May 2016

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Date of next MTA Board meeting: June 22, 2016
The following members were present:

Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Jonathan A. Ballan
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Charles G. Moerdler
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mitchell H. Pally
Hon. Lawrence Schwartz
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Carl V. Wortendyke
Hon. Neal Zuckerman

The following members were absent:

Hon. John H. Banks, III
Hon. Ed Watt

Donna Evans, Chief of Staff, Jerome F. Page, General Counsel, Board Member Andrew Albert, Board Member Norman Brown, Board Member Ira Greenberg, Board Member Vincent Tessitore, Veronique Hakim, President, NYCTA, Patrick Nowakowski, President, Long Island Rail Road, Joseph Giulietti, President, Metro-North Railroad, Donald Spero, Acting President, TBTA, Darryl Irick, SVP, NYCT DoB/President, MTA Bus Company, Michael Horodniceanu, President, MTA Capital Construction, and Stephen Morello, Counselor to the Chairman, NYCT, 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 three (3) public speakers, none of whom spoke on items specific to the MTA agenda. 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 identification of the speakers and the content of speakers’ statements.

2. **CHAIRMAN’S REMARKS.**

Chairman Prendergast announced that earlier this month Governor Cuomo and the State Legislature passed a budget that includes the largest ever investment in the MTA. The Chairman thanked Governor Cuomo for his determined efforts to secure critical funding for the MTA, and he thanked Senate Majority Leader Flanagan, Speaker Heastie and members of the legislature for recognizing that public transit is the very backbone of our regional economy. The Chairman also thanked the Board for working behind the scenes and in public to advocate for MTA’s indispensable Capital Program.

Chairman Prendergast said that later in the meeting Craig Stewart, Senior Director Capital Programs, will describe how the actions taken by the Legislature affect the 2015-2019 Capital Program, and he said that the Board will be asked to vote on the revised Program and for its submission to the Capital Program Review Board for review and approval.

Chairman Prendergast stated that the Program includes billions of dollars for the essential work of keeping the transit system safe and reliable, and at the Governor’s request, the Program will also help build a truly 21st century transit system, which will allow for expansion of the system to meet the ridership and growth demands of today and tomorrow.

The Chairman stated further that the annual subway ridership increased once again last year to 1.763 billion, the highest since 1948, and notably, the Governor has earmarked more than a billion dollars for the second phase of the Second Avenue Subway into East Harlem. On a large scale, Chairman Prendergast said that the investments will create hundreds of thousands of jobs, fuel the region’s $1.4 trillion economy, and allow MTA to maintain and improve a $1 trillion asset.

Chairman Prendergast noted that later in the meeting the Board will be asked to vote to approve a long-term lease that will allow MTA to monetize its former headquarters at 341, 345 and 347 Madison Avenue. The Chairman said that the lease deal is in-line with a key strategy in the Transportation Reinvention Commission’s 2014 report suggesting that the MTA embrace a more entrepreneurial approach to revenue generation. Chairman Prendergast said that these types of deals are beneficial to the MTA, its customers, and to the City of New York.

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on March 23, 2016.
4. **COMMITTEE ON FINANCE.**

A. **Action Item.** Upon motion duly made and seconded, the Board approved the following action item. The specifics are set forth in the staff summary and documentation filed with the meeting materials.

1. **2015 Annual Investment Report and MTA All Agency Investment Guidelines.**  
   Approved the MTA’s submission of the 2015 Annual Investment Report and re-approved the Board adopted Investment Guidelines.

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. **Paymentech, LLC – All-Agency Merchant Services – No. 15014-0100.**  
   Approved the award of a competitively negotiated, all-agency personal services contract for Merchant Services, which includes optional services, for a period of five (5) years with five one-year renewal options to be exercised at MTA’s sole discretion.

2. **CBRE, Inc. – Property Management Services – No. 15326-0100.**  
   Approved the award of a competitively negotiated personal services contract for property management services at various locations for an initial period of sixty months from May 1, 2016 to April 30, 2021 with two renewal options for a total of up to eight years, terminable at will by MTA.

3. **Computerized Facility Integration, LLC – All-Agency Office Space Management Consulting Services – No. 15262-0100.**  
   Approved an all-agency, competitively negotiated, personal services contract to assess, plan and implement an MTA-wide automated office space management tool for a period of one year from May 30, 2016 to May 29, 2017.

4. **Source IT Technologies – Property Management Services – No. 16105-0100.**  
   Approved an award of an all-agency, competitively solicited, miscellaneous service contract, riding NYS Contract No. PT65091, for onsite threat research services for a period of twenty-four months from May 2, 2016 through April 30, 2018.

5. **Choice Distribution, Inc. – Hardware and Fastener Program – No. Various, c/o #2.**  
   Approved an amendment to MNR’s previously Board-approved, multi-agency, competitively awarded, miscellaneous procurement contract for supply of hardware and fasteners.

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 members Polly Trottenberg, Allen Cappelli and Jeffrey Kay voted in opposition to item #2 below.
New York City Transit Authority

1. Sale to OHI Asset (NY) 2nd Avenue, LLC of surplus development rights associated with the Second Avenue Subway Ancillary Facility located at 1800 Second Avenue (Block 1556, Lot 1), Manhattan, N.Y.

Metropolitan Transportation Authority

2. Resolution authorizing the Chairman and Chief Executive Officer of MTA or his designee to negotiate, execute and deliver the Pre-Lease Agreement with BP 347 Madison Associates, LLC, a special purpose entity owned by Boston Properties Limited partnership, based on the terms and conditions described in the staff summary, and execute and deliver any other necessary and appropriate action in order to pursue satisfaction of the pre-condition to lease execution and term commencement as described in the staff summary; and authorizing the Chairman and Chief Executive Officer of MTA or his designee to continue to negotiate with the City in an attempt to reach a fair and equitable resolution of the PILOT allocation issue that provides MTA with the anticipated level of Capital Program funding from the development and to finalize an agreement with the City with respect to the PILOT that is in the best interests of MTA and to take all such actions as shall be necessary or desirable to carry out the foregoing.

5. MTA OTHER BUSINESS.

A. Action Items. Upon motion duly made and seconded, the Board approved the following action items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.


Chairman Prendergast invited Craig Stewart, Sr. Director, Capital Programs, to present the details of the revised 2015-2019 Capital Program.

Mr. Stewart presented an overview of the revisions made to the 2015-2019 Capital Program. Following the presentation, Chairman Prendergast invited Board discussion concerning the proposed revisions to the capital program. The details of the presentation and Board members’ comments with respect thereto are included in the videotape of the meeting produced by the MTA and maintained in MTA records.

Upon motion duly made and seconded, the Board approved the proposed revised $29.5 billion MTA 2015-2019 Capital Program and authorized the Chairman/CEO to submit the $26.6 billion Capital Program Review Board
(CPRB) portion of the Capital Program to the CPRB for its review and approval, in accordance with Public Authorities Law § 1269-b.

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

   Respectively submitted,

   Victoria Clement  
   Assistant Secretary
Minutes of the
Regular Board Meeting
for the New York City Transit Authority,
Manhattan and Bronx Surface Transit Operating Authority,
Staten Island Rapid Transit Operating Authority and
MTA Bus Company

2 Broadway
New York, NY 10004

Wednesday, April 20, 2016
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. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Charles G. Moerdler
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mitchell H. Pally
Hon. Lawrence Schwartz
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Carl V. Wortendyke
Hon. Neal Zuckerman

The following members were absent:

Hon. John H. Banks, III
Hon. Ed Watt

Donna Evans, Chief of Staff, Jerome F. Page, General Counsel, Board Member Andrew Albert, Board Member Norman Brown, Board Member Ira Greenberg, Board Member Vincent Tessitore, Veronique Hakim, President, MTA NYC Transit, Patrick Nowakowski, President, Long Island Rail Road, Joseph Giulietti, President, Metro-North Railroad, Donald Spero, Acting President, TBTA, Darryl Irick, SVP, MTA NYC Transit DoB/President, MTA Bus Company, Michael Horodniceanu, President, MTA Capital Construction, and Stephen Morello, Counselor to the Chairman, MTA NYC Transit, also attended the meeting.
1. CHAIRMAN PRENDERGAST CALLED THE MEETING TO ORDER

2. PUBLIC COMMENT PERIOD

There were three (3) public speakers who addressed MTA NYC Transit/MTA Bus Company issues.

Brandon Mosley, Access Queens, expressed his appreciation for improved service in Queens but asked for more bus service on Queens Blvd and other areas.

Pedro Valdez Rivera, Riders Alliance, asked for Select Bus Service on the Q70 bus route.

Jason Anthony Pinero, Transit Advocate, urged the MTA to clean the subway tracks, particularly in Manhattan and downtown Brooklyn, and asked for more reliable train service.

A video recording of the meeting produced by the MTA and maintained in MTA records provides more detailed content of speakers’ statements.

3. CHAIRMAN PRENDERGAST’S COMMENTS

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 NYC Transit/Staten Island Rapid Transit Operating Authority/MTA Bus Company.

4. MINUTES

Upon motion duly made and seconded, the Board unanimously approved the minutes of the regular board meeting of MTA NYC Transit, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, and MTA Bus Company held on March 23, 2016.

5. COMMITTEE ON FINANCE

Action Items

2015 Annual Investment Report and MTA All Agency Investment Guidelines: Upon motion duly made and seconded, the Board approved the MTA’s submission of the 2015 Annual Investment Report, and re-approved the Board adopted Investment Guidelines.

Real Estate Items:

MTA NYC Transit: Upon motion duly made and seconded, the Board approved the sale of Surplus Development Rights associated with the Second Avenue Subway Ancillary Facility located at 1800 Second Avenue (Block 1556, Lot 1), Manhattan.
6. COMMITTEE ON TRANSIT & BUS OPERATIONS  
MTA NYC Transit & MTA Bus Company

Procurements:

Competitive Procurements: Upon motion duly made and seconded, the Board approved the competitive procurements requiring a two-thirds vote (Schedule B in the Agenda) and majority vote (Schedules F and G in the Agenda). Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company.

7. MTA OTHER BUSINESS

Action Items.

Safety Management Policy Directive

Upon motion duly made and seconded, the Board approved revisions to the Safety Management Policy Directive. The specifics are set forth in the staff summary and documentation filed with the meeting materials.

2015-2019 Capital Program Resubmission

Chairman Prendergast invited Craig Stewart, Sr. Director, Capital Programs, to present the details of the revised 2015-2019 Capital Program.

Mr. Stewart presented an overview of the revisions made to the 2015-2019 Capital Program. Following the presentation, Chairman Prendergast invited Board discussion concerning the proposed revisions to the capital program. The details of the presentation and Board members' comments with respect thereto are included in the videotape of the meeting produced by the MTA and maintained in MTA records.

Upon motion duly made and seconded, the Board approved the proposed revised $29.5 billion MTA 2015-2019 Capital Program and authorized the Chairman/CEO to submit the $26.6 billion Capital Program Review Board (CPRB) portion of the Capital Program to the CPRB for its review and approval, in accordance with Public Authorities Law §1269-b.

8. ADJOURNMENT

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

Respectfully submitted,

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

Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Jonathan A. Ballan
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Charles G. Moerdler
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mitchell H. Pally
Hon. Lawrence Schwartz
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Carl V. Wortendyke
Hon. Neal Zuckerman

The following members were absent:

Hon. John H. Banks, III
Hon. Ed Watt

Board Member Andrew Albert, Board Member Norman Brown, Board Member Ira Greenberg, Board Member Vincent Tessitore, and Joseph J. Giuliani, President, Metro-North Railroad also attended the meeting as did various other agency presidents and staff, including, Veronique Hakim, President, NYCTA, Patrick Nowakowski, President, Long Island Rail Road, Donald Spero, Acting President, TBTA, Darryl Irick, SVP, NYCT DoB/President, MTA Bus Company, Michael Horodniceanu, President, MTA Capital Construction, Catherine Rinaldi, Metro-North Executive Vice President, Richard Gans, Metro-North General Counsel, Donna Evans, MTA Chief of Staff, Jerome F. Page, MTA General Counsel and Stephen Morello, Counselor to the Chairman.

Chairman Prendergast called the meeting to order.

1. Public Speakers:

There were three public speakers, none of whom spoke on Metro-North agenda items. The details of the speakers’ comments are contained in the video recording of the meeting,
produced by the MTA and maintained in MTA records, and in the minutes of the other agencies of this date.

2. **Chairman’s Opening Remarks:**

Chairman Prendergast announced that earlier this month Governor Cuomo and the State Legislature passed a budget that includes the largest ever investment in the MTA - $27 billion. The Chairman thanked Governor Cuomo for his determined efforts to secure critical funding for the MTA, and he thanked Senate Majority Leader Flanagan, Speaker Heastie and members of the legislature for recognizing that public transit is the very backbone of our regional economy. The Chairman also thanked the Board for working behind the scenes and in public to advocate for MTA’s indispensable Capital Program.

Chairman Prendergast said that later in the meeting Craig Stewart, Senior Director Capital Programs, will describe how the actions taken by the Legislature affect the 2015-2019 Capital Program, and he said that the Board will be asked to vote on the revised Program and for its submission to the Capital Program Review Board for review and approval.

Chairman Prendergast stated that the Program includes billions of dollars for the essential work of keeping the transit system safe and reliable, and at the Governor’s request, the Program will also help build a truly 21st century transit system, which will allow for expansion of the system to meet the ridership and growth demands of today and tomorrow.

3. **Approval of Minutes:**

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of March 23, 2016 were approved.

4. **Committee on Finance:**

**Action Item:**

The Board was presented with the following action item recommended to it by the Committee on Finance that relates to Metro-North:

- Approval of the MTA 2015 Annual Investment Report and of the MTA All Agency Investment Guidelines (“Investment Guidelines or Guidelines”).

Upon motion duly made and seconded, the Board approved the foregoing action item, the details of which are contained in the minutes of the MTA Board meeting held this day, staff summaries and reports filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

**MTAHQ Procurements:**

The Board was presented with the following competitive procurements recommended to it by the Committee on Finance that relate to Metro-North:
• Approval of a competitively negotiated, all-agency, personal services contract to Paymentech, LLC for Merchant Services, which includes optional services, for a period of five (5) years with five one-year renewal options, to be exercised at MTA’s sole discretion, for a total amount not to exceed $29 million, including $6 million for optional services, for the ten-year period.

• Approval of an all agency, competitively negotiated, personal services contract to CBRE Inc. for property management services at: (i) 2 Broadway, New York, NY, (ii) 525 North Broadway, North White Plains, NY, (iii) The Jamaica Control Center, 141-41 94th Ave, Jamaica, NY, (iv) 420 Lexington Ave, New York, NY, (v) 48 East 50th Street, New York, NY and (vi) 33-01 Northern Blvd. Long Island City, NY, for an initial period of sixty months from May 1, 2016 to April 30, 2021 with two renewal options for a total of up to eight years, terminable at will by MTA. Through negotiation, CBRE’s fees were negotiated down from the $7,701,931 that CBRE initially proposed to $6,016,295, a savings of $1,685,637 or 22% over 8 years. Capital projects that require additional CBRE resources will be subject to a 3% fee, which was negotiated down from the 6% CBRE originally proposed.

• Approval of an all-agency, competitively negotiated, personal services contract with Computerized Facility Integration (CFI) to assess, plan and implement an MTA-wide automated office space management tool for a period of one year from May 30, 2016 to May 29 2017 in the not-to-exceed amount of $500,000, which includes $135,000 for contingencies.

• Approval of an all-agency, competitively solicited, miscellaneous service contract with SourceIT Technologies riding New York State Contract No. PT65091 for onsite threat research services for a period of twenty-four months from May 2, 2016 through April 30, 2018 in the not-to-exceed amount of $1,520,000.

• Approval of an amendment to the previously Board-approved, multiagency, competitively awarded, miscellaneous procurement contract with Choice Distribution, Inc. for supply of hardware and fasteners. This amendment will: (i) exercise one year of the approved two-year option from May 31, 2016 to May 31, 2017 and (ii) add additional funding in the not-to-exceed amount of $12,360,000.

Upon motion duly made and seconded, the Board approved the foregoing procurement items, the details of which are contained in the minutes of the MTA Board meeting held this day, staff summaries and reports filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

5. Committee on Metro-North Railroad:

Procurements:

The Board was presented with the following non-competitive procurement recommended to it by the Metro-North Committee:

• Approval to award a non-competitive purchase contract for up to a three-year period to Monogram Train, LLC (“Monogram”). The contract is a joint procurement with Metro-North (acting as the lead agency) and the Long Island Rail Road. Monogram is the
Original Equipment Manufacturer for the supply of various toilet replacement parts and components for Metro-North’s M-2, M-3, M-8 and Coach Car fleets and LIRR’s C-3 fleet. The purchase agreement will have fixed pricing for the three-year term with the total amount not-to-exceed $1,302,136 ($512,729 for Metro-North and $789,407 for LIRR).

The Board was presented with the following competitive procurements recommended to it by the Metro-North Committee:

- Approval to award a 24-month competitively solicited RFP to the firm Ensco Rail, Inc. in the amount of $11,882,000 to design, build and deliver a Track Geometry Vehicle (TGV), an automated track inspection vehicle used to test several geometric parameters of the track without obstructing normal railroad operations.
- Approval to use the Request for Proposal (RFP) process to solicit and evaluate proposals from prospective design/build firms for several Customer Service Initiatives to enhance the customer experience by providing improved real time information, improving security measures at stations, streamlining maintenance of elevators/escalators and enhancing ADA compliance.
- Approval to award a five-year (three years base with option for two additional years), competitively solicited, miscellaneous service contract to Cintas Corporation in the total amount of $221,364 for uniform rental services at various locations throughout Metro-North’s territory.
- Approval to award a two-year, competitively solicited, miscellaneous service contract in the amount of $250,860 to Northeast Work Safety Boat LLC to provide safety boat services in support of repairs to the Cos Cob Bridge over the Mianus River in Greenwich, Connecticut.
- Approval for additional funding in the amount of $500,000 and an 18-month time extension for engineering and inspection support services for the overhaul of seven GP35 Locomotives previously awarded in March 2014 to Raul V. Bravo & Associates, Inc.

Upon motion duly made and seconded, the Board approved the foregoing procurement items. The details of the above items are contained in staff summaries and reports filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

6. Other Business:

Action Items:

Two action items were presented to the Board:

- Approval of revisions to the Safety Management Policy Directive to (1) establish the foundation of the MTA’s Safety Management System (SMS) by specifying the MTA’s safety objectives and organizational structures, (2) require reporting of near misses and close calls; (3) establish the role of the MTA Safety Council; and (4) require training to build and maintain meaningful safety leadership skills.
2015-2019 Capital Program Resubmission. Chairman Prendergast invited Craig Stewart, Sr. Director, Capital Programs, to present the details of the revised 2015-2019 Capital Program. Mr. Stewart presented an overview of the revisions made to the 2015-2019 Capital Program. Following the presentation, Chairman Prendergast invited Board discussion concerning the proposed revisions to the capital program.

Upon motion duly made and seconded, the Board approved the revisions to the Safety Management Policy Directive and the proposed revised $29.5 billion MTA 2015-2019 Capital Program and authorized the Chairman/CEO to submit the $26.6 billion Capital Program Review Board (CPRB) portion of the Capital Program to the CPRB for its review and approval, in accordance with Public Authorities Law § 1269-b.

The details of the above items are contained in the minutes of the MTA Board meeting held this day, staff summaries and reports filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records, which recording includes discussion concerning the Capital Program.

7. Adjournment:

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

Respectfully submitted,

Linda Montanino
Assistant Secretary
Minutes of the Regular Board Meeting
Long Island Rail Road Company
2 Broadway
New York, NY 10004
Wednesday, April 20, 2016
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. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Charles G. Moerdler
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mitchell H. Pally
Hon. Lawrence Schwartz
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Carl V. Wortendyke
Hon. Neal Zuckerman

The following members were absent:

Hon. John H. Banks, III
Hon. Ed Watt

Donna Evans, Chief of Staff, Jerome F. Page, General Counsel, Board Member Andrew Albert, Board Member Norman Brown, Board Member Vincent Tessitore, Veronique Hakim, President, NYCTA, Patrick Nowakowski, President, Long Island Rail Road, Joseph Giulietti, President, Metro-North Railroad, Donald Spero, Acting President, TBTA, Darryl Irick, SVP, NYCT DoB/President, MTA Bus Company, Michael Horodniceanu, President, MTA Capital Construction, and Stephen Morello, Counselor to the Chairman, NYCT, also attended the meeting.

Chairman Prendergast called the meeting to order.

1. Public Speakers:

There were Three (3) public speakers. No speaker comments related to the LIRR.

The details of the speakers’ comments are contained in the video recording of the meeting, produced by the MTA and maintained in MTA records, and in the minutes of the other agencies of this date.
2. Chairman’s Opening Remarks:

Chairman Prendergast discussed the MTA Operating Budget that was recently passed by Governor Cuomo and the State Legislature. He noted that the budget includes the largest investment in the MTA in MTA history and that, for the fifth consecutive year, the Governor has assured a year-to-year increase in the MTA’s operating fund. On behalf of the entire MTA, Chairman Prendergast thanked the Governor, Senate Majority Leader Flannigan, Speaker Hasty and the Board. He noted that Craig Stewart will be presenting the 2015-2019 MTA Capital Program later in the meeting. Chairman Prendergast stated that the people of New York will benefit from the Capital Program which includes billions of dollars to keep the system safe and reliable and will help the MTA build a 21st Century transit system, expand system to meet current and future ridership demands. In addition, the Budget will create hundreds of thousands of jobs and fuel the economy. Chairman Prendergast discussed a key strategy in the Transportation Reinvention Commission’s 2014 Report for the MTA to embrace a more entrepreneurial approach to revenue generation. The Commission suggested the MTA work more aggressively to optimize assets like real estate and the MTA has started doing so by, for example, entering into a long term lease which will allow the MTA to monetize 341, 345 and 347 Madison Avenues generating hundreds of millions of dollars for the MTA.

3. Approval of Minutes:

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of March 23, 2016 were approved.

4. Committee on Finance:

Action Item:

The following action item was presented for approval:

- Approval of the 2015 Annual Investment Report and MTA All Agency Investment Guidelines as required under Section 2925 of the Public Authorities Law (“PAL”).

Upon motion duly made and seconded, the Board approved the foregoing action item, the details of which are contained in the minutes of the MTA Board meeting held this day and the staff summary filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

Procurements:

The Board was presented with the following competitive procurements recommended to it by the Committee on Finance that relate to Long Island Rail Road:

- Approval of the award of a competitively negotiated all-agency, personal services contract to Paymentech, LLC for Merchant Services, which includes optional services, for a period of five (5) years with five one-year renewal options, to be
exercised at MTA’s sole discretion, for a total amount not to exceed $29 million, including $6 million for optional services, for the ten year period.

- Approval of the award of a competitively negotiated, personal services contract to CBRE Inc. for property management services at: (i) 2 Broadway, New York, NY, (ii) 525 North Broadway, North White Plains, NY, (iii) The Jamaica Control Center, 141-41 94th Ave, Jamaica, NY, (iv) 420 Lexington Ave, New York, NY, (v) 48 East 50th Street, New York, NY and (vi) 33-01 Northern Blvd, Long Island City, NY, for an initial period of sixty months from May 1, 2016 to April 30, 2021 with two renewal options for a total of up to eight years, terminable at will by MTA.

- Approval of an all-agency competitively negotiated personal services contract with Computerized Facility Integration, LLC to assess, plan and implement an MTA wide automated office space management tool for a period of one year from May 30, 2016 to May 29, 2017 in the not to exceed amount of $500,000, which includes $135,000 for contingencies.

- Approval of an award of an all-agency, competitively solicited, miscellaneous service contract with SourceiT Technologies riding New York State Contract No. PT65091 for onsite threat research services for a period of twenty-four months from May 2, 2016 through April 30, 2018 in the not-to-exceed amount of $1,520,000.

- Amendment to MNR’s previously Board-approved, multi-agency, competitively awarded, miscellaneous procurement contract with Choice Distribution, Inc. for supply of hardware and fasteners. This amendment will: (i) exercise one year of the approved two-year option from May 31, 2016 to May 31, 2017 and (ii) add additional funding in the not-to-exceed amount of $12,360,000.

Upon motion duly made and seconded, the Board approved the foregoing procurement items, the details of which are contained in the minutes of the MTA Board meeting held this day, staff summaries and reports filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

Real Estate Items:

There were no Real Estate items presented to the Board for approval which related to the LIRR.

5. Committee on Long Island Rail Road:

Procurements:

The Board was presented with the following non-competitive procurement item recommended to it by the Committee on Long Island Rail Road for approval:

- Non-Competitive Miscellaneous Service Contract - Approval to award a New York State Preferred Source, three (3) year term, Miscellaneous Services Contract to the
New York State Industries for the Disabled to provide direct mail services in support of LIRR’s Public Affairs Department in the not-to-exceed amount of $60,000.

The Board was presented with the following competitive procurement items recommended to it by the Committee on Long Island Rail Road for approval:

- Competitive RFP - Approval to adopt a resolution declaring that competitive bidding is inappropriate and that it is in the public’s best interest to use the RFP procurement method pursuant to Section 1265-a of the Public Authorities Law to award a design/build construction contract for the Buckram Road Bridge Replacement Project, located on the LIRR’s Oyster Bay Branch, in Locust Valley, Nassau County, New York.

- Competitive Bid Personal Service Contract - Approval to award a competitively bid, three (3) year Personal Service Contract to American System Registrar in the not-to-exceed amount of $37,347.50, to perform ISO 9001:2008 compliance audits and certification renewals for LIRR’s Engineering Department.

Upon motion duly made and seconded, the Board approved the foregoing procurement items, the details of which are contained in the minutes of the MTA Board meeting held this day, the staff summary filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

MTA Capital Construction:

Procurements:

The Board was presented with the following procurement items recommended to it by the Committee on Capital Construction for approval:

- Modification to the East Side Access Project’s Manhattan North Structures contract (CM006) to incorporate changes to the contract drawings and specifications, to compensate the contractor for those changes and to resolve claims arising from differing site conditions for the amount of $25,422,629.

- Modification to the East Side Access Project’s Plaza Substation and Queens Structures contract (CQ032) to incorporate changes to the contract drawings and specifications, to compensate the contractor for those changes and for Impact Costs arising from Compensable Delays for the amount of $23,187,305.

- Modification to the East Side Access Project’s Systems Facilities Package No. 1 contract (CS179) to implement repairs and upgrades to prevent water infiltration into the Vernon Boulevard Facility for the amount of $1,498,000.

Upon motion duly made and seconded, the Board approved the foregoing procurement items, the details of which are contained in the minutes of the MTA Board meeting held this day,
the staff summary filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records.

Other Business:

Action Items:

Two action items were presented to the Board:

- Approval of revisions to the Safety Management Policy Directive to (1) establish the foundation of the MTA's Safety Management System (SMS) by specifying the MTA's safety objectives and organizational structures, (2) require reporting of near misses and close calls; (3) establishing the role of the MTA Safety Council; and (4) would require training to build and maintain meaningful safety leadership skills.

- Approval of the proposed revised $29.5 billion MTA 2015-2019 Capital Program and to authorize the Chairman/CEO to submit the $26.6 billion Capital Program Review Board (CPRB) portion of the Capital Program to the CPRB for its review and approval, in accordance with Public Authorities Law § 1269-b.

Craig Stewart, Senior Director, Capital Programs, MTA presented revisions to the 2015-2019 MTA Capital Program that was presented to the Board at the October 2015 Board meeting. He reported that the revised Program provides for station enhancements at five Long Island Rail Road stations using design build and other methods to ensure improvements are completed in the fastest and most efficient manner possible. These stations include: Bayside, Stewart Manor, East Hampton, Port Jefferson and Wyandanch. Mets-Willets Point Station will also undergo reconstruction and upgrades to improve access to LaGuardia Airport.

Upon motion duly made and seconded, the Board approved the foregoing action items. The details of the above items are contained the minutes of the MTA Board meeting held this day, staff summaries and reports filed with those minutes and in the video recording of the meeting, produced by the MTA and maintained in MTA records, which recording includes discussions between Board members, Chairman Prendergast and Mr. Foran regarding the Capital Program.

6. Adjournment:

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:35 a.m.

Respectfully submitted,

Stephen N. Papandon
Acting Secretary
Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
April 20, 2016

Meeting Held at
2 Broadway, 20th Floor
New York, New York 10004

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. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Charles G. Moerdler
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mitchell H. Pally
Hon. Lawrence Schwartz
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Carl V. Wortendyke
Hon. Neal Zuckerman

The following members were absent:

Hon. John H. Banks, III
Hon. Ed Watt

Donna Evans, Chief of Staff, Jerome F. Page, General Counsel, Board Member Andrew Albert, Board Member Norman Brown, Board Member Ira Greenberg, Board Member Vincent Tessitore, Veronique Hakim, President, New York City Transit, Patrick Nowakowski, President, Long Island Rail Road, Joseph Giulietti, President, Metro-North Railroad, Donald Spero, Acting President, Triborough Bridge and Tunnel Authority, Darryl Irick, Senior Vice President, New York City Transit Department of Buses/President, MTA Bus Company, Michael Horodniceanu, President, MTA Capital Construction, and Stephen Morello, Counselor to the Chairman, 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. **Public Speakers**

There were three (3) 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 Metropolitan Transportation Authority (MTA) and maintained in MTA records, and to the other agencies’ minutes 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 thanking Governor Cuomo and the State Legislature for passing a budget that includes the largest ever investment in the MTA - $27 billion. For the fifth consecutive year, Governor Cuomo has assured a year-to-year increase in MTA operating funds. He also thanked Senate Majority Leader Flanagan, Speaker Heastie and their members for recognizing that public transit is the backbone of our regional economy. Chairman and CEO Prendergast stated that Craig Stewart, Senior Director Capital Programs, will describe how the actions taken by the Legislature affect the 2015 to 2019 Capital Program that includes billions of dollars for the essential work of keeping the transit system safe and reliable and that the Board will be asked to vote on the revised Capital Program so that it can be sent to the Capital Program Review Board. Chairman and CEO Prendergast stated that annual subway ridership increased once again last year to 1.763 billion, the highest since 1948.

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 March 23, 2016**

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on March 23, 2016 were approved.

4. **Committee on Finance**

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

(a) Action Item:

- Obtain Board approval of the 2015 Annual Investment Report and the MTA All Agency Investment Guidelines.

Copies of the staff summaries, resolutions and documents setting forth the details of the above item and the other items discussed 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**

Commissioner Cappelli stated that there are no procurements this month.

6. **Adjournment**

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

Respectfully submitted,

[Signature]

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

Hon. Thomas F. Prendergast, Chairman & CEO
Hon. Fernando Ferrer, Vice Chairman
Hon. Jonathan A. Ballan
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Charles G. Moerdler
Hon. Susan Metzger
Hon. John J. Molloy
Hon. Mitchell H. Pally
Hon. Lawrence Schwartz
Hon. James L. Sedore, Jr.
Hon. Polly Trottenberg
Hon. Carl V. Wortendyke
Hon. Neal Zuckerman

The following members were absent:

Hon. John H. Banks, III
Hon. Ed Watt

Board Member Andrew Albert, Board Member Norman Brown, Board Member Ira Greenberg, Board Member Vincent Tessitore and Michael Horodniceanu, President, MTA Capital Construction Company also attended the meeting as did various other agency presidents and staff including: Donna Evans, Chief of Staff, MTA, Jerome F. Page, General Counsel, MTA, Robert Foran, Chief Financial Officer, MTA, Craig Stewart, Sr. Director, Capital Programs, MTA, Stephen Morello, Counselor to the Chairman, MTA, Evan M. Eisland, Sr. Vice President, General Counsel and Secretary, MTA Capital Construction Company and David K. Cannon, Sr. Director, Chief Procurement Officer & Assistant Secretary, MTA Capital Construction Company.

The Board of the Metropolitan Transportation Authority 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 ("Chairman") Prendergast called the meeting to order.

Public Comment Period

There were three public speakers, none of whom spoke on MTA Capital Construction matters.

The names and remarks of the public speakers are noted and filed with the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on April 20, 2016.

Chairman’s Remarks

The Chairman’s remarks are noted in the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on April 20, 2016.

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 and the MTA Capital Construction Company held on March 23, 2016.
Committee on Finance

Procurement

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

1. Award of a competitively negotiated, all-agency personal services contract (15262-0100) to assess, plan and implement an MTA-wide automated office space management tool for a period of one year (May 30, 2016 through May 29, 2017) in the not-to-exceed amount of $500,000.

2. Award of an all-agency competitively solicited miscellaneous service contract (16105-0100) riding New York State Contract No. PT65091 for onsite threat research services for a period of two years (May 2, 2016 through April 30, 2018) in the not-to-exceed amount of $1,520,000.

A copy of the Resolution, Staff Summaries and details of the above items are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on April 20, 2016.

Joint Committee on Metro-North Railroad and the Long Island Rail Road

Procurement

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

1. A Modification to the East Side Access Project’s Manhattan North Structures contract (CM006) to incorporate changes to the contract drawings and specifications, to compensate the contractor for those changes and to resolve claims and arising from the differing site conditions for the amount of $25,422,629.

2. A Modification to the East Side Access Project’s Plaza Substation and Queens Structures contract (CQ032) to incorporate changes to the contract drawings and specifications, to compensate the contractor for those changes and for Impact Costs arising from Compensable Delays for the amount of $23,187,305.

A copy of the Resolution, Staff Summaries and details of the above items are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on April 20, 2016.

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

A Modification to the East Side Access Project’s Systems Facilities Package No. 1 contract (CS179) to implement repairs and upgrades to prevent water infiltration into the Vernon Boulevard Facility for the amount of $1,498,000.

A copy of the Resolution, Staff Summary and details of the above item is filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on April 20, 2016.

Safety Committee

Action Item

Upon motion duly made and seconded, the Board:

Approved the proposed revisions to the Safety Management Policy Directive

A copy of the Staff Summary and details of the above item is filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on April 20, 2016.

2015 – 2019 Capital Program Re-submission

Craig Stewart, the MTA’s Sr. Director of Capital Programs presented the revised proposed MTA 2015 – 2019 Capital Program. A discussion among the Chairman, Board members, MTA’s Chief Financial Officer Robert Foran and Mr. Stewart followed.
Action Item

Upon motion duly made and seconded, the Board:

Approved the revised $29.5B MTA 2015-2019 Capital Program and authorized the Chairman/CEO to submit the $26.6B Capital Program Review Board (CPRB) portion of the Capital Program to the CPRB for its review and approval, in accordance with New York State Public Authorities Law §1269-b.

A copy of the Staff Summary and details of the above item is filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on April 20, 2016.

Adjournment

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

Respectfully submitted,

David K. Cannon
Assistant Secretary
Narrative

Purpose:
To advise the Board of submission of the station maintenance billings to New York City and the counties for the period April 1, 2015 to March 31, 2016.

Discussion:
The attached schedule provides the summary of the station maintenance use and operations billing to the counties and New York City for the period April 1, 2015 through March 31, 2016.

Current legislation provides that on or before June first of each year the MTA shall determine and certify to New York City and the counties the cost for station maintenance use and operations for the twelve month period ending the preceding March thirty-first for the stations within the municipality. The MTA bills New York City and the counties each fiscal year based on a statutorily established formula adjusted annually by the CPI-W for the New York, Northwestern New Jersey and Long Island Region. The net increase in the CPI factor for the twelve month period ending March 31, 2016 was 0.850% which results in a $1,048,123 increase over the prior year’s billed amount.
<table>
<thead>
<tr>
<th>COUNTY</th>
<th>AMOUNT BILLED 2014 - 2015</th>
<th>% CHANGE IN CPI</th>
<th>INCREASE 2015 - 2016</th>
<th>AMOUNT BILLED 2015 - 2016</th>
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</thead>
<tbody>
<tr>
<td>DUTCHESS</td>
<td>$2,354,319</td>
<td>0.650%</td>
<td>$15,309</td>
<td>$2,369,628</td>
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<tr>
<td>NASSAU</td>
<td>28,575,435</td>
<td>0.650%</td>
<td>185,815</td>
<td>28,761,250</td>
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<tr>
<td>NEW YORK CITY</td>
<td>91,434,441</td>
<td>0.650%</td>
<td>594,562</td>
<td>92,029,003</td>
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<tr>
<td>ORANGE</td>
<td>487,043</td>
<td>0.650%</td>
<td>3,167</td>
<td>490,210</td>
</tr>
<tr>
<td>PUTNAM</td>
<td>920,692</td>
<td>0.650%</td>
<td>5,987</td>
<td>926,679</td>
</tr>
<tr>
<td>ROCKLAND</td>
<td>51,781</td>
<td>0.650%</td>
<td>337</td>
<td>52,118</td>
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<tr>
<td>SUFFOLK</td>
<td>17,612,723</td>
<td>0.650%</td>
<td>114,528</td>
<td>17,727,251</td>
</tr>
<tr>
<td>WESTCHESTER</td>
<td>19,748,766</td>
<td>0.650%</td>
<td>128,418</td>
<td>19,877,184</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$161,185,200</strong></td>
<td></td>
<td><strong>$1,048,123</strong></td>
<td><strong>$162,233,323</strong></td>
</tr>
</tbody>
</table>
### Consumer Price Index - Urban Wage Earners and Clerical Workers

**Original Data Value**

**Series**: CWURA101SA0  
**Id**:  
**Not Seasonally Adjusted**  
**Area**: New York-Northern New Jersey-Long Island, NY-  
**Item**: All items  
**Base**: 1982-84=100  
**Period**:  
**Years**: 2006 to 2016

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<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
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<th>Dec</th>
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<td>216.9</td>
<td>215.3</td>
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<td>213.2</td>
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### STATION MAINTENANCE
FOR THE YEAR 4/1/15 - 3/31/16

<table>
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<tr>
<th></th>
<th>BILLED AMOUNT 2014-2015</th>
<th>CHANGE IN CPI</th>
<th>INCREASED AMOUNT</th>
<th>BILLED AMOUNT 2015-2016</th>
<th>BILL AMOUNT 2015-2016 ROUNDED</th>
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<tr>
<td>DUTCHESS</td>
<td>2,354,319</td>
<td>0.00650</td>
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<td>1,048,123</td>
<td>$162,233,323</td>
<td>$162,233,323</td>
</tr>
</tbody>
</table>

| MARCH 2015 CPI | 254.358                 |
| MARCH 2016 CPI | 256.012                 |
| CHANGE         | 1.654                   |
|                | 1.654/254.358           |
| % INCREASE     | 0.006502646             |
2015 – 2016 STATION MAINTENANCE

- CPI factor used is the Consumer Price Index for Wage Earners and Clerical Workers for the New York, Northeastern New Jersey for twelve month period
- All monies due the MTA for 2014-2015 was received

CPI FACTOR

<table>
<thead>
<tr>
<th>YEAR</th>
<th>CHANGE IN CPI</th>
<th>YEAR</th>
<th>CHANGE IN CPI</th>
<th>YEAR</th>
<th>CHANGE IN CPI</th>
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</tr>
<tr>
<td>2014 - 2015</td>
<td>-0.62%</td>
<td>2011 - 2012</td>
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<td>2007 - 2008</td>
<td>3.86%</td>
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<td>2013 - 2014</td>
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<td>2010 - 2011</td>
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<td>2006 - 2007</td>
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<td>2012 - 2013</td>
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<td>2009 - 2010</td>
<td>2.70%</td>
<td>2005 - 2006</td>
<td>3.16%</td>
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</table>

* Current Year

BILLING

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<tr>
<th>YEAR</th>
<th>TOTAL AMOUNT</th>
<th>ANNUAL INCREASE (DECREASE)</th>
<th>YEAR</th>
<th>TOTAL AMOUNT</th>
<th>ANNUAL INCREASE (DECREASE)</th>
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</thead>
<tbody>
<tr>
<td>2015 - 2016</td>
<td>162,233,323</td>
<td>1,048,123</td>
<td>*</td>
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<td>149,081,571</td>
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<td>2013 - 2014</td>
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<td>2007 - 2008</td>
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<td>2010 - 2011</td>
<td>153,151,498</td>
<td>4,069,927</td>
<td>2004 - 2005</td>
<td>130,239,078</td>
<td>4,622,683</td>
</tr>
</tbody>
</table>

* Current Year

- 1998 was the last year New York City was billed on actual cost for both the LIRR and Metro North
- Legislation was enacted in 1995, and renewed in 1999 and 2004, for station maintenance billing using the CPI factor and bringing NYC onboard with this method for the second time
- Station Maintenance is billed in June and payment is due by September 1st.
Staff Summary

Subject
Request for Authorization to Award Various Procurements

Date
May 19, 2016

Vendor Name
Various

Contract Number
Various

Contract Manager Name
Various

Table of Contents Ref #

PURPOSE:

To obtain approval of the Board to award various contracts/contract modifications and purchase orders, as reviewed by the MTA Finance Committee.

DISCUSSION:

MTAHQ proposes to award Non-competitive procurements in the following categories:

None

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts) 2 $53,348,255.00
Schedule E: Miscellaneous Procurement Contracts 1 $16,940,000.00
Schedule H: Modification to Personal Contracts/Misc. Service Contracts 1 $720,000.00

SUBTOTAL 4 $71,008,255.00

MTAHQ presents the following procurement actions for Ratification:

None

TOTAL 4 $71,008,255.00

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, MAY 2016
COMPETITIVE PROCUREMENTS

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

1. Staples, Inc. $21,729,327 Staff Summary Attached
   All-Agency Procurement of Office Supplies
   Contract No. 15229-0100
   Competitively negotiated – 10 proposals – 36 months
   To recommend that the Board approve the award of an all-MTA, competitively negotiated, purchase contract to Staples, Inc. to provide office supplies for MTA Headquarters and its operating agencies in a not-to-exceed amount of $21,729,327 which includes a 10% contingency of $1,975,393. The contract period is three (3) years from June 1, 2016 through May 31, 2019 with two (2) one-year options to be exercised at MTA’s sole discretion. The projected 5 year all agency baseline spend in the office supplies category is $24,015,425. As a result of a detailed category analysis, SKU cost reductions, and several rounds of negotiations, the revised baseline spend is now projected at $19,753,933, a reduction of $4,261,492 or 18%. To ensure these savings targets are met and further progress Procurement Consolidation, oversight of the office supplies category will be transitioned to MTA HQ Procurement. Based on the above, the negotiated rates are considered fair and reasonable.

2. All-MTA PC Hardware, Servers and Computer Maintenance Services $31,618,928 Staff Summary Attached
   Contract Nos. 15107-0100 thru -0300
   a. Dell Marketing, LP
   b. CDW Government LLC
   c. NPA Computers, Inc.
   Competitively negotiated – 12 proposals – 60 months
   To recommend that the Board approve the award of a competitively negotiated, all-MTA, miscellaneous procurement contract to the following three vendors: Dell Marketing, L.P. (Dell) to provide desktops, laptops, thin client devices, and monitors; CDW Government LLP (CDW-G) to provide various servers and rugged laptops; and NPA Computers, Inc. (NPA) to provide computer equipment maintenance for MTA Headquarters and its operating agencies at a not-to exceed amount of $31,618,928. The proposed contract period is three (3) years from June 1, 2016 through May 31, 2019 with two (2) one-year options to be exercised at MTA’s sole discretion. PC Hardware / Server purchase and computer maintenance services contracts are required to standardize the purchase of desktops, laptops, monitors, thin clients devices, servers, and computer maintenance services across all agencies. The projected five (5) year all-MTA baseline spend in the PC Hardware category is $69,040,000. As a result of a detailed category analysis, demand management, break-fix unit cost concessions, and hardware unit cost concessions, the five (5) year projected overall category spend has been reduced to $31,618,928, a reduction of $37,421,072 or 54%. In order to keep pace with technology innovations and avoid obsolescence, if the proposed equipment models under this RFP are discontinued or otherwise unavailable, MTA HQ Procurement has contracted the right to purchase equivalent equipment that meets or exceeds required specifications at the same price. Based on the above, the cost is considered to be fair and reasonable.
E. Miscellaneous Procurement Contracts

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

3. HP, Inc. $16,940,000  Staff Summary Attached
   All-MTA Managed Print Services (MPS),
   Contract No. 15253-0100
   Competitively negotiated – 6 proposals – 60 months
   To recommend that the Board approve the award of a competitively negotiated, all-MTA, miscellaneous procurement contract to Hewlett Packard, Inc. (“HP”) to provide managed print services (“MPS”) for MTA Headquarters and its operating agencies in a not-to-exceed amount of $16,940,000 which includes a 10% contingency of $1,540,000. The proposed contract period is three (3) years from June 1, 2016 through May 31, 2019 with two (2) one-year options to be exercised at MTA’s sole discretion. MPS will allow the MTA to better manage print infrastructure, monitor and improve cost performance, optimize document generation, and reduce the environmental footprint. The projected five (5) year all-MTA baseline spend in the managed print services category is $24,600,000. The implementation of the HP Managed Print Services Program will reduce the projected five (5) overall category spend to $15,400,000, a reduction of $9,200,000 or 37%. The reduction in overall spend is attributed to a rationalized fleet and decreased cost for consumables (e.g., toner, fusers, drums, etc.). Based on the above, the negotiated rates are considered fair and reasonable.

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

(Approvals/Staff Summaries required for substantial change orders and change orders that cause original contract to equal or exceed monetary or durational threshold required for Board approval.)

4. Government Sourcing Group  E-Procurement Services
   Contract No. 12193-0100, S/A#6
   $720,000  Staff Summary Attached
   (not-to-exceed)
   Base plus previous change orders = $0
   To request that the Board (i) approve an amendment to an all-agency, competitively negotiated, personal services contract to GSG (formerly MedPricer, LLC) to provide a hosted “Electronic-Procurement platform” (e-procurement) and to assist MTA HQ Procurement in conducting RFPs, RFQs and IFBs and other related services on an as-needed basis for an amount not-to-exceed $720,000; and (ii) to extend the contract by 18 months through September 31, 2017 for the use of this e-procurement platform and related services. At this time MTA HQ Procurement is seeking to utilize these services on an as needed basis in support of Procurement Consolidation based on a negotiated List of Services. This is a temporary solution until Procurement Consolidation is complete (2017/2018). The fully loaded rates associated with each service are fixed and include travel & expenses for up to five (5) onsite visits, to be distributed across the service groups. The projects will be classified based on the complexity of the scope with maximum charge for the full list of services ranging from $35,250 for a low complexity scope project to $50,000 for high complexity scope project. The hourly rates that comprised the fixed fee ranging from $90 to $200 are considered to be GSG most favorable government rates to the MTA and is considered fair and reasonable.
Staff Summary

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

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>Vendor Name (&amp; Location):</th>
<th>Contract Number:</th>
<th>Renewal?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Staples, Inc.</td>
<td>15229-0100</td>
<td>☑ Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description:</th>
<th>Contract Term (including Options, if any):</th>
<th>Option(s) included in Total Amount?</th>
<th>☑ Yes</th>
<th>☐ No</th>
</tr>
</thead>
<tbody>
<tr>
<td>All-Agency Procurement of Office Supplies</td>
<td>Three (3) Years with Two (2) One Year Renewal Options</td>
<td>☑ Yes</td>
<td>☐ No</td>
<td></td>
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<table>
<thead>
<tr>
<th>Procurement Type:</th>
<th>Solicitation Type:</th>
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</thead>
<tbody>
<tr>
<td>☑ Competitive</td>
<td>☑ RFP</td>
</tr>
<tr>
<td>☐ Non-competitive</td>
<td>☐ Bid</td>
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<table>
<thead>
<tr>
<th>Funding Source:</th>
<th>Requesting Dept/Div &amp; Dept/Div Head Name:</th>
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</thead>
<tbody>
<tr>
<td>☑ Operating</td>
<td>BSC/Procurement &amp; W. Hibri/A. Barbosa</td>
</tr>
<tr>
<td>☐ Capital</td>
<td>☐ Federal</td>
</tr>
<tr>
<td>☐ Other</td>
<td>☐ Other</td>
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<table>
<thead>
<tr>
<th>Contract Manager:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Damon Chan</td>
</tr>
</tbody>
</table>

**DISCUSSION**

To recommend that the Board approve the award of an all-MTA, competitively negotiated, purchase contract to Staples, Inc. to provide office supplies for MTA Headquarters and its operating agencies in a not-to-exceed amount of $21,729,327 which includes a 10% contingency of $1,975,393. The contract period is three (3) years from June 1, 2016 through May 31, 2019 with two (2) one-year options to be exercised at MTA’s sole discretion.

In the aggregate, the MTA and its agencies spend approximately $4.8 million annually on office supplies. On September 22, 2015 MTA HQ Procurement issued a competitive Request for Proposal (RFP) for the offices supplies category. The RFP was publicly advertised and letters advising potential proposers of the RFP’s availability were sent to one hundred and seven (107) firms including fourteen (14) M/WBE Firms. Ten (10) proposals were received. The selection committee, comprised of representatives from NYCT, LIRR, B&T, MTAHQ, MTA Bus and MTA BSC, evaluated the proposals and invited four firms in for oral presentations, (Office Depot Office Max, Staples Inc., WB Mason, and Weeks Lerman). Upon conclusion of oral presentations and subsequent discussions, Staples, Inc. was determined to be best suited to perform the required services based upon its extensive experience in office supplies services, its significant resources and aggressive pricing schedules. MTA has conducted a responsibility review and other due diligence on Staples, Inc. and has deemed the firm to be responsible for award.

The projected 5 year all agency baseline spend in the office supplies category is $24,015,425. As a result of a detailed category analysis, SKU cost reductions, and several rounds of negotiations, the revised baseline spend is now projected at $19,753,933, a reduction of $4,261,492 or 18%.

To ensure these savings targets are met and further progress Procurement Consolidation, oversight of the office supplies category will be transitioned to MTA HQ Procurement.

Based on the above, the negotiated rates are considered fair and reasonable.

MTA Department of Diversity and Civil Rights has assigned 15% MBE and 15% WBE goals. On a previous contract, Staples, Inc. experienced difficulty in achieving MWBE goals due to a change in the scope of work in their contract. Staples has not submitted their respective MWBE plan in outlining how the 30% MWBE goals will be achieved. The MWBE subcontracting plan will be forwarded within five business days. If plan is not received, this contract will be cancelled.
### Staff Summary

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

<table>
<thead>
<tr>
<th>Item Number: 1</th>
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</thead>
<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location):</strong></td>
<td></td>
</tr>
<tr>
<td>Dell Marketing L.P.</td>
<td></td>
</tr>
<tr>
<td>CDW Government LLC</td>
<td></td>
</tr>
<tr>
<td>NPA Computers, Inc.</td>
<td></td>
</tr>
<tr>
<td><strong>Description:</strong></td>
<td></td>
</tr>
<tr>
<td>All-MTA PC Hardware, Servers, and Computer Maintenance Services</td>
<td></td>
</tr>
<tr>
<td><strong>Contract Number:</strong></td>
<td></td>
</tr>
<tr>
<td>15107-0100 thru 0300</td>
<td></td>
</tr>
<tr>
<td><strong>Renewal?</strong></td>
<td>Yes □ No</td>
</tr>
<tr>
<td><strong>Total Amount:</strong></td>
<td>$31,618,928</td>
</tr>
<tr>
<td>Dell</td>
<td>$16,106,896</td>
</tr>
<tr>
<td>CDW Government</td>
<td>$11,146,376</td>
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<tr>
<td>NPA Computers</td>
<td>$4,365,656</td>
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<td><strong>Option(s) included in Total Amount?</strong></td>
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<td><strong>Procurement Type:</strong></td>
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</tr>
<tr>
<td>Competitive □ Non-competitive</td>
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<tr>
<td><strong>Solicitation Type:</strong></td>
<td></td>
</tr>
<tr>
<td>RFP □ Bid □ Other:</td>
<td></td>
</tr>
<tr>
<td><strong>Contract Manager:</strong></td>
<td>Elissa Stewart</td>
</tr>
</tbody>
</table>

**DISCUSSION:**

To recommend that the Board approve the award of a competitively negotiated, all-MTA, miscellaneous procurement contract to the following three vendors: Dell Marketing, L.P. (Dell) to provide desktops, laptops, thin client devices, and monitors; CDW Government LLP (CDW-G) to provide various servers and rugged laptops; and NPA Computers, Inc. (NPA) to provide computer equipment maintenance for MTA Headquarters and its operating agencies at a not-to exceed amount of $31,618,928. The proposed contract period is three (3) years from June 1, 2016 through May 31, 2019 with two (2) one-year options to be exercised at MTA’s sole discretion.

The PC Hardware category and related contracts have been transitioned to management under MTA HQ Procurement to further progress Procurement Consolidation and to align with and support the centralized IT organization. PC Hardware / Server purchase and computer maintenance services contracts are required to standardize the purchase of desktops, laptops, monitors, thin clients, servers, and computer maintenance services across all agencies. In order to achieve this objective, a competitive Request for Proposal (RFP) was publicly advertised and the RFP package was sent to eighty-three (83) firms of which thirty-one (31) were D/M/WBE firms. Twelve proposals were received, five of whom were certified M/WBE firms. The Office of Diversity and Civil Rights established mandatory goals of 15% MBE and 15% WBE for these contracts.

A selection committee consisting of representatives from the IT Asset Management, Standards, Desktop, and Server Groups recommended that Procurement negotiate with five of the short-listed firms (Dell Marketing, Inc., CDW-G, NPA Computers, Derive Technologies, Inc., and Affinity Technologies, Inc.). After further negotiations, the selection committee determined that Dell offered the MTA the best prices for desktops, laptops, thin clients, and monitors; CDW-G offered the best prices for servers and rugged laptops; and that NPA Computers offered the best pricing for computer maintenance. MTA has conducted a responsibility review and other due diligence on Dell Marketing, CDW-G, and NPA and has deemed them to be responsible for award.

The projected five (5) year all-MTA baseline spend in the PC Hardware category is $69,040,000. As a result of a detailed category analysis, demand management, break-fix unit cost concessions, and hardware unit cost concessions, the five (5) year projected overall category spend has been reduced to $31,618,928, a reduction of $37,421,072 or 54%. In order to keep pace with technology innovations and avoid obsolescence, if the proposed equipment models under this RFP are discontinued or otherwise unavailable, MTA HQ Procurement has contracted the right to purchase equivalent equipment that meets or exceeds required specifications at the same price. Based on the above, the cost is considered to be fair and reasonable.

Dell Marketing LP and NPA Computers Inc. have not completed any MTA contracts with goals; therefore, no assessment of the firm’s MWDBE performance can be determined at this time. CDW-G has achieved its previous MWDBE goals on previous MTA contracts.
### Staff Summary

#### Schedule E: Miscellaneous Procurement Contracts

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<thead>
<tr>
<th>Item Number:</th>
<th>Contract Number:</th>
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<tr>
<td>Vendor Name (&amp; Location):</td>
<td>15253-0100</td>
<td>[ ] Yes [ ] No</td>
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<td>HP, Inc.</td>
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<thead>
<tr>
<th>Description:</th>
<th>Total Amount:</th>
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<tr>
<td>All-MTA Managed Print Services (MPS)</td>
<td>$16,940,000</td>
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<table>
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<th>Option(s) included in Total Amount?</th>
<th>Procurement Type:</th>
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<tbody>
<tr>
<td>[ ] Yes [ ] No</td>
<td>Competitive [ ] Non-competitive</td>
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<td>RFP [ ] Bid [ ] Other:</td>
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<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Manager:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elissa Stewart</td>
</tr>
</tbody>
</table>

### DISCUSSION:

To recommend that the Board approve the award of a competitively negotiated, all-MTA, miscellaneous procurement contract to Hewlett Packard, Inc. ("HP") to provide managed print services ("MPS") for MTA Headquarters and its operating agencies in a not-to-exceed amount of $16,940,000 which includes a 10% contingency of $1,540,000. The proposed contract period is three (3) years from June 1, 2016 through May 31, 2019 with two (2) one-year options to be exercised at MTA’s sole discretion.

MTA Headquarters Procurement ("MTA HQ Procurement") seeks to award an all-MTA managed print services program contract to manage and maintain all brands of printers and multifunction devices (MFDs) under one contract. Implementing a managed print services program requires the identification, benchmarking, analysis and exiting of all existing agency imaging and output devices, contracts and spend. Transitioning the existing related contracts in the MPS category to management under MTA HQ Procurement further supports Procurement Consolidation promoting an enterprise wide solution and significant cost efficiencies.

MPS will allow the MTA to better manage print infrastructure, monitor and improve cost performance, optimize document generation, and reduce the environmental footprint. The key objectives of this contract are as follows: (1) Contract with a single provider to service all in-scope imaging and output devices (printers and MFDs); (2) Streamline the equipment procurement and maintenance process; (3) Improve the level of service quality and response for repairs and maintenance; (4) Reduce the number of imaging and output devices; and (4) Provide a central point of administration for proactive remote management of all in-scope devices.

MTA HQ Procurement issued a competitive Request For Proposal ("RFP") was issued August 18th, 2015. The RFP was publicly advertised and mailed to 85 firms, of which 39 were M/WBE firms. Six (6) proposals were received. The selection committee, consisting of representatives from MTA-Information Technology, evaluated the proposals and invited four (4) firms in for oral presentations (Canon, HP, Lexmark, and Xerox). Based on these presentations and subsequent discussions, the selection committee determined that HP was the most technically qualified firm that met the requirements of the RFP and requested that Procurement enter into negotiations with HP. MTA has conducted a responsibility review and other due diligence on HP, Inc. and has deemed the firm responsible for award.

The projected five (5) year all-MTA baseline spend in the managed print services category is $24,600,000. The implementation of the HP Managed Print Services Program will reduce the projected five (5) overall category spend to $15,400,000, a reduction of $9,200,000 or 37%. The reduction in overall spend is attributed to a rationalized fleet and decreased cost for consumables (e.g., toner, fusers, drums, etc.).

Based on the above, the negotiated rates are considered fair and reasonable.

HP has not completed any MTA contracts with goals; therefore, no assessment of the firm’s MWDBE performance can be determined at this time.
Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Vendor Name (& Location):
Government Sourcing Group (MedPricer, LLC)

Description:
E-Procurement Services

Option(s) included in Total Amount? □ Yes □ No

Procurement Type: □ Competitive □ Non-competitive

Solicitation Type: □ RFP □ Bid □ Other:

Funding Source: □ Operating □ Capital □ Federal □ Other:

Requesting Dept/Div & Dept/Div Head Name:
Business Service Center/Procurement & W. Hibri/A. Barbosa

Contract Number: 12193-0100

AWO/Modification # 6

Original Amount: $0

Prior Modifications: $

Prior Budgetary Increases: $

Current Amount: $0

This Request: $720,000

% of This Request to Current Amount:

% of Modifications (including This Request) to Original Amount:

PURPOSE/RECOMMENDATION

To request that the Board (i) approve an amendment to an all-agency, competitively negotiated, personal services contract to GSG (formerly MedPricer, LLC) to provide a hosted “Electronic-Procurement platform” (e-procurement) and to assist MTA HQ Procurement in conducting RFPs, RFQs and IFBs and other related services on an as-needed basis for an amount not-to-exceed $720,000; and (ii) to extend the contract by 18 months through September 31, 2017 for the use of this e-procurement platform and related services.

DISCUSSION

In January 2013 the Board approved the award of an all-agency, competitively negotiated, personal services contract to GSG (MedPricer, LLC) to provide hosted e-procurement services for soliciting and receiving proposals electronically and competitively negotiating in real-time on-line with the vendors competing for the procurement for a period of thirty-six (36) months. These services were provided at no direct cost to the MTA and under the supervision of agency procurement staff. The vendors awarded contracts have been compensating GSG at a negotiated fee ranging from 1% to 0.4% of the contract amount depending on the total contract value.

At this time MTA HQ Procurement is seeking to utilize these services on an as needed basis in support of Procurement Consolidation based on a negotiated List of Services. This is a temporary solution until Procurement Consolidation is complete (2017/2018).

The List of Services includes: i) contract evaluation; ii) data synthesis; iii) RFP preparation assistance; iv) supplier outreach; v) proposals analysis; xi) e-negotiation; xii) contract preparation assistance and will be used on as needed basis depending on the complexity of the category, spend and other MTA requirements. A designated MTA procurement staff member will be assigned to lead GSG in each procurement.

This List of Service will provide MTA HQ Procurement with the flexibility to i) provide enhanced analytical capabilities; ii) improve efficiency and speed to manage procurements with multiple proposers; and iii) assist in negotiations.

The fully loaded rates associated with each service are fixed and include travel & expenses for up to five (5) onsite visits, to be distributed across the service groups. The projects will be classified based on the complexity of the scope with maximum charge for the full list of services ranging from $35,250 for a low complexity scope project to $50,000 for high complexity scope project.

The hourly rates that comprised the fixed fee ranging from $90 to $200 are considered to be GSG most favorable government rates to the MTA and is considered fair and reasonable.
MTA NEW YORK CITY TRANSIT

Surrender of NYCT’s Master Lease interest in a subway entrance at 340 Flatbush Ave. Extension in Brooklyn

Authorization to commence preliminary steps for acquisition of a temporary easement located at 2-33 50th Avenue, Queens Block 17 Lot 1

Lease between VNO 33-00 NORTHERN BLVD LLC and New York City Transit Authority for office space at 33-00 Northern Blvd., Queens, NY

Procurement of title search report from East Coast Abstract, Inc. for MTA Staten Island Railway’s Clifton rail yard and facilities, Staten Island

MTA METRO-NORTH RAILROAD

Lease with Bien Cuit, LLC dba Bien Cuit for a bakery in Retail Space MKT-20 at Grand Central Terminal in Manhattan
AGENCY: MTA New York City Transit Authority ("NYCT")

PROPERTY OWNER: 9 DeKalb Owner, LLC, a joint venture of JDS Development Group and The Chetrit Group ("Property Owner")

LOCATION: 340 Flatbush Avenue Extension, Brooklyn, Block: 149, Lot: 100 ("340 FAE"), adjoining the DeKalb Avenue Station (the "Station").

ACTIVITY: Surrender of leasehold interests

ACTION REQUESTED: Approval of proposed terms

COMMENTS:

NYCT currently holds two separate leasehold interests affecting 340 FAE. First, as lessee under the master lease dated June 1, 1953 between NYCT and the City of New York (the "City"), NYCT is the beneficiary of an easement dating from 1920 (the "Easement"), which, if NYCT were so inclined, would entitle NYCT to re-open and use the former Station entrance, on the westerly side of Flatbush Avenue Extension, that is identified as "Closed Stairway" on the attached site plan (the "Closed Stairway"). Second, the Traffic Checking Operations division of NYCT Operations Planning ("TCO") occupies two floors at 340 FAE (the "Leased Space") under a space lease that is scheduled to expire on November 30, 2018 (the "Space Lease").

Property Owner is planning to develop a new tower on an assemblage that includes 340 FAE (the "Project"). The Project is "as-of-right" under the applicable City zoning regulations, and has been approved by the City's Landmarks Preservation Commission, which has jurisdiction by reason of the Project site including the landmarked former Dime Savings Bank building at 9 DeKalb Avenue. (Such approval was recommended by Community Board 2, by a vote of 11 to 0. The Project is "grandfathered" under the City's 421-A tax abatement program and accordingly 20% of its residential units will meet applicable City affordability requirements.)

Property Owner has informed MTA Real Estate that it will not under any circumstances extend the term of the Space Lease, so that TCO will need to relocate in any case. However, to induce NYCT to surrender NYCT's interest in the Leased Space prior to the scheduled expiration of the Space Lease, along with NYCT's right to re-open the Closed Stairway, Property Owner is prepared to construct, at Property Owner's sole cost, a new Station entrance on the easterly side of Flatbush Avenue Extension (the "New Entrance"), as shown on the attached site plan.

The Closed Stairway has been closed since the 1980's; and NYCT Operations Planning has determined that putting it in serviceable condition and re-opening it (at an estimated cost of $1.6m) would not be justified, given that the Closed Entrance is located between the two existing Station entrances that are identified as "Existing Stairways" on the attached...
site plan. However, NYCT Operations Planning has determined that creating the proposed New Entrance on the easterly side of Flatbush Avenue Extension will significantly benefit NYCT and its customers for two reasons. First, it will be located directly in front of the main building of Long Island University, which currently has no direct access to the Station. Second, it will relieve crowding at the Station’s southern entrance and improve the distribution of customers on the platform itself. NYCT estimates that it would cost it approximately $14 million to construct the New Entrance itself, if such construction were not to be undertaken by Property Owner at Property Owner’s cost.

In consideration of such construction by Property Owner, NYCT will surrender its leasehold interest in the Closed Stairway to the City, which will in turn enter into documentation with Property Owner to terminate the Easement.

As described in a separate staff summary included in this month’s Board materials, MTA Real Estate proposes to relocate TCO to space at 33-00 Northern Boulevard in Queens (the “Substitute Lease Space”). In consideration of TCO’s early surrender of the Space Lease, in addition to undertaking the construction of the New Entrance, Property Owner has agreed to pay to NYCT the amount by which NYCT’s rent for the Substitute Lease Space exceeds the rent NYCT would have paid under the Space Lease for the period from the date NYCT surrenders possession of the Leased Space through November 30, 2018.

Based on the foregoing, MTA Real Estate requests authorization to surrender the Closed Stairway to the City and terminate the Space Lease, effective as of the date when TCO is able to take occupancy of its new space at 33-00 Northern Boulevard.
AGENCY: MTA New York City Transit ("NYCT")
GRANTOR: Fortress New York Holdings, Inc.
LOCATION: 2-33 50th Avenue, Queens, NY
ACTION REQUESTED: Authorization to commence preliminary steps for acquisition of a temporary easement
TERM: 22 months
SPACE: 5,512 square feet
COMPENSATION: TBD

COMMENTS:

NYCT currently is undertaking a FEMA-funded Fan Plant Resiliency Project that will fortify various fan plants around New York City to better protect them from severe storms such as Superstorm Sandy. One of these fan plants is located on a 4,000 square-foot parcel on the north side of 50th Avenue in Long Island City identified on the Queens County Tax Map as Block 17, Lot 19. In order to perform the necessary work on this fan plant, NYCT has requested MTA Real Estate to acquire a temporary easement on a vacant portion of an adjacent property identified as Queens Block 17, Lot 1 a/k/a 2-33 50th Avenue (the "Property"). The entire Property consists of a 76,000 square foot parcel surrounding NYCT’s fan plant. It is owned by Fortress New York Holdings, Inc., which operates a climate-controlled storage facility for fine art and antiques on a portion of the Property. The temporary easement requested by NYCT covers a vacant area of 5,512 square feet and is needed for an estimated duration of 22 months while NYCT’s contractor undertakes the fan plant resiliency work.

MTA Real Estate will endeavor to acquire the temporary easement in the Property by negotiation. If a negotiated agreement cannot reached, MTA may be compelled to acquire the easement by eminent domain. Therefore, we request authorization to begin taking preliminary steps, including (if necessary) a public hearing, to satisfy the requirements of the Eminent Domain Procedure Law in order to preserve MTA’s rights and lessen the potential for future delays to the Project. If a negotiated agreement for the temporary easement is reached prior to filing condemnation papers with the court, the terms of such agreement will be presented to the Finance Committee and Board for approval.

Based on the foregoing, MTA Real Estate requests approval to acquire a temporary easement in the Property by negotiated agreement or eminent domain and to adopt the attached Resolution authorizing MTA to commence the proposed acquisition process.
BOARD RESOLUTION

WHEREAS, MTA New York City Transit ("NYCT") is undertaking a Fan Plant Resiliency Project, which will fortify various NYCT fan plants from severe storms, including a NYCT fan plant located on the north side of 50th Avenue in Long Island City and identified on the Queens County Tax Map as Block 17, Lot 19 (the “Fan Plant”); and

WHEREAS, to facilitate work on the Fan Plant, NYCT will require a temporary easement consisting of 5,512 square feet, for an estimated duration of 22 months, on a vacant portion of an adjacent property identified as Queens Block 17, Lot 1 a/k/a 2-33 50th Avenue (the “Property”); and

WHEREAS, MTA Real Estate will endeavor to acquire the temporary easement in the Property by a negotiated agreement, but if negotiations are not successful, Board approval is hereby sought to initiate preliminary actions to acquire the temporary easement by eminent domain.

NOW THEREFORE, BE IT

RESOLVED, that in accordance with the Eminent Domain Procedure Law and Section 1267 of the Public Authorities Law, the Chairman or designated staff member of the MTA is authorized to proceed with the acquisition by negotiated agreement or eminent domain of a temporary easement in the Property as described above and to schedule and undertake such preliminary actions as may be required in accordance with the Eminent Domain Procedure Law in connection with the acquisition.

This Resolution shall take effect immediately upon its adoption.
## Staff Summary

**Subject**
MODIFICATION OF LEASE

**Department**
REAL ESTATE

**Date**
MAY 23, 2016

**Vendor Name**

**Department Head Name**
JEFFREY B. ROSEN

**Contract Number**

**Contract Manager Name**

**Project Manager Name**
ANDREW D. GREENBERG

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### Board Action

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### Internal Approvals

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**TENANT:** MTA New York City Transit Authority ("NYCT")

**USERS:** NYCT Traffic Checking Operations ("TCO") and NYCT Paratransit ("Paratransit")

**LANDLORD:** VNO 33-00 Northern Blvd LLC, an affiliate of Vornado Realty Trust

**LOCATION:** 33-00 Northern Boulevard, Long Island City, NY (the "Building")

**ACTIVITY:** Modification of lease to extend term (currently scheduled to expire 4/30/20) and add space to be used by TCO.

**PREMISES:**
- Current "Paratransit Space" - part of 7th floor and entire 8th floor (135,608 rentable sq. ft.)*
- New "TCO Space" - part of 6th floor (16,758 rentable sq. ft.)*

*Based on verified market loss factor, consistent with comparable LIC buildings

**TERM:** Approximately 10 years and 6 months, expiring December 31, 2026

**RENT COMMENCEMENT:**
- **TCO Space** - Upon substantial completion of alterations and improvements by Landlord
- **Paratransit Space** - Rental payments to continue initially without interruption; 3.3 months free starting May 1, 2020

**BASE RENT:**

- **TCO Space**
  - Years 1 – 5: $528,557.65.81 per annum / $31.54 per rentable sq. ft.
  - Year 6 – Expiration: $578,831.65 per annum / $34.54 per rentable sq. ft.

- **Paratransit Space***
  - Thru 4/30/20: $3,035,783.89 per annum / $22.39 per rentable sq. foot
  - 5/1/20 – Expiration: $4,675,026.64 per annum / $34.48 per rentable sq. foot

*Annual rent through 4/30/20 remains per existing lease, reduced by 100% of current real property taxes allocable to Paratransit Space

**RENT ESCALATIONS:**
- **TCO Space** - Tenant to pay its proportionate share of operating expense increases over 2016 base year (starting with first anniversary of TCO Space rent commencement).
**Paratransit Space** - Tenant to continue until 4/30/20 to pay its proportionate share of operating expenses over calendar 2005 base year, and thereafter to pay such share of such expenses over calendar 2017 base year.

**REAL PROPERTY TAXES:**
As between Landlord and Tenant, Tenant to be responsible for all real property taxes attributable to Premises. Within 9 months following lease modification, Landlord to cause Premises to constitute separate condominium unit(s), so as to enable Tenant to avail itself of its statutory exemption from such taxes.

**INITIAL TENANT IMPROVEMENTS (TCO SPACE):**
Landlord to design and build turnkey installation for TCO occupancy, encompassing new rest rooms and other base building improvements, as well as required tenant improvements based on initial plans and specifications prepared by NYCT. Tenant to reimburse Landlord for out-of-pocket hard costs of tenant improvements (without mark-up over bid-out trade costs) to extent such hard costs exceed $1,005,480 ($60.00/rsf) allowance.

**ADDITIONAL ALTERATIONS:**
**Paratransit Space** - In addition to refurbishing Paratransit rest rooms concurrently with TCO Space work, Landlord to contribute up to $4,068,204 ($30.00/rsf) toward cost of Tenant improvements (at Tenant’s option, to be made by Landlord itself, provided Tenant pays Landlord 103% of Landlord’s documented cost of performing and overseeing such work).

**TCO Space** - Commencing on fifth anniversary of rent commencement, Landlord to contribute up to $321,907.21 ($19.21/rsf) toward cost to perform Tenant improvements (at Tenant’s option, to be made by Landlord itself, provided Tenant pays Landlord 103% of Landlord’s documented cost of performing and overseeing such work). Any unused portion of such allowance may be applied towards future rent.

**HVAC:**
**TCO Space** - Landlord to provide HVAC 24/7/365; Tenant to pay Landlord’s documented incremental expense of providing HVAC other than from 8 am to 6 pm weekdays

**Paratransit Space** - Same, commencing 5/1/20.

**ELECTRICITY:**
Paratransit Space to continue to be directly metered by public utility

TCO to pay 105% of Landlord’s expense for electricity consumed in Premises, as measured by Landlord-installed sub-meters. Alternatively, if possible, Tenant may ask Landlord to install direct meters or connect to Paratransit’s electric service, at Tenant’s cost; in either such case, Tenant would be billed directly by public utility.

**PARKING:**
**TCO** - 11 exclusive spaces for agency vehicles, as part of rental consideration

**Paratransit:** 20 exclusive spaces for agency vehicles, as part of rental consideration

**CLEANING SERVICES:**
By Landlord, at Landlord’s expense in accordance with cleaning specification attached to lease

**SECURITY DEPOSIT:**
None
COMMENTS:

Paratransit’s call center is currently housed in the Paratransit Space, pursuant to the subject lease, while TCO currently occupies two floors in a low-rise building at 340 Flatbush Extension in Brooklyn (“340 Flatbush”).

Paratransit’s call center and supporting offices have been located in the Paratransit Space since 2005. In February 2016, to support current and anticipated future growth, Paratransit reconfigured the Paratransit Space to enable it to increase the number of call center seats there, from 300 to 420, without leasing any additional space.

TCO is responsible for collecting data required to create and modify bus and subway schedules for NYCT and MTA Bus, and tasked with disseminating time sensitive information throughout the system. For such purposes, TCO is assigned 11 cars, operates 24/7 and operates a critical control desk to facilitate communication with field personnel.

TCO’s lease at 340 Flatbush (“TCO’s Current Lease”) is not scheduled to expire until November, 2018. However, (a) the 340 Flatbush facility is overcrowded, as TCO’s headcount has increased approximately 38% (from 65 in 2005 to over 90 currently) to address expanding responsibilities with respect to planned service diversions and unplanned events and emergencies and TCO’s Signage Unit’s operations have been consolidated into 340 Flatbush from five separate locations; and (b) as is discussed in greater detail in a separate staff summary in this month’s Board materials, the owner of 340 Flatbush (“340 Flatbush Owner”) plans to redevelop such property, will not in any event be renewing TCO’s Current Lease, and, among other inducements for an early termination of TCO’s Current Lease, has offered to pay NYCT the amount by which the rent and real property taxes (whether or not such taxes are payable) for the TCO Space exceeds the rent under TCO’s Current Lease for the balance of the term of the TCO’s Current Lease (i.e., from the date on which TCO vacates 340 Flatbush until November 30, 2018).

No property already owned or leased by the MTA is available to accommodate TCO’s space needs. Accordingly, MTA Real Estate’s brokers, Cushman & Wakefield, Inc. and JRT Realty (collectively, “C&W”), were directed to conduct a market survey and identify suitable relocation sites. Twelve locations in Queens and Brooklyn were inspected, of which two, the TCO Space and space at 25 Chapel Street in Brooklyn, were potentially suitable. Of those two, the TCO Space was considered by TCO to be more suitable and was also more economical, in part because co-locating there with Paratransit will enable NYCT to achieve efficiencies from shared communications, IT and security infrastructure; and in any case the space at 25 Chapel Street has ceased to be available. Moreover, relocating TCO to the Building will provide NYCT with an opportunity to lock in Paratransit’s occupancy there on favorable terms, thereby mitigating the risk of rents in the Long Island City area becoming unaffordable in the years to come and obviating the need to spend an estimated $150 per foot to move Paratransit five years from now. (According to C&W, Long Island City leasing activity has increased by 475% compared to a year ago and average rents there have increased by 9.9% - compared to historical average growth of 4.4% - to $36.18 per square foot).

Under the proposed lease modification, Paratransit’s rent will remain unchanged for the remainder of the current term (i.e. through 4/30/20), and then increase to an amount that has been calculated based solely on historical growth without factoring the current and projected explosive growth for the Long Island City area, which is currently experiencing the fastest growth in NYC and has the second lowest vacancy level.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease modification with Landlord on the above described terms and conditions.
AGENCY: New York City Transit ("NYCT") for Staten Island Railway Operating Authority ("SIRTOA")

VENDOR: East Coast Abstract, Inc.

LOCATION: SIRTOA's Clifton rail yard and facilities, Staten Island
Block: 487; Lot: 100; Front Street
Block: 496; Lots 1, 10, 59, 215; Bay Street
Block: 2820; Lots: 1R, 5R, 30R, 32R, 95, 105; Edgewater Street
Block: 2840; Lot: 100; Bay Street
Block: 2841; Lot: 214; Greenfield Avenue

ACTIVITY: Certification of ownership and all easements, surface, subsurface, air and riparian rights

ACTION REQUESTED: Approval to award contract

COMPENSATION: Not to exceed $42,500

COMMENTS:
SIRTOA's Clifton rail yards and facilities are situated on an assemblage of 13 different lots, as listed above. MTA Real Estate, on behalf of NYCT's CPM office, requires a title search report to prepare for the renovations and possible relocation of certain structures within these lots as part of ongoing efforts to protect MTA's properties in the aftermath of Hurricane Sandy.

In accordance with All Agency Guidelines for Procurements of Services Article II-B, and in coordination with MTA Procurement, MTA Real Estate typically procures title search services directly by doing limited solicitations to a list of title search firms and the cost is generally below $15,000. For this transaction, 8 firms were contacted, but only East Coast Abstract responded.

Because 13 different lots need to be researched, the vendor's $42,500 price quote has been deemed fair and reasonable. The allocated per lot price of less than $3,300 is consistent with recent prices paid for similar services. The vendor will need 8-10 weeks to complete this task.

NYCT intends to award the contract work during September 2016. MTA Procurement advised there is insufficient time to do a public offering for these title search services. In accordance with all Agency Guidelines for Procurements of Services, the Senior Director of Procurement waived the advertisement requirement because of the critical need and short...
time frame to complete the services. Real Estate recommends approval to procure title search services provided by East Coast Abstract for an amount not to exceed $42,500 in support of NYCT’s renovation and relocation project at SIRTOA’s Clifton yards and shops.
**Subject:** LEASE AGREEMENT

**Department:** REAL ESTATE

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

**Project Manager Name:** NANCY MARSHALL

**Date:** MAY 23, 2016

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

**Tenant:** Bien Cuit, LLC dba Bien Cuit

**Location:** Retail Space MKT-20

**Activity:** Operation of a bakery selling tenant-prepared breads, pastries, cookies, tarts and cakes

**Action Requested:** Approval of terms

**Term:** 5 years

**Space:** Approximately 197 square feet and 60 square feet for storage

**Compensation:** Annual Base Rent plus 10% of gross sales over Breakpoint, as follows:

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**Storage Rent:** $87.00 per sq. ft. per year increasing annually by 3%

**Marketing:** $11.33 per sq. ft. per year, increasing annually by 3%

**Trash:** $14.66 per sq. ft. per year, increasing annually by 3%

**Security:** Three months minimum rent plus a personal guaranty from David Golper and Thomas Golper (limited to six months' rent after vacating of premises)

**Insurance:** Standard

**Construction Period:** 60 days
COMMENTS:

In response to a recent MTA Request for Proposals ("RFP") for Retail Space MKT-20, Grand Central Terminal, five proposals were received. The proposals were received from Bien Cuit, Boscobel’s Bakery, Francois Payard, Amy’s Bread and Nut Box.

Per the Guidelines for Selection of Tenants for Grand Central Terminal approved by the MTA Board in November 2009, amended in March 2014 and March 2016, such proposals were independently evaluated by Newmark Grubb Knight Frank and Jones Lang LaSalle, and subsequently evaluated by the Director of GCT Development. When evaluating the proposals, two evaluation criteria were taken into account. Selection Criterion A, which accounts for 70% of the score, is designed to reflect the direct economic value of a proposal. Selection Criterion B, which accounts for 30% of the score, is the evaluator’s determination of a proposal’s indirect economic benefit to the MTA. The Director of GCT Development's evaluation assigned Bien Cuit, LLC the highest Total Selection Criteria Score, but because Boscobel’s Bakery offered a slightly higher guaranteed minimum rent a selection committee was convened.

The three-person selection committee reviewed and scored the five proposals, and unanimously assigned Bien Cuit the highest Selection Criterion B Score and the highest Total Selection Criteria Score. Their averaged scoring is reflected in the annexed chart. The rent to be paid by Bien Cuit is higher than the fair market rental value of the subject space as appraised in advance by Newmark Grubb Knight Frank.

Since Bien Cuit opened in Brooklyn in 2011 it has become both a neighborhood staple and a notable destination for some of the finest breads and pastries NYC has to offer. At the end of 2011 it was named “Best New Bakery” by the Village Voice and has subsequently been named to “best of” lists by The New York Times, New York Magazine, Food and Wine, Bon Appetit and Saveur Magazine. Bien Cuit and owner Chef Golper were semi-finalists for a James Beard Award in Baking in 2015 and a finalist in 2016. At Grand Central Market, Bien Cuit will enhance its space with added lighting and modified display cases, along with refreshing the front counter visual treatment to create an inviting customer experience.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with Bien Cuit, LLC on the above-described terms and conditions.
### Grand Central Terminal Retail Leasing Evaluation Sheet

**Evaluator:** Selection Committee  
**Space:** MKT-20 (currently Zaro's)  
**Date:** April 29, 2016

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* Guaranteed Rent Adjustment Factor: from 1.00 (no uncertainty about A) to as low as 0.50 (great uncertainty about A); however may be as low as 0.00 per guidelines

** Percentage Rent Adjustment Factor: as high as 0.50 (no uncertainty about D) to as low as zero (great uncertainty about D).**

*** Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from column G)
SERVICE CHANGES: NYC TRANSIT COMMITTEE APPROVAL:  SECOND AVENUE SUBWAY PHASE 1 SERVICE PLAN

Service Issue

MTA Capital Construction expects to complete Phase 1 of the Second Avenue Subway in late 2016. The new line will run under 2nd Avenue from 96th southward, serving new stations at 96th Street, 86th Street and 72nd Street. South of 72nd Street, the line will curve west, connecting to the existing 63rd Street line and serving Lexington Av/63 St Station, where a cross-platform transfer to the F will be possible. West of the Lexington Av/63 St Station, the new service will connect to the Broadway line express tracks at the 57 St/7 Av Station and continue south. Revisions to N and Q service are proposed on the Broadway and Astoria lines in order to accommodate service on the new Second Avenue line. Restoration of W service is proposed to maintain service levels on the Astoria line.

Recommendation

It is recommended that the Recommended Service Plan for N, Q, R and W subway services be adopted. The Recommended Service Plan will revise N and Q subway services and restore W service (see Attachment 1 for map and Attachment 2 for a detailed description of the service plan by time of day). The Recommended Service Plan would provide service on the new Second Avenue line via a rerouted Q service. W service between Queens and lower Manhattan, which was eliminated as part of the 2010 Service Reductions, would be restored to replace Q service in Astoria; the W would operate local in Manhattan, terminating at Whitehall St. N service would operate express in Manhattan between Canal St and 34 St-Herald Sq.

Budget Impact

The net operating cost of this service change is projected at approximately $13.7 million annually, which has been incorporated into NYCT’s approved Financial Plan.

Proposed Implementation Date

These service changes would be implemented in late 2016. Beginning with the Fall 2016 Pick (currently planned for November 2016), W service would be restored and Q service would temporarily terminate at 57 St/7 Av. When Phase 1 of the Second Avenue line opens, Q service would be extended to terminate at 96 St.
Purpose

To obtain approval from the Board of the Recommended Service Plan for Phase 1 of the Second Avenue Subway. The Recommended Service Plan would restore W service and revise N and Q services upon completion of Phase 1 of the Second Avenue Subway, currently anticipated in late 2016. At that time, subway service will begin on the new Second Avenue line, which connects with the Broadway line express tracks in Manhattan. This permanent service change would revise N and Q subway services and restore W service between Queens and lower Manhattan, which was eliminated as part of the 2010 NYCT Service Reductions.

Discussion

Phase 1 of the Second Avenue Subway will run under 2nd Avenue from 96th Street to 72nd Street, serving new stations at 96th Street, 86th Street and 72nd Street. South of 72nd Street, the line will curve west, connecting to the existing 63rd Street line and serving Lexington Av/63 St Station, where a cross-platform transfer to the F will be possible. West of the Lexington Av/63 St Station, the new service will connect to the Broadway line express tracks at the 57 St/7 Av Station and continue south. NYCT undertook a comprehensive review of service options in connection with the opening of the new line. This effort entailed analysis of projected ridership levels, operational feasibility, and resource availability. NYCT developed the proposed service plan consistent with the following goals:
- Provide service that is attractive to customers
  - Maintain existing service levels per NYCT Loading Guidelines
  - Provide service on the new Second Avenue line to meet NYCT Rapid Transit Loading Guidelines and to attract riders from the 4 5 6 to relieve crowding on those lines
  - Make routes and service patterns easy to understand and communicate
- Meet car availability, track capacity and other operational constraints
- Maximize operational reliability

The Recommended Service Plan balances passenger convenience, resource constraints, and the need to provide rush hour and off-peak service on the new Second Avenue line that will attract riders from the overcrowded Lexington Avenue line, while maintaining service frequency on the Astoria line. At the same time, the service plan avoids overly complex or unfamiliar changes in stopping patterns and routings by time of day, and avoids excessive complexity in terms of merging and diverging trains, helping to ensure operational reliability.

A Public Hearing on the Recommended Service Plan was held on April 7, 2016 at 2 Broadway in Manhattan. See Attachment 3 for a summary of the comments made at the hearing, as well as comments submitted in writing; staff responses are provided for each comment.

A service equity analysis, conducted in accordance with Title VI of the Civil Rights Act of 1964 and related Federal Transit Administration guidance materials, found that the Second Avenue Subway Phase 1 Service Plan would not result in a disproportionate impact on either minority or below-poverty populations.

**Recommendation**

The Recommended Service Plan is summarized below. See Attachment 1 for map and Attachment 2 for a detailed description of the service plan by time of day.

**A** Astoria/Broadway Express/Fourth Avenue Express/Sea Beach

- **N** service would continue to operate between Astoria-Ditmars Blvd and Coney Island-Stillwell Av at all times. Rush hours, middays, and evenings, **N** service would operate on the express tracks in Manhattan south of 42 St-Times Sq. During these times, the **N** would make the following stops in Manhattan: Lexington Av/59 St, 5 Av/59 St, 57 St/7 Av, 49 St, 42 St-Times Sq, 34 St-Herald Sq, 14 St-Union Sq, and Canal St. Late nights and weekends, **N** service would remain unchanged from current service patterns.

**Q** Second Avenue/Broadway Express/Brighton Local

- **Q** service would be rerouted from the Astoria line to the 63rd Street line (via existing tracks under Central Park that connect to the Broadway express tracks and that are not currently used for passenger service) and the new Second Avenue line, terminating at 96 St
and Second Avenue in Manhattan. Q service would operate between 96 St and Coney Island-Stillwell Av at all times. In Manhattan, Q service would operate on the Second Avenue, 63rd Street, and Broadway express lines (except late nights), stopping at 96 St, 86 St, 72 St, Lexington Av/63 St, 57 St/7 Av, 42 St-Times Sq, 34 St-Herald Sq, 14 St-Union Sq, and Canal St. Late nights, the Q would run local between 96 St and Coney Island-Stillwell Av via the Manhattan Bridge. Q service in Brooklyn would remain unchanged.

Queens Boulevard Local/Broadway Local/Fourth Avenue Local
The Second Avenue Subway service plan does not require any changes in R service.

Astoria/Broadway Local
To replace weekday Q service in Queens, W service would be restored between Whitehall St and Astoria-Ditmars Blvd, operating on the Astoria and Broadway local lines, making all stops.
As prior to the 2010 Service Reductions, W service would operate weekdays-only between approximately 7am and 11pm.

Alternatives to the Recommended Service Plan

NYCT reviewed several subway service options. Options were rejected that would be operationally infeasible or incompatible with other aspects of subway operations, or would lead to overcrowding. Alternatives to the proposed service plan are:

- Reroute Q to Second Avenue without restoring W service. N service would run on the local tracks in Manhattan north of Canal St and would provide service in Astoria. N service would be increased to maintain Astoria service frequency to meet ridership demand per NYCT loading guidelines. However, due to car fleet and track capacity constraints, some N service would need to terminate at Whitehall St rather than Coney Island-Stillwell Av, which could cause passenger confusion since there would be no separate route designations for Lower Manhattan N service versus Manhattan Bridge/Coney Island N service.

- Comprehensive reconfiguration of Broadway BMT (NQR and possibly W) services, including reconfiguration of Broadway express and local services, potential swapping of N and R terminals in Queens, implementation of route variants and/or changes in route designations. Compared to the proposed service plan, these alternatives would result in net travel time increases for passengers and service plans that would be more difficult to communicate.
• Do nothing. Not implementing service on Second Avenue would not allow riders to benefit from the significant capital investments made to construct the Second Avenue Subway line.

Budget Impact

The net operating cost of this service change is projected at approximately $13.7 million annually, which has been incorporated into NYCT's approved Financial Plan.

Proposed Implementation Date

These service changes would be implemented in late 2016. Beginning with the Fall 2016 Pick (currently planned for November 2016), W service would be restored and Q service would temporarily terminate at 57 St/7 Av. When Phase I of the Second Avenue line opens, Q service would be extended to terminate at 96 St.

Approved:

Veronique Hakim
President, NYC Transit
Attachment 1
Second Avenue Subway Recommended Service Plan
## Attachment 2
### Second Avenue Subway Proposed Service Plan

<table>
<thead>
<tr>
<th>Route</th>
<th>Weekdays</th>
<th>Weekends</th>
<th>Late Nights</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>N</strong> Astoria/Broadway Express/Fourth Avenue Express</td>
<td>Astoria-Ditmars Blvd - Coney Island-Stillwell Av Local in Queens; Express in Manhattan between 34 St-Herald Sq and Canal St; Express in Brooklyn</td>
<td>Astoria-Ditmars Blvd - Coney Island-Stillwell Av Local in Queens and Manhattan, Express in Brooklyn</td>
<td>Astoria-Ditmars Blvd - Coney Island-Stillwell Av Local; via Lower Manhattan</td>
<td>Weekdays runs express between 34 St-Herald Sq and Canal St</td>
</tr>
<tr>
<td><strong>O</strong> Second Avenue/Broadway Express/Brighton Local</td>
<td>96 St - Coney Island-Stillwell Av Express in Manhattan; Local in Brooklyn</td>
<td>96 St - Coney Island-Stillwell Av Local in Manhattan and Brooklyn</td>
<td>96 St - Coney Island-Stillwell Av Local in Brooklyn</td>
<td>Rerouted to Second Avenue line in Manhattan</td>
</tr>
<tr>
<td><strong>W</strong> Astoria/Broadway Local</td>
<td>Astoria-Ditmars Blvd - Whitehall St Local</td>
<td>Does not operate, use <strong>N</strong></td>
<td>Does not operate, use <strong>N</strong></td>
<td>Replaces <strong>O</strong> in Queens; Provides more frequent service in Lower Manhattan on weekdays; Replaces <strong>O</strong> local in Manhattan</td>
</tr>
</tbody>
</table>
Attachment 3

Public Hearing and Written Comments on the Second Avenue Subway Phase I Recommended Service Plan

Public hearing date and location: April 7, 2016 at 2 Broadway, New York, NY

Summary of Public Comment and Staff Response

This document summarizes the oral comments at the Public Hearing for the Second Avenue Subway Phase 1 Recommended Service Plan, as well as all written comments submitted. The comments below are paraphrased and consolidated for clarity. Often, more than one person raised the same point(s).

Following each comment is the New York City Transit staff response. A large number of the suggestions received had been considered by NYCT in developing the Recommended Service Plan; these are noted in the comments below. Comments received that were unrelated to the subject service revision are not included.

General Comments – Overall Service Plan

Comment: \textit{W} line service should operate to/from Brooklyn (terminating at 9 Av or Bay Parkway on the West End line or Bay Ridge on the 4th Avenue line), at least during rush hours. (Several people made this comment.)

Staff Response: This option was considered, but not pursued, for a number of reasons, which are listed below.

- There are insufficient trains available to operate \textit{W} service into Brooklyn.
- \textit{R} service at current frequencies is sufficient to meet ridership demand on the 4th Avenue local line in Brooklyn. Likewise current frequencies of \textit{D} and \textit{N} service are sufficient to meet ridership demand on the 4th Avenue express line and on the West End and Sea Beach lines. However, if ridership grows and cars are purchased, the \textit{W} could be extended to Brooklyn in the future.

Comment: \textit{W} line service should operate late nights and on weekends. (Several people made this comment.)

Staff Response: Current \textit{N} service levels generally provide sufficient capacity to meet current ridership demand on the Astoria line and on the Broadway line south of Canal St during the late night time period. Average loads on the \textit{N} to/from Astoria on weekends do at times exceed NYCT loading guidelines. However, operation of \textit{W} service during these periods is generally not feasible.

- Critical capital repair and maintenance work at various locations reduces weekend and late night track capacity. There is insufficient capacity to do this critical work and accommodate weekend \textit{W} service.
• On weekends when 7 service is suspended, additional service to Astoria will be provided.

**Comment:** W line service should not be restored. It is not needed and is a waste of resources. (Several people made this comment.)

**Staff Response:** Ridership demand on the Astoria line warrants the level of service currently provided by both the N and Q. Under the proposed service plan, with Q service rerouted to the Second Avenue line, a replacement for the Q would be needed to and from Astoria. W service would provide the capacity needed to meet this demand.

**Comment:** Rather than restoring W line service, N service should be increased. (More than one person made this comment.)

**Staff Response:** This option was considered, but not pursued.

• NYCT studied several options for provision of service on the Astoria line, including operation of additional N service rather than restoring W service. However, restoration of W service is preferable for the following reasons:
  
  o The W designation would reduce the potential for confusion: due to car fleet and track capacity constraints, some N service would need to terminate at Whitehall St rather than Coney Island-Stillwell Av in rush hours, which could cause passenger confusion since there would be no separate route designations for Lower Manhattan N service versus Manhattan Bridge/Coney Island N service.

  o Restoring the W would also provide better service options to Astoria riders: both Broadway express and local service, as well as direct service to both lower Manhattan and Brooklyn, would operate from Astoria on weekdays and evenings.

  o Increasing N service all the way between Astoria and Coney Island weekdays and evenings would be costly to operate and not required to meet passenger demand in Brooklyn. The W is targeted to the Astoria-Manhattan ridership market, and, because it will be a shorter route than the N, will be less costly to operate.

**Comment:** W line service should operate between 96 St on the Second Avenue line and Whitehall St in Lower Manhattan. (More than one person made this comment.)

**Staff Response:** The Second Avenue line tracks connect directly to the express tracks at 57 St-7 Av, but not to the local tracks. If Second Avenue line trains were routed onto the Broadway local line, local and express trains would have to “crisscross” in front of one another, which would be a likely cause of delays. To minimize train crossing moves from the express to local tracks, it is preferred to operate Second Avenue line service via the Broadway line express tracks and the Manhattan Bridge.

**Comment:** N service should not stop at 49 St Station. (Several people made this comment.)

**Staff Response:** All potential stopping patterns of express and local service of Broadway line services were considered. Analysis of passenger origins and destinations showed that 49 St is a major
destination for riders from the Astoria line as well as Brooklyn. Therefore, providing this one additional local stop for \textbf{N} trains would result in a net benefit passenger travel time.

\textit{Comment:} Late night \textbf{R} shuttle service should be extended from 36 St to either Whitehall St or Queens Plaza.

\textbf{Staff Response:} Changes in late night \textbf{R} service are not germane to service changes needed to provide Second Avenue line service.

\textit{Comment:} \textbf{N} service should operate via the Manhattan Bridge at all times.

\textbf{Staff Response:} Late nights \textbf{R} service cannot operate along its full route due to maintenance and construction activity that would make it unreliable and require that it be suspended much of the time. Either the \textbf{N} or the \textbf{Q} service needs to replace \textbf{R} service in Lower Manhattan via the Montague Tunnel, and the \textbf{N} service is the preferable option, because many riders headed to or from the 4th Avenue line in Brooklyn have the option of using the \textbf{D} for service via the Manhattan Bridge while riders headed to or from the Brighton line do not have such an alternative.

\textit{Comment:} Weekday \textbf{N} service should operate local on the Broadway line in Manhattan and run via the Montague tunnel to/from Brooklyn, and \textbf{W} service should operate express on the Broadway line and run via the Manhattan Bridge to/from Brooklyn. (More than one person made this comment.)

\textbf{Staff Response:} The suggestion to route the \textbf{N} via the Broadway local line and via the Montague tunnel is similar to others that suggested that \textbf{W} service be extended from Whitehall St into Brooklyn, providing additional service between Astoria and the 4th Avenue line via the Broadway local line and the Montague tunnel. As noted in the response to the extended \textbf{W} suggestion, the \textbf{R} already provides service between Broadway local stations and the 4th Avenue line in Brooklyn, via lower Manhattan and the Montague tunnel. Travel demand between the 4th Avenue line and lower Manhattan does not warrant additional service at this time, as current \textbf{R} service provides sufficient capacity at all times. And, NYCT does not have the additional trains that would be needed to operate this service via the Montague tunnel.

Furthermore, changing the designation of the \textbf{N} route to the \textbf{W} would cause unnecessary confusion as riders are already accustomed to the current route and name.

\textit{Comment:} Late night \textbf{Q} service should operate in express service on the Broadway line in Manhattan.

\textbf{Staff Response:} Late night \textbf{Q} service was changed in 2015 to operate with all-local service. This service change resulted in a total net travel time savings for passengers traveling to or from the Broadway line during the late night time period. For this reason, late night \textbf{Q} trains will continue to make all-local stops in the Recommended Service Plan.

\textit{Comment:} \textbf{N} service should operate on the Second Avenue line to/from 96 St, and \textbf{Q} service should operate to/from Astoria. (More than one person made this comment.)

\textbf{Staff Response:} An analysis of trip origins and destinations showed that there are more riders desiring to travel between the Second Avenue line and the Brighton line than between the Second Avenue line and the combined 4th Avenue-Sea Beach lines, so passengers would be better served by the \textbf{Q} to 96 St.
than by the N to 96 St. Additionally, the N is currently the full-time service in Astoria, while the Q is a part-time service, so maintaining N service to Astoria would be less confusing for passengers.

**Comment:** W service should operate on weekends when there is no 7 service between Queens and Manhattan due to construction.

**Staff Response:** As stated above, on weekends when 7 service is suspended, additional N or W service to Astoria will be provided.

**Comment:** W service should be restored before November 2016. (More than one person made this comment.)

**Staff Response:** The restoration of W service must be done in a Pick (the process in which crews pick their work schedule), and next Pick in which the W service could be restored is the Fall pick (November 2016), which is the proposed timeline for restoration of W service.

**Comment:** N service should operate express on the Astoria line during peak hours. (Several people made this comment.)

**Staff Response:** Peak Astoria line service currently operates at maximum track capacity in the peak hour, so overall peak Astoria service cannot be increased. The Astoria line does have a middle track that could operate passenger service between Astoria Blvd and Queensboro Plaza. However, such an express service would skip 30 Av, Broadway, 36 Av and 39 Av, which have more riders than the express stations. Operation of an express service on the Astoria line would result in longer wait times at local stations and crowding on local trains.

Express service was operated for a short time on the Astoria line in 2001. Passenger loads were distributed very unevenly, with local trains being over guideline loads and express trains being underutilized. For these reasons, NYCT does not recommend express service on the Astoria line at this time.

**Comment:** The frequency of Q service on Second Avenue should be disclosed. (More than one person made this comment.)

**Staff Response:** Under the Recommended Service Plan that is being proposed, when the Second Avenue line opens, the average frequency of Q service as well as N, R, and W service would compare to current average frequencies as follows:

<table>
<thead>
<tr>
<th>Line</th>
<th>AM Peak</th>
<th>Midday / Evening</th>
<th>PM Peak</th>
<th>Weekends</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current Schedule</td>
<td>After SAS Opens</td>
<td>Current Schedule</td>
<td>After SAS Opens</td>
</tr>
<tr>
<td>N</td>
<td>8</td>
<td>8</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Q</td>
<td>8</td>
<td>8</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>R</td>
<td>6</td>
<td>6</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>W</td>
<td>---</td>
<td>8</td>
<td>---</td>
<td>10</td>
</tr>
</tbody>
</table>
Northbound (from Brooklyn and Lower Manhattan to Midtown, Upper Manhattan, and Queens)

<table>
<thead>
<tr>
<th>Line</th>
<th>AM Peak</th>
<th>Midday / Evening</th>
<th>PM Peak</th>
<th>Weekends</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current Schedule</td>
<td>After SAS Opens</td>
<td>Current Schedule</td>
<td>After SAS Opens</td>
</tr>
<tr>
<td>N</td>
<td>6</td>
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<td>Q</td>
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<td>R</td>
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<tr>
<td>W</td>
<td>---</td>
<td>10</td>
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<td>10</td>
</tr>
</tbody>
</table>

Note: Actual headways may vary.

**Comment:** I support construction of future phases of the Second Avenue Subway. *(More than one person made this comment.)*

**Staff Response:** The 2015-2019 capital plan includes initial funding for Phase 2 to 125 St. Phases 3 (to Houston St) and 4 (to Hanover Square) are not currently funded.

**Comment:** The Second Avenue line should have express service.

**Staff Response:** Two of the primary goals of the Second Avenue line are to relieve crowding on the Lexington Avenue line and to increase transit access on the far east side of Manhattan. The two-track line greatly reduces the cost of the new line as well as the disruption associated with construction. Station spacing on the line was designed to balance service speed with proximity for customer access while meeting these project goals.

**Comment:** J service should operate via the Montague tunnel to/from the 4th Avenue line.

**Staff Response:** As stated above, additional 4th Avenue service to lower Manhattan via Montague is not needed per current ridership demand and loading guidelines. D N and R loads to/from Brooklyn are currently within guidelines at all times. J riders wanting to travel between the J line and Downtown Brooklyn can transfer to the F at Delancey St-Essex St, the N Q or R at Canal St, and the 2 3 4 5 A and C at Fulton St.
PROCUREMENTS

The Procurement Agenda this month includes 10 actions for a proposed expenditure of $45.0M.
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:

<table>
<thead>
<tr>
<th>Category</th>
<th># of Actions</th>
<th>$ Amount</th>
</tr>
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<tbody>
<tr>
<td>Schedule A: Non-Competitive Purchases and Public Work Contracts</td>
<td>2</td>
<td>$0.4 M</td>
</tr>
<tr>
<td>Schedule B: Miscellaneous Service Contracts</td>
<td>1</td>
<td>$0.6 M</td>
</tr>
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</table>

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:

**Schedules Requiring Majority Vote:**

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
<th>Qty</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>H</td>
<td>Modifications to Personal/Miscellaneous Service Contracts</td>
<td>1</td>
<td>$10.7 M</td>
</tr>
<tr>
<td>I</td>
<td>Modifications to Purchase and Public Works Contracts</td>
<td>2</td>
<td>$20.9 M</td>
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<td>L</td>
<td>Budget Adjustments to Estimated Quantity Contracts</td>
<td>2</td>
<td>$9.5 M</td>
</tr>
</tbody>
</table>

**SUBTOTAL** 5 $41.1 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

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

NYC Transit proposes to award Ratifications in the following categories:

**Schedules Requiring Majority Vote:**

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
<th>Qty</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>K</td>
<td>Ratification of Completed Procurement Actions</td>
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<td>$0.8 M</td>
</tr>
</tbody>
</table>

**SUBTOTAL** 1 $0.8 M

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

**Schedules Requiring Majority Vote:**

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
<th>Qty</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>K</td>
<td>Ratification of Completed Procurement Actions</td>
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<td>$2.1 M</td>
</tr>
</tbody>
</table>

**SUBTOTAL** 1 $2.1 M

**TOTAL** 10 $45.0 M

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

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

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

WHEREAS, in accordance with Section 1265-a and 1209 of the Public Authorities Law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and certain budget adjustments to estimated quantity contracts; and

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All-Agency Guidelines for Procurement of Services, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.
2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.
3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.
4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein, and ratifies each action for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.
6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.
7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.
LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

**Procurements Requiring Two-Thirds Vote:**

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

1. Vac-U-Max $136,850 (Est.)  
   Staff Summary Attached
2. NEU International Railways $281,500 (Est.)  
   Contract # To Be Determined
   Test and evaluate a prototype for a portable track vacuum system to be used in underground stations.

**Procurements Requiring Majority Vote:**

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

3. Cummins Power Systems, LLC $578,500 (Est.)  
   RFQ# 67649  
   Staff Summary Attached
   Repair of Cummins bus engines.
**Schedule A: Non-Competitive Purchase and Public Work Contracts**

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>1-2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location)</strong></td>
<td></td>
</tr>
<tr>
<td>Vac-U-Max (Belleville, NJ)</td>
<td></td>
</tr>
<tr>
<td>NEU International Railways (Marcq-en Baroeul, France)</td>
<td></td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td></td>
</tr>
<tr>
<td>Purchases of equipment to test and evaluate prototypes of portable track vacuum system to be used in underground stations</td>
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<td><strong>Contract Term (including Options, if any)</strong></td>
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<tr>
<td>TBD</td>
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<td><strong>Option(s) included in Total Amount?</strong></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
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<td><strong>Procurement Type</strong></td>
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<tr>
<td>RFP</td>
<td>Bid</td>
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<td><strong>Contract Number</strong></td>
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<td>TBD</td>
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<tr>
<td><strong>Renewal?</strong></td>
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<td>No</td>
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<td><strong>Total Amount:</strong></td>
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<tr>
<td>Vac-U-Max: $136,850</td>
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<tr>
<td>NEU: $281,500</td>
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<td>$418,350 (Est.)</td>
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<td><strong>Funding Source</strong></td>
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<tr>
<td><strong>Requesting Dept/Div &amp; Dept/Div Head Name:</strong></td>
<td></td>
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<tr>
<td>Department of Subways, Wynton Habersham</td>
<td></td>
</tr>
</tbody>
</table>

**Discussion:**

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to subdivision 9(d) of Public Authorities Law (PAL) Section 1209 and approve the award of two purchase contracts for the test and evaluation of new technologies to conduct a pilot for the collection of trash on the track bed of underground subway stations. The statute states this section of the PAL requires a 30 day waiting period after Board action before a contract can be awarded. Purchase contracts will then be awarded to the following two manufacturers: Vac-U-Max in the estimated amount of $136,850 and NEU International Railways (“NEU”) in the estimated amount of $281,500. The total estimated value of these purchases will be $418,350. In order to meet the accelerated schedule for this initiative, NYC Transit is seeking Board Approval prior to finalizing the contracts. Finalization of the specifications and work scopes as well as negotiation of terms and conditions for each of the manufacturers is in process.

The Department of Subways (“DOS”) with the support of a best practices consultant (“Consultant”), has been conducting extensive research into technologies to improve the quality and the speed of cleaning track beds in station areas. As a result of a thorough search, 20 potential vendors were initially identified within the vacuum industry, which was then narrowed down to 12. Of the 12, only two were determined to have the proper engineering capability to meet the requirements of the program. Proposals have been received from each manufacturer with each proposal representing variations in approach. These will be the first prototype portable vacuum systems of their kind using battery technology in an industrial vacuum application to meet the demand for power, maneuverability and ease of use associated with working in subway stations.

Each prototype will be unique in design. The companies selected by DOS and the best practices consultant during the research period for participation in the pilot are Vac-U-Max and NEU. Both use lithium-ion batteries. Vac-U-Max concentrates on solving vacuum-related challenges faced by the chemical, food and pharmaceutical industries through the use of pneumatic systems built for condensing and safe handling of remnants of metal materials. NEU engineers and manufactures products for rail maintenance, machines for cleaning the inside and outside of trains and debris removal via vacuum trains in underground tunnels. Since NYC Transit’s stations are not equipped with sufficient alternate current three-phase electrical power to support the power demands of the vacuum systems, the best practices consultant recommended a battery power source.

Each system will consist of a vacuum unit, battery source and a non-conductive flexible suction hose and nozzle. NYC Transit personnel will operate the equipment (vacuum unit and battery power source) situated on the platform while the trash and steel dust on the track bed will be vacuumed by other NYC Transit personnel using the suction hose. This equipment will be operated under standard flagging procedures. Due to the differences in the offerings being provided, systems from two manufacturers will be tested and evaluated to determine suitability for use in the NYC Transit environment and to foster future competition.
Continued

Delivery time varies for each manufacturer. Vac-U-Max is quoting a lead time of 12 weeks and NEU is quoting a lead time of 16 weeks. A factory acceptance test and a field test will be conducted by the best practices consultant and NYC Transit for each of the systems. Both manufacturers have commenced preliminary design work in furtherance of this pilot program. The manufacturers will also provide training and technical guidance under the pilot program.

Variations in pricing arise from the fact that the technology is unique in concept and construction, materials and approaches utilized by each manufacturer, for which this is the first time that battery power and vacuum technology will be combined for high capacity industrial purposes. Pricing was determined to be fair and reasonable based upon the review and comparison to an independent engineering estimate developed by the best practices consultant.
### Schedule G: Miscellaneous Service Contracts

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>3</th>
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</thead>
<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location)</strong></td>
<td>Cummins Power Systems, LLC (Newark, NJ)</td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>Repair of Cummins Bus Engines</td>
</tr>
<tr>
<td><strong>Contract Term (including Options, if any)</strong></td>
<td>Four years</td>
</tr>
<tr>
<td><strong>Option(s) included in Total Amount?</strong></td>
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<td><strong>Procurement Type</strong></td>
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<td><strong>Solicitation Type</strong></td>
<td>RFP [ ] Bid [ ] Other: Non-Competitive [x]</td>
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<td><strong>Contract Number</strong></td>
<td>RFQ 67649</td>
</tr>
<tr>
<td><strong>Renewal?</strong></td>
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<td><strong>Total Amount:</strong></td>
<td>$578,500 (Est.)</td>
</tr>
<tr>
<td><strong>Funding Source</strong></td>
<td>Operating [x] Capital [ ] Federal [ ] Other: [ ]</td>
</tr>
<tr>
<td><strong>Requesting Dept/Div &amp; Dept/Div Head Name:</strong></td>
<td>Department of Buses/MTA Bus Company, Darryl C. Irick</td>
</tr>
</tbody>
</table>

### Discussion:

This contract is for Cummins Power Systems, LLC (“CPS”) to perform non-warranty work on Cummins diesel and compressed natural gas powered bus engines. From time-to-time bus engines require warranty repairs. However, in the event the need for non-warranty repairs is discovered while the engine is undergoing repairs covered under warranty, this contract will allow the non-warranty repairs to be performed concurrently. The non-warranty work performed is limited to work required to repair the engine. CPS is a Cummins-authorized parts, sales, and service dealer directly owned by Cummins Inc. Repair of these engines is critical in maintaining NYC Transit’s Department of Buses (“DOB”) and MTA Bus Company’s (“MTABC”) bus fleets in a state of good repair in order to meet service demands. CPS is required to provide a written, detailed work order based on Cummins’ published standard repair times to the NYC Transit Project Manager (“PM”) within 24 hours of receipt of the bus, and complete the work within five business days from receipt of the PM’s written work order approval. Repairs performed will have a 12-month unlimited mileage warranty.

DOB and MTABC operate over 4,200 buses (74% of the fleet) that are powered by Cummins-manufactured engines, of which approximately 2,600 are covered under warranty. Buses having engines covered by warranty are transported by in-house forces to CPS locations for engine warranty work. As a result of this contract all engine repairs are completed in an efficient and cost effective manner, reducing the amount of time the bus is out-of-service. Normal operating maintenance on engines that does not involve warranty work is performed by in-house forces. This is a non-competitive procurement because CPS is the regional Cummins-authorized warranty service provider for NYC Transit and MTABC buses powered by Cummins engines. Thus, CPS is the only party that can perform non-warranty repairs in conjunction with warranty repairs.

CPS originally submitted a proposal of $598,500 which consisted of pricing for parts and labor. Prior to negotiations MTA Audit performed an analysis of CPS’ costs as they pertain to this contract. Utilizing the results of the analysis Procurement found the labor rate offered to be fair and reasonable, and was successful in negotiating a 10% reduction on the parts pricing, resulting in a savings of approximately $20,000. CPS confirmed it is offering most favored customer pricing on this procurement. As a result, the revised proposal of $578,500 was found to be fair and reasonable.
H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services
(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.)

1. Louis T. Klauder and Associates $10,717,340 (Est.)
   Contract #CM-1423.2
   Modification to the consulting services contract for the R-179 Subway cars, in order to extend the contract term and add funding.

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

2. Ozone Park Lumber & $7,982,827 (Est.)
3. Mid-Island Electrical Supply $12,871,188 (Est.)
   Contract #08E9880.3
   Modifications to the estimated quantity contracts to furnish and deliver building materials, plumbing and electrical supplies, in order to extend the term of the contract.

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

4. Corporate Transportation Group, Ltd. $7,516,373 (Est.)
   Contract #06%6055
   Provide additional funding for the continued performance of broker-based car services for the Paratransit Division.

5. PAL Environmental Corp. $2,000,000 (NTE)
   Contract #C-31670
   Estimated quantity contract for environmental remediation services for lead/asbestos removal.
### Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

<table>
<thead>
<tr>
<th>Item Number</th>
<th>1</th>
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<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location)</strong></td>
<td>Louis T. Klauder and Associates (Ambler, PA)</td>
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<tr>
<td><strong>Description</strong></td>
<td>Consulting Services for the R179 Subway Car Contract</td>
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<tr>
<td><strong>Contract Term (including Options, if any)</strong></td>
<td>July 2, 2012 – October 2, 2020</td>
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<td><strong>Option(s) included in Total Amount?</strong></td>
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<td><strong>Solicitation Type</strong></td>
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<td><strong>Funding Source</strong></td>
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<td><strong>Requesting Dept/Div &amp; Dept/Div Head Name:</strong></td>
<td>Department of Subways, Wynton Habersham</td>
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<td>59.8%</td>
</tr>
<tr>
<td><strong>% of Modifications (including This Request) to Original Amount:</strong></td>
<td>59.8%</td>
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**Discussion:**

This modification will extend the term of the contract by an additional 16 months from October 2, 2020 through February 2, 2022 and add funding in the estimated amount of $10,717,340.

In June 2012, the Board approved an award to Louis T. Klauder and Associates (LTK) resulting from a competitive Request for Proposal solicitation for post-award Consulting Services for the R179 Subway Cars in the estimated amount of $17,922,156.

Under the contract, LTK is assisting NYC Transit with various tasks including the technical design review, first article inspections, qualification testing, production oversight, non-conformance reports and Buy America audits in support of Contract R34179, Purchase of 300 New “B” Division Subway Cars. As of March 31, 2016, contract expenditures have totaled $16,077,402. Based on the current rate of expenditure, the remaining contract funds of $1,844,754 will be expended by June 2016. In June 2013, Modification No. 1 was executed to reallocate certain funds and labor hours within the project with no change to the estimated contract value.

Under this Modification No. 2, the Department of Subways is requesting additional consultant support and a 16-month extension of the contract term for the following reasons: (1) While the technical specification for the R34179 Subway Car Contract was largely based on the technical specification for the R34160 Subway Car Contract, there were some differences between the R34179 and R34160 Contract technical specifications. As a result, the consultant support for design review, inspections and testing phases was projected to be less extensive due to NYC Transit’s familiarity with the technology on existing subway cars. However, during the actual post-award design phase it became apparent that the differences were more substantive than originally anticipated, requiring more extensive design reviews and validations. The additional required consultant support is estimated at $4,871,239; (2) As the R34179 Subway Car Contract progressed, the car manufacturer experienced significant delays primarily attributable to welding and subcontractor casting issues which have led to a substantial increase in the required consultant support for engineering and quality assurance oversight as well as a 16-month extension of the contract term. The additional required consultant support is estimated at $3,808,803; (3) This modification will also address the labor rate escalation for both the base term and the extension at the estimated value of $2,037,298.

LTK’s proposal was in the amount of $11,478,090. Negotiations resulted in the final estimated price of $10,717,340 which represents a 6.6% decrease from the initial pricing of $11,478,090 and savings of $760,750. Procurement and Cost Price have determined that the pricing is fair and reasonable.
## Schedule I: Modifications to Purchase and Public Work Contracts

### Vendor Name (& Location)
- Ozone Park Lumber (South Ozone Park, NY)
- Mid-Island Electrical Supply (Commack, NY)

### Discussion:
This modification will extend the multi-agency contract by 18 months from September 1, 2016 through February 28, 2018 with Ozone Park Lumber (“Ozone”) to furnish and deliver building materials, plumbing and electrical supplies and with Mid-Island Electrical Supply (“Mid-Island”), a NYS certified Women-Owned Business, to furnish and deliver electrical supplies. Additional funds in the amount of $7,982,944, including $50,000 for Staten Island Rapid Transit Operating Authority (“SIRTOA”), will be added to the Ozone portion of the contract for NYC Transit and SIRTOA. Additional funds in the amount of $12,871,188, including $190,000 for MTA Bus Company and $15,000 for SIRTOA, will be added to the Mid-Island portion of the contract for NYC Transit, MTA Bus Company and SIRTOA. This will result in a combined additional estimated amount of $20,854,132 anticipated to be spent during the term extension.

While NYC Transit had begun preparations for the competitive solicitation of a renewal contract, this contract has been selected in support of the procurement consolidation for non-core items at the request of the Business Service Center (“BSC”). Extending the term of this contract by 18 months, with additional funding to cover usage estimated during the term extension, will allow the BSC to (1) develop a Building, Plumbing and Electrical supply category strategy, (2) execute a multi-agency contract after conducting a competitive Request for Proposal (RFP), and (3) transition to new suppliers, if required as a result of the RFP.

In June 2011 the Board approved the award of this multi-agency competitive estimated quantity purchase contract that was solicited via an RFP to Ozone and Mid-Island. NYC Transit negotiated with five companies which submitted proposals to furnish and deliver building materials, electrical and plumbing supplies to all specified MTA agency work sites, storerooms and other locations throughout the five boroughs of New York City, Westchester, Putnam and Dutchess counties in New York, and Fairfield and New Haven counties in Connecticut. This contract includes NYC Transit (the Department of Subways and the Department of Buses), as well as MTA Bus Company, SIRTOA, Metro North Railroad and Triborough Bridge & Tunnel Authority as joint participants.

Additionally, in March 2014 the Board approved a Budget increase for building materials, plumbing supplies and electrical supplies to cover higher utilization. The increase was primarily driven by a series of new and ongoing Infrastructure/Capital Construction projects, upgrades at bus facilities, subway stations and maintenance shops throughout NYC Transit; as well as time-sensitive general maintenance and rehabilitation work.

---

### Item Number: 2-3

<table>
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<th>Vendor Name (&amp; Location)</th>
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<tr>
<td>Ozone Park Lumber (South Ozone Park, NY)</td>
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<td>3</td>
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<tr>
<td>Mid-Island Electrical Supply (Commack, NY)</td>
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<table>
<thead>
<tr>
<th>Description</th>
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<td>Furnish and deliver building materials, plumbing and electrical supplies</td>
<td>$20,451,536 (Ozone)</td>
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<td>☐️ RFP ☐️ Bid ☒️ Other: Modification</td>
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<tr>
<td>September 1, 2011 – August 31, 2016</td>
<td>$28,879,795 (Ozone)</td>
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<tr>
<td>$7,982,944 (Ozone)</td>
<td>$20,854,132 (Est.)</td>
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<tr>
<td>$12,871,188 (Mid-Island)</td>
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<table>
<thead>
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</thead>
<tbody>
<tr>
<td>Department of Subways, Wynton Habersham</td>
</tr>
</tbody>
</table>
Continued

Under this contract, materials are purchased utilizing the contract’s pre-priced items lists which are subject to Producer Price Index adjustments (up or down) based on a review every six months; catalogs published to the industry for building materials, plumbing and electrical supplies to which the contractor applies a competitively determined discount; and items not pre-priced or available through catalogs for which the contractor charges a competitively determined mark-up to the lowest available cost substantiated by the contractor. The discount and mark-up rates are fixed for the term of the contract and are quoted separately for building materials, plumbing and electrical supplies.

The program’s overall goal is to more efficiently provide general building materials, electrical and plumbing supplies to user departments by reducing the lead-time necessary to order materials, and to allow the contractor to provide timely delivery directly to work locations. NYC Transit (and other agencies) realized additional savings by eliminating costs associated with storing and handling of materials as inventory items. Other benefits of the contract include twenty-four hours per day, seven days per week delivery to agency work locations, the ability to pick-up materials from supplier locations, and return of unused materials. NYC Transit utilized this contract to support user department initiatives such as FASTRACK and enabling quick responses to emergencies and storms such as Irene and Sandy, in addition to various other unforeseen events.

Ozone and Mid-Island have both agreed to extend the contract term and NYC Transit was able to obtain price concessions for high value pre-priced items from both companies. The pricing is considered to be fair and reasonable. Metro North Railroad and Triborough Bridge & Tunnel Authority do not require additional funding during this term extension.
L. Budget Adjustments to Estimated Quantity Contracts

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

<table>
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<th>4.</th>
<th>Corporate Transportation Group (CTG), Ltd.</th>
<th>Original Amount:</th>
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<td>September 1, 2013 – August 31, 2016</td>
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<td>This Request:</td>
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<td>% of Mods/Budget Adjustments (including This Request) to Original Amount:</td>
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</table>

Discussion:

This budget adjustment will provide additional funding to Contract 06%6055 for continued broker-based car services for Paratransit’s Access-A-Ride (“AAR”) customers through the end of the contract term, August 31st, 2016.

Following the competitive solicitation of the Request for Proposal (“RFP”) for broker-based car services, the Board approved the award of two miscellaneous service, estimated-quantity contracts in July 2013—both with three-year terms and an option to extend the terms for up to two additional years. These contracts were awarded to Medical Transportation Management (“MTM”), Inc. for an estimated $106,206,745 under Contract 06%6054 and Corporate Transportation Group (“CTG”), Ltd. for an estimated $72,868,015 under Contract 06%6055. The Broker model utilizes a Contractor to schedule and dispatch pre-arranged trips for Paratransit's ambulatory passengers (passengers who do not use wheelchairs) through a non-dedicated subcontractor network of livery and black car service providers. The use of non-dedicated AAR service provides a cost benefit to NYC Transit because service providers use their own vehicles to perform AAR trips in concert with their normal commercial business. As a result, Paratransit does not bear the direct responsibility for maintenance of the vehicles and other operating costs, as is the case with the dedicated Primary Carrier service for Paratransit. Historically, broker pricing has been on average 47% lower than the Primary Carrier service, with average per trip pricing of $30 and $57, respectively.

The initial competitive RFP was structured to facilitate NYC Transit’s desire to make multiple awards in order to provide and expand broker-based car services and cultivate competition for future procurements. As a split award, MTM received 60% of the total estimated broker trip volume at a weighted average cost per trip (“WACPT”) of $29.62 and CTG received 40% of the total estimated broker trip volume at a WACPT of $30.49. It should be noted that CTG was the incumbent for this contract, as it was awarded a pilot contract in January 2011 to test and evaluate whether the Broker model could provide the vehicle capacity to perform a high volume of ambulatory AAR trips. The pilot was considered successful in that it supplemented the Primary Carrier service with additional capacity, achieved significant cost savings for Paratransit, and established a basis for long-term broker contracts.

At the start of these new broker contracts, CTG continued to provide a high service level of broker trips. MTM, however, experienced extended challenges in securing an extensive network of service providers to address the higher percentage of the broker trip volume. As a result, a greater number of trips were assigned to CTG than originally anticipated. To date, CTG provides a greater proportion of the overall volume of broker trips.

This budget adjustment is required to cover the funding shortfall that resulted from the increase in trips assigned to CTG and the projected increase in CTG’s trip volume that will continue through the end of its contract term. To date, these broker contracts have enabled Paratransit to achieve an estimated savings of $106M, as compared to the Primary Carrier service. The $5,254,822 remaining in CTG’s contract coupled with the additional funding provided through the approval of this budget adjustment for $7,516,373 will provide the opportunity to save an additional $16.3M through the end of CTG’s contract term. The Authority intends to exercise the contractual two-year option for both CTG and MTM, extending both contract terms through 2018.
L. **Budget Adjustments to Estimated Quantity Contracts**

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

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**Discussion:**

This retroactive budget adjustment will provide additional funding for the continuation of asbestos abatement and other hazardous material remediation on Department of Capital Program Management (“CPM”) projects.

This competitively awarded indefinite quantity contract is for the removal of asbestos, lead disturbance and environmental remediation services throughout various NYC Transit properties. Remediation services include the removal of batteries, asbestos mercury containing bulbs, fluorescent light ballasts, PCB containing transformers/electrical equipment and other environmental hazards. Task orders are processed and awarded on an as-needed basis. All requests for abatement/remediation services are coordinated through NYC Transit’s CPM Consultant Services Unit via individual task orders for each abatement/remediation task. This contract was awarded as a three-year estimated quantity contract with an additional one-year option for $1,500,000. Fixed unit prices have been competitively negotiated for both the base and option. Previous budget adjustments totaling an additional $1,500,000 have been authorized. The contract term has been extended to December 5, 2016.

This budget adjustment is necessary due to the immediate need to remove asbestos containing materials unexpectedly discovered behind the North Bound Platform of the 8th Avenue Station on the Sea Beach Line. Construction along the nine stations along the Sea Beach Line is currently in process. While performing construction activities, the general contractor came across asbestos containing materials during soil excavation that had been dumped on the property adjoining the 8th Avenue Station, resulting in the need to shift work to other locations while clean-up was in process. Due to the extremely tight schedule and urgent need to complete construction and return the station to normal service, it was critical that this contaminated soil be removed immediately. The work included the excavation, removal, hauling and disposal of the asbestos laden soil. The asbestos removal has been completed, and the contract schedule was not affected.

NYC Transit is working on award of the replacement contracts which are anticipated to be in place by the third quarter of 2016. Retroactive approval, effective March 31, 2016, in the not-to-exceed amount of $2,000,000 was issued by the Senior Vice President of CPM pending the finalization of task order price negotiations. The negotiated price of the task order necessitating this funding request is $1,712,800.
Procurements Requiring Majority Vote:

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

1. Thales Transport & Security, Inc. $815,000 Staff Summary Attached
   Contract# S-32723.42
   Modification to the contract for the installation of CBTC Signaling on the Flushing Line, in order to
   relocate First Avenue uninterruptible power supply and fire suppression equipment.
### Schedule K: Ratification of Completed Procurement Actions

**Item Number:** 1  

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<tr>
<th>Description</th>
<th>Original Amount: $343,518,371</th>
<th>Prior Modifications: $1,077,710</th>
<th>Prior Budgetary Increases: $0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installation of New Communication Based Train Control signal system – Flushing Line</td>
<td>Current Amount: $344,596,081</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Term (including Options, if any)</td>
<td>This Request: $815,000</td>
<td>% of This Request to Current: 0.2%</td>
<td></td>
</tr>
<tr>
<td>June 16, 2010 – November 16, 2016</td>
<td></td>
<td>% of Modifications (including This Request) to Original Amount: 0.5%</td>
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<table>
<thead>
<tr>
<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>□ Yes □ No □ n/a</td>
<td>☑ Competitive □ Non-competitive</td>
<td>□ RFP □ Bid ☑ Other: Modification</td>
<td>□ Operating □ Capital □ Federal □ Other:</td>
<td>Capital Program Management, John O’Grady</td>
</tr>
</tbody>
</table>

**Discussion:**

This retroactive modification is for the relocation of an uninterruptible power supply/battery system (“UPS”) and an Inergen fire suppression system (“FSS”) for the First Avenue interlocking.

This contract is for the installation of a new Communication Based Train Control (“CBTC”) signal system on the Flushing Line from Times Square/42nd Street in Manhattan to Main Street in Queens, as well as the Corona Yard, and replaces the antiquated 25 Hertz wayside signal system with the 60 Hertz electric equipment at the Times Square/42nd Street and First Avenue interlockings.

Existing Subways operational facilities are located at First Avenue and 42nd Street, underground on two levels. An existing relay room on the lower level has equipment, such as Solid State Interlocking (“SSI”) cabinets, that controls the First Avenue interlocking. The contract, awarded in 2010, calls for a certain UPS to be installed in the relay room. The UPS provides power for the relay room in the event of a Consolidated Edison outage. The contract also calls for a FSS to be installed in the relay room. The FSS will protect all the equipment in the relay room, including the existing SSI cabinets and the new UPS. However, a change in standards after contract award called for a larger UPS that does not fit in the limited space available in the relay room. Accordingly, the UPS had to be installed in a different room, and an electrical power connection made between the two rooms. Also, the FSS now has to protect equipment in separate rooms, and an Inergen gas pipe connection made between the two rooms. NYC Transit decided it was optimal to co-locate the UPS and FSS in an unused space on the upper level of the First Avenue operational facilities. The contractor proceeded to build a room to house the UPS and FSS and to install the UPS and FSS in at this location, in lieu of the contractual location. The contractor did this at no additional cost.

The contractor was nearly complete with installing the UPS/FSS when the ceiling began to leak. Despite numerous attempts to stop the leak with grouting and other remediation techniques, the leak could not be controlled. Accordingly, the UPS/FSS had to be relocated. Subways had a storage room for hydraulic pump maintenance at the First Avenue operational facilities. Subways vacated the room so the UPS/FSS could be relocated there.

This retroactive modification provides for relocating the UPS and FSS equipment, including associated electrical panels and circuit breakers, to the room vacated by Subways. The additional work includes additional electrical power connection and Inergen gas piping between the existing relay room and the new UPS/FSS room. The contractor’s revised proposal was $884,200. NYC Transit’s revised estimate was $773,600. Negotiations resulted in the agreed upon lump sum of $815,000, which was found to be fair and reasonable. Savings of $69,200 were achieved. The SVP & Chief Engineer approved a retroactive waiver and the contractor was directed to proceed in order to not impact the project schedule.
MAY 2016

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

1. Judlau Contracting, Inc. $2,100,000  Staff Summary Attached
   Contract# C-26011.197
   Modification to the contract for station finishes for the Second Avenue Subway, 72nd Street Station, in order to address additional costs associated with furnishing and installing a Securiplex Watermist Fire Suppression System.
Schedule K: Ratification of Completed Procurement Actions

Item Number: 1

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

Description
Second Avenue Subway – 72nd Street Station Finishes, Mechanical, Electrical and Plumbing Systems, Ancillary Buildings and Entrances

Contract Term (including Options, if any)
February 14, 2013 – November 13, 2015

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

Procurement Type ☑ Competitive ☐ Non-Competitive

Solicitation Type ☐ RFP ☐ Bid ☑ Other: Modification

Funding Source ☐ Operating ☑ Capital ☐ Federal ☐ Other:

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

Contract Number C-26011
AWO/Mod. # 197

Original Amount: $ 247,048,405
Option 1: $ 3,934,595
Option 2: $ 1,270,000
Option 3: $ 6,100,000
Total Amount: $ 258,353,000
Prior Modifications: $ 30,078,999
Prior Budgetary Increases: $ 0

Current Amount: $ 288,431,999

This Request: $ 2,100,000

% of This Request to Current Amount: 0.7%

% of Modifications (including This Request) to Total Amount: 12.5%

Discussion:

This retroactive modification is for the furnishing and installation of the Securiplex Water Mist Fire Suppression in the 72nd Street Station.

The contract work includes the installation of mechanical systems including HVAC in the station and ancillary facilities; tunnel ventilation systems in the adjacent tunnels; electrical medium voltage and 120V systems; plumbing for track, sanitary, and storm drainage, hot and cold water supply, pump systems, and fire suppression; escalators and elevators in the station entrances; construction of the station platform and mezzanine levels, ancillary facilities, and entrances; construction of interior walls and rooms; architectural finishes including floors, ceilings, wall treatments, signage, stairs, handrails, guardrails, and station elements including the Station Service Center and Concession Booth; building exteriors including walls, roofing, glass storefronts, and canopies at station entrances and ancillary facilities; and restoration of Second Avenue and adjacent streets impacted by construction.

The contract requires the Contractor to furnish and install a water mist fire suppression system. Two such systems were listed in the contract as approved systems, one manufactured by Securiplex, Inc. and the other by the Marioff Corporation. The contractor ordered the system from Marioff and, by December 2013, Marioff had fabricated and delivered most of the components for the system. Subsequently, Securiplex filed a complaint with the FTA claiming that the Marioff system does not comply with the FTA’s Buy America requirements. MTACC opposed that complaint and submitted a letter to the FTA in opposition. Nevertheless, on January 6, 2015, the FTA ruled that the Marioff system does not comply with the requirements of Buy America and that, to remain eligible for FTA funds, the MTA must use a water mist system that complies with the requirements of Buy America. Accordingly, the Contractor was directed to stop installation of the Marioff System. In order to minimize the impact on schedule, on January 28, 2016, the MTACC President authorized the contractor to furnish and install the Buy America compliant system manufactured by Securiplex in place of the Marioff System.

The Contractor’s initial proposal was $2,277,560. MTACC’s estimate was $2,300,528. Negotiations resulted in agreement in a lump sum price of $2,100,000, which is considered fair and reasonable.
Procurements
PURPOSE:
To obtain approval of the Board to award various contracts/contract modifications and purchase orders, and to inform the MTA Metro-North Railroad Committee of these procurement actions.

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

Schedules Requiring Two-Thirds Vote (or more, where noted)
NONE

Schedules Requiring Majority Vote

Schedule G: Miscellaneous Service Contract
- Kato Engineering, Inc. $664,834

# of Actions $Amount
1 $664,834

SUB TOTAL: 1 $664,834
MNR proposes to award competitive procurements in the following categories:

<table>
<thead>
<tr>
<th>Schedules Requiring Two-Thirds Vote (or more, where noted)</th>
<th># of Actions</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)</td>
<td>1</td>
<td>$8,378,276</td>
</tr>
<tr>
<td>• Multiclip Co. Limited d/b/a Vortok International</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Schedules Requiring Majority Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule G: Miscellaneous Service Contracts</td>
</tr>
<tr>
<td>• Axion Technologies (USA) Ltd.</td>
</tr>
<tr>
<td>• Stewart &amp; Stevenson Power, Inc.</td>
</tr>
<tr>
<td>Schedule H: Modifications to Personal/Miscellaneous Service Contracts</td>
</tr>
<tr>
<td>• Automotive Resources International (ARI)</td>
</tr>
<tr>
<td>• RZS Solutions, Inc.</td>
</tr>
</tbody>
</table>

SUB TOTAL: 5 $24,174,716

MNR presents the following procurement actions for Ratification:

<table>
<thead>
<tr>
<th>Schedules Requiring Two-Thirds Vote (or more, where noted)</th>
<th>NONE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedules Requiring Majority Vote</td>
<td>NONE</td>
</tr>
</tbody>
</table>

SUB TOTAL: 6 $24,839,550

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

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

**RECOMMENDATION:** That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)
WHEREAS, in accordance with Section 1265-a and Section 1209 of the Public Authorities Law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain change orders to procurement, public work, and miscellaneous procurement contracts; and

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All Agency Guidelines for Procurement of Services, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in the annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical or inappropriate to utilize a procurement process inviting sealed bids with award to the lowest responsive/responsible bidder.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. The Board ratifies each action taken set forth in Schedule D for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.
Schedules Requiring Majority Vote:

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

1. Kato Engineering, Inc. $664,834 (not-to-exceed)  Staff Summary Attached

Repair and Return of Main Traction Alternators for BL20 Locomotives
Approval is requested for a non-competitive three-year miscellaneous service contract in the not-to-exceed amount of $664,834 (includes option to purchase one new alternator) to Kato Engineering, Inc. (Kato) for the pick-up, repair, and delivery of Main Traction Alternator/Companions used on MNR's BL20 Locomotive fleet. These services are required to maintain the locomotive fleet in a state of good repair.

The scope of work includes but is not limited to: installation of new leads on the rotor and rotor assembly, the installation of new shafts, bearings, surge suppressors and diodes on the rebalanced main rotating assembly, and securement of the exciter rectifier assembly mounting bolts. MNR does not have in-house capability to perform this work.

Kato is the Original Equipment Manufacturer (OEM) and only qualified maintainer of these alternators. Kato’s overall pricing has been consistent with past repairs of these units and is deemed fair and reasonable.

In requesting this Board authorization, MNR has complied with the public advertisement requirements of PAL§ 1265-a (3) and PAL§ 1265-a (4) (b) and with MTA All-agency Procurement Guidelines for the procurement of sole source items. An advertisement for the required services was placed in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and was posted on the MTA website.

The pricing was deemed fair and reasonable for the level of services required. The total cost is not-to-exceed $664,834 is to be funded by the MNR Operating Budget.
Schedule G: Miscellaneous Service Contracts

<table>
<thead>
<tr>
<th>Item Number: G</th>
<th>Vendor Name (&amp; Location)</th>
<th>Description</th>
<th>Contract Term (including Options, if any)</th>
<th>Option(s) included in Total</th>
<th>Procurement Type</th>
<th>Solicitation Type</th>
<th>Contract Number</th>
<th>AWO/Modification</th>
<th>Renewal?</th>
<th>Total Amount: $664,834 (not-to-exceed)</th>
<th>Funding Source</th>
<th>Requesting Dept./Div. &amp; Dept./Div. Head Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kato Engineering, Inc. North Mankato, MN</td>
<td>Repair and Return of Main Traction Alternators for BL20 Locomotives</td>
<td>Three Years</td>
<td>☑ Yes ☐ No</td>
<td>☑ Non-competitive</td>
<td>☑ Other: Sole Source</td>
<td>9824-A</td>
<td>☑</td>
<td>☑ No</td>
<td>☑</td>
<td></td>
<td>Operating ☐ Capital ☐ Federal ☐ Other:</td>
</tr>
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</table>

Discussion:

Approval is requested for a non-competitive three-year miscellaneous service contract in the not-to-exceed amount of $664,834 (includes option to purchase one new alternator) to Kato Engineering, Inc. (Kato) for the pick-up, repair, and delivery of Main Traction Alternator/Companions used on MNR's BL20 Locomotive fleet. These services are required to maintain the locomotive fleet in a state of good repair.

The scope of work includes but is not limited to: installation of new leads on the rotor and rotor assembly, the installation of new shafts, bearings, surge suppressors and diodes on the rebalanced main rotating assembly, and securement of the exciter rectifier assembly mounting bolts. MNR does not have in-house capability to perform this work.

Kato is the Original Equipment Manufacturer (OEM) and only qualified maintainer of these alternators. Kato's overall pricing has been consistent with past repairs of these units and is deemed fair and reasonable.

In requesting this Board authorization, MNR has complied with the public advertisement requirements of PAL § 1265-a (3) and PAL § 1265-a (4) (b) and with MTA All-agency Procurement Guidelines for the procurement of sole source items. An advertisement for the required services was placed in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and was posted on the MTA website.

The pricing was deemed fair and reasonable for the level of services required. The total cost is not-to-exceed $664,834 and is to be funded by the MNR Operating Budget.
MAY 2016

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

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

1. Multiclip Co. Limited d/b/a Vortok International $8,378,276 (not-to-exceed) Staff Summary Attached
   Design, Build and Furnish a Pre-Wired House for Train Fault Detector

   Approval is requested to award a 17-month competitively solicited contract (two proposals received) in the not-to-exceed amount of $8,378,276 to Multiclip Company Limited d/b/a Vortok International (Vortok), for design, build and furnishing of Pre-Wired Houses for Train Fault Detectors. This is a joint procurement with Metro-North (MNR) acting as the lead Agency and Long Island Rail Road (LIRR) (“the Railroads”).

   Each Train Fault Detector system includes: a 4-track Hotbox Detector (for detection of overheated wheel bearings), Wheel Impact Load Detector (“WILD”), Automatic Tag Reader System, and requires the design and integration of the data for real time reporting to the Railroad’s Operation Control Centers. This system will be applied specifically in the areas east of Green’s Farms Station (New Haven Line) and south of Scarborough Station (Hudson Line). LIRR’s system will be installed on the Main Line at Queens Interlocking, located west of Bellerose Station. MNR along with LIRR have identified the critical need to install wayside monitoring of all trains that operate regularly in their service territories.

   On July 23, 2015 MNR RFP No. 9622-A was advertised in the New York State Contract Reporter, El Diario, The Daily Challenger, New York Post and posted on the MTA website. On September 3, 2015, two technical and cost proposals were received from the following firms: Voestalpine Nortrak, Inc. (“Nortrak”) and Vortok.

   As a result of the final evaluations of the two proposals received and in accordance with the criteria for selection, the Committee unanimously recommended Vortok for award. The recommendation is based on the overall quality of their technical and cost proposals. Nortrak was not shortlisted based upon their inability to demonstrate that they had the capacity to fully integrate the design elements of this project which precluded them from further consideration.

   Vortok has delivered similar data collection systems to other rail systems. Vortok’s final BAFO cost of $8,378,276 ($5,634,520 – MNR and $2,743,756 – LIRR) is within the estimated budget and $477,244 less than their initial proposal. The cost is considered fair and reasonable and is to be funded by MNR’s and LIRR’s Operating Budget.
Requiring Majority Vote:

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

2. Axion Technologies (USA) Ltd. $10,000,000 (not-to-exceed)
Purchase and Repair/Return of OEM Axion Communications Parts, Components and Assemblies
Approval is requested to award a competitively solicited (one bid received), three-year miscellaneous service contract in the not-to-exceed amount of $10,000,000 to Axion Technologies (USA) Ltd. (Axion), for the repair, return and replacement of radio and train public address system assemblies and subassemblies for MNR’s M-7 and M-8 Railcars. This is the first repair, return and replacement service agreement for these assemblies and is necessary to support MNR’s M-7 and M-8 fleet.

In accordance with MNR and MTA procurement guidelines, an advertisement for these services was placed in the New York State Contract Reporter, New York Post, the minority publications, El Diario and Daily Challenge, and posted on the MTA website.

The proposed fixed price includes a 4.475% annual increase for repair/return items. In addition to the fixed pricing, MNR has secured guaranteed turnaround time and extended warranties. All material under the contracts will be procured on an as-needed basis and MNR is not obligated to purchase the estimated amounts. The pricing for these services is deemed to be fair and reasonable. This procurement is to be funded by the MNR Operating Budget.

3. Stewart & Stevenson Power, Inc. $721,440 (not-to-exceed)
Repair and Return of Main Engine Fuel Injectors
Approval is requested to award a competitively solicited (three bids received) three-year miscellaneous service contract in the not-to-exceed amount of $721,440 to Stewart and Stevenson Power, Inc. for pick up and unit exchange services (UTEX) for BL-20 Locomotive fuel injectors.

As part of the maintenance requirements set by MNR’s Maintenance of Equipment (MofE) Department, the unit exchange of locomotive fuel injectors is planned to coincide with MNR’s maintenance requirements for its BL-20 Switcher/ Shuttle Locomotives. These unit exchanges ensure the efficient, timely, and safe operation of the BL-20 fleet. MNR does not have the equipment or in-house capabilities to perform this work.

In accordance with the MNR and MTA procurement guidelines, an advertisement for these services was placed in the New York State Contract Reporter, New York Post, the minority publications, El Diario and Daily Challenge, and posted on the MTA website.

The unit prices contained in this agreement are fixed for the three-year term. Stewart and Stevenson Power’s bid price was 18.29% lower than the next lowest bidder, Higher Power Industries. Stewart and Stevenson’s current bid price is 3.08% higher than the last price paid for these UTEX services in 2015 and is deemed fair and reasonable for the work to be performed. This procurement is to be funded by the MNR Operating Budget.
H. Modifications to Personal/Miscellaneous Service Contracts
(Approvals/Staff Summaries required for substantial change orders and change orders that cause the original contract to equal or exceed monetary or durational threshold required for Board approval)

4. Automotive Resources International (ARI) $3,850,000 (not-to-exceed)  Staff Summary Attached
Fleet Maintenance Services
Approval is requested for additional funding to an existing miscellaneous service contract with Automotive Resources International (ARI) in the total not-to-exceed amount of $3,850,000 to manage a cost effective vehicle repair network. ARI’s services include coordinating invoices from multiple service providers and service repair stations located within the MNR operating territory and the provision of invoice summaries with detailed vehicle maintenance reporting data for the various MNR fleet managers. The current agreement will expire in July, 2017.

In 2012, under an MTA Board approved multi-agency contract, MNR awarded a five-year contract to ARI in the amount of $11,000,000. MNR has experienced a significant increase in usage of these services over the last two-year period, with the trend forecasted to continue through the contract expiration date. This increase is directly related to the increased number of vehicles requiring maintenance and repairs in support of the multiple Maintenance of Way (MofW) projects which was not part of the original budget estimate.

All terms and conditions as well as pricing for these services will remain unchanged. The total not-to-exceed cost of $3,850,000 for these additional services will be funded by the MNR Operating Budget.

5. RZS Solutions, Inc.  $1,225,000 (not-to-exceed)  Staff Summary Attached
Park Avenue Tunnel Alarm Safety Upgrades
Approval is requested for additional funding in the not-to-exceed amount of $1,225,000 and a 12-month time extension for a contract modification to an existing, miscellaneous service contract with RZS Solutions, Inc. (RZS) to add safety enhanced functionalities to the Park Avenue Tunnel Alarm System. This contract was competitively solicited and awarded in September 2013, for the design, installation support and maintenance of the Park Avenue Tunnel Alarm System. RZS was the sole responsible bidder. By executing this contract change with RZS, MNR will be able to take advantage of the initial design and materials previously delivered which ensures complete continuity and reduced delivery time for this safety upgrade.

The purpose of the alarm system is to immediately turn off third rail power in the event of an emergency in the Park Avenue Tunnel between 59th and 110th Streets, thereby allowing railroad or emergency personnel to proceed around the third rail. It also provides feedback to the Power Department that an emergency condition exists. The system has been designed per the specification and delivered to MNR in accordance with the contractual terms; however, after receiving the alarm system but before it was installed, MNR’s Safety Department undertook a review and determined that the Railroad’s specifications for the contracted system did not adequately address safety concerns and National Fire Protection Association (NFPA) 130 standard/industry best practices. MNR benchmarked the project with various other rail and transit agencies and determined additional components were necessary. The benchmarking effort specifically considered the 2015 tunnel fire in the Washington D.C. Metro system that claimed one life. In fact, the NTSB report on the Metro fire emphasizes the importance of alignment with NFPA 130.
Based on RZS's scope of work and MNR's review of its proposal, negotiations resulted in a reduction of $167,021 from the amount originally proposed (12.01%). All other contract terms and conditions remain the same. The final agreed upon costs are deemed to be fair and reasonable. At this time, MNR is requesting Board approval for an additional $1,225,000 and a 12-month time extension. The additional funding will be provided by the MNR Operating Budget.
Narrative

I. PURPOSE/RECOMMENDATION:
   Approval is requested to award a 17-month competitively solicited contract (two proposals received) in the not-to-exceed amount of $8,378,276 to Multiclip Company Limited d/b/a Vortok International (Vortok). This procurement consists of the design, build and furnishing of Pre-Wired Houses for Train Fault Detectors. This is a joint procurement with Metro-North (MNR) acting as the lead Agency and Long Island Rail Road (LIRR) (“the Railroads”).

II. DISCUSSION:
   The objective of this program is to design, build and furnish Pre-Wired Houses for Train Fault Detectors (“TFD”). Each TFD includes a 4-track Hotbox Detector (for detection of overheated wheel bearings), Wheel Impact Load Detector (“WILD”), Automatic Tag Reader System, and requires the design and integration of the data for real time reporting to the Railroad’s Operation Control Centers. This system will be applied specifically in the areas east of Green’s Farm Station (New Haven Line) and south of Scarborough Station (Hudson Line). LIRR’s system will be installed on the Main Line at Queens Interlocking, located west of Bellerose Station. MNR along with LIRR have identified the critical need to install wayside monitoring of all trains that operate regularly in their service territories.

   The TFD will continuously monitor and measure the wheel/rail loads produced as a result of irregularities in rolling stock wheels and monitor passing trains for detection of overheated equipment bearings. The system will be supplied as a pre-wired instrument house and installed by each Railroad’s forces. MNR received Board approval to use the Request for Proposal (RFP) process for this procurement at the March 2014 MTA Board Meeting.

   On July 23, 2015 MNR RFP No. 9622-A was advertised in the New York State Contract Reporter El Diario, The Daily Challenge, New York Post and posted on the MTA website. On September 3, 2015, two technical and cost proposals were received from the following firms: Voestalpine Nortrak, Inc. (“Nortrak”) and (“Vortok”).
Staff Summary

A Selection Committee comprised of five members representing MNR’s Communication and Signal (C&S) and Procurement & Material Management Departments evaluated the proposals using a two phase approach. The criteria in order of importance for selection established in the RFP were as follows:

Phase 1
1. Demonstrated understanding of the Technical Specification requirements
2. Past Experience and performance on similar projects
3. Demonstrated capability and financial resources to perform the assigned Scope of Work in the time projected

Phase 2
1. Technical Merit
2. Cost

During the Phase 1 evaluations, presentations were made by each of the proposers including a question and answer period based on previously prepared questions. Each Committee member scored the proposers against the Phase 1 criteria. Based upon numerical overall evaluations of the proposals, a “shortlist” was established and Vortok was selected to participate in Phase 2 and asked to provide full Technical and Commercial proposals. Nortrak was not shortlisted based upon their inability to demonstrate that they had the capacity to fully integrate the design elements of this project which precluded them from further consideration.

After reviewing the Phase 2 proposal, the Selection Committee agreed that Vortok could perform the scope of work as provided in the contract and their proposal met the requirement of the RFP. Vortok’s Best and Final Offer (BAFO) was $8,378,276 and provided the best value to the Railroads. After a detailed review of the C&S estimated costs for the level of work required under this RFP, Vortok was within 11.8% of the estimated budget and $477,244 less than their initial proposal. Further, Vortok was able to demonstrate to the Selection Committee its ability to successfully complete all requirements within the 17-month schedule. Accordingly, it is recommended that the Board approve the selection of Vortok for the design, build and furnishing of pre-wired houses for train fault detectors.

III. D/M/WBE INFORMATION:
The MTA Department of Diversity and Civil Rights (“DDCR”) established a 10% MBE and 10% WBE goal for this project. The contract will not be awarded until DDCR requirements have been satisfied.

IV. IMPACT ON FUNDING:
The total cost for this procurement is not to exceed $8,378,276 ($5,634,520 – MNR and $2,743,756 – LIRR) and is to be funded by each Agency’s Operating Budget.

V. ALTERNATIVES:
The Railroads do not have the in-house design or capacity to complete the scope of the specified work.
**Schedule H: Modifications to Personal Service and Miscellaneous Service Contracts**

<table>
<thead>
<tr>
<th>Item Number</th>
<th>H</th>
</tr>
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<tbody>
<tr>
<td>Vendor Name (&amp; Location)</td>
<td>Automotive Resources International, Inc., Manassas, VA</td>
</tr>
<tr>
<td>Description</td>
<td>Fleet Maintenance and Management Services</td>
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<tr>
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<td>Option(s) included in Total Amount?</td>
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<td>Procurement Type</td>
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<tr>
<td>Solicitation Type</td>
<td>☑ RFP ☐ Bid ☐ Other:</td>
</tr>
<tr>
<td>Funding Source</td>
<td>☑ Operating ☐ Capital ☐ Federal ☐ Other:</td>
</tr>
<tr>
<td>Requesting Dept./Div. &amp; Dept./Div. Head Name:</td>
<td>Procurement &amp; Material Management, Al Muir, Sr. Director</td>
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<tr>
<td>Contract Number</td>
<td>1000009713</td>
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<tr>
<td>AWO/Modification #</td>
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<tr>
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<tr>
<td>This Request:</td>
<td>$3,850,000 not-to-exceed</td>
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<td>% of This Request to Current Amount:</td>
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<tr>
<td>% of Modifications (including This Request) to Original Amount:</td>
<td>35%</td>
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**Discussion:**

Approval is requested for additional funding to an existing miscellaneous service contract with Automotive Resources International (ARI) in the total not-to-exceed amount of $3,850,000 to manage a cost effective vehicle repair network. ARI's services include coordinating invoices from multiple service providers and service repair stations located within the MNR operating territory and the provision of invoice summaries with detailed vehicle maintenance reporting data for the various MNR fleet managers. The current agreement will expire in July, 2017.

In 2012, under an MTA Board approved multi-agency contract, MNR awarded a five-year contract to ARI in the amount of $11,000,000. MNR has experienced a significant increase in usage of these services over the last two-year period, with the trend forecasted to continue through the contract expiration date. This increase is directly related to the increased number of vehicles requiring maintenance and repairs in support of the multiple Maintenance of Way (MofW) projects which was not part of the original budget estimate.

All terms and conditions as well as pricing for these services will remain unchanged. The total not-to-exceed cost of $3,850,000 for these additional services will be funded by the MNR Operating Budget.
Schedule H: Modifications to Personal Service and Miscellaneous Service 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</th>
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<th>Solicitation Type</th>
<th>Procurement &amp; Material Management, Al Muir, Sr. Director</th>
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<tbody>
<tr>
<td>H</td>
<td>RZS Solutions, Inc.</td>
<td>Park Avenue Tunnel Alarm Safety Upgrades</td>
<td>44 months</td>
<td>☒ Yes</td>
<td>☑ Competitive</td>
<td>☑ RFP</td>
<td>Sr. Director Al Muir</td>
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<th>Prior Modifications:</th>
<th>Prior Budgetary Increases:</th>
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<tr>
<td>29242</td>
<td>$1,395,539</td>
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<td>$0</td>
<td>$1,395,539</td>
<td>$1,225,000</td>
<td>87.78%</td>
<td>87.78%</td>
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Discussion:

Approval is requested for additional funding in the not-to-exceed amount of $1,225,000 and a 12-month time extension for a contract modification to an existing, miscellaneous service contract with RZS Solutions, Inc. (RZS) to add safety enhanced functionalities to the Park Avenue Tunnel Alarm System. This contract was competitively solicited and awarded in September 2013, for the design, installation support and maintenance of the Park Avenue Tunnel Alarm System. RZS was the sole responsible bidder. By executing this contract change with RZS, MNR will be able to take advantage of the initial design and materials previously delivered which ensures complete continuity and reduced delivery time for this safety upgrade.

The purpose of the alarm system is to immediately turn off third rail power in the event of an emergency in the Park Avenue Tunnel between 59th and 110th Streets, thereby allowing railroad or emergency personnel to proceed around the third rail. It also provides feedback to the Power Department that an emergency condition exists. The system has been designed per the specification and delivered to MNR in accordance with the contractual terms; however, after receiving the alarm system but before it was installed, MNR’s Safety Department undertook a review and determined that specifications for the contracted system did not adequately address safety concerns and National Fire Protection Association (NFPA) 130 standard/industry best practices. MNR benchmarked the project with various other rail and transit agencies and determined additional components were necessary. The benchmarking effort specifically considered the 2015 tunnel fire in the Washington D.C. Metro system that claimed one life. In fact, the NTSB report on the Metro fire emphasizes the importance of alignment with NFPA 130.

At this time, MNR seeks to modify the agreement with RZS to provide software and hardware upgrades to implement critical safety enhanced functions to the alarm system to better respond to an emergency condition in the Park Avenue Tunnel and bring the system into alignment with NFPA 130 and industry best practices. The required safety enhanced functions include:

- **Blue Light Station with Track Power-Off Indication** - Add Blue Light LED emergency indicator lights with flashing Amber LED lights to the 62 field alarm transmitters that will be located throughout the Park Avenue Tunnel. The Blue Light will be continuously illuminated and will allow railroad or emergency personnel to more easily locate the field alarm transmitters that, when activated, de-energize the associated third rail in the Tunnel. The flashing Amber LED will provide an indication of the power state of the third rail, and allow railroad and emergency personnel to proceed around the third rail. These features require hardware upgrades and custom software, as well as a new higher capacity substation battery charger.

- **Track Shutdown Inhibit Feature** - The inhibit feature blocks the commands that would trip the third rail circuit breakers. It requires installation of custom software and additional hardware and is a desirable feature during maintenance of the alarm system as the inhibit feature would prevent unintended circuit breaker trips, which would otherwise affect train service.
• Park Avenue Tunnel Alarm Simulator – The complexity of the alarm system installed in over two miles of the Tunnel has made it desirable from a safety perspective to have a simulator which will provide the ability to test all aspects of the Alarm System to ensure proper functionality without the inputs and outputs to the railroad equipment. Each Park Avenue Tunnel Alarm System Substation will be able to be tested after the hardware and software upgrades are complete without impacting the operation of the railroad.

Based on RZS’s scope of work and MNR’s review of its proposal, negotiations resulted in a reduction of $167,021 from the amount originally proposed (12.01%). All other contract terms and conditions remain the same. The final agreed upon costs are deemed to be fair and reasonable. At this time, MNR is requesting Board approval for an additional $1,225,000 and a 12-month time extension. The additional funding will be provided by the MNR Operating Budget.
I. PURPOSE:

In conjunction with adoption of the attached MTA Board Resolution to obtain Board approval of an amendment to the Project Labor Agreement (PLA), between The Long Island Rail Road and the Buildings and Construction Trades Council of Nassau and Suffolk, and their constituent unions, applicable to the Main Line Second Track – Phase 2 contract (which is concurrently being presented to the MTA Board for approval) and one other construction project the completion of which is critical to LIRR’s operations.

II. DISCUSSION:

The 2010-2014 Capital Program adopted by the Board requires each of the MTA Agencies to achieve greater efficiencies and savings in their respective programs. In December, 2013, the Board approved the PLA, which is currently applicable to seven LIRR capital construction projects. The use of the PLA for these projects is an effective means of reducing project labor costs for LIRR while ensuring a fair and competitive bidding environment.

Since the execution of the PLA, LIRR has identified two additional projects as potentially benefiting from inclusion in the existing PLA:

- Main Line Second Track – Phase 2
- Post Avenue Bridge

LIRR retained industry leader Hill International (“Hill”) to perform a study as to the advisability of using the PLA for these additional projects, funded by the 2015-2019 Capital Program. In April, 2016, Hill
LIRR retained industry leader Hill International (“Hill”) to perform a study as to the advisability of using the PLA for these additional projects, funded by the 2015-2019 Capital Program. In April, 2016, Hill issued a report and concluded that the extension of the PLA would assure that LIRR would gain significant savings over the life of the two projects estimated at approximately $360K. In addition, the Hill report noted that PLA has been utilized continuously and successfully for the past three years with unanimous approval of LIRR, contractors and the building trades and all project work has been on schedule and within budget with no labor disruptions.

On May 2, 2016, LIRR executed the PLA Amendment to incorporate the terms and conditions of the PLA into the Main Line Second Track – Phase 2 and the Post Avenue Bridge projects with the express requirement that the agreement would be subject to the approval of the MTA Board. No other substantive changes to the provisions of the PLA have been made.

III. MINORITY CONTRACTING/EEO PROVISIONS:

All provisions of the PLA including the M/WBE and EEO provisions are applicable to the PLA Amendment including numerous equal opportunity hiring provisions; promises of fair treatment for minority and women contractors; the designation of an M/WBE representative to the Labor Management Committee established under the PLA; utilization of the “Helmets to Hardhats” apprentice program for veterans; and provisions affording minorities, women and economically disadvantaged non-minority males an opportunity for entry into the construction industry through apprentice programs.

IV. ALTERNATIVES:

These contracts could be solicited without a PLA. However, the economic and other benefits provided by the PLA would not be available.
BOARD RESOLUTION

WHEREAS, the 2010-2014 Capital Program adopted by the Board requires each of the MTA Agencies to achieve greater efficiencies and savings in their respective programs in order to best utilize such funds for the public benefit; and

WHEREAS, in order to effectuate such goals the Long Island Rail Road (“LIRR”) LIRR entered into a Project Labor Agreement (“PLA”) with the Building and Construction Trades Council of Nassau and Suffolk Counties AFL-CIO, which was approved by the Board in or about December, 2013; and

WHEREAS, the management of LIRR has determined that the goals of the PLA would be served by the extension of the PLA to two additional capital projects, to wit, Main Line Second Track – Phase 2 and Post Avenue Bridge (the “Additional Projects”); and

WHEREAS, a report dated April, 2016, issued by Hill International (“Hill”), concluded that:

- Extending the PLA to the Additional Projects will provide an estimated savings to LIRR of approximately $360K; and

- The PLA has been utilized continuously and successfully for the past three years with unanimous approval of LIRR, contractors and the building trades and all project work has been on schedule and within budget with no labor disruptions.

WHEREAS, the management of LIRR, concurring in the conclusions as stated above, has negotiated an amendment to the PLA (the “PLA Amendment”) with the Building and Trades Council of Nassau and Suffolk Counties, applicable to the Additional Projects, effectuating the savings and opportunities identified in the Hill report; and thereafter executed such PLA Amendment on or about May 2, 2016, the effectiveness of which is conditional upon subsequent approval by the Board; and

WHEREAS, the Board adopts the conclusions as stated above, and determines that it is in the public interest and consistent with applicable laws to approve such PLA Amendment;

NOW, THEREFORE IT IS RESOLVED that the Board of LIRR approves the PLA Amendment as previously executed by LIRR and approves the incorporation of the PLA into the terms and conditions of the Additional Projects subject to such PLA, as amended.
LONG ISLAND RAIL ROAD

PROCUREMENTS

FOR

BOARD ACTION

May 25, 2016
Staff Summary

Subject: Request for Authorization to Award Various Procurements

Department
Procurement & Logistics

Department Head Name
Dennis L. Mahon, Chief Procurement & Logistics Officer

Board Action

<table>
<thead>
<tr>
<th>Order</th>
<th>To</th>
<th>Date</th>
<th>Approval</th>
<th>Info</th>
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<td>MTA Board</td>
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Internal Approvals

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<th>Approval</th>
<th>Order</th>
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<tbody>
<tr>
<td>1</td>
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<td>2</td>
<td>President</td>
</tr>
<tr>
<td>2</td>
<td></td>
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<td></td>
</tr>
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PURPOSE:

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

DISCUSSION:

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

Schedules Requiring Two-Thirds Vote
Schedule A: Non-Competitive Purchases and Public Works

<table>
<thead>
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<tbody>
<tr>
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SUBTOTAL: 2 $1,772,317

LIRR proposes to award Competitive Procurements in the following categories:

Schedules Requiring Two-Thirds Vote
Schedule B: Competitive Requests for Proposals (Solicitation)

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SUBTOTAL: 1 $TBD

Schedule C: Award of Public Work Contract

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<tr>
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<td>$116,340,899</td>
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</table>

SUBTOTAL: 2 $116,340,899

LIRR proposes to award Ratifications in the following categories:

<table>
<thead>
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</tr>
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<tbody>
<tr>
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TOTAL: 5 $118,113,216
**BUDGET IMPACT:**

The purchases/contracts will result in obligating LIRR operating and capital funds in the amounts listed. Funds are available in the current operating budget 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.
May 2016

MTA Long Island Rail Road

List of Non-Competitive Procurements for Board Approval

Procurements Requiring Two-Thirds Vote

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

1. AFA Protective Systems (Syosset, NY) $160,915 Staff Summary Attached
   Sole Source Not-to-Exceed
   Five-Year Contract Contract No. TBD

   Long Island Rail Road requests MTA Board approval to award a Sole Source, Public Works, renewal contract to AFA Protective Systems for a five year period in the not-to-exceed amount of $160,915 for labor, material and equipment necessary for the lease, maintenance, monitoring, repair and upgrade of the Fire Alarm System located at the Long Island Rail Road Jamaica Station Building.

2. Ansaldo STS USA, Inc. $1,611,402 Staff Summary Attached
   Sole Source Firm Fixed Price
   Contract TBD

   Long Island Rail Road requests MTA Board approval to award a Sole Source Contract to Ansaldo STS USA, Inc. (Ansaldo) in the fixed amount of $1,611,402.00 for forty-six (46) M-3 switch machines and twenty (20) A-5 switch machines to be installed by LIRR’s Signal department. The M-3 switch machines will be installed at West Side Storage Yard (WSSY) in conjunction with the replacement of components damaged by Super Storm Sandy as well as normal maintenance needs. The A-5 switch machines will be installed in Jamaica and Babylon Interlockings under state-of-good-repair maintenance and the normal replacement project. Ansaldo is the Original Equipment Manufacturer (OEM) and designer of various wayside switch and signal systems, installed and operated by LIRR. These switch machines are integral components of the Jamaica and Babylon Interlockings. The existing interlocking designs and infrastructures at both interlockings can only support a direct replacement of the A-5 switch machines without costly design and installation modifications.
## Staff Summary

<table>
<thead>
<tr>
<th>Item Number:</th>
<th>1</th>
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<tbody>
<tr>
<td><strong>Vendor Name (&amp; Location)</strong></td>
<td>AFA Protective Systems (Syosset, NY)</td>
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<tr>
<td><strong>Description</strong></td>
<td>Fire Alarm Lease, Maintenance, Monitoring, Repair and Upgrade for the Jamaica Station Building</td>
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<tr>
<td><strong>Contract Term (including Options, if any)</strong></td>
<td>June 1, 2016 – May 31, 2021</td>
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<td><strong>Option(s) included in Total Amount?</strong></td>
<td>☑ Yes ☐ No</td>
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<td>Engineering/ Dennis Varley/Asst Chief Facilities Engineer</td>
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<tr>
<td><strong>Contract Manager:</strong></td>
<td>Louis R. Drago</td>
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</tbody>
</table>

### Discussion:

Long Island Rail Road (“LIRR”) requests MTA Board approval to award a Sole Source, Public Works, renewal contract to AFA Protective Systems, (“AFA”) for a five year period in the not-to-exceed amount of $160,915 for labor, material and equipment necessary for the lease, maintenance, monitoring, repair and upgrade of the Fire Alarm System (“FAS”) located at the Long Island Rail Road Jamaica Station Building (“JSB”).

The JSB is a five-floor building, with a full basement and a rooftop maintenance machine room. There are dropped ceilings, raised floors, elevators, a cafeteria and ticket windows with a large customer waiting area. Due to these conditions, proper FAS interfaces are required to support the elevator recall system, the sprinkler pump system, HVAC shut down, and the control and release of magnetic door locks.

LIRR’s FAS is a leased system owned by AFA, which was awarded the original lease, design and installation contract valued at $402,660. Accordingly, AFA is the only Contractor that can maintain and modify the current leased system. LIRR’s system is a New York City code compliant addressable fire alarm system which consists of a main fire control panel, transmitters, pull stations, various sensors, water flow and tamper switches, fire pump, door locks/strikes release control, horns, strobe lights, sprinkler alarm bell and system trouble bells. The FAS is a life safety system that provides protection to LIRR personnel, customers and third-party contractors.

AFA submitted a price proposal of $203,250 which included on-site maintenance, all scheduled maintenance, monitoring, emergency and non-emergency repairs and an upgrade of the system. LIRR negotiations resulted in a 20.8% decrease ($42,335) in the proposed price from $203,250 to $160,915. Additionally, AFA’s pricing is 5.3% (or $9,085) less than the LIRR’s internal estimate of $170,000. The negotiated price includes a complete system buyout at the end of the contract term, inclusive of all wired-in-conduit and ancillary equipment. Lease prices will remain fixed for the five year period. Upon contract expiration, title to the complete FAS will transfer to the LIRR. AFA’s negotiated price of $160,915 is therefore, considered to be fair and reasonable. Funding for this contract is included in LIRR’s Operating Budget.
Schedule A Non-Competitive Purchases and Public Works

Staff Summary

| Item Number: | 2 |
| Vendor Name | Ansaldo STS USA, Inc. - Batesburg, SC |
| Description | Switch Machines |
| Contract Term (including Options, if any) | |
| Option(s) included in Total Amount? | Yes No |
| Procurement Type | |
| Solicitation Type | |
| Contact Number | TBD |
| Renewal? | Yes No |
| Total Amount: | $1,611,402.00 |
| Funding Source | |
| Requesting Dept/Div & Dept/Div Head Name: | |
| Contract Manager: | |

Discussion:

Long Island Rail Road (LIRR) requests MTA Board approval to award a Sole Source Contract to Ansaldo STS USA, Inc. ("Ansaldo") in the fixed amount of $1,611,402.00 for forty-six (46) M-3 switch machines and twenty (20) A-5 switch machines to be installed by LIRR’s Signal department. The M-3 switch machines will be installed at West Side Storage Yard ("WSSY") in conjunction with the replacement of components damaged by Super Storm Sandy as well as normal maintenance needs. The A-5 switch machines will be installed in Jamaica and Babylon Interlockings under state-of-good-repair maintenance and the normal replacement project. Ansaldo is the Original Equipment Manufacturer (OEM) and designer of various wayside switch and signal systems, installed and operated by LIRR. These switch machines are integral components of the Jamaica and Babylon Interlockings. The existing interlocking designs and infrastructures at both interlockings can only support a direct replacement of the A-5 switch machines without costly design and installation modifications.

The existing Signal system design at WSSY uses Solid State Relays (SSR’s) and Switch Machine Locks (SML’s) that are specifically designed to interface and control M3 switch machines. In addition to providing easy access to service and change motors as needed, the M3 switch design allows for motors to be removed prior to an anticipated weather event and reinstalled in a timelier manner.

LIRR presently has an inventory of replacement SSR’s, SML’s, and relays for the M-3 machines valued at $225,203.00. If another machine were to be selected at this point the cost impact will be significant. The inventory would be abandoned and LIRR would incur design changes estimated at $75,000.00 and would then need to procure additional components at an estimated cost of $159,000.00.

LIRR advertised this procurement in the New York State Contract Reporter, New York Post and the LIRR web site and no other firm expressed an interest in participating in this procurement. Ansaldo is the only known responsible source to obtain these parts and services.

During negotiations, Ansaldo emphasized that the A5 switch machine, which has not been purchased by LIRR in 17 years, is unique to LIRR and Amtrak. Components for these machines are not readily available in the marketplace and are priced at current market cost. Ansaldo advised that pricing is less than or equal to but not greater than what is offered to other transportation agencies or track work entities. Ansaldo provided a sales order to an undisclosed track work entity showing that LIRR is receiving a 6% discount off this price. In addition, LIRR is receiving a 17% discount off list pricing of the commonly used M-3 switch machines. Therefore, pricing has been determined to be fair and reasonable.

Funding for these switch machines is included in LIRR’s Operating and Capital Budgets.
MAY 2016

MTA LONG ISLAND RAIL ROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts; (Staff Summaries only required for items estimated to be greater than $1 million)

3. TBD $TBD
   Competitive RFP
   Contract No. TBD

   Long Island Rail Road (“LIRR”) requests MTA Board approval to (i) adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a contract for the remanufacture and delivery of twenty-four (24) Work Locomotives (“Work Locos”) to support LIRR’s operations, and (ii) add the Work Locos project to the 2010-2014 Capital Program. A base contract will be funded with the $37M budget for the cancelled Alternative Diesel project. As additional funding is budgeted in future Capital Programs, a contract option will be available to be exercised to replace the balance of the 24 old Work Locos.

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

4. Railroad Construction Company/ $56,665,899
   Citnalta Construction Corp – Joint Venture (“RCC/Citnalta-JV”)
   Competitive RFP
   Contract No. 6202

   Pursuant to a competitive RFP, Long Island Rail Road (LIRR) requests MTA Board approval to award a Firm Fixed Price contract to Railroad Construction Company / Citnalta Construction Corp - Joint Venture (“RCC/Citnalta-JV”), in the amount of $56,665,899 ($50,911,200 plus Option $5,754,699) to provide construction services for the Hicksville Improvements Project. Included in the project are Hicksville Station Rehabilitation and support work for the North Track Siding. The LIRR’s Hicksville Station Platforms and its amenities were built in 1961 and have undergone more than 50 years of heavy usage, exposure to harsh weather conditions, and are well past their useful life. The extension of the North Track Siding will provide much needed infrastructure improvements at this key location in Nassau County, supporting enhanced operational flexibility.
The Long Island Rail Road (LIRR) requests MTA Board approval to award a Public Works contract to Skanska-Posillico II (Joint Venture) in the amount of $59,675,000 (Base plus Option) to provide Design-Build Services for a new second track to be constructed on the Main Line Ronkonkoma Branch, from Central Islip to Farmingdale (“Phase II”). Currently, the Main Line east of Farmingdale is mostly single track, with selected passing sidings, and double track sections at the majority of the stations between Farmingdale and Ronkonkoma. The overall goal of this project, including the preceding Phase I, is to construct a full second track to Ronkonkoma which will (i) eliminate the current LIRR operational limitations by increasing service reliability and on-time performance along the Main Line from Farmingdale to Ronkonkoma; (ii) provide for faster recovery time following service incidents; and, (iii) allow LIRR to provide frequent off peak service in both the east and west bound directions. When the entire Main Line Double Track Project is complete, 12.6 miles of double track will be added to the existing 5.3 miles of double track along the 17.9 mile corridor from Farmingdale to Ronkonkoma, as well as any required/associated infrastructure needed along the way. This project is to be completed in Phases which are structured in the following segments: (i) Phase I – to provide 5.2 miles of double track from Ronkonkoma to west of Central Islip (near completion) and (ii) Phase 2 – to provide 1.3 miles of double track between Brentwood and Central Islip and 6.1 miles of double track between Farmingdale and Deer Park. The Double Track between Farmingdale and Ronkonkoma will also support Long Island wide resiliency by enabling the LIRR to provide enhanced Main Line Service options in conditions where either the north or south shore branches are compromised due to severe weather conditions.
I. PURPOSE/RECOMMENDATION:

Long Island Rail Road ("LIRR") requests MTA Board approval to (i) adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a contract for the remanufacture and delivery of twenty-four (24) Work Locomotives ("Work Locos") to support LIRR’s operations, and (ii) add the Work Locos project to the 2010-2014 Capital Program. A base contract will be funded with the $37M budget for the cancelled Alternative Diesel project. As additional funding is budgeted in future Capital Programs, a contract option will be available to be exercised to replace the balance of the 24 old Work Locos.

II. DISCUSSION:

LIRR’s existing fleet of 19 MP-15 Work Locomotives and 5 SW-1001 Switcher Locomotives, were built by Electro Motive Diesel (EMD) in 1977. These Work Locos are superannuated and nearing the end of their useful life. A combination of robust design, modest duty cycles, and continuous care and maintenance has contributed to their longevity. Many of the Work Locos, which are largely used to support a number of the Railroad’s Track Program Projects, have become increasingly unreliable creating a risk of unavailability, which in turn could adversely impact LIRR’s Track and several other infrastructure State of Good Repair ("SOGR") Programs. Likewise, a number of the SW-1001 Locomotives, which are largely used in yards and as Protect Locomotives, are also becoming unreliable and expensive to operate and maintain. Additionally, spare parts for
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary

both types of locomotives are becoming increasingly difficult to procure. Thus the existing Work Locos must be replaced.

LIRR secured the services of a consultant firm (STV) to perform a cost benefit analysis to determine if it would be more cost efficient to procure new or remanufactured Work Locos. STV has determined, based upon a number of factors, that LIRR should proceed with procuring remanufactured Work Locos that comply with the requirements of current exhaust emissions, crashworthiness, and other applicable Environmental Protection Agency (EPA) regulations, and which will include specific LIRR requirements for operation.

LIRR seeks to move forward with this new project and procurement to ensure the availability of these Locomotives to support on-going operations. The successful proposer will perform work consisting of the design, remanufacture, test and delivery of the Work Locos. LIRR fully expects there to be competition for this work as there are at least six known car builders qualified to remanufacture these Work Locos incorporating all of LIRR’s requirements and furnish the necessary documentation and drawings.

III. D/M/WBE INFORMATION:

MTA Department of Diversity and Civil Rights will determine goals for this procurement.

IV. IMPACT ON FUNDING:

Monies are available to partially fund the Work Locos project in the 2010-2014 Capital Program because the Alternative Diesel Project is no longer being progressed. The base contract will allow for the replacement of the number of Locomotives that can be funded with the $37M available from such discontinued Project. However, in order to replace the balance of the Work Locos, additional funding will be included in the 2020-2024 Capital Program. The base contract will therefore include an option to complete replacement of the 24 Work Locos, to be exercised only if additional funding is needed.

V. ALTERNATIVES:

The alternative is to use the Invitation for Bid (IFB) procurement method. The IFB method limits the LIRR’s ability to have pre-award discussions with manufacturers until after award, and as a result LIRR would lose the ability to negotiate life cycle costs and improvements to the fleet. The RFP process also allows the LIRR to consider factors such as proposer experience, plant capacity and locomotive reliability, in addition to price. Further, should LIRR not undertake this project and continue to depend on these unreliable locomotives, the progression of major infrastructure work will be at risk, and the continued expense to maintain will continue to increase.
Schedule C: Award of Public Work Contract

Staff Summary

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<tr>
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<tr>
<td></td>
<td>Dennis L. Mahon, Chief Procurement Officer</td>
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<tr>
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<td></td>
<td>Richard Oakley, Chief Program Officer, Dept. Program Management</td>
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<td>Signature &amp; Date</td>
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SUMMARY INFORMATION

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<tr>
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<td>Railroad Construction Company /Citnalta Construction Corp - Joint Venture (“RCC/Citnalta-JV”)</td>
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| Description: | Hicksville Improvements |

| Total Amount | $56,665,899 (includes option = $5,754,699) |
| Contract Term (including Options, if any) | 668 consecutive calendar days |
| Options(s) included in Total Amount: | ☒ Yes ☐ No |
| Renewal? | ☐ Yes ☒ No |
| Procurement Type | ☒ Competitive ☐ Non-Competitive |
| Solicitation Type | ☒ RFP ☐ Bid ☐ Other: |
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Board Reviews

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<td>VP/Gen'l Counsel &amp; Sec'y</td>
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Narrative:

I. PURPOSE/RECOMMENDATION:

Pursuant to a competitive Request For Proposals ("RFP"), Long Island Rail Road ("LIRR") requests MTA Board approval to award a firm fixed price contract to Railroad Construction Company / Citnalta Construction Corp - Joint Venture ("RCC/Citnalta-JV"), in the amount of $56,665,899 ($50,911,200 plus option $5,754,699) to provide construction services for the Hicksville Improvements Project. Included in the project are Hicksville Station Rehabilitation and support work for the North Track Siding. The LIRR’s Hicksville Station Platforms and its amenities were built in 1961 and have undergone more than 50 years of heavy usage, exposure to harsh weather conditions, and are well past their useful life. The extension of the North Track Siding will provide much needed infrastructure improvements at this key location in Nassau County, supporting enhanced operational flexibility.

The primary objective of the Hicksville Station Improvements ("the Project") is to rehabilitate the substructure, replace the platforms and station elements to ensure ADA-compliant accessibility, enhance passenger and employee safety, and provide LIRR passengers with an improved station environment. The North Track Siding ("NTS") will support the improvement of main line service with added storage capacity and ability to recover from disruptions. This contract will include those provisions of the 2013 Project Labor Agreement between the MTA LIRR and the Buildings and Construction Trades Council of Nassau and Suffolk Counties.
The contract requires RCC/Citnalta-JV to provide all services, labor, material, equipment and facilities required to complete the Work identified in the contract documents. The station work includes demolition and replacement of: two 12-car center island platforms, canopy roof system and drainage, platform waiting rooms, staircases, escalators, lighting, communications and signage. Additionally, two new elevators will be installed in the ground-level plaza as well as a new CCTV security system. The new platforms will include embedded tubing to support the future addition of an Automated Snow and Ice Melt System (ASIMS). A contract option exists for the full installation of the ASIMS valued at $5,754,699, which can be exercised at the discretion of the Long Island Rail Road, with the approval of MTA. The NTS work includes construction of a retaining wall to support the NTS extension, traction power ductbank systems, pre-wired signal hut and case, new signal components and removal of an existing signal bridge. LIRR forces will install all related track work and switch installations, signal system upgrade, third rail power, and other infrastructure upgrades for passenger train service.

II. DISCUSSION:

The MTA Board approved the use of the RFP process at its April 2015 meeting. In July 2015 LIRR advertised this RFP in the New York State Contract Reporter, the New York Post, and the MTA website. Proposals were submitted by four (4) proposers: (i) Michels Corporation, (ii) EE Cruz Co. Inc., (iii) Judlau Contracting Inc. and, (iv) RCC/Citnalta-JV.

On September 24, 2015, the LIRR Technical Evaluation Committee (“TEC”) met to discuss and evaluate each firm’s technical proposals which concluded with all four firms being invited to provide oral presentations and further clarifications. At the conclusion of these presentations, the TEC reconvened and evaluated all four firm’s technical capabilities. The TEC concluded that RCC/Citnalta-JV’s proposal and oral presentation was superior when evaluated against the RFP technical criteria, which included demonstrated ability to meet the schedule, technical approach, and the qualifications and experience of the company and project team. Michels Corporation was also found to be technically compliant with the requirements of the project, but demonstrated less experience performing construction within an active Railroad Station. Additional meetings were held with both firms to discuss their technical capability and any alternate work methods/approaches that they believed would reduce the overall schedule and produce project savings.

At the conclusions of these meetings, BAFOs were requested from the two shortlisted firms (RCC/Citnalta-JV and Michels Corporation).

On January 13, 2016, updated cost proposals with the requested information were received. They were (inclusive of option): RCC/Citnalta-JV $60,672,883.00 and Michels Corporation $60,703,580.00. RCC/C-JV further adjusted their cost proposal by $515,999.20, further reducing their proposal from $60,672,883.00 to $60,156,883.80 (inclusive of contract option).

On April 26, 2016, a second round of BAFO’s was requested from both Michels Corporation and RCC/Citnalta-JV. This BAFO round was predicated on advising both firms that the Rail Road has identified an opportunity to increase productivity by providing continuous exclusive access to both...
Staff Summary

Platform A and Station Track 1 during the summer of 2017. The dedicated outage currently anticipated to be Memorial Day to Labor Day would enable the successful proposer to maximize the opportunity to accelerate construction on Platform A. Therefore, proposers were requested to submit a revised proposal reflecting an accelerated schedule commitment with a goal not to exceed 730 calendar days.

On May 3, 2016, updated cost proposals representing accelerated schedules were received. They are (inclusive of option): RCC/Citnalta-JV $56,665,899.00 with the accelerated schedule commitment of 668 Calendar days and Michels Corporation $60,112,446.05 with the accelerated schedule commitment of 700 Calendar days. LIRR review of the BAFO’s concluded with RCC/Citnalta-JV’s proposal being $3,446,547.05 lower than Michels Corporation and 32 days shorter in duration.

Overall, the BAFO evaluation process concluded with the finding that RCC/Citnalta-JV’s proposal was superior by; (i) demonstrating strong competency and understanding of the Project, (ii) possessing extensive corporate experience with work of similar magnitude, and (iii) proposing a superior project team and key personnel that meets or exceeds the requirements of the contract. Moreover, RCC/Citnalta-JV also offered the most competitive price to the railroad.

III. D/M/WBE INFORMATION:

MTA’s department of Diversity and Civil Rights has set 15% MBE and 15% WBE goals for this contract. RCC/Citnalta-JV has proposed achieving 30.82% of the targeted MWDBE goals as 19.79% MBE and 11.03% WBE. On previous MTA contracts, Citnalta Construction Corp has achieved its targeted MWDBE goals. As for Railroad Construction, they have not completed any MTA contracts with goals; therefore, no assessment of the firm’s MWDBE performance can be determined at this time.

IV. IMPACT ON FUNDING:

Funding for the base work of this contract is included in LIRR’s 2005 - 2009 Capital Program.

V. ALTERNATIVES:

There are no alternatives, since LIRR does not have the ability to undertake the construction of the Hicksville Station Improvement project with in-house forces.
Staff Summary

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| 3 | Sr. VP/Operations |
| 2 | VP/CFO |
| 1 | VP/Gen'l Counsel & Sec'y |

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I. PURPOSE/RECOMMENDATION:
The Long Island Rail Road (LIRR) requests MTA Board approval to award a Public Works contract to Skanska-Posillico II (Joint Venture) in the amount of $59,675,000 (Base plus Option) to provide Design-Build Services for a new second track to be constructed on the Main Line Ronkonkoma Branch, from Central Islip to Farmingdale ("Phase II"). Currently, the Main Line east of Farmingdale is mostly single track, with selected passing sidings, and double track sections at the majority of the stations between Farmingdale and Ronkonkoma. The overall goal of this project, including the preceding Phase I, is to construct a full second track to Ronkonkoma which will (i) eliminate the current LIRR operational limitations by increasing service reliability and on-time performance along the Main Line from Farmingdale to Ronkonkoma; (ii) provide for faster recovery time following service incidents; and, (iii) allow LIRR to provide frequent off peak service in both the east and west bound directions. When the entire Main Line Double Track Project is complete, 12.6 miles of double track will be added to the existing 5.3 miles of double track along the 17.9 mile corridor from Farmingdale to Ronkonkoma, as well as any required/associated infrastructure needed along the way. This project is to be completed in Phases which are structured in the following segments: (i) Phase I – to provide 5.2 miles of double track from Ronkonkoma to west of Central Islip (near completion) and (ii) Phase 2 – to provide 1.3 miles of double track between Brentwood and Central Islip and 6.1 miles of double track between Farmingdale and Deer Park. The Double Track between Farmingdale and Ronkonkoma will also support Long Island wide resiliency by enabling the LIRR to provide enhanced Main Line Service options in conditions where either the north or south shore branches are compromised due to severe weather conditions.

II. DISCUSSION:
At this time, LIRR seeks approval to award Phase II (which is funded under the 2015-2019 Capital Program) of the overall project.
The Contract requires Skanska-Posillico to progress the preliminary design drawings developed by LIRR to a final design and to provide engineering and construction services as required to complete construction of the new Main Line Second Track (Phase II). This Phase II contract will be included in the existing Project Labor Agreement with the LIRR/Construction and Trades Council of Nassau and Suffolk Counties.

The use of a “Request for Proposal” (RFP) process for this procurement was approved by the MTA Board at the January 2016 session. On January 21, 2016, LIRR publicly advertised an RFP for this project in the New York State Contract Reporter, N.Y. Post, and on the MTA website. Proposals were submitted by four (4) firms: Halmar – Schiavone (Joint Venture); RCC; Skanska-Posillico (Joint Venture); and Tully Construction.

LIRR conducted technical evaluations of the firms’ offerings. As a result, Skanska-Posillico II was ranked significantly higher than other proposers. Their technical proposal demonstrated plans to maintain an aggressive schedule, utilized effective means and methods, and met the RFP’s experience requirements. The other firm’s technical proposals addressed these items to a certain degree; however, Skanska-Posillico II provided the most comprehensive and realistic approach to the project and its challenges. When cost subsequently was factored into the overall evaluation, Skanska-Posillico II was still the top-ranked firm by a significant margin.

Discussions with Skanska involved cost-saving initiatives and methods to compress the project schedule. This included the ability to start work almost immediately as the firm is already mobilized on site as the Phase I contractor, a streamlined design process, extended work hours, increasing the permissible work zones and lengths, and expediting the manufacture and delivery of track switches and switch machines. Consequently, Skanska-Posillico committed to accelerating Substantial Completion by approximately four (4) months which would permit LIRR to install track work and infrastructure systems ahead of schedule. Also, LIRR requested additional preparatory work be included as a contract option in order to ensure that the subsequent infrastructure work can start ahead of schedule. Skanska-Posillico’s final pricing was $56,015,000 plus $3,660,000 for the additional civil work (to be an Option in the contract), for a total of $59,675,000, or 10% less than LIRR’s estimate. When compared to the other firms, Skanska-Posillico provided the proposal that was determined to be the most advantageous to LIRR in terms of approach and risk allocation, and their pricing was deemed to be “fair and reasonable.”

Skanska and Posillico have been reviewed and determined to be responsible contractors.

III. D/M/WBE INFORMATION:

The MTA Department of Diversity and Civil Rights (DDCR) have established 15% MBE and 15% WBE goals for this project. Contract will not be awarded until Skanska-Posillico II’s M/WBE Plan has been approved by the MTA Department of Diversity and Civil Rights. Skanska and Posillico have both achieved previous MWDBE goals on previous MTA contracts.

IV. IMPACT ON FUNDING:

This contract will be funded by the LIRR 2015-2019 Capital Budget.

V. ALTERNATIVES:

There are no alternatives, since LIRR does not have the ability to undertake the design and construction of this entire project with in-house forces.
LONG ISLAND RAILROAD COMMITTEE

MTA BOARD

PROCUREMENT PACKAGE

MAY 2016
Staff Summary

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

DISCUSSION
MTA Capital Construction proposes to award Competitive Procurements in the following category:

Schedules Requiring Majority Vote:
Schedule I Modifications to Purchase and Public Work Contracts

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SUBTOTAL: $4,000,000

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

Schedules Requiring Majority Vote:
Schedule K Ratification of Completed Procurement Actions

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SUBTOTAL: $808,300

TOTAL: $4,808,300

Budget Impact:
The approval of the modifications will obligate MTA Capital Construction capital funds in the respective amount listed. Funds are available in the capital budget for this purpose.

Recommendation:
That the modifications be approved as proposed. (The items are included in the resolution of approval at the beginning of the Procurement Section.)
MTA Capital Construction Company

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 works 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;

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All-Agency Guidelines for Procurement of Services, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals and authorizes the solicitation of such proposals.

3. As to each request for proposals (for purchase and public work contracts set forth in Schedule C for which a recommendation is made to award the contract), the Board authorizes the execution of said contract.

4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein, and ratifies each action for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.
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. Schindler Elevator Corporation
   Contract No. VM014
   Modification No. 10
   $ 4,000,000  Staff Summary Attached

   In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC requests the Board approve a modification to the Contract which will settle a claim by the contractor for delays associated with the creation of Contracts CM014B and CM007.
### Schedule I: Modifications to Purchase and Public Work Contracts

**Item Number 1**

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**Prior Modifications:** $9,201,789

**Exercised Options:** $20,914,101

**Prior Budgetary Increases:** $0

**Current Amount:** $54,193,448

**This Request:** $4,000,000

**% of This Request to Current Amount:** 7.4%

**% of Modifications (including This Request) to Original Board Approved Amount:** 1.9%

**Discussion:**

The work under this Contract includes the engineering support, fabrication, installation, and interim and long term service and maintenance of all of the elevators and escalators for the LIRR East Side Access (ESA) Project at Grand Central Terminal. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC requests that the Board approve a modification to the Contract which will settle a claim by the contractor for delays associated with the creation of Contracts CM014B and CM007.

The VM014 Contract was awarded in the Fall of 2010 and requires the contractor to fabricate, deliver, install, and maintain 22 elevators and 47 escalators for the East Side Access Project. In that regard, and in order to coordinate installation and in-contract maintenance of the escalators and elevators, the VM014 contractor was required to enter into subcontracts with the CM012 and CM014 prime contractors at fixed prices established under the VM014 Contract based on the anticipated schedules of those prime contracts. Since that time, those prime contracts have been repackaged into multiple contracts and the VM014 contractor is now obligated to enter into subcontracts with the contractors for CM007, Grand Central Terminal Station Caverns and Track and, CM014B, GCT Concourse and Facilities Fit-out, to perform the escalator and elevator work required under those contracts.

This modification resolves claims submitted by the VM014 Contractor associated with the repackaging of Contracts CM012 and CM014 and the creation of Contracts CM014B and CM007. The VM014 Contractor incurred delays of approximately 53 months during the creation and award of these new packages, during which time the Contractor was required to participate in the planning, repackaging and finalizing of the scope of the escalator and elevator work in Contracts CM014B and CM007. During the delay period the Contractor incurred field office overhead and management personnel costs that were not anticipated in the original Contract. The Contractor also had to provide storage for already-fabricated long-lead equipment (high-rise escalator motors), and incurred extended bond and insurance costs due to the longer contract duration.

The Contractor submitted a claim totaling $6.5M while MTACC’s estimate was $3.5M. Negotiations were held and the parties agreed to a cost of $4M which is considered fair and reasonable.
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)

2. Harold Structures Joint Venture $ 808,300 Staff Summary Attached
Contract No. CH057A
Modification No. 21

In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC requests that the Board ratify a modification to the Contract to demolish a 638 foot section of 12kV ductbank and remove various cables.
Schedule K: Ratification of Completed Procurement Actions  
Item Number 2

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<tr>
<td>11.5%</td>
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**Discussion:**

This Contract is for the construction of a jacked shield tunnel, approach structures, direct fixation track and electrical systems for the westbound bypass structure for the East Side Access (“ESA”) project to be located along the mainline tracks at F Interlocking and Harold Interlocking. Contract work also includes the installation of catenary and signal bridges along the Westbound Bypass alignment. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC is requesting the Board ratify a modification to the Contract to demolish a 638 foot section of 12kV ductbank and remove various cables.

Approximately 300 feet of decommissioned 12kV ductbank and some motor generator feeder and negative return cables are interfering with the installation of soldier piles for the westbound bypass structure. Another 338 feet of decommissioned ductbank will interfere with the construction of the Track A approach structure. Removal of this decommissioned ductbank and cables is required to complete these installations and the removal work is not included in any of the ESA contracts. Because the CH057A contractor will be installing the soldier piles for the westbound bypass structure, it is best suited to remove the interfering ductbank and cables. Moreover, while the Track A approach structure will be installed under a future contract, it will be more efficient from a cost and time perspective for the CH057A to demolish the additional 338 feet of ductbank associated with that work simultaneously.

The Contractor submitted a cost proposal of $816,693 for the work outlined above while the MTACC project estimate was $744,161. Negotiations were held, and the parties agreed to $808,300 which is considered fair and reasonable. There is no time impact associated with this Modification.

In order to not delay the excavation of the Westbound Bypass East Approach, the President approved a limited Retroactive Memorandum on March 25, 2016 and the Contractor was directed to proceed with the Work up to the not-to-exceed amount of $400,000. Authorization to proceed with the remainder of the Work under this Modification will be given upon Board ratification of this Modification.
Staff Summary

Subject: Request for Authorization to Award Various Procurements

Department: Procurement

Department Head Name: M. Margaret Terry

Project Manager Name: Various

Board Action

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<th>Order</th>
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Internal Approvals

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<td></td>
<td>President</td>
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<td>Executive Vice President</td>
<td>VP &amp; Chief Engineer</td>
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<td></td>
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<td>VP &amp; Chief Procure Officer</td>
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<td>VP Administration</td>
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Internal Approvals (cont.)

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<th>Chief Technology Officer</th>
<th>Chief Health &amp; Safety Officer</th>
<th>Chief EEO Officer</th>
<th>Chief Security Officer</th>
<th>Chief Maintenance Officer</th>
<th>MTA Office of Civil Rights</th>
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</thead>
</table>

PURPOSE:

To obtain approval of the Board to award various contracts and purchase orders, and to inform the MTA B&T Committee of these procurement actions.

DISCUSSION:

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

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

Schedules Requiring Two-Thirds Vote

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

<table>
<thead>
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Schedules Requiring Majority Vote

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

<table>
<thead>
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<th>Schedule</th>
<th># of Actions</th>
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</thead>
<tbody>
<tr>
<td>H</td>
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</table>

SUBTOTAL 2 255.200M

MTA B&T presents the following procurement actions for Ratification: None.

TOTAL 2 255.200M

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.)
MTA BRIDGES & TUNNELS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

WHEREAS, in accordance with §559 and §2879 of the Public Authorities Law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with §2879 of the Public Authorities Law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain changes orders to procurement, public work, and miscellaneous procurement contracts; and

WHEREAS, in accordance with § 2879 of the Public Authorities Law and the All Agency Guidelines for Procurement of Services, the Board authorizes the award of certain service contracts, and certain change orders to service contracts; and

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals and authorizes the solicitation of such proposals.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. The Board ratifies each action set forth in Schedule D for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

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

MAY 2016

MTA BRIDGES & TUNNELS

Procurements Requiring Two-Thirds Vote:

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

1. Various Contractors
   Contract Nos. GFM-516 (B&T) LIRR 6194
   Aggregate not to exceed amount for each agency:
   - B&T: $95,000,000.00
   - LIRR: $10,000,000.00
   $105,000,000.00
   3 yr. contract – Competitive RFP
   B&T – 20 Proposals -- 2 additional Contracts to be awarded
   LIRR – 19 Proposals -- 6 Contracts to be awarded
   Multi-agency procurement for miscellaneous construction services on an as-needed basis for B&T and LIRR.

Procurements Requiring Majority Vote:

H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services
(Approvals/Staff Summaries required for substantial change orders and change orders that cause original contract to equal or exceed monetary or durational threshold required for Board approval)

1. Xerox State & Local Solutions
   Contract Nos. PSC-05-2741
   $150,200,000.00
   10 years – Competitive RFP
   MTA Bridges and Tunnels is seeking Board approval under the All Agency Guidelines for Procurement of Services to amend personal service Contract No. PSC-05-2741 with Xerox State & Local Solutions (Xerox) to add funding in the amount of $42.2 million for services through September 2017 when the initial ten-year contract term ends and to exercise the three-year renewal option at a cost of $108 million.
Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All-Agency Procurement Guidelines to award multi-agency public work contracts via the competitive RFP process for Miscellaneous Construction on an As-Needed Basis for these participating agencies: B&T and LIRR. Each agency separately selected firms as listed below:

**B&T Contract GFM-516 – Two (2) remaining firms selected:**
- Ahern Painting Contractors, Inc.
- E.E. Cruz & Company, Inc.

**LIRR Contract 6194 – Six (6) firms selected:**
- Ecco III Enterprises
- El Sol Contracting
- LoDuca Associates
II. DISCUSSION

In June 2015, the Board authorized the use of the competitive Request for Proposal (RFP) process in order to procure miscellaneous construction services on an as-needed basis for four participating agencies (B&T, NYCT, LIRR and MTACC). At the time of solicitation, MTACC decided that they would not participate in the joint procurement and would instead conduct their own separate solicitation. The three agencies' requirements were publicly advertised. Under this joint solicitation led by B&T, each agency will award and administer their respective as-needed contracts. Separate RFPs were issued and the committee selection process was conducted individually by each agency due to the varying requirements among the agencies, including the need to support the work at multiple locations and the consideration that many smaller firms would be unable to provide the personnel to simultaneously meet all of the agencies' construction service requests.

During the contract term, as a Scope of Work for each miscellaneous work order is identified, the contracted firms will be provided with the scope, a site tour will be conducted and bids will be submitted. The contractor submitting the lowest bid shall be awarded that specific work order. Since most of the construction projects are smaller than our individual projects and/or involve urgently needed repairs, it would be inefficient, time-consuming and would not meet the agencies' expedited needs at times to conduct separate competitively bid solicitations for each project.

The selection of contractors to be awarded these as-needed contracts was accomplished by a one-step RFP process. The three agencies all evaluated firms against established criteria including proposer’s record of performance, qualifications of firm’s specific personnel proposed, safety record and quality assurance program. Proposals for the agencies' contracts were received on January 15, 2016.

On March 23, 2016, the Board approved award of nine of the eleven contractors selected under B&T’s Contract GFM-516 and all eight firms selected under NYCT’s Contract C-31711. At the time, LIRR had not yet completed their selection process.

The selections are summarized below:

B&T Contract GFM-516:
Twenty proposals were received. Based on the established criteria, B&T’s Selection Committee chose eleven firms (Ahern, D’Onofrio, E.E. Cruz, El Sol, Halmar, Picone, Masterpiece, Navillus, PJS, Restani, and Unicorn). On March 23, 2016, nine of the selected eleven firms, except for Ahern and E.E. Cruz were determined to be responsive and responsible contractors and approved by the Board for award. Since then, Ahern and E.E. Cruz have also been deemed to be responsive and responsible contractors with extensive background of prior and current public agency work.

LIRR Contract 6194:
Nineteen proposals were received. Based on the established criteria, LIRR’s Selection Committee chose six firms (Ecco III, El Sol, LoDuca, Posillico, Railroad Construction, and RailWorks). All six of the selected firms were determined to be responsive and responsible contractors with extensive background of prior and current public agency work.

It is recommended that the Board authorize the Authority to enter into contracts with the above selected firms.
III. DIS/M/WBE INFORMATION
The MTA DDCR established the following goals for the two agencies: (i) B&T GFM-516 MBE/WBE goals of 15%/15% respectively; and (ii) LIRR 6194 DBE/MBE/WBE goals 17%/15%/15% respectively. All of the firms, with the exception of Poscillo Civil, Inc and Railroad Construction, have achieved its previous MWDBE goals on previous MTA contracts. Poscillo Civil, Inc. and Railroad Construction have not completed any MTA contracts with goals; therefore, no assessment of the firms' 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
There are no recommended alternatives. The Authority's agencies do not have the resources to perform this work with in-house forces.
Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts

Item Number: 1 (Final)

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<th>Vendor Name (&amp; Location)</th>
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PURPOSE

MTA Bridges and Tunnels is seeking Board approval under the All Agency Guidelines for Procurement of Services to amend Personal Service Contract No. PSC-05-2741 with Xerox State and Local Solutions (Xerox). The initial negotiated term for this 10-year base contract ends in September 2017; the contract also includes an option to extend for three years. To ensure sufficient funding for the existing contract terms and to provide a seamless coordinated transition to new vendor arrangements, B&T seeks approval to add a total of $150.2 million to this contract through the following actions:

1. To add $42.2 million to the current contract terms to fund the significantly increased usage of E-ZPass, and the implementation of All-Electronic Tolling (AET) pilot programs, both unanticipated at the time the initial contract was negotiated; and
2. To exercise the three–year renewal option to prepare for and ensure a successful transition to a new contractual arrangement after a comprehensive competitive procurement process in tandem with B&T’s partners, the New York State Thruway Authority (NYSTA) and the Port Authority of New York and New Jersey (PANYNJ) (together the NYCSC agencies). Exercising this option will require $108 million to be added to the contract.

DISCUSSION

In September 2007 pursuant to a competitively procured joint solicitation, MTA B&T, NYSTA and PANYNJ each executed contracts with Xerox to operate a single E-ZPass New York Customer Service Center (NYCSC) that would provide services to customers of all the NYSC agencies. The Contract was for an initial period of ten (10) years with one three-year option to renew. The current total value of all three contracts is $523.8 million, with the current value of B&T’s contract at $192.8 million. The services provided by the NYCSC operator include: implementation and maintenance of a computerized account maintenance system used to manage accounts and process transactions; collection of pre-paid toll deposits, processing of toll violations, and operating a telephone call center. Since the Board approved the original contract, eight amendments have been issued including an amendment to add All-Electronic Toll Collection (AET) to the contract.

Today, the NYCSC manages over five million active E-ZPass accounts, processes over 759 million toll transactions, collects over 38 million payments, receives over ten million telephone calls and handles over one million pieces of correspondence on an annual basis for all three agencies. B&T accounts for approximately 60% of the volume for all of these categories.

Current Contract

Since the current contract became operational in 2009, the use of E-ZPass has grown significantly at B&T. The number of accounts has increased 65% and the number of tags has increased 53%. This growth has, in turn, led to an increase in customer service center costs, particularly account maintenance fees ($26.2 million) and other associated costs ($4 million). In addition, $2.5 million needs to be added to the current contract as a result of programmatic change orders, particularly the new DMV registration suspension program.

Along with these additional costs, in January 2011, B&T initiated a pilot project at the Henry Hudson Bridge to assess the feasibility of adopting AET at that facility. The pilot project has since been approved by the TBTA Board as the permanent method for toll collection at the Henry Hudson Bridge. While initial funding was provided for the AET program, an additional $4.6 million is required to operate AET at the Henry Hudson through the end of the contract period. B&T also
intends to implement AET pilot programs at the Marine Parkway and Cross Bay Bridges later in 2016, and estimates a cost of $4.9 million to fund the implementation and operation of these AET programs until the end of the ten-year contract period. Together, these costs total $42.2 million.

Renewal Option
The NYCSC agencies are in the process of preparing competitive joint procurements to replace the current customer service center contract, with B&T acting as lead agency. While this procurement process is underway, the three agencies have agreed that the only way to ensure the uninterrupted provision of NYCSC services is to exercise the three-year option, thereby extending the current contract to September 2020.

In developing the procurement, the NYCSC agencies have unbundled the current NYCSC contract into two separate contracts: (1) for the design, development, implementation and maintenance of the systems for the NYCSC; and (2) for operation of the NYCSC. The major advantages of separating the system contract from the operations contract are that the NYCSC agencies can then select the “best in class” system and the “best in class” operation, with the expectation that this will lead to better overall NYCSC performance and increased competition for each contract, resulting in more competitive unit pricing. The current schedule calls for the RFPs to be advertised in the fourth quarter of 2016 and contract awards in early 2018.

Given the complexity of procurement processes that require unanimous agreement by the three NYCSC agencies and the estimated two years it may take to migrate to new contracts, it is prudent to extend the NYCSC contract to 2020. As a result of negotiations with Xerox to review pricing and costs during the option period, and as consideration for exercising the option, Xerox has agreed to reduce its pricing for the three-year option period, as well as for the time remaining on the initial ten-year contract term. Although negotiations are ongoing, it is anticipated that these price reductions will save the NYCSC agencies at least $13 million in total over the next four years ($4 million for B&T). B&T’s estimated cost for the three-year option will not exceed $108 million ($66 million for account maintenance, $28.5 million for AET, $7.5 million for CSC Walk-In Service Centers, $4 million for postage and $2 million for class mismatch review, Spanish options and other services).

IMPACT ON FUNDING
The total estimated amount of this contract change is $150.2 million: $108 million for the three-year option period and $42.2 million for services through the end of the original ten-year contract period which ends in September 2017. The rates in the amendment are lower than those in the current contract and are considered fair and reasonable. Funding is available in the operating budget under General Ledger No.711413.
Narrative

Purpose:

To provide information concerning the First Mutual Transportation Assurance Company’s (FMTAC’s) 2015 activities and operations to board members in connection with the May 25, 2016 annual FMTAC Board meeting.

Discussion:

The monthly MTA board meeting of May 25, 2016 will also be the annual board meeting of MTA’s captive insurer, the First Mutual Transportation Assurance Company. For informational purposes, the FMTAC Board Book is being distributed to board members in advance of the meeting.

The FMTAC Board Book contains the Annual Meeting Newsletter (Section 1), which provides a summary update on the activities of FMTAC for the year ended December 31, 2015; historical comparative balance sheet and income statement summaries (Section 2); the FMTAC Audited Financial Statements for the years ended December 31, 2015 and 2014 (Section 3); and the Statement of Actuarial Opinion prepared by Milliman, Inc. setting forth the independent actuary’s determination that the reserves recorded by FMTAC for the year ended December 31, 2015 meet the requirements of the captive insurance laws of the State of New York and make reasonable provision for unpaid loss and loss adjustment expense obligations of FMTAC (Section 4).

Also included in the FMTAC Board Book is the regulatory compliance checklist for 2016 (Section 5), a Report on Investments (Section 6), and materials describing the captive manager advisers (Marsh Captive Solutions) and FMTAC’s investment managers (Goldman Sachs Asset Management) and actuaries (Milliman, Inc.) (Section 7). An informational presentation concerning FMTAC’s 2015 operations and activities will be on the agenda of the Finance Committee meeting of May 23, 2016.