees (the "RFP"), seeking an experienced retail developer and operator to (1) supplement NYCT's investment in the Station as needed to transform the Premises into a unique and highly desirable retail destination, (2)
engagé brokers to market the Stores, and pay the commissions of such brokers, (3) select, enter into subleases with and manage a mix of high-quality subtenants; (4) enforce subleases, and address vacancies resulting from subtenant defaults, as well as vacancies resulting from expirations of subleases in the normal course, (5) operate, maintain and periodically renovate the Premises at its own cost and risk on a long-term basis; and (6) pay to the MTA a percentage of such master lessee’s income from the Stores (in excess of an appropriate breakpoint), as well as guaranteed base rent.

In response to the RFP, MTA Real Estate received five proposals, of which one, submitted by a firm called 2 Cute/2 Sweet Group, was subsequently withdrawn.

In evaluating the proposals, MTA Real Estate considered the rent proposed by the master lessee (both the “base rent”, or guaranteed rent, and percentage rent and breakpoint), the likelihood that the net lessee’s rental projections would be achieved, the likelihood that the proposer’s retail concept and amount of investment would achieve the goals set forth in the RFP as described above, and the proposers’ experience with similar projects.

Of the four proposers apart from 2 Cute/2 Sweet Group, Drop By has offered the highest guaranteed base rent (as set forth above, the present value of which with respect to the initial 20-year term is $5,432,590, calculated using a 9% discount rate). It has also proposed to make the most extensive capital improvements to the Premises, at estimated cost (excluding leasing commissions and marketing) in excess of $5 million and to include, most significantly, the installation of equipment to provide air conditioning in the Common Area. Such investment is desirable as an end in itself (as MTA Real Estate seeks to demonstrate the suitability of NYCT locations for high quality retail) and as a measure of the commitment of the prospective Tenant to maintaining a high-quality center over the long haul. Moreover, Drop By anticipates that such investment will enable it to generate relatively high subtenant rents, which, to the extent realized, would in turn generate percentage rent for the MTA. However, given the proposed breakpoints (as set forth above), the prospect of receiving such percentage rent has not been a significant factor in MTA Real Estate’s determination that Drop By’s proposal is the most advantageous to the MTA.

The following is a summary of the other proposals:

Zoya Kapoor submitted a proposal in which he offered to pay, over an initial 20-year term, base rent having a present value of $2,066,340 ($18.78 per square foot in year 1 following lease-up of the Stores, increasing by 3% per year), plus 50% of his gross revenues over a breakpoint that would start at $62 per square foot and increase by 2.5% per year. Although Mr. Kapoor projected sublease rents starting at $150 per square foot, he proposed to make only a very small capital investment (totaling $300,000 or less) that would have done very little to enhance the marketability of the Stores, which MTA Real Estate would expect him to be able to rent “as is” to end users for $80 per square foot at most.

The Quinlan Group proposed to pay, over such 20-year term, base rent having a present value of $2,748,914 ($19.50 per square foot in Year 1), plus 15% of gross rent with no breakpoint. Unlike Mr. Kapoor, Quinlan anticipated making a substantial capital investment in the Premises comparable to that envisioned by Drop By; yet Quinlan only projected sublease rents of $100 per square foot and, as noted, offered far less base rent than Drop By. Quinlan would have had to achieve subtenant rents of at least $170 per square foot in order to generate combined base and percentage rent having a present value in excess of the present value of the base rent promised by Drop By.

Arena Equities proposed to pay, over such 20-year term, base rent having a present value of just $1.076 million (with a “teaser” year 1 rent of $35.65 per square foot that would have been reduced to under $2 per square foot in Year 2), plus 25% of gross rent over a breakpoint of $113 per square foot. Arena projected average subtenant rents at $100 per square foot, following a capital expenditure of $1.75 million.

MTA Real Estate believes that awarding a master lease of the Premises to Drop By will achieve the goals enumerated in the first paragraph of this staff summary. The alternative to awarding such a lease, namely leasing the Stores on a space-by-space basis in-house, would not likely produce significantly better financial results or create an ideal mix of end users within a reasonable time frame and would leave the MTA exposed to ongoing risks associated with individual end user defaults.

Drop By’s principals are Susan Fine, who was the MTA’s Director of Real Estate when Grand Central Terminal was renovated in the 1990s, and 40 North Properties, a privately held real estate investment company headed by Howard Glazer. Ms. Fine has overseen a wide variety of residential and commercial projects while working on behalf of prominent real estate companies including Fisher Brothers, Starret Corp., Tishman Speyer Properties, and Olympia &
Mr. Glatzer has significant experience in real estate investing, having sourced and managed projects at Latus Partners, The City Investment Fund, and Blackacre Capital Management.

Based on the foregoing, MTA Real Estate requests authorization to enter into a master lease agreement with Drop By on the above-described terms and conditions.
REAL ESTATE POLICIES

PURPOSE:
To obtain Board approval to modify certain existing policies and approve new policies to regulate the process MTA Real Estate ("MTARE") follows to enter into certain agreements as set forth in the attached resolution.

COMMENTS:
In an effort to streamline and expedite the process by which MTA Real Estate enters into real estate agreements, the MTA Board has approved a number of policies and procedures with respect to how MTARE engages in certain types of agreements with third parties either without prior Board approval, or in most cases notifying the Board of the terms of the agreement subsequent to the execution of the agreement.

MTARE is hereby proposing to modify two existing policies and add three new policies, as described below. Board approval will permit MTARE to execute certain transactions quickly under circumstances in which (i) time is a factor; (ii) the transaction is between public entities and the value is low; (iii) the real estate transaction is essentially ministerial; or (iv) when there is a clear winner among multiple proposers pursuant to a publicly-advertised request for proposals for standard retail spaces. These policy changes do not alter any obligations MT A may otherwise have under the State Environmental Quality Review Act (SEQRA) before entering into a license or other agreement under these policies.

Proposed modifications to existing policies:

A. Modification to Policy on Month-to-Month License for Passenger Amenities, dated June 9, 1988 (Real Estate Department Policy #9, copy attached)

This policy permits MTARE to enter into month-to-month license agreements for vacant concessions that provide amenities for purchase by MTA customers (such as newsstands and coffee shops).

The phenomenon of "pop-up" retail has grown rapidly with small entrepreneurs, online businesses (so-called "e-tailers"), and established corporations. These retailers seek to rent space in generally "as-is" conditions to provide short-term "showroom" exposure for products or services. MTARE believes pop-ups will provide a fresh and beneficial element to our facilities and create revenue in spaces that would otherwise be vacant while a request for proposals process for a term tenant is underway. MTARE will obtain market compensation (if possible), percentage rents where market rates are unknown, or negotiate the highest rent for any given situation. The agreements will be month-to-month and terminable at will by the MTA. The Finance Committee will receive notification of these agreements as information items at monthly committee meetings.
B. Modification to Policy on Leased-in access agreements, dated November, 15, 1999, as amended February 24, 2010 (Real Estate Department Policy #11)

Policy #11 allows MTARE to negotiate access rights and privileges required by MTA operating agencies for capital projects or maintenance or repairs of operating facilities. These access rights are typically for the duration of the project and subject to a $2,000 per month limit. Such permits or licenses are typically obtained from other public entities.

MTARE seeks to make this policy reciprocal (except that the $2,000 limit would not apply) so as to permit MTARE to license or grant permits with respect to property controlled by MTA agencies to other public entities for capital projects or maintenance or repairs of their operating facilities for a term no longer than the duration of the applicable project. Finance Committee notification of these transactions will be provided as information items at monthly committee meetings.

Proposed new policies:

A. Agreements covering bus route reroutings

From time to time MTARE enters into license or permit agreements with public or private land owners at the request of MTA New York City Transit or MTA Bus to permit bus routes to traverse public or private property not considered part of the public street grid (e.g. park property, parking lots owned by other agencies, colleges or shopping mall parking lots.

The agreements usually (though not always) do not require payment on the part of either party. MTA New York City Transit or MTA Bus already informs the Transit Committee of bus rerouting, as information items or obtains committee and Board approval if a rerouting of a route is changed 25% or more. Nothing in this proposed new policy would affect the policy requiring approval relating to route changes that meet the definition of "major service changes" (where the distance of a route is changed by 25% or more of the route).

Because the agreements are primarily ministerial in nature, and because Board members are already notified of the applicable rerouting, MTARE seeks permission to enter into such agreements without Board approval. An information item (or approval, in the case of "major service changes") will be provided to the Board before or after the transaction takes place.

B. Agreements with public entities where compensation is nominal (estimated fair market value under $15,000 for permanent rights or, on a present value basis, for leased or licensed rights), and where the ownership and use of the property will remain with the public entities

From time to time, licenses, permits, leases or easements are either acquired by or executed by the MTA with other public entities. Frequently, these interests are relatively minor and the government or public entity retains ownership and use remain with the governmental or public entity to which the lease, license, permit or easement is being granted, MTARE seeks Board authorization to enter into such low value transactions, defined as those with an estimated fair market value under $15,000 (on a present value basis) and in which the grantee is a governmental or public entity that will remain the owner and user of the rights in question, without specific Board approval. Such transactions are not subject to the Public Authorities Law because the estimated fair market value will be under $15,000. MTARE will obtain an appraisal as required by the Public Authorities Law to estimate fair market value of dispositions. Finance Committee notification of such transactions will be provided as information items at monthly meetings.

C. Leases or licenses for standard retail locations awarded pursuant to a request for proposals process where at least three responsive proposals are received from proposers considered to be responsible per MTA Real Estate's Board-approved policies and procedures

MTARE generally offers retail locations for lease or license through a publicly advertised request for proposals process. When MTARE receives three responsive (i.e., complete and meeting the criteria of the RFP) bids for a standard retail lease (as opposed to a net lease of a station building or master lease of retail space), each, from a responsible proposer (as defined in MTARE's Policies and Procedures for the Leasing-out and Sale of Real
Property as approved by the Board in March of 2013) and where the applicable lease or license is to be awarded to the proposer offering the highest guaranteed (as opposed to percentage) rent, determined on a present value basis. MTARE proposes, in lieu of preparing a staff summary requiring committee and Board approval, to list the applicable transaction in chart form in the Finance Committee book (listing all bidders and their bids, as required by the Public Authorities Law), subsequent to the consummation of such transaction.
RESOLUTION

BOARD OF THE
METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, the Real Estate Department ("RED") of the Metropolitan Transportation Authority ("MTA") is tasked with acquiring various real property rights and entering into leases, licenses, permits and other like agreements on behalf of itself and its operating agencies, and whereas RED seeks to enter into such agreements as efficiently as possible while keeping the MTA Board apprised of its activities, and has therefore requested that the Board amend two of RED's existing policies and approve three new policies;

NOW THEREFORE, BE IT RESOLVED that the Board of MTA hereby authorizes the MTA Director of Real Estate to negotiate and enter into agreements with third parties as described in the attached staff summary, and that each such agreement shall:

1. Be in a form approved by the MTA Legal Department;
2. Provide the MTA with appropriate indemnifications and insurance protections;
   and
3. Prohibit material adverse impacts on station cleanliness.

Prior to entry into any such agreement, MTA shall comply with all applicable requirements of the State Environmental Quality Review Act (SEQRA).
AGENCY: MTA Police Department ("MTAPD")

LANDLORD: SLG Graybar LLC ("Landlord"), an affiliate of SL Green Realty Corp ("SL Green")

LOCATION: 420 Lexington Avenue, New York, NY (the "Graybar Building")

ACTIVITY: Leasing of office space to be used for MTAPD administrative facilities and backup dispatch center

ACTION REQUESTED: Approval of terms

SPACE: Approximately 30,254 rentable square feet ("RSF") of office space, IT infrastructure, and storage space, consisting of the following:

<table>
<thead>
<tr>
<th>Floor</th>
<th>RSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>4th</td>
<td>22,434</td>
</tr>
<tr>
<td>6th</td>
<td>7,820</td>
</tr>
<tr>
<td>Total</td>
<td>30,254</td>
</tr>
</tbody>
</table>

LANDLORD WORK: Landlord to provide turnkey installation, encompassing required "tenant improvements" as well as improvements to base building, based on plans developed by Tenant's architects. Landlord to provide $65.00 per RSF to be used toward the construction of such tenant improvements.

LEASE COMMENCEMENT DATE: Upon completion of Landlord's Work.

INITIAL TERM: Approximately 20 years -- from Lease Commencement Date until scheduled expiration of initial term of existing lease between Landlord and Metro-North Railroad ("MNR"), as recently amended per the attached staff summary (the "MNR Lease").

ANNUAL BASE RENT:

<table>
<thead>
<tr>
<th>Rent Commencement</th>
<th>Rent</th>
<th>Rent per RSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Until 7 months after completion of Landlord's Work (&quot;Rent Commencement&quot;)</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Rent Commencement - 5th Anniversary of Rent Commencement</td>
<td>$1,089,144</td>
<td>$36.00</td>
</tr>
</tbody>
</table>
Staff Summary

FINANCE COMMITTEE MEETING
SLG Graybar - MTAPD (Cont’d.)

REAL PROPERTY TAX ESCALATION:
None.

OPERATING EXPENSE ESCALATION:
Tenant to pay its proportionate share of increases in operating expenses over calendar 2014 base year.

RENEWAL OPTIONS:
Same as MNR Lease.

EXPANSION OPTIONS:
None.

UTILITIES:
Same as MNR Lease.

SERVICES:
Same as MNR Lease.

MAINTENANCE & REPAIR:
Same as MNR Lease.

GENERATOR:
Landlord to provide Tenant with up to 200 Kw of emergency generator capacity from the Building's life/safety generator. Tenant to pay $400/Kw of capacity per annum, subject to 2.5% annual increases, plus Tenant's proportionate share of the expense to Landlord of periodically testing such generator. Tenant will also be permitted to install, on a rent free basis, a 200 Kw generator on the building's south courtyard roof setback, and a diesel fuel tank located on the ground floor level and related risers.

SECURITY DEPOSIT:
None

COMMENTS

In furtherance of the "office portfolio right-sizing plan" that was first presented to the Finance Committee in April 2011 (as updated most recently at the Finance Committee's March 2013 meeting and by the attached April 2013 staff summary relating to the MNR lease), MTA Real Estate, with the assistance of Cushman & Wakefield ("C&W") its M/WBE subsidiary JRT Realty Group ("JRT") and TPG Architecture ("TPG"), has been searching for suitable space to which to relocate various functions that are currently housed at 341-347 Madison Avenue (the "Madison Avenue Properties"), so as to enable the MTA to make the Madison Avenue Properties available for re-development. The MTA continues to target the second half of 2014 for the vacating of the Madison Avenue Properties.

It was initially envisioned that MTAPD administrative personnel (the "Admin Function") would be relocated from the Madison Avenue Properties to Long Island City or elsewhere in the outer boroughs or northern Manhattan, where nominal real estate values are relatively low, and that MTAPD's existing back-up radio dispatch facility at the Madison Avenue Properties (the "Back-Up Dispatch Facility") would be relocated to a building that the MTA already owns in Central Islip. However, in light of incremental base building construction costs and operating expenses that would necessarily be incurred at such locations, moving to Graybar has proved to be a lower-risk and cost-effective alternative.

Insofar as the Admin Function was concerned, C&W and JRT were tasked with procuring space (for lease or purchase) that (a) was suitably sized, (b) would provide convenient access to the MNR and Long Island Rail Road rail lines that MTAPD regularly patrols, and not be unduly distant from MTA headquarters (which is to be relocated to 2 Broadway), and
(c) would constitute a separate tax lot (or could be made to constitute a separate tax lot, pursuant to a condominium regime or otherwise), such that the MTA could have the benefit of the MTA's statutory exemption from real property taxes.

JRT's initial surveys (which excluded central Manhattan, for the reason stated above) yielded ten locations that satisfied such criteria, all of which were toured by representatives of MTA Real Estate and MTAPD. On the basis of such site visits, the team focused on four locations -- 5240 Broadway (which was available for purchase only), 34-01 38th Avenue (which was available for lease but not purchase) and 27-08 40th Avenue (which was available for lease but not purchase), all in Long Island City, and 1767 Park Avenue in Harlem, which was available for net lease or purchase -- and proposals were elicited from the owners of each of such buildings. Ultimately, it was determined that both 34-01 38th Avenue, a former warehouse, and 5240 Broadway, a former post office building, would have required unduly extensive base building alterations, as neither had previously been used for offices. Moreover, 34-01 38th Avenue was found to be somewhat larger than required and 5420 Broadway was only available for a purchase price that the team deemed to be exorbitant. The feasibility of making the requisite renovations at 27-08 40th Avenue (half of which had previously been built for office use but the remainder of which was garage space that would have had to be adapted for office use) was studied at some length. However, it was ultimately determined that it would be less costly to lease and fit-out 1767 Park and the team therefore opted to pursue negotiations with the owner of 1767 Park.

The owner of 1767 Park Avenue (a former industrial building) has recently completed base building improvements required to convert it to office use. And its location was judged highly satisfactory for MTAPD's purposes, as it is adjacent to MNR's tracks, just south of MNR's 125th Street station. However, even taking into account the building's relatively low "loss factor", such owner's final net rent demand ($27.00 per RSF) seemed unduly high, given that the MTA would have been responsible, on top of such rent, for 100% of the annual expense of operating the building. And such owner was unwilling to provide "concessions" (i.e. free rent and a tenant work allowance) of the kind typically offered by the owners of established midtown office buildings, notwithstanding that fitting out 1767 Park for use by MTAPD (or any other end-user) would still have required a very substantial amount of work and that the MTA would have been obliged to design and undertake such fit-out at its own risk. In short, it became apparent that on balance -- even allowing for the fact that rents in the Graybar Building had increased by $1 per RSF since final terms had been agreed upon with respect to the MNR lease -- the terms and conditions that the 1767 Park owner was offering were inferior to those that the team knew to be available at the Graybar Building, where MTAPD would be closer to 2 Broadway, closer to the Long Island Rail Road and immediately proximate to Grand Central Terminal and MNR's offices. It is estimated that leasing space for the Admin Function at Graybar will yield present value savings of approximately $2 million relative to a lease on the terms available at 1767 Park. Accordingly (further C&W surveys and advertising having failed to turn up suitable space on more advantageous terms in midtown -- unsurprisingly, since very few midtown office buildings have been subjected to condominium regimes as necessary to obtain real property tax exemption for space leased to the MTA), MTA Real Estate and MTAPD are seeking Board authorization to relocate MTAPD to the Graybar Building on terms and conditions that, except as noted above, will be substantially the same as the terms and conditions of the MNR Lease.

The project team has separately evaluated the relative costs and benefits of relocating the Back-Up Dispatch Facility to Central Islip versus co-locating it with the Admin Function at the Graybar Building. Relocating the Back-Up Dispatch Facility to Central Islip would be slightly more expensive than relocating it to the Graybar Building, and operational considerations overwhelmingly favor co-locating. In the normal course, locating the Back-Up Dispatch Facility at the Graybar Building, as opposed to Central Islip, will greatly reduce the travel time that would otherwise be required of the Enterprise Information Technology personnel that will support the facility. In any emergency in which it became necessary to use the Back-Up Dispatch Facility, it would likely be advantageous to have it located nearby to the MTAPD and MNR administrative functions that will be housed at the Graybar Building. And, perhaps most significantly, co-locating the Admin Function and the Back-Up Dispatch Facility will allow the Admin Function to have the benefit of the extensive backup power-generation infrastructure that will be required to ensure the operability in the event of an emergency of the Back-Up Dispatch Facility.

Landlord has agreed to provide a turnkey installation in the MTAPD space at the Graybar Building, the first $65 per RSF of the cost of which will be borne by Landlord. The balance of the cost of MTAPD's fit-out, to be determined based on competitive bidding conducted by Landlord under the supervision of the MTA following the completion of design work, will be the tenant's responsibility.

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

AGENCY: Metro-North Railroad ("MNR")

LICENSES: SLG Graybar LLC ("Landlord"), an affiliate of SL Green Realty Corp ("SL Green")

LOCATION: 420 Lexington Avenue, New York, NY (the "Graybar Building")

ACTIVITY: Modification of lease relating to office space to be used for MNR headquarters

SPACE: Approximately 260,891 rentable square feet ("RSF") of office space plus dedicated loading dock, consisting of the following:

<table>
<thead>
<tr>
<th>Expansion Space</th>
<th>RSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>2nd Floor</td>
<td>34,482</td>
</tr>
<tr>
<td>5th Floor</td>
<td>41,152</td>
</tr>
<tr>
<td>10th Floor</td>
<td>56,766</td>
</tr>
<tr>
<td>Total</td>
<td>134,400</td>
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</table>

<table>
<thead>
<tr>
<th>Renewal Space</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>11th Floor</td>
<td>56,804</td>
</tr>
<tr>
<td>12th Floor</td>
<td>57,564</td>
</tr>
<tr>
<td>22nd Floor</td>
<td>14,123</td>
</tr>
<tr>
<td>Total</td>
<td>128,491</td>
</tr>
</tbody>
</table>

| Loading Dock       | 5 bays |

LANDLORD WORK: Landlord to provide at its own cost a turnkey installation, encompassing required "tenant improvements" as well as improvements to base building, based on plans developed by MTA's architects.

EXPANSION SPACE POSSESSION: Upon completion of Landlord's Work in Expansion Space.

RENEWAL SPACE POSSESSION: Immediate, pending completion of Landlord's Work in Expansion Premises. Then (after MNR moves from Renewal Space to Expansion Space) upon completion of Landlord's Work in Renewal Space.
**Staff Summary**

**FINANCE COMMITTEE MEETING**

SLG Graybar (Cont'd.)

**INITIAL TERM:** 20 years from Expansion Space commencement.

**ANNUAL BASE RENT:**

<table>
<thead>
<tr>
<th>Expansion Space</th>
<th>Rent</th>
<th>Rent per RSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Until 6 months after completion of Landlord's Work in Expansion Space</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>From 6 months after such completion – 01/31/2020</td>
<td>$5,334,389</td>
<td>$40.29</td>
</tr>
<tr>
<td>02/01/20 – 01/31/25</td>
<td>$5,996,389</td>
<td>$45.29</td>
</tr>
<tr>
<td>02/01/25 – 01/31/30</td>
<td>$6,658,389</td>
<td>$50.29</td>
</tr>
<tr>
<td>02/01/30 – Expiration</td>
<td>$7,320,389</td>
<td>$55.29</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Renewal Space</th>
<th>Rent</th>
<th>Rent per RSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>From lease modification - completion of Landlord's Work in Renewal Space</td>
<td>$2,319,740</td>
<td>$18.05</td>
</tr>
<tr>
<td>From such completion – 1/31/16</td>
<td>$3,105,070</td>
<td>$24.17</td>
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<tr>
<td>02/01/16 – 07/31/16</td>
<td>$0.00</td>
<td>$0.00</td>
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<tr>
<td>08/01/16 – 01/31/20</td>
<td>$5,282,515</td>
<td>$41.11</td>
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<tr>
<td>02/01/20 – 01/31/25</td>
<td>$5,924,970</td>
<td>$46.11</td>
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<tr>
<td>02/01/25 – 01/31/30</td>
<td>$6,657,425</td>
<td>$51.11</td>
</tr>
<tr>
<td>02/01/30 – Expiration</td>
<td>$7,209,880</td>
<td>$56.11</td>
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</table>

<table>
<thead>
<tr>
<th>Loading Dock</th>
<th>Rent</th>
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<tbody>
<tr>
<td>From lease modification – 01/31/16</td>
<td>$96,760</td>
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<tr>
<td>02/01/16 – 01/31/20</td>
<td>$144,797</td>
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<td>02/01/20 – 01/31/25</td>
<td>$166,599</td>
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<td>02/01/25 – 01/31/30</td>
<td>$188,401</td>
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<td>02/01/30 – Expiration</td>
<td>$210,203</td>
</tr>
</tbody>
</table>

**REAL PROPERTY TAX ESCALATION:** None

**OPERATING EXPENSE ESCALATION:**

**Expansion Space:** Tenant to pay its proportionate share of increases in operating expenses over calendar 2014 base year.

**Renewal Space:** Until 01/31/16, Tenant to continue to pay its proportionate share of increases in operating expenses over calendar 1995 base year. Thereafter, 2014 base year to apply.
Staff Summary
FINANCE COMMITTEE MEETING
SLG Graybar (Cont’d.)

RENEWAL OPTION:
Either one 10-year extension or two year extensions at 95% of fair market rent (net of property taxes).

EXPANSION OPTIONS:
Tenant will have options to expand into spaces totaling approximately 95,000 RSF, on substantially the same terms as apply to the Expansion Space, when and as such spaces become available. Authorization is hereby sought to exercise such options with respect to up to 5,000 RSF to the extent deemed necessary to address Sandy-related emergency staffing needs.

UTILITIES:
Tenant will be responsible for cost of electricity as measured by submeter, at Landlord’s actual cost with no mark-up. All other utilities will be included in base rent.

SERVICES:
Cleaning, HVAC service during normal hours, building security, and building messenger will be provided to Tenant at no cost. Condenser water access for Tenant’s supplemental HVAC will be provided for a fee of $500.00 per year per ton in excess of 60 tons.

MAINTENANCE & REPAIR:
Tenant will be responsible for maintenance and repair of any supplemental air conditioning equipment, any rooftop equipment and any tenant-installed generator, and for non-structural repairs within the leased space.

SECURITY DEPOSIT:
None

LOADING DOCK RENEWAL OPTION:
Tenant will have, at Tenant’s option, an on-going right to extend the term covering the loading dock every ten years until expiration of Landlord’s ground lease (12/31/50), for 87% of rent per RSF under the office lease.

COMMENTS
As previously reported to and discussed with the Finance Committee (and for the reasons set forth at length in a written report presented to the Finance Committee at its April 2011 meeting, as updated most recently by a progress report presented to the Finance Committee at its March 2013 meeting), MTA Real Estate, with the assistance of Cushman & Wakefield (“CAW”), TPG Architecture (“TPG”) and various other departments of the MTA and its operating agencies, has devised, and been working to refine and implement, a plan to relocate MNR, MTA Police Department and MTA headquarters personnel and equipment from the MTA’s properties at 341-347 Madison Avenue (the “Madison Avenue Properties”), and then dispose of the Madison Avenue Properties for redevelopment, so as to avoid the costs of remediating years of deferred maintenance there while unlocking the asset value of the underlying development site. MTA management has targeted the second half of next year for the delivery of vacant possession of the Madison Avenue Properties to a developer.

The plan envisions that MTA headquarters personnel will be relocated to the MTA’s office building at 2 Broadway, following a re-stacking and densification of that building, and that MTA Police Department personnel will be relocated to Long Island City. However, efficient MNR operations depend on MNR administrative personnel continuing to be located (preferably in a relatively small number of facilities) in close proximity to MNR’s operating theaters, including particularly its flagship facility Grand Central Terminal (“GCT”); and Cushman & Wakefield was therefore instructed to focus its search for replacement space for MNR on areas within walking distance of GCT (where some 370 MNR employees are currently housed at the Madison Avenue Properties and another 320 are currently housed at the Graybar Building), MNR’s 125th Street station and 925 North Broadway in North White Plains (where some 150 MNR employees are currently housed in approximately 60,000 RSF of office space).

Because MNR has an existing lease at the Graybar Building, which is not scheduled to expire until January 2016, and because MNR’s entitlement to make ongoing use of loading docks in the Graybar Building that are vital to the operations...
of GCT depends on continued occupancy of alternative space at the Graybar Building, the team evaluated, in addition to various scenarios involving the consolidation of MNR's Manhattan offices at a single location, a variety of scenarios whereby MNR administrative functions would continue to be divided, as they are now, among 525 North Broadway, the Graybar Building and a third location.

Following a comprehensive survey by C&W encompassing in excess of 50 properties, and based on an initial space program prepared by TPG (which identified various departmental adjacency and space requirements, taking into account the results of extensive interviews conducted by TPG and workspace standards prevailing at 2 Broadway), four buildings were identified as potentially suitable and affordable relocation sites for the MNR personnel that are currently housed at the Madison Avenue Properties and/or the Graybar Building – namely, 205 E 42nd Street, 150 E 42nd Street, 585 Third Avenue and the Graybar Building – and detailed requests for proposals were thereafter sent to the owners of such buildings. Subsequently, based on the responses to multiple iterations of such RFPs, it was determined that 150 E 42nd Street and Third Avenue would be too expensive and further negotiations should be conducted concurrently with the owners of the Graybar Building and 205 E 42nd Street (SL Green and The Durst Organization, respectively). Detailed financial analyses were prepared throughout the negotiation process, tracking the respective owners’ proposals and comparing the relative costs and benefits of each alternative. Additionally, TPG prepared architectural test-fits and TPG’s subcontractor MG Engineering prepared engineering reports for the selected alternatives.

MTA Real Estate recommends that MNR’s existing lease at the Graybar Building be extended and modified as described above, based on the following considerations:

a. Over the initial term of the lease, relative to the terms offered by the owner of 205 E 42nd Street (the next most cost effective option), the proposed lease modification will yield net present value savings of $14.6 million assuming an occupancy split between 205 E 42nd Street and the Graybar Building or approximately $25.0 million assuming a consolidation at 205 E 42nd Street. Expressed differently, the economics of the proposed lease modification will yield an average annual operating expense savings of approximately $700,000 assuming an occupancy split between 205 E 42nd Street and the Graybar Building or $1,300,000 assuming a consolidation at 205 E 42nd Street.

b. Currently, MNR’s rent at the Graybar Building includes amounts attributable to real estate taxes payable by Landlord. However, by virtue of the proposed lease modification, SL Green is prepared to subject the Graybar Building to a condominium regime of ownership, such that the MTA will be able to avail itself of its statutory exemption from such taxes. That will result not only in substantial recurring annual savings with respect to the Expansion Space but also in a reduction of some $1.5 million ($12.00 per RSF) in the rent MNR pays for the Renewal Space in the first year following execution of the lease modification (and in comparable amounts annually thereafter), notwithstanding that MNR’s existing lease is not scheduled to expire until 2016.

c. The Graybar Building is directly accessible to GCT, the seat of MNR’s operations, via the indoor connection known as the Graybar Passageway.

d. Locating at the Graybar Building will afford MNR direct access to GCT via an established conduit path for its critical IT infrastructure, whereas relocation to another location would require the leasing of lines from a third party, resulting in increased operating expense and concerns with respect to reliability and control.

e. Extending its office occupancy at the Graybar Building will enable MNR to extend -- for the long run, on favorable terms and without resort to the MTA’s condemnation power -- MNR’s right to continue to control and make exclusive use of five Depew Place loading docks that are essential to the provisioning of, and removal of waste from, GCT.

f. In consideration of the proposed lease modification, SL Green has agreed to provide up to $1 million in matching funds for the improvement of the Graybar Passageway, and to waive certain existing restrictions on MNR’s use and alteration of such passageway.

g. Tenant-favorable provisions of the existing lease with respect to assignability, subletting, etc. are to be carried forward past the scheduled expiration of the existing lease and will apply to the Expansion Space as well as to the Renewal Space.
In order to achieve desired densities and up-to-date workplace standards, the existing 20-year-old fit-out in the Renewal Space (other than the 22nd floor, which houses a medical facility) will be replaced in a manner consistent with the initial fit-out of the Expansion Space. SL Green has agreed to perform all of such fit-out work, as well as required base building work -- on a phased basis (first in the Expansion Space, and then in the Renewal Space) and at its own cost and risk (to be recovered through the stipulated rent) -- and to coordinate the installation of office furnishings to be provided by Tenant. The stipulated rent shown above is based on a guaranteed maximum cost of $34,470,000 for Landlord's Work, including contingency, that has been developed by SL Green based on design development plans that have been prepared for the MTA by TPG. When final construction plans and specifications for Landlord's Work have been completed, Landlord's Work will be competitively bid out on an open-book basis; and, following the completion of Landlord’s Work, if the final actual out-of-pocket cost to Landlord of Landlord's Work has been less than $34,470,000, the Base Rent will be subject to reduction. The rent will not be subject to increase by reason of any cost overruns with respect to Landlord's Work.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease modification with Landlord on the above-described terms and conditions.
Subject
LEASE

Department
REAL ESTATE

Department Head Name
JEFFREY B. ROSEN

Head Name

Project Manager Name
MICHAEL DANIELS

Date
NOVEMBER 12, 2013

Vendor Name

Contract Number

Contract Manager Name

Table of Contents Ref. #

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<th>To</th>
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Board Action

Internal Approvals

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AGENCY: MTA Manhattan and Bronx Surface Transit Operating Authority ("Tenant")

LANDLORD: 16 Westchester LLC

LOCATION: 16 Westchester Square, Bronx, NY

USE: Swing room for bus operators and dispatchers

ACTION REQUESTED: Approval of terms

SPACE: Approximately 500 rentable square feet on the second floor

INITIAL TERM: 7 years

OPTION TERM: Two 5-year options, with 3% annual increases over prior year's rent

RENT

Year 1: $14,875.00 per annum / $29.75 per rentable sq. ft.
Year 2: $15,321.25 per annum / $30.64 per rentable sq. ft.
Year 3: $15,780.89 per annum / $31.56 per rentable sq. ft.
Year 4: $16,254.31 per annum / $32.51 per rentable sq. ft.
Year 5: $16,741.94 per annum / $33.48 per rentable sq. ft.
Year 6: $17,244.20 per annum / $34.49 per rentable sq. ft.
Year 7: $17,761.53 per annum / $35.52 per rentable sq. ft.

RENT ESCALATION: 3% per annum for the initial term and option terms.

RENT COMMENCEMENT: Upon substantial completion of Landlord's work.

TAXES: Tenant will be responsible for a proportionate share of Landlord's real property taxes.

ELECTRICITY: Direct meter

LANDLORD'S WORK: Landlord, at its cost, will build-out Tenant's space pursuant to Tenant's architectural drawings, which will include one private restroom and electrical heating units and air conditioning, to be maintained by Tenant. Landlord will repaint every five years.

COMMENTS:

This lease is for a swing room, with a restroom, to be used by bus operators and dispatchers at the Westchester Square transportation hub. The Bx4, Bx4a, Bx8, Bx31 and Bx42 bus lines provide service to this area. The current break room is in a converted bus, and bus operators and dispatchers use a NYC Parks Department restroom or nearby restaurant.
restrooms. The subject space should be ready for occupancy by year end and will be accessible 24/7. The negotiated rent is considered reasonable and no other suitable alternative spaces in the immediate area were located.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease with 16 Westchester LLC on the above-described terms and conditions.
PROCUREMENTS

The Procurement Agenda this month includes 15 actions for a proposed expenditure of $1,730.4M.
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:

Schedules Requiring Majority Vote:

Schedule E: Miscellaneous Procurement Contracts
  - NYS Industries for the Disabled $ .2 M

SUBTOTAL 1 $ .2 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:

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<th>Procurements Requiring Two-Thirds Vote:</th>
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<td>Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)</td>
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Schedules Requiring Majority Vote:

| Schedule E: Miscellaneous Procurement Contracts | 1 | $0.07 M |
| Schedule G: Miscellaneous Service Contracts | 6 | $19.8 M |
| Schedule H: Modifications to Personal/Miscellaneous Service Contracts | 3 | $1,500.0 M |
| Schedule J: Modifications Miscellaneous Procurement Contracts | 1 | $200.0 M |
| **SUBTOTAL** | **13** | **$1,725.7 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: NONE

NYC Transit proposes to award Ratifications in the following categories:

| Schedule K: Ratification of Completed Procurement Actions | 1 | $4.5 M |
| **SUBTOTAL** | **1** | **$4.5 M** |
| **TOTAL** | **15** | **$1,730.4 M** |

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

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

**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.
NOVEMBER 2013

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

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

1. NYS Industries for the Disabled  $229,670 (Est.)  Staff Summary Attached
   Preferred Source – Four-year contract
   RFQ #35414
   Archival scanning of payroll documents to DVD.
NOVEMBER 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.)

1-2. Contractors To Be Determined
     Three-year contracts
     Contracts C-31992/C-31993
     $5,800,000 (NTE Aggregate)  
     **Staff Summary Attached**
     RFP Authorizing Resolution for Indefinite Quantity asbestos abatement.
NOVEMBER 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

3. Advanced Electronic Services, Inc. $70,268 (Est.)
Two Bids/Low Bidder - Five-year contract
RFQ # 50199

This contract is for the repair of 292 power control boards and 349 rectifiers for the continued maintenance of the two-way Ultra High Frequency Police Radio System (PRS).

In 1999, NYC Transit awarded a contract to furnish and install a two-way underground radio communication system to enable emergency responders, NYPD, FDNY and Emergency Medical Services the ability to communicate in the subway environment. NYC Transit's Department of Subways, Electronics Maintenance Division (EMD) is responsible for the system's maintenance. The power control boards and rectifiers of the PRS are used to provide power to the amplifiers that control radio signal transmissions for above and underground radio communications on station platforms, in tunnels and on trains.

EMD personnel remotely monitor the PRS for failures and will retrieve a malfunctioning unit and send it out for repair. The work consists of the off-site repair, refurbishment, testing and alignment of the power control boards and/or rectifiers. Before servicing the unit, the contractor will diagnose the cause of the defect and submit an estimate of the repair cost to EMD. Once approved, the unit will be repaired and returned to EMD. The units are more than ten years old and sources of spare parts and repairs are limited.

Two bids were received. Advanced Electronic Services, Inc. (AES) submitted the lowest bid of $50,748 with a 4% markup on parts. Following the bid opening, Procurement learned that the bid documents erroneously allocated $12,000 for the replacement of parts; the amount allocated should have been $32,000. Procurement informed both bidders of the error. Since a market survey revealed that there were no other interested bidders, NYC Transit conducted discussions with both bidders rather than re-solicit these requirements. AES waived their original 4% markup for all parts, and all other pricing remained the same. Their revised bid was evaluated at $70,268. The second bidder had a 25% markup for parts, thereby increasing its revised bid, which was evaluated at $107,470. AES' revised price of $70,268 includes a $32,000 allocation for parts replacement, as well as the cost for labor and shipping. Based upon effective price competition, AES' bid price is considered fair and reasonable.
NOVEMBER 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote Cont’d:

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.)

4. Quest Diagnostics Clinical Laboratories, Inc.
Two Bids/Low Bidder – Five-year contract
RFQ #47676

This multi-agency contract is for laboratory drug and alcohol screening services for NYC Transit, MTA Bus Company (MTABC), Metro North Railroad (MNR) and Bridges & Tunnels (B&T). The contract consists of analyzing urine and blood specimens for the detection of drugs and alcohol. The work includes furnishing of specimen kits; pick-up and transportation of specimens from agency collection sites; analysis of specimens; documentation of test results within 24 to 72 hours; expert witness testimony services; and long-term storage of positive test specimens. MTABC’s requirements are managed by NYC Transit’s Division of Human Resources (HR) and are incorporated within NYC Transit’s requirements. Under this contract, approximately 45,610 urine drug tests will be performed annually for all four agencies, of which 44,000 will be performed for NYC Transit. Additionally, approximately 65 blood alcohol tests will be performed annually for NYC Transit.

The original All Agency solicitation opened July 25, 2012. However, after reviewing the two bids received, Procurement determined that both bids were non-responsive. Certain key requirements pertaining to accelerated testing, special pick-ups and expert witness testimony required revisions in order to obtain lower bid pricing. After consulting with NYC Transit’s Law Department, HR, MNR, B&T and both bidders, the decision was made to cancel the bid and re-solicit based on a revised scope of work and price schedule.

Quest Diagnostics Clinical Laboratories (Quest) submitted the lowest bid at $2,472,838 for five years for all agencies as compared to $4,257,500 submitted by the second lowest bidder. NYC Transit and MTABC’s combined portion is $2,397,340; while MNR’s portion is $38,123 and B&T’s portion is $37,375. A comparison of the unit price of the most frequently used drug detection test from the previous contract to the current contract shows an 8.2% decrease in price. Other drug detection tests have been added to this contract and thus cannot be compared to the previous contract. Based on this comparison and adequate price competition, Quest’s bid was deemed fair and reasonable.

Quest currently provides these services for NYC Transit/MTABC, MNR and B&T. Quest disclosed information that was considered Significant Adverse Information within the meaning of the All Agency Responsibility Guidelines. NYC Transit reviewed such information and after due consideration thereof, determined that Quest should be deemed a responsible bidder, a recommendation with which the Chairman has concurred.
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.)

5. Woodlawn Tree Specialists & Landscapers, Inc.
   Five Bids/Second Low Bidder - Five-year contract
   RFQ # 33132

   This contract is for lot cleaning and debris removal services. The work includes furnishing all labor, materials, equipment, vehicles and transportation required for the removal and disposal of debris from outdoor lots and from interior spaces and structures owned by NYC Transit, Staten Island Railway and MTA Bus Company (MTABC) in the boroughs of the Bronx, Manhattan, Queens, Brooklyn and Staten Island, as well as the MTABC depot in Yonkers, NY. Lot cleaning and debris removal services were previously included in the refuse removal and recycling contract where the refuse removal and recycling contractor would subcontract this work to a land clearing company. This requirement was separated into its own contract in an effort to reduce bid prices by enhancing competition among contractors specifically engaged in these services.

   This contract structure is based on a class award approach in which a single contractor will be awarded the entire contract. The price schedule stipulates firm unit prices for years 1 through 3, firm unit prices for year 4, and firm unit prices for year 5.

   Procurement and NYC Transit’s Asset Recovery Unit conducted an extensive outreach to the marketplace which successfully yielded receipt of five bids. The lowest bidder was deemed non-responsive and not technically qualified as it could not demonstrate that it had the experience, nor could it produce the business licenses/permits and certifications, required to perform the work. The second lowest bidder, Woodlawn Tree Specialists & Landscapers, Inc. (Woodlawn), submitted a bid of $3,226,050, which is 25% below the third lowest bidder, Metropolitan Paper Recycling, Inc. (Metropolitan). Metropolitan held the prior refuse removal and recycling contract that contained the lot cleaning and debris removal services. Since the lot cleaning and debris removal line items of the previous refuse and recycling contract are structured differently from the line items in this lot cleaning and debris removal contract, a direct price comparison between Metropolitan’s previous prices and Woodlawn’s prices cannot be made.

   Woodlawn’s price of $3,226,050 is considered fair and reasonable.
NOVEMBER 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. My Car Service, Inc.
8. Old Town Cars, Inc. d/b/a Delta Cars
9. Area’s Two Transportation, Inc.
   Thirteen Bids/Low Bidders - Three-year contracts
   RFQ # 59067

This contract will provide Access-A-Ride (AAR) car service for Paratransit Staten Island intra-borough trips (within the borough) for a three-year term.

In 2001 NYC Transit initiated Voucher car service, under which car service providers offer AAR service utilizing their own vehicles (traditionally black car and livery) dispatched from their existing operating facilities in concert with their normal commercial business as a less expensive alternative to Primary Carrier service. NYC Transit currently has 18 contracts with Voucher car service companies that provide service citywide; these contracts expire between November 2013 and January 2014. Paratransit has requested that a renewal Voucher car service contract be solicited for Staten Island intra-borough trips only. Voucher car service will be eliminated for all non-Staten Island service and replaced entirely by Broker Car service.

This solicitation is an estimated quantities contract for which awards will be made to four vendors based on an equal distribution of the estimated 976,533 trips. The price schedule comprises three zones and bidders are required to quote a price per trip within each zone and between zones. Pricing is fixed for the three-year term. Procurement conducted an extensive outreach in the car service community to ensure the highest degree of competition. One hundred and ninety vendors were solicited. A pre-bid conference was held on August 6, 2013. Thirteen bids were received on August 27, 2013. Awards are recommended to the following four lowest bidders: St. George Express Car Service, Inc. for $3,254,293; My Car Service, Inc. for $3,437,393; Old Town Cars Corp., d/b/a Delta Cars for $3,671,760; and Area’s Two Transportation, Inc. for $3,718,146 for a total estimated amount of $14,081,592.

The companies that bid on this contract are small businesses whose financial status would not typically meet standards established by NYC Transit. Nevertheless, a business decision was made to recommend these firms for award as the risk was deemed minimal. NYC Transit does not incur costs beforehand (e.g. mobilization) nor does it pay the contractor in advance for its service. Multiple awards are being made of which a majority of the companies are incumbents whose past performance has been satisfactory over the years. In addition, Paratransit provides constructive feedback and guidance to its contractors, allowing for growth and additional contract opportunities with Paratransit.

The average price per trip under this solicitation is $14.42, which is $1.52 or 9.5% lower than the average price per trip of $15.94 under the current contracts 10E0281 for Staten Island intra-borough trips. These awards will yield an overall savings of approximately $1.4 million over three years if the full number of estimated trips is realized. The final pricing is deemed fair and reasonable based on adequate price competition and a favorable comparison to the current contract 10E0281.
LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote Cont'd:

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.)

10. Empire Health Choice Assurance, Inc. $1,500,000,000 (Est.) Staff Summary Attached
11. United Healthcare Insurance of NY
12. Aetna Health Inc. (a NY Corporation)
   Contract #s 10F0280A/B/C
   Modification to the contracts for Medical Health Benefits, in order to exercise the options to extend the contract terms by two years.

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.)

13. Optum Rx, Inc. $200,000,000 (Est.) Staff Summary Attached
   Contract #0819983.3
   Modification to the contract for a Pharmaceutical Benefits Manager to administer a prescription drug program, in order to exercise an option to extend the contract term by one year.
NOVEMBER 2013

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

1. Henningson, Durham & Richardson  $4,522,187 (NTE)  Staff Summary Attached
   Architects and Engineers, PC
   Contract # CM-1333.7
   Modification to the contract to provide design and construction support services for the
   rehabilitation of nine stations and the line structure on the Sea Beach Line in Brooklyn, in order to
   revise and update the design and extend the contract term.
### Schedule E: Miscellaneous Procurement Contracts

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<td>Description</td>
<td>Archival scanning of payroll documents</td>
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### Discussion:

This contract is for archival scanning of NYC Transit Department of Subways, Maintenance of Way payroll documents to DVD media.

This contract will be awarded in accordance with Section 162 of the New York State Finance Law, pursuant to which NYC Transit is required to purchase designated services from preferred sources. Under this miscellaneous procurement contract, scanning services will be performed by a NYS Industries for the Disabled (NYSID) affiliated contractor, Westchester ARC, the incumbent. NYSID is a certified preferred source.

The work to be performed under this contract includes the scanning of payroll documents called gang sheets. Gang sheets are used to track hours worked by NYC Transit field personnel who do not have access to a time clock. The documents are retained in the event that the hours worked by field personnel require verification at a later date.

The work also includes the pickup of documents to be scanned from designated NYC Transit locations; preparation of documents for scanning; scanning to DVD media; reassembly of documents; labeling and indexing of finished DVDs; and the return of both the paper documents and the DVDs to NYC Transit. For security purposes, NYC Transit is responsible for the disposal of the paper documents.

NYSID's initial price proposal of $243,308 for this contract reflected a 20% increase from the previous contract. However, further negotiations resulted in a revised proposal of $229,670, which represents an overall increase of 12.4% or an average annual increase of 2.75% from the previous contract. NYSID has performed this work since 2008 over the course of two contracts with no increase in its pricing.

As required by Section 162 of the New York State Finance Law, pricing for this contract is subject to approval by the NYS Office of General Services, which approved the pricing as being within 15% of market price.

After a thorough review, the final price is considered fair and reasonable.
Staff Summary

SUMMARY INFORMATION

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<tr>
<td>IA Asbestos Abatement Services</td>
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<th>Total Amount</th>
<th>$5,800,000 (aggregate pool)</th>
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**PURPOSE:**

To request that the Board determine that competitive bidding is impractical or inappropriate and that it is in the public interest to issue a competitive Request for Proposals (RFP), pursuant to subdivision 9(f) of Section 1209 of the Public Authorities Law, for procurement of two contractors to perform Indefinite Quantity (IQ) asbestos abatement at various NYC Transit facilities. The two contracts will have an estimated aggregate value of $5.8M and a three-year duration. These will be "zero-dollar" based contracts with no minimum guarantee of any assignments.

**DISCUSSION:**

The Office of System Safety (OSS) recognizes that asbestos discovered in NYC Transit facilities represents a risk to the health and safety of the general public as well as NYC Transit employees. In order to minimize that risk, OSS has had qualified contractors on call for abatement if asbestos is found on NYC Transit sites. Contracts C-31992 and C-31993 are proposed here to replace the previous asbestos abatement contracts C-33288 and C-33130 which will expire in April 2014. Past experience has shown that it takes significantly longer to find qualified asbestos contractors through the bidding process due to the number of firms that fail to meet NYC Transit's requirements. To avoid this delay, the Board has approved award of asbestos abatement contracts through the competitive RFP process for many years.

To provide an efficient best value award process, a one-step RFP is recommended. Firms will be notified by advertisement and will be provided with the RFP package which contains specifications, terms and conditions, evaluation criteria and price proposal format. Selection criteria will be based on qualifications, experience, unit prices, staffing, equipment, and project management. The two selected firms will each be awarded one IQ contract.

The two contracts will be for three years with an estimated aggregate total of $5.8 million. This will provide NYC Transit flexibility in assigning work based upon price, contractor staff availability at the time of assignment, and performance on current and prior assignments under these contracts. The intent is to ensure that NYC Transit will be able to respond rapidly and effectively to asbestos abatement requirements while prudently managing these contracts.
As specific projects are developed, the unit prices will be applied, and the firm with the lowest price for that specific work will receive the Work Order, unless NYC Transit determines that the contractor has too much work to perform adequately, or that one of the selected contractors is uniquely qualified to perform a specific project. Additionally, NYC Transit will have the right to consider the contractor’s performance on prior Work Orders under this contract as one of the criteria for the assignment of new projects. Since both firms will already be qualified and unit prices established, the Work Order award process will be shortened considerably. A similar procedure was used for C-33288 and C-33130, the current contracts providing these services to OSS, and has proven to be successful in issuing Work Orders in an expeditious manner.

IMPACT ON FUNDING:
The available budget for these contracts is $5.8 million and is 100% funded by the MTA. Two contracts will be awarded. Funding for these contracts is available under Planning Number SS02-6984. WAR Certificates will be obtained quarterly to ensure that funds are available prior to the award of any Work Order. Additional funding will be requested as needed.

ALTERNATIVES:
To solicit firms to provide OSS IQ asbestos abatement services by formal competitive bidding. Not recommended as the RFP process will ensure a more efficient and best value award to firms with proven track records to perform this work safely and in accordance with all requirements of law and regulations.

RECOMMENDATION:
It is recommended that the Board determine that competitive bidding is impractical or inappropriate and that it is in the public interest to use the competitive RFP process, pursuant to Subdivision 9(1) of Section 1209 of the Public Authorities Law, to award the contract.
Schedule H: Modifications to Miscellaneous and Personal Service Contracts

Item Number: 10-12
Vendor Name (& Location)
Empire Health Choice Assurance, Inc. (New York, NY)
United Healthcare Insurance of NY (Islandia, NY)
Aetna Health, Inc. (Uniondale, NY)

Description
Medical Health Benefits Program

Contract Term (including Options, if any)
January 1, 2011 – December 31, 2015

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

Procurement Type □ Competitive □ Non-competitive

Solicitation Type □ RFP □ Bid □ Other: Negotiation

Funding Source □ Operating □ Capital □ Federal □ Other:

Requesting Dept/Div & Dept/Div Head Name: Human Resources, Dawn Pinnock

Contract Number
10E0280 A/B/C

Original Amount: $1,700,000,000
Option 1 Amount: $1,500,000,000
Total Amount: $3,200,000,000

Prior Modifications: $0
Prior Budgetary Increases: $0
Current Amount: $1,700,000,000

This Request: $1,500,000,000

% of This Request to Current Amount: 88.2%
% of Modifications (including This Request) to Total Amount: 46.9%

Discussion:

These modifications will exercise the options to extend the contract terms for two years. The extension periods are from January 1, 2014 through December 31, 2015.

As a result of ever-increasing healthcare costs, NYC Transit, assisted by outside consultants, determined in May 2010 that it would be prudent for NYC Transit health plans to be competitively solicited. The previous healthcare carriers were under arrangements that originated more than 50 years ago. Prior to May 2010, NYC Transit paid for medical coverage in two ways: first, for two-thirds of participants, NYC Transit was self-insured meaning that the carrier provides and administers a network of physicians and hospitals and handles claims, passing the actual cost of the claim to NYC Transit. More than 90% of the costs associated with this self-insured plan are for physician and hospital services, while miscellaneous administrative fees usually account for 6% to 8%. Second, for the remaining third of participants, NYC Transit was fully-insured, meaning premiums are paid based on fixed rates for individuals and families.

Actuarial and demographic analyses performed by the consultants found that NYC Transit could achieve savings and cost increase avoidance by switching all coverage to self-insured and by taking advantage of additional discounts offered through alternative carriers. As a result of that information, NYC Transit solicited a competitive RFP for medical health benefits for the first time. In September 2010, the Board approved contracts to Empire Health Choice Assurance, Inc. (Empire), United Healthcare Insurance of New York (UHC), and Aetna Health, Inc. (Aetna) to administer medical health benefits programs for approximately 150,000 NYC Transit employees, retirees, and their dependents. Each of the three year contracts included options for 2 one-year extensions, which are available to be exercised pending approval from the Board. The estimated total cost for these contracts — including the proposed two-year options — is $3.2 billion.

The consultants anticipated the total estimated savings/cost avoidance under these contracts to be more than $50 million annually. Approximately half of the savings was expected to result from the switch to all self-insured plans and improved discounts through Empire. More recent updated projections show annual savings of approximately $41 million after the compilation of actual claims data in 2011. This amount was reviewed and accepted by NYC Transit’s Office of Management and Budget (OMB) for an aggregate expected savings of $205.5 million over the term of the contracts. Without having access to claims data from the previous fully-insured plan, certain actuarial assumptions were made based on demographics and plan design and enrollees which did not fully materialize. Savings resulting from the switch from the fully-insured plan to the self-insured plan were approximately $15 million, while the projected savings were $24 million. The remainder of the reduced savings was attributed to such factors as residual claims resulting from a change in health plans for participants in the middle of coverage for ongoing condition.

Based upon their record of satisfactory performance in these contracts, NYC Transit has found Empire, UHC and Aetna qualified to continue providing medical health benefits. In connection with the exercise of the options, a consultant survey was performed that indicated that the reimbursement rates that are in place between these carriers and other healthcare carriers remain competitively priced in the current market. While the administrative fees for the option periods were negotiated at the time of award, NYC Transit nevertheless discussed possible fee reductions with the carriers. These discussions resulted in Empire and UHC agreeing to forgo previously negotiated annual increases in their administrative fee and maintaining their 2013 rates in consideration for NYC Transit exercising both one-year options at this time. Since this result, additional savings of approximately $2.1 million, Board approval is requested to exercise both one-year options at this time. Act administers the Medicare Advantage Plan and a portion of its premiums are set by the Centers for Medicare and Medicaid Services (CMS), addition, CMS must approve the final rates before Aetna can provide them to NYC Transit. Accordingly, the pricing for the options is confirmed being fair and reasonable and both one-year options will be exercised in order to maintain all contract expirations as coterminous. Given continued uncertainty in the healthcare industry, NYC Transit will continue to monitor trends to determine the course of future initiatives.
Schedule J: Modifications to Miscellaneous Procurement Contracts

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<tr>
<th>Item Number:</th>
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<tbody>
<tr>
<td>Vendor Name &amp; Location</td>
<td>Optum Rx (Irvine, CA)</td>
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<tr>
<td>Description</td>
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<td>This Request:</td>
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<td>% of This Request to Current Amount:</td>
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<tr>
<td>% of Modifications (including This Request) to Original Amount:</td>
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**Discussion:**

This modification will extend the contract term for one year from January 1, 2014 through December 31, 2014.

In June 2009, the Board approved the award of a three-year contract in the estimated amount of $490 million to Innoviant, Inc. (now known as Optum Rx) to provide Pharmaceutical Benefits Management Services (PBM). In July 2012, the Board approved Modification No. 2 to extend the contract term for 16 months from September 1, 2012 through December 31, 2013 for $250 million. Modification No. 2 also included an option to extend the contract term for up to an additional 12 months for $200 million. The Modification No. 2 option to extend is the subject of this Board action.

Under the contract, Optum Rx provides PBM services for members of Transport Workers Union Local 100 (TWU), Amalgamated Transit Union (ATU) Locals 726 and 1056, Subway Surface Supervisors Association (SSSA), Transit Supervisory Organization (TSO) Local 106 and the MTA Bus Company. The services include paying claims from dispensing pharmacies on behalf of members and administering a mail fulfillment drug order program and coordinating reimbursement payments from the Centers of Medicare and Medicaid Services and Pharmaceutical Manufacturers.

During the current 16 month extension, changes were implemented for greater financial savings. On January 1, 2013, NYC Transit negotiated improved financial terms and – based on a recommendation made by one of three benefits consultants used by NYC Transit – returned to a traditional pricing model instead of transparent, since the traditional model offered the most savings and is more prevalent with claims priced uniformly at fixed discounts and dispensing fees. On April 1, 2013 NYC Transit implemented the Employer Group Waiver + Wrap (EGWP + Wrap) prescription drug plan for Medicare retirees and their dependents, with financial incentives related to the Affordable Care Act. A recent analysis performed by the consultant based upon 2013 estimates showed projected savings at $24 million. For 2014, projected savings are $31.2 million, which will be achieved as a result of switching back to a traditional pricing model under the Commercial and Medicare EGWP + Wrap plans.

Optum Rx is the current provider of PBM services and based upon their satisfactory performance in this capacity, it is recommended the contract term be extended until December 31, 2014 at a cost of $200 million. During this extension, it is anticipated that NYC Transit will conduct a competitive RFP in order to evaluate various prescription drug benefit plans and fee structures with a goal of awarding a new multi-year contract that is both competitive and cost effective.

- 100 -
Schedule K: Ratification of Completed Procurement Actions

| Item Number: | 1 |
| Vendor Name (& Location) | Henningson, Durham & Richardson, Architects and Engineers, P.C. (New York, NY) |
| Description | Design and construction support services – Rehabilitation of Nine Stations - Sea Beach Line |
| Contract Term (including Options, if any) | June 20, 2007 – December 15, 2013 |
| Option(s) included in Total Amount? | Yes | No | n/a |
| Procurement Type | RFP | Bid | Other | Modification |
| Solicitation Type | Competitive | Non-competitive |
| Funding Source | Operating | Capital | Federal | Other |
| Requesting Dept/Div & Dept/Div Head Name: | Capital Program Management, Frederick E. Smith |
| Contract Number | AWOlModification # | CM-1333 | 7 |
| Original Amount: | $ 9,754,283 |
| Option 1 Amount: | $ 3,144,833 |
| Total Amount: | $ 12,899,116 |
| Prior Modifications: | $ 739,248 |
| Prior Budgetary Increases: | $ 0 |
| Current Amount: | $ 10,493,531 |
| This Request: | $ 4,516,683 |
| % of This Request to Current Amount: | 43.0% |
| % of Modifications (including This Request) to Total Amount: | 40.7% |

Discussion:

This retroactive modification is for additional design and construction support services and to extend the contract term by 12 months from December 15, 2013 through December 15, 2014.

Under the base contract, the consultant provides design and construction support services for the rehabilitation of nine stations (8th Avenue, Fort Hamilton Parkway, New Utrecht Avenue, 18th Avenue, 20th Avenue, Bay Parkway, Kings Highway, Avenue U, and 86th Street) and structural repair of retaining walls and associated infrastructure from north of the 8th Avenue station to south of the 86th Street station on the Sea Beach Line, Brooklyn. An option for construction support services for $3.1 million was approved by the Board as part of the original award and has not been exercised.

The consultant began the design work in 2007. The design was suspended in 2009 due to a lack of funding in the capital plan for construction, at which time approximately 90% of the design work was complete. Funds for construction were secured in 2012 and design was restarted with a projected construction award in December 2014. The scope of work was changed from a Full Station Rehabilitation approach to a Component Renewal approach in an effort to reduce construction costs; in addition, approximately 80% of the original completed design work was reused. The Renewal standards required re-inspections of existing conditions by the designer, repair of public areas of the station, and identifying components found to be deficient by the station condition survey. The revised scope of work also includes 100 additional drawings (each requiring an estimated 70 hours), revisions of 2,751 existing drawings (each requiring an estimated 12 hours of revision), and updating specifications to current standards. The consultant will also provide support during the bidding phase for the construction award.

Due to the additional design and re-design, base contract funds were exhausted. A retroactive waiver was approved by the SVP/Chief Engineer, effective May 15, 2013, approving Henningson, Durham & Richardson, Architects and Engineers, P.C. (HDR) to continue design work with a not to exceed amount of $900,000 while the full modification was negotiated. Under this retroactive modification, the consultant will address the remaining design work in accordance with the revised scope of work. In all nine stations, the consultant will also design a Passenger Identification (PID) CCTV system. This system is used mainly for post-incident analysis purposes (e.g., forensic analysis) by providing recognition and/or identification of each passenger as he/she enters and leaves NYC Transit subway stations at all Subway Fare Arrays. Additionally, the consultant will design a communications system for five of the stations.

HDR submitted an initial proposal of $4,989,408 utilizing 42,006 hours. NYC Transit’s revised estimate was $4,475,003 utilizing 38,168 hours. The monthly labor effort for this modification is 15 full time equivalent (FTE) staff during the first 14 months of design (retroactive to May 15, 2013) then four FTE staff during the remaining five months of the bid support phase. Negotiations focused on labor hours, escalation and overhead rates. HDR’s final price of $4,516,683 was found to be fair and reasonable and reflects 1% annual escalation. Savings of $472,725 were achieved.
METRO-NORTH/LONG ISLAND COMMITTEE

PROCUREMENTS FOR BOARD ACTION

November 13, 2013
PURPOSE:
To obtain approval of the Board to award various contracts and purchase orders, and to inform the Metro-North/Long Island Committee of these procurement actions.

DISCUSSION:
MNR proposes to award Non-Competitive procurements in the following categories: NONE

LIRR proposes to award Non-Competitive procurements in the following categories: NONE

MTACC proposes to award Non-Competitive procurements in the following categories: NONE

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<tr>
<th>Order</th>
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<th>Date</th>
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MNR proposes to award Competitive procurements in the following categories:

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<tr>
<th>Schedules Requiring Two-Thirds Vote (or more, where noted)</th>
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<tr>
<td>Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contract)</td>
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<td>Schedule C: Competitive Requests for Proposals (Award of Purchase &amp; Public Work Contracts)</td>
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<td><strong>$460,197,449</strong></td>
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LIRR proposes to award Competitive Procurements in the following categories:

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<tr>
<td>Schedule C: Competitive Requests for Proposals (Award of Purchase &amp; Public Work Contracts)</td>
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MTACC proposes to award Competitive Procurements in the following categories:

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MNR proposes to award Ratifications in the following categories:

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<th>Schedule K: Ratification of Completed Procurement Actions</th>
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<td><strong>SUBTOTAL:</strong></td>
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LIRR proposes to award Ratifications in the following categories: None

MTACC proposes to award Ratifications in the following categories:

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<th>Schedule K: Ratification of Completed Procurement Actions</th>
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<tr>
<td><strong>SUBTOTAL:</strong></td>
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**TOTAL:** 11 | **$487,521,759**

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

**Budget Impact:**

The purchases/contracts will result in obligating Long Island Rail Road, Metro-North Railroad and MTA Capital Construction operating and capital funds in the amount listed. Funds are available in the current operating/capital budgets for this purpose.

**Recommendation:**

That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)
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.
B. Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)
(Staff Summaries only required for items estimated to be greater than $1 million)

1. Request to use RFP Process
   Design/Build Harmon Shop Improvements Phase V – Stage 1
   Staff Summary Attached

   MTA Metro-North Railroad requests permission to use the Request for Proposal (RFP) solicitation process to select a team of Architects/Engineers/Contractors to design and construct improvements under the Harmon Shop Replacement Program, Phase V-Stage 1. The Stage 1 construction is the first stage of the new Harmon EMU Shop and it will provide a consist-based maintenance facility. The new facility will be constructed within a portion of the existing Building 6 between the current footprints of Tracks 132 & 146 (eastern side) and will allow for operations to continue on the western side of the building. The build-out of this facility includes construction of a closure/demising wall between the east and west portions of the building, demolition of the eastern portion of Building 6, general construction, foundations, construction of walls and ceilings, associated electrical, heating, ventilating and air conditioning work, demolition and construction of new tracks. Replacement of the maintenance facility in the same location as the existing Building 6 will facilitate the seamless and staged design and construction of the new facility and the efficient movement of railcars between the North Yard and the EMU Shop for maintenance.

   Design/build teams will be evaluated on their technical ability, past performance, organizational resources, and cost. This procurement will be funded 100% by the 2010-2014 MNR Capital Program.
Staff Summary

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<tr>
<td>Dept &amp; Dept Head Name:</td>
<td>Procurement &amp; Material Management</td>
</tr>
<tr>
<td>Division &amp; Division Head Name:</td>
<td>Anthony J. Bombace, Jr.</td>
</tr>
<tr>
<td>Sen. VP – Administration, Raymond Burney</td>
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<td>Sr. V.P. Administration</td>
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SUMMARY INFORMATION

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<td>Request to use the RFP Process- Design/Build Harmon Yard Improvements Phase V – Stage I</td>
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Narrative

I. **Purpose:** To obtain MTA Board approval to use the RFP process to solicit and evaluate proposals from a prospective team of Architects/Engineers/Contractors to design and construct improvements at Metro-North's Harmon Shop, on the Hudson Line, located in Croton-on-Hudson, NY. The contract shall consist of the replacement of a portion of current maintenance facility in Building 6 with a consist-based maintenance facility as the first stage of the new Harmon Electric Multiple Unit (EMU) Shop (i.e.-Phase V, Stage I). This structure will be constructed within a portion of the existing Building 6 between the current footprints of Tracks 132 & 146 (eastern side).

II. **Discussion:** MTA Metro-North Railroad has a requirement to retain a design/build team to construct improvements at the aforementioned location to replace the eastern portion of the current building with a new Consist Maintenance Shop known as Stage 1. The new facility will be constructed within a portion of the existing Building 6 between the current footprints of Tracks 132 & 146 (eastern side) and will allow for operations to continue on the western side of the building.

The build-out of this facility includes construction of a closure/demising wall between the east and west portions of the building, demolition of the eastern portion of Building 6, general construction, foundations, construction of walls and ceilings, associated electrical, heating, ventilating and air conditioning work, demolition and construction of new tracks.

Preliminary design of a second stage will commence after completion of the preliminary design of the Consist Shop. Stage II will replace the westerly portion of Bldg. #6 thereby replacing the old building in its entirety. Replacement of the maintenance facility in the same location as the existing Building 6 will facilitate the seamless and staged design and construction of the new facility and the efficient movement of railcars between the North Yard and the EMU Shop for maintenance.

The successful design/build team will be selected on an evaluation of Architectural/Engineering/Construction technical ability, past performance, organizational resources, experience of team members, and cost.
III. RECOMMENDATION: MNR requests the Board to adopt a resolution declaring that competitive bidding is impractical and/or inappropriate and that it is in the public interest to use the design/build RFP process for Harmon Phase V, Stage I to design and construct improvements at MNR’s Harmon Shop.

IV. D/M/WBE INFORMATION:
TBD

V. IMPACT ON FUNDING:
Funding for this contract is included in the 2010-2014 MNR Capital Program.

VI. ALTERNATIVES:
MNR does not have the available in-house design or construction ability to complete the scope of the specified work.
NOVEMBER 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 required for items requiring Board approval)

1. TBD
   Competitive
   Contract No. TBD
   LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public's best interest to use the Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award two separate Design/Build construction contracts in connection with East Side Access readiness. The first, Colonial Road Improvement Project, located just east of Great Neck Station, is comprised of three major scope elements: (i) Extension of the existing pocket track, (ii) Replacement of Colonial Roadway Bridge and (iii) Improvement of drainage deficiencies. The project is located on the Port Washington Branch. The second, The Massapequa Pocket Track Project is comprised of two major scope elements: (i) construction of a new bridge span over Unqua Creek and (ii) a new signalized 12-car stub ended pocket track, which will provide a safe, cost-effective method to increase AM and PM peak period commuter rail service and increase ridership along the Babylon Branch in anticipation of new East Side Access service. The bridge span has been installed with the next step in the project requiring procurement of a final design, manufacture of equipment, installation of wayside systems and commissioning of the new pocket track infrastructure.

2. TBD
   Competitive
   Contract No. TBD
   LIRR requests approval to adopt a resolution declaring that competitive sealed bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal (RFP) process pursuant to Section 1265-a of the Public Authorities Law to solicit various Design-Build and other contracts in connection with post-Super Storm Sandy restoration, mitigation and resiliency initiatives. This omnibus approval will expedite LIRR's procurement schedules, increasing our ability to acquire federal relief funds for these projects.

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

3. Bombardier Transportation/
   Siemens Rail Automation
   Competitive
   Contract No. TBD
   LIRR requests MTA Board approval to authorize LIRR and MNR (the Railroads) to award contracts to a joint venture of Bombardier Transportation/Siemens Rail Automation (formerly known as Invensys Rail) in the not-to-exceed amount, inclusive of phases and options, of $218,015,977 for LIRR and $210,461,270 for MNR to (i) design, integrate and furnish Positive Train Control ("PTC") systems necessary to comply with the railroads' obligations as commuter

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railroads under the Rail Safety Improvement Act of 2008 and the implementing FRA Regulations; and (ii) authorize LIRR and MNR to exercise respective phases and options (e.g. – Post Warranty Software and Hardware Maintenance, Railway Workers Protection Systems) consistent with approved capital funding in 2015-2019.

4. **Ansaldo STS USA, Inc.**  
   Competitive  
   Contract No. TBD  
   $20,825,093  
   **Staff Summary Attached**

LIRR requests approval to award a Contract to Ansaldo STS USA, Inc. (ASTS) in the amount of $20,499,532 to design and furnish a new Vital Micro-Processor-Based Interlocking Control System between Speonk and Montauk. The Contract supports a LIRR project to convert this dark territory segment (approximately 45 miles) to CAB Signals (aka Automatic Speed Control) to increase safety and to support the LIRR’s planned PTC system. LIRR’s PTC system is based on Amtrak’s PTC design which is an overlay to CAB Signaling. The proposed contract includes hardware warranties.

5. **Nouveau Elevator Industries, Inc.**  
   Competitive  
   Contract No. TBD  
   $10,895,109  
   **Staff Summary Attached**

LIRR, on behalf of itself and Metro-North Railroad (MNR) (Railroads), requests MTA Board approval to award a competitively negotiated Public Works Contract to Nouveau Elevator Industries, Inc. (Nouveau) in the Not-To-Exceed amount of $10,895,109; ($5,950,196 - LIRR, $4,944,913 - MNR) to provide full-time, on-site maintenance teams consisting of two mechanics for LIRR and a mechanic and helper for MNR. These dedicated teams will provide regularly scheduled maintenance services to 19 LIRR escalators and 14 MNR escalators located throughout Nassau, Suffolk, Manhattan and Westchester Counties. The contract will be awarded for a period of three-years, plus two, (1) year options.

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

6. **National Waste Services**  
   On-Call Container Services  
   Contract No. TBD  
   $1,783,310

LIRR requests MTA Board approval to award a three-year miscellaneous service contract, with two one-year options, to the incumbent, National Waste Services, (National) for the On-Call Container services in Nassau and Suffolk Counties, in the not-to-exceed, five year amount of $1,783,310. Under this contract the contractor provides 10, 20, and 30 cubic yard containers on-site, as requested, to support engineering projects along the right of way in Nassau and Suffolk Counties. Previously LIRR, on behalf of itself and MTA Headquarters, solicited competitive, three-year miscellaneous service contracts, for scheduled rubbish removal, as well as on-call container services, which resulted in the award of five contracts for seven of the required eight pricing groups. However, this seventh group was re-bid to add a combined Nassau/Suffolk county option. Only one other service provider bid the combined county option for five years at $3,396,789, which is 90.5% higher than National’s bid. Unit prices over the prior contract ranged from an increase of 4.2% for 30 cubic yard ($600/ea. to $625/ea.), to a decrease of 8.1% for 20 cubic yard ($680/ea. to $625/ea.). Based on the above, the bid prices are considered fair and reasonable. LIRR's Operating or Capital budget will fund this work depending on the source of funding for a given project.
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary

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's best interest to use the Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award two separate Design/Build construction contracts in connection with East Side Access readiness.

II. DISCUSSION

LIRR will seek a Design/Build Contractors for the following projects:

Colonial Road Improvement Project/Great Neck Pocket Extension

The Colonial Road Improvement Project, located just east of Great Neck Station, is comprised of three major scope elements: (i) Extension of the existing pocket track, (ii) Replacement of Colonial Roadway Bridge and (iii) Improvement of drainage deficiencies. The project is located on the Port Washington Branch.

The pocket track extension will provide a safe, cost-effective method to increase AM and PM peak period commuter rail service and increase ridership along the Port Washington Branch while maintaining and improving local mobility needs. The Colonial Road Bridge was originally constructed in 1897 and carries vehicular traffic over the railroad tracks. The 115 year old structure is beyond its useful life and will be replaced.

The existing drainage system causes flooding of the track bed, as a result of runoff from local streets which discharges within the cut section of the track. During periods of heavy rain, the current drainage system within the Railroad's ROW is inadequate to handle the heavy volume of storm water runoff. The drainage improvements would be accomplished by providing new catchment basins and drainage piping. LIRR force account will be used for field installation of switches, associated signal system, and final surfacing of track.

The preliminary design contract was awarded to HNTB in January 2010 for $2,081,538, and is scheduled to be complete in November 2013.
LIRR followed the federal NEPA environmental process for the Colonial Road Improvement Project. Throughout the
environmental process, Long Island Rail Road reached out to elected officials, residents, and commuters requesting public input
to ensure the Project could be designed to meet the transportation needs of the Great Neck area while addressing the concerns of
the local community. MTA Long Island Rail Road opened a special Information Center at Great Neck Station to ensure LIRR
Port Washington Branch customers learned about the proposed Colonial Road Improvement Project and proposed improvements
in service for the entire Port Washington Branch. The Environmental Assessment was released on December 12, 2012. In
March 2013, the Federal Transit Administration (FTA) completed its review of the Environmental Assessment (EA) for the
Colonial Road Improvement Project and issued a Finding of No Significant Impact (FONSI). The LIRR is now ready to proceed
with an RFP for a design/build contract for the bridge replacement and drainage work.

Massapequa Pocket Track Project

The Massapequa Pocket Track Project is comprised of two major scope elements: (i) construction of a new bridge span over
Unqua Creek and (ii) a new signalized 12-car stub ended pocket track, which will provide a safe, cost-effective method to
increase AM and PM peak period commuter rail service and increase ridership along the Babylon Branch in anticipation of new
East Side Access service. LIRR submitted environmental documentation for this project to the Federal Transit Administration
(FTA) on December 30, 2011. The FTA issued a Categorical Exclusion (c)(18) finding on May 16, 2012.

The design of this new bridge span was completed in March 2012, the award for fabrication of the new span took place in
December 2012, and the installation of this new span was completed in June 2013. Significant community outreach was
initiated during this work.

The next step in this project is to procure the services of a firm to complete the signal system design, manufacture the equipment,
and assist in commissioning the track/signal system for the new 12-car stub ended pocket track. The track will include new
crossover switches, traction power infrastructure, signal infrastructure, and track drainage system from Massapequa to
Massapequa Park Station. A new Signal Hut will provide the necessary signal system for the interlocking to control the
movement of trains into and out of the new pocket track. Track and signal cut-over work will be performed by LIRR force
account.

The LIRR is requesting to use the RFP method of procurement since each project will utilize a design/build approach. This method of
procurement will ensure that the design and build requirements are met by one vendor thereby reducing risks to the project’s timeline
and cost. Furthermore, the competitive RFP procurement method allows the LIRR to negotiate, evaluate and select a Contractor based
upon considerations other than price alone, such as technical capability, past performance, work experience in a railroad environment,
qualifications of key personnel and safety records and specifically affords LIRR the ability to evaluate the contractor’s approach to
key components of the project such as site constraints, construction schedule, access issues, sequence of operation and minimal impact
to Railroad operation.

III. D/M/WBE INFORMATION

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

IV. IMPACT ON FUNDING

These contracts will be funded by Federal Transit Administration Grant and LIRR’s 2010 to 2014 Capital Program Budget (PN-
BC/TW and PN-TV)

V. ALTERNATIVES

The alternative is to use the Invitation for Bid (IFB) procurement method, however, 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.
I. PURPOSE/RECOMMENDATION:
LIRR requests approval to adopt a resolution declaring that competitive sealed bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal (RFP) process pursuant to Section 1265-a of the Public Authorities Law to solicit various Design-Build and other contracts in connection with post-Super Storm Sandy restoration, mitigation and resiliency initiatives. This omnibus approval will expedite LIRR’s procurement schedules, increasing our ability to acquire federal relief funds for these projects.

II. DISCUSSION:
As a result of Superstorm Sandy, LIRR sustained an unprecedented amount of storm related damage. The West Side Yard, which normally stores 300 cars, was submerged under a river of water, compromising switches, tracks, 3rd rail and signal systems. Two of the four East River Tunnels were flooded, and water in the center of the one tunnel was over 19 feet deep. The Long Beach Branch flooded south of Center Avenue Station, including the Long Beach Yard. Boats and steel containers washed up on the tracks, and switches. Tracks, 3rd rail and signal systems were compromised by salt water and overflowing sewage from a nearby treatment plant. The Long Island City and Oyster Bay Yards were flooded, and hundreds of trees and utility poles came down on the railroad. LIRR’s power systems were seriously affected, including the flooding of substations on the Long Beach Branch. While LIRR implemented temporary repairs and short term measures that enabled limited service to be restored within 48 hours, and brought back most service within days of the storm, infrastructure replacements and major rehabilitations are crucial to ensure the long term operational reliability of service.

In order to take full advantage of the available federal funds for restoration, mitigation and resiliency of our infrastructure, and initially working within the framework of Governor Cuomo’s Executive Orders concerning Sandy-related procurements, LIRR has developed expedited procurement strategies wherever possible, and continues to seek ways to further reduce project delivery. LIRR has initiated design contracts which provide for fast tracking of a 30% design, and under the Executive Orders utilized pre-qualification of Design-Build teams, prior to soliciting a subsequent competitive RFP for a Design-Build contract.
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary

Planning for post-Super Storm Sandy recovery efforts includes a number of 3rd-party contracts for design, construction, design-build construction, and materials acquisition. Among the Sandy-related projects for which an RFP process will be considered are the 1st Avenue Substation AC Switchgear Replacement, the Long Beach Substation Replacement, Long Beach Signal System Replacement, the Long Island City Yard Remediation/Mitigation, West Side Storage Yard Signal, 3rd Rail and Cable Replacement, Wreck Lead Bridge, Double Track (Phase II) —South Shore Resiliency, Atlantic Avenue Tunnels Mitigation, and Infrastructure/Systems Upgrades at locations to include Hillside, Penn Station, Shea and Far Rockaway Yards.

RFPs allow LIRR to solicit and negotiate expedited delivery and construction schedules, and to competitively negotiate other contract terms which can yield faster and more efficient contract delivery. The utilization of the competitive RFP process will allow the LIRR to better assess which contractors are capable of performing the work within the contract schedule and to work out a fair allocation of risk to insure maximum competition. Additionally, the RFP process gives the Railroad the ability to negotiate and evaluate factors other than price alone, such as experience with a particular type of project, past performance, qualifications of key personnel, and safety records. The MTA Board has previously authorized use of the RFP process in connection with many past Design-Build contracts for which the above considerations were important and effective.

It is important to note that all such competitive RFPs will be brought to the Board for approval prior to award; however, obtaining pre-approval to use the RFP process under this authorization will allow LIRR to expedite the procurement of these important contracts. Federal contracting requirements will be followed in all cases.

III. D/M/WBE INFORMATION:
MTA Department of Diversity & Civil Rights will be asked to provide DBE goals for these contracts.

IV. IMPACT ON FUNDING:
These contracts will be funded by the Federal Super Storm Sandy relief funds.

V. ALTERNATIVES:
The alternative to the omnibus approval requested herein is to seek Board approval of the RFP process and the contract award simultaneously. However, this approach requires the LIRR to wait an additional 30 days before awarding the contract. Since the goal is to use the most expedited means of procurement to ensure timely use of limited federal recovery funds, we are seeking advance approval.
### Staff Summary

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<td><strong>Division &amp; Division Head Name:</strong> Strategic Investments, Elisa Picca</td>
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### SUMMARY INFORMATION

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<td>Bombardier Transportation/ Siemens Rail Automation (f/k/a Invensys Rail)</td>
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| Description: Positive Train Control System Integrator |
| Total Amount $428,477,247 (not to exceed) |

| Contract Term (including Options, if any) | September 2013 – December 31, 2013 |

| 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: |

### Purpose:
To obtain Board approval to authorize LIRR and MNR (the Railroads) to award contracts to a joint venture of Bombardier Transportation/Siemens Rail Automation (formerly known as Invensys Rail) in the not-to-exceed amount, inclusive of phases and options, of $218,015,977 for LIRR and $210,461,270 for MNR to (i) design, integrate and furnish Positive Train Control ("PTC") systems necessary to comply with the railroads' obligations as commuter railroads under the Rail Safety Improvement Act of 2008 and the implementing FRA Regulations; and (ii) authorize LIRR and MNR to exercise respective phases and options (e.g. - Post Warranty Software and Hardware Maintenance, Railway Workers Protection Systems) consistent with approved capital funding in 2015-2019.

### Discussion:
PTC is a technology that meets the requirements mandated by the 2008 Rail Safety Improvement Act (RSIA) and implementing FRA regulations. MNR/LIRR are among 42 railroads and commuter agencies nationwide that are required to implement a PTC system. PTC is capable of preventing train-to-train collisions, over-speed derailments, and injuries to workers as the result of unauthorized incursions by a train into work zones.

The LIRR as lead agency solicited proposals for a System Integrator (SI). Two vendors responded to the RFP issued on April 9, 2012, as follows: Bombardier Transportation and Invensys Rail (as a joint venture) and Parsons Transportation. Both proposers were found qualified and thus invited to submit technical and price proposals, and thereafter, Best and Final Offers ("BAFOs"). Invensys Rail initially responded to the RFP on its own behalf; but thereafter joint ventured with Bombardier. Subsequently, Invensys Rail was acquired by Siemens, and has changed its name to Siemens Rail Automation. The Railroads conducted a series of technical and contractual meetings with the proposers to clarify the requirements of the PTC system and ensure that the proposers fully understood the system requirements.

The SI is responsible to develop, modify, design, deliver, provide, test and commission a new PTC system for each Railroad. The vendor will provide a PTC system interoperable with Amtrak's ACSES II, an FRA Type Approved system. The PTC system is comprised of four subsystems. These include the central back office, wayside, communications and...
onboard systems. The system provided must comply with FRA regulations in 49 CFR 236, subpart I. The procurement was structured to require the SI to provide common hardware and software systems that will be installed by the Railroads. This approach permits economies of scale and assists in reducing costs.

The contract will be executed in three phases: the design/engineering phase, the Pilot Phase and the Production Phase. During the design/engineering phase, the SI will develop the necessary hardware and software systems to provide the PTC functionality. The functionality will be demonstrated in two Pilot tests for each railroad. The Pilots require the installation, testing and FRA approval of the hardware and software systems. All functionality will be verified during the Pilots. Also, all wayside and onboard equipment will be tested and verified. The Production Phase will be based on the successful completion of the Pilot Phase. The main Production Phase consists of the delivery of the wayside and onboard systems for various segments for installation by the Railroads’ work forces, and will be funded in the next Capital Program.

Based on the Railroads’ evaluation of the technical and price proposals associated with the Best and Final Offers (BAFOs), Bombardier/Siemens (“Bombardier”) was the highest rated proposer with the lowest overall price and highest rated technical proposal. Bombardier was rated slightly above Parsons in the technical scoring and submitted a substantially lower price (based on the price evaluation formula established prior to the receipt of BAFO’s, Bombardier’s price was $52M less than Parson’s).

The contract includes competitively solicited spare parts provisioning (a 10% level of spares), most favored customer pricing for additional parts, a commitment to provide parts for a period of 20 years and four 5-year options for software and hardware maintenance services. Based on these provisions, the Railroads have provided for support of the system and the availability of spare parts on reasonable terms for the entire expected useful life of the system.

LIRR and MNR filed updates to their respective PTC implementation plans with the FRA and reported that compliance by the currently mandated date of December 2015 was not possible, and advocated for an extension of the deadline until 2018. The Railroads will make all reasonable efforts to implement PTC at the earliest date possible.

**IMPACT ON FUNDING:**
Base funding is included in the 2005-2009 program (LIRR and Metro-North), and the 2010-2014 Capital Program (LIRR and MNR) and funding for subsequent phases and contract options will be included in the 2015-2019 Capital Program (LIRR and MNR). The State of Connecticut will fund $53 million of the cost of PTC on the Metro-North system.

**DBE:**
Bombardier/Siemens has committed to meeting the established DBE goal of 8%.

**ALTERNATIVES:**
There are none. PTC is a federal mandate. Through this RFP, the Railroads have obtained favorable pricing from well-qualified proposers, and award of this contract presents the best opportunity to progress these mandatory requirements in the most timely manner.

**RECOMMENDATION:**
It is recommended that the Board (i) approve the award of a competitively negotiated contracts to the joint venture of Bombardier Transportation/Siemens Rail Automation in the not-to-exceed amounts of $218,015,9777 for LIRR and $210,461,270 for MNR (inclusive of phases and options) to design, integrate, and furnish PTC systems necessary to comply with the Railroads’ obligations as commuter railroads under the Rail Safety Improvement Act of 2008 and the implementing FRA Regulations; and (ii) authorize LIRR and MNR to exercise respective phases and options consistent with the total contract price as indicated above and the approved Capital funding in 2015-2019.
I. PURPOSE/RECOMMENDATION:

LIRR requests approval to award a Contract to Ansaldo STS USA, Inc. (ASTS) in the amount of $20,825,093 to design and furnish a new Vital Micro-Processor-Based Interlocking Control System between Speonk and Montauk. The Contract supports a LIRR project to convert this dark territory segment (approximately 45 miles) to CAB Signals (aka Automatic Speed Control) to increase safety and to support the LIRR's planned PTC system. LIRR's PTC system is based on Amtrak's PTC design which is an overlay to CAB Signaling. The proposed contract includes hardware warranties.

II. DISCUSSION:

The Contract requires ASTS to design and furnish pre-wired signal enclosures for the Automatic Speed Control (ASC) Signaling of the Speonk to Montauk segment including: new interlockings at Hampton Bays and Southampton; new control points at Amagansett and Montauk; 38 grade crossing huts plus one that is contained within Speonk Interlocking; converting the existing T-20 switches at Westhampton, Bridgehampton, East Hampton and Amagansett to electric locks with derails; and a new ASC test loop case at the west end of Montauk station. The new signal system will be controlled from Babylon Tower, which will be upgraded pursuant to a separate project. The use of a “Request for Proposals” process for this procurement was approved by the MTA Board at its November 2012 meeting.

In December 2012, LIRR publicly advertised a “Request for Expression of Interest” for this project, to which six firms responded. In February 2013, LIRR publicly advertised an RFP for this project (in the New York State Contract Reporter, N.Y. Post, and the MTA website) and sent RFPs to the six rail signal suppliers that responded to the RFEI. Proposals were submitted by two firms: ASTS and GE Transportation Systems Global Signaling, LLC (GETS). (The reasons given by other invited firms for not responding were: their equipment was not yet compliant with LIRR technical requirements; and/or the scope of work was too large.) Two rounds of Best and Final Offer solicitations were conducted with the second including a modification to the technical scope of work regarding equipment type approvals.
At the conclusion of the BAFO process, ASTS submitted a price for the Base Work of the contract at $20,499,532, which is slightly less than GETS’ price of $20,642,195. The contract contains five one-year options for extended hardware warranty, individually priced, with ASTS proposing a total price of $325,561 and GETS proposing $602,604. Based on a technical evaluation ASTS was rated slightly higher than GETS.

In selecting ASTS, the total price was considered fair and reasonable and was less than the LIRR estimate. ASTS’ qualifications have been reviewed and ASTS has been found to be responsible.

The Force Account (FA) aspects of this signalization project (Estimated costs - $48,535,798) are part of a new FA Productivity Program that resulted in the FA estimated cost being reduced 10% and includes a Productivity Tracking System that tracks manpower project activity at a much more detailed level. This insures that any issues that could impact productivity are identified as early as practical.

III. D/M/WBE INFORMATION:
This contract has a 5% DBE goal, which ASTS’s proposal meets. ASTS has not completed any MTA contract with assigned MWDBE goals; therefore, no assessment of the firm’s MWDBE performance can be determined at this time.

IV. IMPACT ON FUNDING:
This contract will be funded by the LIRR Capital Budget.

V. ALTERNATIVES:
None since the LIRR does not have the ability to undertake the design of the signal system with in-house forces.
I. PURPOSE/RECOMMENDATION:
LIRR, on behalf of itself and Metro-North Railroad (MNR) (Railroads), requests MTA Board approval to award a competitively negotiated Public Works Contract to Nouveau Elevator Industries, Inc. (Nouveau) in the Not-To-Exceed amount of $10,895,109; ($5,950,196 - LIRR, $4,944,913-MNR) to provide full-time, on-site maintenance teams consisting of two mechanics for LIRR and a mechanic and helper for MNR. These dedicated teams will provide regularly scheduled maintenance services to 19 LIRR escalators and 14 MNR escalators located throughout Nassau, Suffolk, Manhattan and Westchester Counties. The contract will be awarded for a period of three-years, plus two, (1) year options.

II. DISCUSSION:
Pursuant to MTA Board approval, LIRR issued a joint-agency Request for Proposal (RFP) for the scheduled and unscheduled maintenance and repair of escalators. The solicitation was advertised in the New York State Contract Reporter and the NY Post. Two Addendums were issued to address questions and modify the scope of work. Two site tours were conducted to allow contractors the opportunity to view the equipment at the various locations. Two proposals were received on March 11, 2013. The incumbent, Nouveau proposed a joint-agency total of $12,337,566), and Excel Elevator & Escalator Corp. (Excel) proposed $14,462,377. The Technical Evaluation Committee (TEC), comprised of representatives from LIRR and MNR, evaluated the proposals based on: (i) Technical experience and resources, (ii) Cost, (iii) Technical Reporting, and (iv) compliance with terms of the solicitation. Subsequent to oral presentations by both firms, the TEC rated Nouveau technically higher.

Cost proposals were based on: (i) cost for full-time, on-site maintenance teams; (ii) escalator clean-downs; (iii) emergency and on-call labor hours, and, (iv) mark-up on parts. Nouveau’s aggregate proposed cost of $12,337,566 is 14.7% less than Excels proposed cost of $14,462,377. Based on recommendation from MTA Audit, LIRR negotiated a final aggregate cost with Nouveau of $10,895,109, which reflects a savings of $1,442,459, or 11.7% from their original aggregate proposal of $12,337,566. Among the negotiated reductions, MNR’s team rate for mechanic/helper decreased 8.9% from the current rate $42,750/month to $38,944/month, while...
LIRR's changed from mechanic/helper to two mechanics with only a 1% increase from the current contract rate of $42,740/month to
$43,185/month. Costs for escalator cleandowns were reduced 55% for each agency from the current rate of $8,866/each to
$5,769/each beginning in year one. Nouveau also reduced their proposed escalation rate from 4% to 3%, in accordance with MTA
Audit recommendations.
Based on the above, the negotiated costs were deemed to be fair and reasonable, and the selection committee recommends Nouveau.

III. D/M/WBE INFORMATION:
0% MBE, and 0% WBE Goals were assigned for this contract. Due to the unavailability of qualified MWBEs, the MTA Department
of Diversity and Civil Rights did not assign any goals to this contract.

IV. IMPACT ON FUNDING:
This contract will be funded by each Agency's Operating Budget.

V. ALTERNATIVES:
There are no viable alternatives as neither railroad has the technically qualified resources to perform the work, nor access to required
replacement parts.
NOVEMBER 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

Schedule I. Modifications To Purchase and Public Work Contracts
(Staff Summaries required for individual change orders greater than $750K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least $250K)

1. Yonkers Contracting Company
   Contract No. CM014A
   Modification No. 18
   $ 2,190,000
   Staff Summary Attached

In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval to modify the Contract No. CM014A to include repairs to existing building supports that penetrate Grand Central Terminal train shed and continue down into the future LIRR Concourse below.
Schedule I: Modifications to Purchase and Public Work Contracts

Item Number 1

<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 (Yonkers, New York)</td>
<td>CM014A</td>
<td>16</td>
</tr>
</tbody>
</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>
</tr>
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<tbody>
<tr>
<td>GCT Concourse and Facilities Fill-Out</td>
<td>$43,502,000</td>
<td>$518,273</td>
<td>$0</td>
<td>$44,020,273</td>
<td>$2,190,000</td>
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</table>

Option(s) Included In Total Amount?  
[ ] Yes  [ ] No  [ ] N/A

<table>
<thead>
<tr>
<th>Procurement Type</th>
<th>% of This Request to Current Amount:</th>
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</thead>
<tbody>
<tr>
<td>Competitive</td>
<td>4.97%</td>
</tr>
<tr>
<td>Non-competitive</td>
<td></td>
</tr>
<tr>
<td>RFP</td>
<td></td>
</tr>
<tr>
<td>Bid</td>
<td></td>
</tr>
<tr>
<td>Other Modification</td>
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</table>

Funding Source
[ ] Operating  [ ] Capital  [ ] Federal  [ ] Other

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<th>Requesting Dept/Div. &amp; Dept/Div. Head Name:</th>
<th>% of Modifications (Including This Request) to Original Amount:</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Side Access, A. Paskeff, P.E.</td>
<td>6.22%</td>
</tr>
</tbody>
</table>

Discussion:
Contract CM014A will fill-out the lower portion of the new LIRR Concourse at the lower level of Grand Central Terminal ("GCT"). In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC seeks Board approval to modify the Contract to include repairs to existing building supports that penetrate the Grand Central Terminal train shed and continue down into the future LIRR Concourse below.

Columns and beams that support GCT structures and seven privately-owned buildings along Park and Madison Avenues pass through the East Side Access Project area and will, eventually, be eneased in the future LIRR Concourse. A survey of these building supports, which was performed by a third-party consultant under the direction of Metro-North, revealed some structural deficiencies including deteriorated and spalled concrete and corroded steel. It is prudent to repair these deficiencies before access to the support structures is hampered by the new Concourse structure and while the CM014A Contractor is already mobilized and performing work in the same location.

Based upon the survey conducted by Metro-North’s consultant, MTACC developed a scope of work for the repairs to the supports for each structure. The scope of the work includes the following:

- Verify and indicate all existing conditions and dimensions with the provided MTACC design documents.
- Perform necessary inspections of seventeen (17) repair locations found to be deficient in the design documents.
- Perform structural repair work shown in the design documents. Identify location, material, size and function of existing utilities in coordination with the CM.
- Provide all temporary supports and other devices as may be required or directed by the CM to protect the safety of the adjacent structures and utilities.

The Contractor submitted a proposal, based upon unit prices, for the work identified in the survey, in the amount of $2,651,990. MTACC’s estimate was $2,443,152. The parties held negotiations and agreed to unit prices which totaled to $2,190,000 for all of the repair work identified in the survey. The negotiated price is considered to be fair and reasonable. There is no time impact associated with this modification.

Funding for the work related to the GCT structures will come from Metro-North. MTACC has started the process of negotiating agreements with the other building owners for the repair work to their columns and beams.
NOVEMBER 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)

1. Loram Rail Services, LLC (LORAM) $13,376,000 (not-to-exceed)
   Rail Vac. Services for Metro-North’s East of Hudson Territory

   As part of a comprehensive right-of-way improvement program in the Bronx that began in July, MNR expedited various procurement actions in order to implement track and drainage improvements, tie replacement, fencing repairs and general cleanup for this critical six-mile section between Melrose and Woodlawn. New Haven and Harlem Line trains operate over the four tracks in this area and then merge with the Hudson Line south of this location.

   Expedited procurement actions were initiated in order to provide for the recovery and efficient operation of MNR services as well as to mitigate risk. The MNR Procurement Department sought competitive quotes/bids whenever possible. In cases where contractors have contracts in-place with MNR and equipment readily available and able to respond to immediate requirements, MNR executed 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 actions were performed in accordance with PAL§ 1265-a (4 a) and in conjunction with the MTA All-Agency Procurement Guidelines Art III-A.

   Three specific procurement actions were taken with Loram Rail Services, LLC (LORAM) to facilitate support of the work being performed by MNR’s Maintenance of Way Division. They are:

   A miscellaneous service contract for track bed rail vacuum services was awarded which provides for LORAM rail vac. machines to excavate ballast along MNR’s Right-of-Way to ensure that any fouled ballast in poor drainage areas in the track bed is corrected. LORAM is the only known provider of rail track bed vacuuming services with sufficient equipment and manpower to meet MNR’s immediate needs and is currently providing rail vacuuming services for LIRR. As this equipment is scheduled seasonally by LORAM throughout North America, MNR was able to take advantage of the existing LIRR agreement to acquire these services in an expedited manner. These services are vital to returning the track/track bed to a state-of-good repair. Under the contract which will continue until the end of 2013, LORAM will provide a vacuum truck with an operating crew to support M of W’s efforts to improve the right-of-way in the Bronx and in other select portions of the right-of-way with drainage conditions. The cost of these services is a total not-to-exceed $2,125,000.

   Additionally, MNR has secured the use of a LORAM rail vac. operations trainer through the end of 2013. This trainer is uniquely qualified to instruct MNR employees in the operation of this equipment, will help augment the current operation of LORAM rail vac. equipment and also ensure adequate and future qualified MNR operators. The cost of these services is a total not-to-exceed $200,000.
As MNR will continue its track and rail rehabilitation efforts into 2014 and beyond, the Maintenance of Way Division will continue to require ongoing use of LORAM rail vac. equipment. Based on the limited availability of these machines, MNR has negotiated long-term agreement with LORAM that will ensure continued access to a rail vac. machine for up to a five year period. The agreement will be for a base period of three years (2014-2016) with an option for two additional years (2017-2018). MNR’s agreement has the same contractual terms and conditions as the recently Board-approved LIRR agreement with LORAM. The cost of this agreement, including the option years, is a not-to-exceed amount of $11,051,000.

The total cost of the above three actions with LORAM is not-to-exceed $13,376,000 ($2.125M= rail vac. for 2013, $200K= ops. trainer for 2013 and $11.051M= rail vac. services for 2014-2018). They are funded by the MNR Operating Budget.
NOVEMBER 2013

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. Tutor Perini Corporation
   Contract No. CH053
   Modification No. 74 Part 1D
   $ 5,700,000
   Staff Summary Attached

   In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC requests the Board to ratify a modification to the Contract for the civil work associated with the furnishing and installation of two Motor Generator (MG) Sets at Harold Interlocking and Woodside Station.

2. Yonkers Contracting Company
   Contract No. CM014A
   Modification No. 19
   $ 4,275,000
   Staff Summary Attached

   In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC requests the Board to ratify a modification to the Contract to transfer scope from future Contract CM014B for the installation of utilities and associated work within the new LIRR Concourse.
Schedule K: Ratification of Completed Procurement Actions

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Vendor Name (&amp; Location)</th>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Tutor Perini Corporation (Peekskill, New York)</td>
<td>CH053</td>
<td>74 Part ID</td>
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<tr>
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</tr>
<tr>
<td></td>
<td>Description</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Construct Harold Structures Part I for the ESA Project</td>
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<td></td>
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<tr>
<td></td>
<td>Contract Term (Including Options, If any)</td>
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<td></td>
<td>Option(s) Included in Total Amount?</td>
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<td>No</td>
</tr>
<tr>
<td></td>
<td>Procurement Type</td>
<td>Competitive</td>
<td>Non-competitive</td>
</tr>
<tr>
<td></td>
<td>Solicitation Type</td>
<td>RFP</td>
<td>Bid</td>
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<tr>
<td></td>
<td>Funding Source</td>
<td>Operating</td>
<td>Capital</td>
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<td>Requesting Dept./Div. &amp; Dept./Div. Head Name:</td>
<td>East Side Access, A. Peskoff, P.E.</td>
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<tr>
<td></td>
<td>Contract Number</td>
<td>AWO/Modification #</td>
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<tr>
<td></td>
<td>CH053</td>
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<td>This Request:</td>
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<td>% of This Request to Current Amount:</td>
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<td></td>
<td>% of Modifications (including This Request) to Original Amount:</td>
<td>69.25%</td>
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</table>

Discussion:
This contract is for the construction of various civil infrastructure elements in Harold Interlocking and to expand the existing LIRR/Amtrak right-of-way to enable mainline track diversions and facilitate the future construction of tunnels for the East Side Access ("ESA") Project. In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC requests that the Board ratify a modification to the contract for the civil work associated with the furnishing and installation of two Motor Generator (MG) Sets at Harold Interlocking and Woodside Station.

As explained previously and in connection with related modifications, LIRR and Amtrak currently share power for their signals within the Harold Interlocking/Sunnyside Yard area. As part of the ESA project, signal power is being separated so that LIRR and Amtrak will have independent signal power (this work was not part of the original design and is part of an Errors and Omissions claim).

Accomplishing signal power separation has affected multiple East Side Access contracts. This modification provides for the civil work associated with the Motor Generator (MG) Sets (furnished under Contract VH002) at Harold Interlocking and Woodside Station. This work includes furnishing seventeen (17) concrete pads for the installation of power cases and transformers; a concrete encased ductbank to carry Con Edison services to the new MG Sets at Harold and Woodside; three (3) new concrete foundations and five (5) catenary poles for the new overhead wires to be installed by Amtrak Forces.

We anticipate two additional modifications to this Contract related to Signal Power Separation. One for the installation of a guy anchor, conduit for connection to an existing bridge, and revised ConEd conduit layout; and one for the pulling of cables in the conduits. In addition, we anticipate another Modification related to signal power separation to Contract CQ031. That modification will be to furnish two catenary poles and a guy anchor in the vicinity of the work being performed under that contract.

The Contractor submitted a cost proposal of $6,851,325 while the MTACC project estimate was $5,674,186. Negotiations were held, and both parties agreed to $5,700,000 which is considered fair and reasonable. Time impact, if any, and any impact cost associated with this modification will be addressed as part of a Time Impact Analysis that is currently being performed for this Contract.

In order to complete the Civil Work that is required to power the H-3 and H-4 Signal Huts during the cutovers to the new switching and signaling systems scheduled for the later this year and first quarter of 2014 respectively, the MTACC President approved a limited Retrospective Memorandum and on October 3, 2013, the Contractor was directed to proceed with the work up to the not-to-exceed amount of $500,000. Authorization to proceed with the remainder of the work under this modification will be given upon Board ratification of this Modification.
## Schedule K: Ratification of Completed Procurement Actions

<table>
<thead>
<tr>
<th>Item Number</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Name (&amp; Location)</td>
<td>Yonkers Contracting Company (Yonkers, New York)</td>
</tr>
<tr>
<td>Description</td>
<td>GCT Concourse and Facilities Fit-Out</td>
</tr>
<tr>
<td>Contract Term (Including Options, If any)</td>
<td>842 Calendar Days</td>
</tr>
<tr>
<td>Option(s) included in Total Amount?</td>
<td>☑ Yes ☐ No ☐ N/A</td>
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<td>Procurement Type</td>
<td>☑ Competitive ☐ Non-competitive</td>
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<td>Solicitation Type</td>
<td>☑ RFP ☐ Bid ☐ Other: Modification</td>
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<td>Funding Source</td>
<td>☑ Operating ☑ Capital ☐ Federal ☐ Other</td>
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<tr>
<td>Requesting Dept./Div. &amp; Dept./Div. Head Name</td>
<td>East Side Access, A. Paskoff, P.E.</td>
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<tr>
<td>Contract Number</td>
<td>CM014A</td>
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<td>AWQ/Modification #</td>
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<td>Current Amount:</td>
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<td>This Request</td>
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<td>% of This Request to Current Amount:</td>
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<td>% of Modifications (including This Request) to Original Amount:</td>
<td>11.01%</td>
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**Discussion:**

The work under this Contract is for the facility fit-out of the lower portion of the new LIRR Concourse located in the lower level of Grand Central Station for the East Side Access (ESA) project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC requests that the Board ratify a modification to the Contract to transfer scope from future Contract CM014B which includes the installation of utilities and associated work within the new LIRR Concourse.

The work under this modification includes the installation of manholes and sub-grade utilities, demolition of an existing platform and walls, construction of an access ramp, and installation of a roll-up door. This work was to be performed under future and adjacent Contract CM014B (scheduled to be awarded in 2014), however, MTACC has determined that advancing this work now will alleviate certain schedule and constructability risks associated with that Contract. The CM014A Contractor is currently mobilized, on-site, and performing similar works within Madison Yard.

The Contractor submitted a proposal in the amount of $5,378,435 and the MTACC estimate was $4,830,645. Negotiations were held and the parties agreed to a cost of $4,275,000 for the work which is considered fair and reasonable. The budget for this work will be transferred from CM014B.

In order to transfer this work to the CM014A Contractor without impacting its schedule, it was necessary to commence a portion of the work in October. Therefore, the MTACC President approved a limited retroactive memorandum for the demolition of walls, fabrication of manholes and purchase of the roll-up door, and, on October 23, 2013, the Contractor was directed to proceed with that work up to that not-to exceed amount of $1,750,000. Authorization to proceed with the remainder of the work under this modification will be given upon Board ratification of this modification.
Bridges and Tunnels

Procurements
November 2013
Staff Summary

Subject: Request for Authorization to Award Various Procurements

Department: Procurement

Department Head Name: M. Margaret Terry

Project Manager Name: Various

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.

MTA B&T proposes to award Non-Competitive procurements in the following categories: None.

MTA B&T proposes to award Competitive procurements in the following categories:

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Category</th>
<th># of Actions</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule F</td>
<td>Personal Service Contracts</td>
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<td>$25.008M</td>
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<tr>
<td>Schedule G</td>
<td>Miscellaneous Service Contracts</td>
<td>4</td>
<td>$1.596M</td>
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<tr>
<td>Schedule I</td>
<td>Modifications to Purchase &amp; Public Works Contracts</td>
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<td>$1.215M</td>
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<td>SUBTOTAL</td>
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<td>$27.819M</td>
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MTA B&T presents the following procurement actions for Ratification:

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<thead>
<tr>
<th>Schedule</th>
<th>Category</th>
<th># of Actions</th>
<th>$ Amount</th>
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<tbody>
<tr>
<td>Schedule D</td>
<td>Ratification of Completed Procurement Actions (Involving Schedule A-C)</td>
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<td>$15.265M</td>
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<tr>
<td>Schedule K</td>
<td>Ratification of Completed Procurement Actions (Involving Schedule E-J)</td>
<td>1</td>
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<td>SUBTOTAL</td>
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<td>TOTAL</td>
<td>12</td>
<td>$44.484M</td>
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</table>

The legal name of MTA Bridges and Tunnels is Triborough Bridge and Tunnel Authority.
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 COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
NOVEMBER 2013
MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

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

1. A) Ammann & Whitney Consulting Engineers, Inc. - PSC-13-2923A /A-F $18,000,000.00 (aggregate not to exceed amount for the seven contracts)
   B) Gannett Fleming Engineers and Architects, PC - PSC-13-2923B /B-F
   C) Hardesty & Hanover Construction Services, LLC - PSC-13-2923C /C-F
   D) Haks Engineers, Architects and Land Surveyors, PC - PSC-13-2923D /D-F
   E) LiRo Engineers, Inc. - PSC-13-2923E /E-F
   F) Michael Baker Engineering, Inc. - PSC-12-2923F /F-F
   G) Parsons Brinckerhoff, Inc. - PSC-13-2923G /G-F
Contract Nos. PSC-13-2923A - G and A-F through G-F
   6 yr. contract - Competitive RFP - 8 Proposals
   Provide construction administration, inspection and support services on an as-needed basis.

   Contract No. PSC-13-2929
   6 yr. 1 mo. contract - Competitive RFP - 5 Proposals
   Provide Design and Design Support Services during construction for Project HH-89, Retrofit/Repair of Skewbacks, Approach Concrete Piers and North Abutment at the Henry Hudson Bridge.

3. URS Corporation - New York - PSC-13-2932
   Contract No. PSC-13-2932
   2 yr. 6 mo. contract - Competitive RFP - 4 Proposals
   Provide construction management and inspection services for Project VN-87, Design and Construction of a New 5kV Electrical Switchgear Substation at the Verrazano-Narrows Bridge.
LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
NOVEMBER 2013

4. Environmental Planning - PSC-12-2907A
   and Management, Inc.   $750,000.00
   (Aggregate not to exceed amount)
   ATC Group Services - PSC-12-2907B
   d/b/a Cardno ATC
   Creative Environment - PSC-12-2907D
   Solutions Corp.
   Contract No. PSC-12-2907A, B, D
   4 yr. contract - Competitive RFP – 11 Proposals
   B&T requires the services of several multi-disciplined environmental firms to provide
design, supervision and air monitoring services for asbestos and incidental lead
abatement projects on an as-needed basis. The required services will be assigned to the
firms on a rotating basis through the issuance of work orders. Each work order will be
negotiated separately based on the labor, overhead and profit rates in each contract. The
total amount for work performed under these three contracts is in an aggregate not to
exceed amount of $750,000.

The service requirements were publicly advertised. Eleven (11) firms submitted proposals
for review and evaluation by the selection committee. The proposals were evaluated
against established criteria set forth in the RFP including cost, record of performance of
the firm, qualifications of the firm/personnel, and depth of understanding of project
scope. The committee recommended four firms that were determined to be in the
competitive range: Environmental Planning and Management, Inc. (EPM), ATC Group
Services Inc. d/b/a Cardno ATC (ATC), and Creative Environment Solutions Corp.
(CES). The fourth firm’s (Louis Berger Group’s) proposal is currently under evaluation.
B&T anticipates that this contract will be presented to the Board for approval at a later
date.

A Fully Loaded Rate (“FLR”), comprised of direct labor, overhead and profit, was
developed. The FLR, which is based on seven job classifications for each consultant, is
$73.68 (ATC), $102.85 (EPM) and $106.42 (CES) per hour. The FLR under our current
contracts with ATC, Louis Berger Group and EPM, which takes into account six job
classifications, is $80.06, $81.68 and $84.52 per hour, respectively. The average FLR for
the prospective contracts with ATC, EPM and CES represents an increase of 14.9%
compared with the average FLR under the current contracts. The average FLR estimated
by the user reflected substantially higher labor rates. The rates are considered fair and
reasonable. EPM, ATC and CES are deemed to be responsible consultants.

The MTA DDCR has established M/WBE goals of 10% and 10%, respectively, for these
contracts. Such contracts will not be awarded without approval of MTA DDCR. No goals
were assigned under the prior solicitation for these services. Funding is available for
these services in the Major Maintenance and Capital Budgets under GFM-505 and AW-
12, respectively.
LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
NOVEMBER 2013

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)

5. Triport International A.G.E.R. Inc. $828,300.00
Contract No. 12-MNT-2900
5 yr. contract – Competitive Bid – Low responsive bid/2 bids
In May 2013 B&T issued a solicitation for a Contractor to maintain and repair our heavy-duty vehicles. The service requirements were publicly advertised. The solicitation notice was sent to 160 firms and four firms requested a copy of the solicitation. On June 25 two bids were submitted as follows:

<table>
<thead>
<tr>
<th>Bidders</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Triport International A.G.E.R. Inc.</td>
<td>$828,300.00</td>
</tr>
<tr>
<td>A to Z Automotive Inc. d/b/a Reaction Auto</td>
<td>$990,600.00</td>
</tr>
</tbody>
</table>

The scope of services for the first three years of the five year prospective contract with Triport for the maintenance and repair work is the same as that compared with the current contract. The labor rate over the initial three year period is 11.4% higher than the current rate. This increase is consistent with that projected by the user for such three year period and will remain fixed through the five year duration of the contract. After evaluation of the bids, it was determined that Triport is a responsive, responsible bidder. Based on competition, the price is considered fair and reasonable. The MTA Department of Diversity and Civil Rights has established goals of 10% MBE and 10% WBE for this contract. The contract will not be awarded until the M/WBE requirements are satisfied. Funding is available in the Operating Budget under GL #710901.

6. Lund Fire Products Co., Inc. $232,540.00 – MTA B&T
Contract No. 12-MNT-2896Y
$ 84,628.00 – MTABC
$ 97,068.00 - DOB
$414,236.00 - Total

5 yr. contract – Competitive Bid – 1 Bid
In June 2013 B&T issued a solicitation for a contractor(s) to provide inspection, maintenance and repair of fire suppressant systems located at various B&T, MTA Bus Company (MTABC) and Department of Buses (DOB) facilities since the agencies do not have the equipment, personnel or professional certifications required to perform this work. The service requirements were publicly advertised. The solicitation notice was sent to 107 firms and one firm requested a copy of the solicitation. On July 17 one bid was submitted as follows:

<table>
<thead>
<tr>
<th>Bidders</th>
<th>B&amp;T</th>
<th>MTABC</th>
<th>DOB</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lund Fire Products Co., Inc.</td>
<td>$232,540.00</td>
<td>$84,628.00</td>
<td>$97,068.00</td>
<td>$414,236.00</td>
</tr>
</tbody>
</table>
LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
NOVEMBER 2013

Our market survey disclosed that two other firms initially expressed interest in submitting bids, however after further consideration each elected not to participate. Given that one responsive bid was received negotiations were initiated with Lund, however, the contractor declined to offer any price reductions. The scope of services under the prospective contract differs from that compared with the current contract. This is based on the addition of five locations at B&T; both MTABC and DOB had no prior contract for these services. The term of the contract has increased from three to five years and rates for the services are fixed for the five year period. The user’s estimates are $213,000, $65,560 and $75,160 for each agency, respectively. Lund’s bid is 9.2% higher compared with B&T’s estimate. However, the contractor’s overall bid price is 17.1% higher than the agencies’ total estimate of $353,720. The disparity with the total estimate may, in part, be attributed to an unanticipated increase in the contractor’s indirect expenses. After evaluation of Lund’s bid, it was determined that this firm is a responsive, responsible bidder. Since award of the original contract in October 2006 the CPI adjusted over a five year period equates to a 13% increase. The overall price is therefore considered fair and reasonable. Funding is available in each Agency’s Operating Budget: B&T - GL #713302; MTABC and DOB - GL #711315.

7. Blackler Air Compressor Corp. $185,575.00
Contract No. 13-MNT-2912

5 yr. contract – Competitive Bid – Low responsive bid/2 Bids
In July 2013 B&T issued a solicitation for a Contractor to provide hydrostatic testing, preventive maintenance and repair to air compressors located at various facility garages. The air compressor equipment is used to power air-driven tools, for example those used to remove lug nuts from tire wheels. The service requirements were publicly advertised. The solicitation notice was sent to thirty (30) firms. Five (5) firms requested copies of the solicitation. On August 9 two bids were submitted as follows:

<table>
<thead>
<tr>
<th>Bidders</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blackler Air Compressor Corp</td>
<td>$185,575.00</td>
</tr>
<tr>
<td>Scales Industrial Technologies, Inc.</td>
<td>$273,070.00</td>
</tr>
</tbody>
</table>

The scope of services for the first three years of the prospective five year contract differs from that compared with the current three year contract. The estimated quantities for preventive maintenance and repair hours as well as the number of units serviced (mobile air compressors were excluded) for the initial three year period under the prospective contract compared with the same period under the current contract reflects a 14.6% decrease. Blackler’s overall bid is 11.3% lower than the user’s estimate of $209,265.80. The rates are fixed over the five year period. After evaluation of the bids, it was determined that Blackler Air Compressor Corp. is a responsive, responsible bidder. Based on competition, the price is considered fair and reasonable. Funding is available in the Operating Budget under GL #713008.
8. Integrated Power Services, LLC  $168,176.00
   Contract No. 13-MNT-2915
   5 yr. contract – Competitive Bid – Low responsive bid/4 Bids
   On July 15, 2013 B&T issued a solicitation for a Contractor to overhaul, refurbish and
   rewind electrical induction fan motors located at the Hugh L. Carey and Queens Midtown
   Tunnels. This contract is structured so that services will be performed only on an as needed
   basis. The service requirements were publicly advertised. The solicitation notice was sent
to four hundred and twenty (420) firms. Twelve (12) firms requested copies of the
   solicitation. On August 23 four bids were submitted as follows:

<table>
<thead>
<tr>
<th>Bidders</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrated Power Services, LLC</td>
<td>$168,176.00</td>
</tr>
<tr>
<td>Waco Electrical Company</td>
<td>$458,083.63</td>
</tr>
<tr>
<td>Longo Electrical-Mechanical Inc.</td>
<td>$532,489.49</td>
</tr>
<tr>
<td>Precision Electric Motor Works, Inc.</td>
<td>$559,040.00</td>
</tr>
</tbody>
</table>

   The scope of services for the first three years of the five year prospective contract is the
   same as that compared with the current contract. The rates under the prospective contract
   have not increased and are fixed over the five year period. Integrated Power Services,
   LLC’s overall bid is 8.4% lower than the user’s estimate of $183,657.26. After evaluation
   of the bids, it was determined that Integrated Power Services, LLC is a responsive,
   responsible bidder. Based on competition, the price is considered fair and reasonable.
   Funding is available in the Operating Budget under GL #713302.

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)

9. TAP Electrical Contracting Service Inc. $1,214,807.00
   Contract No. BB-45
   Staff Summary Attached
   Reconcile quantities of cable and conductors required to complete Contract BB-45,
   Replacement of Switchgear and Power Distribution System at the Hugh L. Carey Tunnel
   (formerly Brooklyn Battery Tunnel).
Staff Summary

SUMMARY INFORMATION

Vendor Name
A) Ammann & Whitney Consulting Engineers, Inc.
B) Gannett Fleming Engineers and Architects, PC
C) Hardesty & Hanover Construction Services, LLC
D) Haks Engineers, Architects and Land Surveyors, PC
E) LIRo Engineers, Inc.
F) Michael Baker Engineering, Inc.
G) Parsons Brinckerhoff, Inc.

Contract Number
PSC-13-2923A /A-F
PSC-13-2923B /B-F
PSC-13-2923C /C-F
PSC-13-2923D /D-F
PSC-13-2923E /E-F
PSC-13-2923F /F-F
PSC-13-2923G /G-F

Description
As-Needed Construction Administration, Inspection And Support Services

Total Amount
Aggregate total: $18,000,000

Contract Term (including Options, if any)
Six Years

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: Funding Source to be allocated by Work Order. Each firm will be awarded a Federal Contract and a non-Federal Contract.

Narrative

I. PURPOSE/RECOMMENDATION
B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to award personal service contracts to the seven firms listed above for the aggregate amount of $18,000,000. Each of the seven firms will be awarded a Federal contract and a non-Federal Contract for a duration of six years.

II. DISCUSSION
B&T requires the services of multiple consultant firms to provide as-needed construction administrative, inspection and support services. The services under these contracts will be awarded via work orders as needs arise. The contracts containing federal provisions will be used primarily to provide engineering and architectural services for which B&T will be seeking reimbursement under the Federal Emergency Management Agency (FEMA), which includes but may not be limited to costs associated with Superstorm Sandy. The prospective awards are renewals of current contracts that will be expiring in 2014. The effectiveness of these contracts has resulted in an increasing demand to use these services and therefore remaining funding is limited.

The requirements were publicly advertised. Fourteen firms submitted qualification information for review and evaluation by the selection committee. Based on a review of those qualifications, eight firms were selected to receive the RFP as

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Staff Summary

follows: Ammann & Whitney Consulting Engineers, Inc. (A&W), Gannett Fleming Engineers and Architects, PC (GF), Hardesty & Hanover Construction Services, LLC (H&H), Haks Engineers, Architects and Land Surveyors, PC (Haks), LiRo Engineers, Inc. (LiRo), Michael Baker Engineering, Inc. (MBE), Parsons Brinckerhoff, Inc. (PB) and STV Group, Inc. (STV). All eight firms submitted proposals, which were evaluated against established criteria set forth in the RFP including technical work proposed, depth of understanding of the project, qualifications of the firm for specific personnel proposed and cost. Based on the committee’s review of all submittals and its consideration of proposed costs, the Agency is recommending seven firms to receive contracts under the referenced RFP. The eighth firm, STV, is currently under evaluation. B&T anticipates that this contract will be presented to the Board at a later date. The committee’s selections were based on the following:

- In light of the needs planned in 2014 and the next capital program, the committee found that using a larger pool of consultants would provide additional flexibility, competition and depth of talent to benefit B&T.
- Firms such as Haks, LiRo and PB offer a large organizational structure with significantly diverse engineering and architectural disciplines.
- A&W and LiRo are incumbents on the current as-needed contract. A&W, H&H, LiRo and PB have successfully performed various contracts with similar services for B&T.
- GF and MBE are firms that have not provided these types of services to B&T in the past ten years which will add desired experience and competition to serve B&T’s needs.
- Costs were reviewed by the Committee through the use of sample tasks. While there was a wide array of costs for given tasks, all of the firms submitted costs that the committee found acceptable.

Services under these Contracts will be awarded via work orders utilizing the negotiated Contract labor, overhead and profit rates. These negotiated rates are considered fair and reasonable. The cost elements for individual work orders will be reviewed separately to ensure that they are fair and reasonable. Depending on a variety of factors including type and estimated value of the services, some of the work orders will be issued based on competition between some or all of the firms being awarded these contracts. There is no direct comparison of costs between these Contracts and the contracts being renewed since services are performed as unique tasks arise and there are no repetitive tasks. All seven firms are considered to be responsible consultants.

III. D/M/WBE INFORMATION
The MTA Department of Diversity and Civil Rights has established goals of 10% MBE and 10% WBE for each of these contracts to be applied over each contract. These contracts will not be awarded until the M/WBE requirements are satisfied. It is noted that the Federal contracts will utilize M/WBE goals in accordance with the standards set by FEMA. All of the contractors listed have achieved its previous MWBE goals on previous MTA contracts with the exception of Michael Baker Engineering, Inc. Michael Baker Engineering, Inc. has not completed any B&T or MTA contract; therefore, no assessment of the firm’s MWDBE performance can be determined at this time.

IV. IMPACT ON FUNDING
Funding will be established for each individual work order prior to their issuance.

V. ALTERNATIVES
The determination regarding B&T’s alternatives will be made prior to issuing the work orders.
**Staff Summary**

### Board Reviews

<table>
<thead>
<tr>
<th>Order</th>
<th>To</th>
<th>Date</th>
<th>Approval Info</th>
<th>Other</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>President</td>
<td>10/23/13</td>
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<td></td>
</tr>
<tr>
<td>2</td>
<td>MTA B&amp;A Committee</td>
<td>11/12/13</td>
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<td></td>
</tr>
<tr>
<td>3</td>
<td>MTA Board</td>
<td>11/13/13</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Internal Approvals

<table>
<thead>
<tr>
<th>Order</th>
<th>Approval</th>
<th>Order</th>
<th>Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chief Financial Officer</td>
<td>4</td>
<td>Chief of Staff</td>
</tr>
<tr>
<td>2</td>
<td>General Counsel</td>
<td>5</td>
<td>Executive Vice President</td>
</tr>
<tr>
<td>3</td>
<td>Chief Procurement Officer</td>
<td>6</td>
<td>President</td>
</tr>
</tbody>
</table>

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**SUMMARY INFORMATION**

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Contract Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ammann &amp; Whitney Consulting Engineers, P.C</td>
<td>PSC-13-2829</td>
</tr>
</tbody>
</table>

**Description:**
Design and Design Support Services During Construction for Project HH-89, Retrofit/Repair of Skewbacks, Approach Concrete Piers and North Abutment at the Henry Hudson Bridge.

**Total Amount:**
$4,075,700

**Contract Term (Including Options, if any):**
Six years, one month

**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

---

**Narrative**

I. **PURPOSE/RECOMMENDATION**

B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to award a personal service contract for Design and Design Services During Construction for Project HH-89, Retrofit/Repair of Skewbacks, Approach Concrete Piers and North Abutment at the Henry Hudson Bridge (HHB) to Ammann & Whitney Consulting Engineers, P.C (A&W) in the amount of $4,075,700 for a period of six years, one month.

II. **DISCUSSION**

B&T requires the services of a consultant to provide design and design support services for Project HH-89 as described above. The work is generally described as performing a design to rehabilitate the skewbacks (base supports for the steel bridge arches).

The service requirements were publicly advertised; five firms submitted qualification information. five firms were chosen to receive the RFP based on a review of those qualifications and all five firms submitted proposals: Ammann & Whitney Consulting Engineers, P.C (A&W), Hardesty & Hanover, LLC (H&H), Modjeski & Masters, Inc. (M&M), STV Incorporated (STV) and URS Corporation-New York (URS). The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements, technical expertise, proposed personnel, oral presentations and cost.
Based on the committee’s evaluation of the proposals, A&W, H&H and M&M were determined to be in the competitive range and oral presentations were conducted. The committee selected A&W based on: (i) a highly qualified team with experience that includes B&T Contract PSC-06-2807A, Task 32 Report, Investigation and Rehabilitation Recommendations for the Arch Skewback and Approach Span Substructures of the Henry Hudson Bridge; (ii) A&W’s proposed robust geotechnical investigation program; (iii) A&W’s proposed expert to interpret the concrete chemical reaction data; and (iv) the proposed development of detailed, site specific seismic models that may result in lower seismic requirements and therefore significantly reduced construction retrofit costs. Although A&W’s proposed cost was the highest of the three firms, it was less than the Engineer’s estimate. The committee believes that the additional services in A&W’s proposal shall result in a better design as compared to the other short listed firms. While M&M and H&H had acceptable proposals, the committee determined that they did not produce the same long-term benefits that would be achieved by the A&W team.

A&W submitted a proposal of $4,149,567. The Engineer’s estimate is $4,322,000. Negotiations were conducted and the parties agreed to the proposed amount of $4,075,700, which is 6% below the Engineer’s estimate and is considered fair and reasonable. A&W is deemed to be a responsible consultant. At a future date, the cost for design services during construction will be presented to the Board for approval.

III. D/M/WBE INFORMATION
The MTA DDCR has established goals of 10% MBE and 10% WBE for the referenced contract. This contract will not be awarded without approval of MTA DDCR. A&W was in full compliance with the M/WBE goals on its most recently completed contract, PSC-06-2787.

IV. IMPACT ON FUNDING
Funding is available under Project HH-89 in the 2010-14 Capital Budget.

V. ALTERNATIVES
There are no recommended alternatives. The Authority does not possess the resources required to perform these services.
**Staff Summary**

<table>
<thead>
<tr>
<th>Item Number</th>
<th>3</th>
<th>(Final)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dept &amp; Dept Head Name:</td>
<td>Engineering and Construction, Joe Keane, P.E.</td>
<td></td>
</tr>
<tr>
<td>Division &amp; Division Head Name:</td>
<td>Engineering and Construction, Aris Stathopoulos, P.E.</td>
<td></td>
</tr>
</tbody>
</table>

**Summary Information**

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>URS Corporation- New York</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Number</td>
<td>PSC-13-2932</td>
</tr>
<tr>
<td>Description:</td>
<td>Construction Management and Inspection Services for Project VN-87, Design and Construction of a New 5kv Electrical Switchgear Substation at the Verrazano-Narrows Bridge</td>
</tr>
<tr>
<td>Total Amount</td>
<td>$2,182,300</td>
</tr>
<tr>
<td>Contract Term (Including Options, if any)</td>
<td>Two years, six months</td>
</tr>
<tr>
<td>Option(s) Included in Total Amount?</td>
<td>Yes  No</td>
</tr>
<tr>
<td>Renewal?</td>
<td>Yes  No</td>
</tr>
</tbody>
</table>

**Procurement Type**

- Competitive  Non-competitive

**Solicitation Type**

- RFP  Bid  Other:

**Funding Source**

- Operating  Capital  Federal  Other:

**Board Reviews**

<table>
<thead>
<tr>
<th>Order</th>
<th>To  Date</th>
<th>Approval</th>
<th>Info</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>President  10/23/13</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>MTA B&amp;T Committee  11/12/13</td>
<td></td>
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<td>3</td>
<td>MTA Board  11/13/13</td>
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</table>

**Internal Approvals**

<table>
<thead>
<tr>
<th>Order</th>
<th>Approval  Date</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chief Financial Officer</td>
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<tr>
<td>2</td>
<td>General Counsel  1/15/13</td>
<td>5  Executive Vice President</td>
</tr>
<tr>
<td>3</td>
<td>Chief Procurement Officer</td>
<td>6  President</td>
</tr>
</tbody>
</table>

**Narrative**

1. **Purpose/Recommendation**

   B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to award a personal service contract for Construction Management and Inspection Services for Project VN-87, Design and Construction of a New 5kv Electrical Switchgear Substation at the Verrazano-Narrows Bridge to URS Corporation- New York (URS) in the amount of $2,182,300 for a period of two (2) years, six (6) months.

2. **Discussion**

   B&T requires the services of a consultant to provide construction administration and inspection services for VN-87, the design and construction (Design-Build) of a new 5kv switch gear substation, upgrade of the power monitoring system and installation of a new 5kv standby generator at the Verrazano-Narrows Bridge facility. The work includes, but is not limited to: design review and inspection services, quality assurance, construction oversight and all other services to ensure that the cost, schedule, quality, safety and other contract criteria are met.

   The service requirements were publicly advertised; four firms submitted qualification information and all firms were chosen to receive the RFP based on a review of those qualifications. Three firms submitted proposals: URS, HAKS and Hardesty & Hanover Consulting Services (H&H). The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements, technical expertise, proposed personnel, oral presentations and cost. The selection committee unanimously recommended that B&T enter into negotiations with the two highest rated firms, H&H and URS, followed by submissions of best and final offers (BAFOs).

{rev. 4/07/16}
Based on the evaluations of BAFOs, the committee unanimously recommended the selection of URS. URS' team is highly qualified to perform these services, had the lowest cost and had desired electrical coordination and support. Although H&H was qualified to perform these services, it proposed a higher BAFO cost ($2,298,927) and did not offer as high a level of electrical expertise as URS.

URS submitted a proposal of $2,182,300 is 3.4% below the Engineer's estimate of $2,260,000 and considered fair and reasonable. URS is deemed to be a responsible consultant.

III. D/M/WBE INFORMATION
The MTA DDCR has established M/WBE goals of 10%/10% for the referenced contract. This contract will not be awarded without approval of MTA DDCR. URS has achieved its previous M/WBE goals on its prior MTA contracts.

IV. IMPACT ON FUNDING
Funding is available under the 2010-2014 Capital Budget under VN-87.

V. ALTERNATIVES
There are no recommended alternatives. The Authority does not possess the resources required to perform these services.
### Schedule I: Modifications to Purchase and Public Works Contracts

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Vendor Name (&amp; Location)</th>
<th>Description</th>
<th>Contract Term (Including Options, if any)</th>
<th>Option(s) included in Total Amount?</th>
<th>Procurement Type</th>
<th>Solicitation Type</th>
<th>Funding Source</th>
<th>Requesting Dept/Div &amp; Dept/Div Head Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 (Final)</td>
<td>TAP Electrical Contracting Service, Inc.</td>
<td>Replacement of Switchgear and Power Distribution System at the Brooklyn Battery Tunnel</td>
<td>December 29, 2010 – September 30, 2014</td>
<td>□ Yes ☒ No</td>
<td>☒ Competitive</td>
<td>☒ RFP ☒ Bid ☒ Other</td>
<td>☒ Operating ☒ Capital ☒ Federal ☒ Other</td>
<td>Engineering &amp; Construction, Joe Keane, P.E.</td>
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</table>

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>AWO/Modification #</th>
</tr>
</thead>
<tbody>
<tr>
<td>BB-45</td>
<td></td>
</tr>
</tbody>
</table>

| Original Amount: | $43,650,000.00 |
| Prior Modifications: | $4,113,593.09 |
| Prior Budgetary Increases: | $0.00 |
| Current Amount: | $47,763,593.09 |
| This Request: | $1,214,807.00 |
| % of This Request to Current Amount: | 2.5% |
| % of Modifications (including This Request) to Original Amount: | 12.2% |

### Discussion:

B&T is seeking the Board’s approval under the All-Agency Procurement Guidelines to modify this Contract with TAP Electrical Contracting Service, Inc. (TAP) to reconcile quantities of cable and conductors required to complete Contract BB-45, Replacement of Switchgear and Power Distribution System at the Hugh L. Carey Tunnel (formerly Brooklyn Battery Tunnel). Underrun items have been reconciled to reduce the cost of the additional work, making the net increase for this amendment $1,214,807.00.

Additional cables and conductors are required due to actual field conditions. Detailed field surveys for the final cable routing identified a 350 foot difference between the original estimated scope of work and the actual distance between the Manhattan Ventilation Building and Manhattan Exhaust Building. The cost for additional cables and conductors is based upon existing unit price items in the amount of $1,562,359.00, however due to a reduction of $347,552.00 in quantities for other unit price items, the net additional cost for this amendment is $1,214,807.00. The Engineer has determined that there is no inequity to either party under Article 3.02 Variable Quantities Clause. Being that the contractor will be paid the contract unit price for each item, the price is considered fair and reasonable. Funding for this amendment is available in the 2010 to 2014 Capital Program.
LIST OF RATIFICATIONS FOR BOARD APPROVAL
NOVEMBER 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. Hellman Electric Corp. $13,943,467.30 Staff Summary Attached
   Contract No. TN Task 26
   1 yr. 10 mo. contract – Low responsive bid/3 bids
   Furnish and installation of an Integrated Electronic Security System at the Throgs Neck Bridge.

2. Schiavone Construction Co., LLC $1,321,951.86 Staff Summary Attached
   Contract No. QMM-342S
   7 mo. contract – Non-Competitive
   Provide labor, materials, equipment, superintendence and the project management required to complete the emergency de-watering and cleaning of the Queens Midtown Tunnel damaged as a result of Superstorm Sandy.

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

3. John P. Picone, Inc. $ 450,000.00 (QMT) Staff Summary Attached
   Contract No. CB-09
   Amendment for recovery and restoration work at the Queens Midtown Tunnel and Hugh L. Carey Tunnel (formerly BBT) as a result of Superstorm Sandy. John P. Picone, Inc. was already mobilized at the Cross Bay Veterans Memorial Bridge under Contract CB-09 and deemed the most qualified source to perform the Work.
## Schedule D: Ratification of Completed Procurement Actions

<table>
<thead>
<tr>
<th>Item Number</th>
<th>1 (Final)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Name (&amp; Location)</td>
<td>Hellman Electric Corp., Bronx, NY</td>
</tr>
<tr>
<td>Description</td>
<td>Furnish and Installation of an Integrated Electronic Security System at the Throgs Neck Bridge</td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
<td>September 26, 2013-July 25, 2015</td>
</tr>
<tr>
<td>Option(s) included in Total Amount?</td>
<td>No</td>
</tr>
<tr>
<td>Procurement Type</td>
<td>Non-competitive</td>
</tr>
<tr>
<td>Solicitation Type</td>
<td>Bid</td>
</tr>
<tr>
<td>Contract Number</td>
<td>TN Task 26</td>
</tr>
<tr>
<td>Renewal?</td>
<td>No</td>
</tr>
<tr>
<td>Total Amount:</td>
<td>$13,943,467.30</td>
</tr>
<tr>
<td>Funding Source</td>
<td>Federal</td>
</tr>
<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name:</td>
<td>Engineering &amp; Construction, Joe Keane, P.E.</td>
</tr>
<tr>
<td>Contract Manager:</td>
<td>Gavin Masterson</td>
</tr>
</tbody>
</table>

### Discussion:

In accordance with the All-Agency Procurement Guidelines, ratification is requested from the Board for the award of Contract TN Task 26, Furnish and Installation of an Integrated Electronic Security System at the Throgs Neck Bridge to Hellman Electric Corp., (HEC), 855 Brush Avenue, Bronx, NY in the low bid amount of $13,943,467.30 over a duration of one year, ten months. The effective date of this contract was September 26, 2013.

The Work to be performed under this contract includes, but is not limited to access control, perimeter monitoring, camera installation and installation of a new fiber cable from the Service Building to the Queens Approach ramp. Solicitation of this contract was conducted pursuant to the Security Initiative Emergency Declaration adopted by all MTA Agencies whereby security-related contracts are not required to be formally advertised and bid, but are to be competitive to the most extent practicable. As such, an Invitation to Bid was extended to six firms based on their acceptable technical qualifications and security background reviews. Three bids were received and the lowest bid of $13,943,467.30 was accepted as fair and reasonable from HEC, deemed a responsible contractor. The MTA DDCR established a DBE goal of 17% for the referenced contract. HEC has not completed a contract with assigned goals; therefore, no assessment of the firm’s MWDBE performance can be determined at this time. HEC’s DBE Plan for this contract has been approved by the Department of Diversity and Civil Rights. Funding is available under a 2010 Federal Transit Security Grant, Project G5140108.
## Schedule D: Ratification of Completed Procurement Actions

<table>
<thead>
<tr>
<th>Item Number: 2</th>
<th>Vendor Name (&amp; Location)</th>
<th>Contract Number</th>
<th>Renewal?</th>
<th>Total Amount: $1,321,951.86</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Schiavone Construction Co., LLC, Secaucus, New Jersey</td>
<td>QMM-342S</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Description:</td>
<td>Tropical Storm Sandy Emergency De-Watering and Cleaning at the Queens Midtown Tunnel</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Term (including Options, if any):</td>
<td>October 29, 2012 – May 31, 2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option(s) Included in Total Amount?</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procurement Type</td>
<td>Non-competitive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solicitation Type</td>
<td>Other: Emergency Declaration</td>
<td></td>
<td></td>
<td></td>
</tr>
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</table>

**Discussion:**

As a result of Tropical Storm Sandy, B&T is seeking the Board’s ratification under the All-Agency Procurement Guidelines under the Declaration of Emergency issued by the President effective on October 29, 2012 for the recovery work performed by Schiavone Construction Co., LLC, Inc. (Schiavone) at the Queens Midtown Tunnel in an amount totaling $1,321,951.86. Schiavone mobilized at B&T’s request and performed the required emergency de-watering and initial cleaning of the Queens Midtown Tunnel (QMT) prior to B&T re-opening the tunnel to bus traffic on November 6, 2012. The QMT is a critical infrastructure facility, vital to the New York City, Long Island and regional economies. Furthermore, these operations were essential prior to determining the extent of the damages and to assess the immediate emergency repairs required. Schiavone has extensive expertise in tunnel projects and has performed work on the Second Avenue Subway, South Ferry Terminal, Northern Boulevard Crossing Tunnel, the Port Authority of New York and New Jersey tunnels and water tunnel work for the New York City Department of Environmental Protection. Based on its prior experience Schiavone was qualified to perform the de-watering work at the QMT.

Tropical Storm Sandy resulted in extensive tunnel flooding. Salt water, debris and contaminant-laden flood waters from the East River and Newtown Creek overflowed their banks and entered the tunnel through the Queens Plaza and Queens Ventilation Building. It was imperative that immediate recovery efforts to de-water and clean the tunnel commence prior to assessing the damage and eventual safe re-opening of the tunnel to traffic. Schiavone provided labor, materials, equipment, superintendence, project management and all items deemed necessary to complete the Work. Schiavone submitted costs to substantiate billings in the amount of $1,325,289.46. Costs were reviewed and negotiations resulted in B&T and Schiavone agreeing to the amount of $1,321,951.86, which included pumping equipment and pipe purchased by Schiavone with an approximate value of $621,000 and transferred to B&T for its future use. The negotiated amount is fair and reasonable based on prevailing wages in effect at that time and the other costs to perform the Work. Funding was made available from the Operating Budget, Sandy-B&T Emergency Repairs to Critical Infrastructure Projects.
Schedule K: Ratification of Completed Procurement Actions (Involving Schedules E Through J)

<table>
<thead>
<tr>
<th>Item Number</th>
<th>3 (Final)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Name (&amp; Location)</td>
<td>John P. Picone, Inc., Lawrence, New York</td>
</tr>
<tr>
<td>Description</td>
<td>Substructure and Underwater Work at the Cross Bay Veterans Memorial Bridge</td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
<td>November 29, 2010 – November 30, 2013</td>
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<tr>
<td>Option(s) included in Total Amount?</td>
<td>No</td>
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<tr>
<td>Procurement Type</td>
<td>Competitive</td>
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<tr>
<td>Solicitation Type</td>
<td>RFP</td>
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<td>Funding Source</td>
<td>Operating</td>
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<tr>
<td>Requesting Dept/Div &amp; Dept/Div Head Name</td>
<td>Engineering &amp; Construction, Joe Keane, P.E.</td>
</tr>
<tr>
<td>Contract Number</td>
<td>CB-09</td>
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</table>

<table>
<thead>
<tr>
<th>AWO/Modification #</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Original Amount:</td>
<td>$13,182,300.00</td>
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<tr>
<td>Prior Modifications:</td>
<td>$6,238,620.73</td>
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<tr>
<td>Prior Budgetary Increases:</td>
<td>N/A</td>
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<tr>
<td>Current Amount:</td>
<td>$19,420,920.73</td>
</tr>
<tr>
<td>This Request: Queens Midtown Tunnel</td>
<td>$450,000.00</td>
</tr>
<tr>
<td>Hugh L. Carey Tunnel</td>
<td>$950,000.00</td>
</tr>
<tr>
<td>% of This Request to Current Amount:</td>
<td>7.2%</td>
</tr>
<tr>
<td>% of Modifications (including This Request) to Original Amount:</td>
<td>57.9%</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 under the Declaration of Emergency issued by the President effective on October 29, 2012 for the recovery and restoration work performed by John P. Picone, Inc. (Picone) at the Queens Midtown Tunnel (QMT) and Hugh L. Carey Tunnel (HCT), formerly known as the Brooklyn Battery Tunnel, in an amount totaling $1,400,000. After the storm, Picone was directed to provide exigent temporary repairs to various tunnel systems, Picone was already mobilized at the Cross Bay Veterans Memorial Bridge under Contract CB-09, was familiar with the Work from previous contracts and was deemed the most qualified and effective means of performing the Work.

Queens Midtown Tunnel:
High winds and storm surges from Superstorm Sandy caused significant damage to the mechanical, electrical and pumping systems at the QMT. Work included: (i) Cleaning and removal of debris from the fresh air ducts; (ii) Repairs to pumping equipment in the Mid River Pump Room; (iii) repairs to the fire standpipe including heat trace; and (iv) repairs to the electrical system providing power to the pump rooms. These repairs were necessary to re-open the tunnel in an expedited manner, ensure safe operation of the tunnel to the public and employees, and to protect the facility should another significant weather event occur. The Engineer has verified the hours worked and the material quantities. Equipment and other costs have been reviewed and negotiated. The negotiated cost of $450,000 is considered fair and reasonable.

Hugh L. Carey Tunnel:
High winds and storm surges from Superstorm Sandy caused significant damage to the mechanical, electrical and pumping systems at the HCT. Work included: (i) Cleaning and removal of debris from the fresh air ducts; (ii) Repairs to pumping equipment in the Governor’s Island Pump Room; (iii) repairs to the fire standpipe / water supply line including heat trace; and (iv) repairs to the electrical system providing power to the Governor’s Island pump room. These repairs were necessary to re-open the tunnel in an expedited manner, ensure safe operation of the tunnel to the public and employees, and to protect the facility should another significant weather event occur. The Engineer has verified the hours worked and the material quantities. Equipment and other costs have been reviewed and negotiated. The negotiated cost of $950,000 is considered fair and reasonable.

Funds are available in the Operating Budget, Sandy-B&T Emergency Repairs to Critical Infrastructure Projects.