

NYCT Committee
ACTIONS and PRESENTATIONS
SUMMARY for MAY 2022

Responsible Department	Vendor Name	Total Amount	Summary of action
NYCT	Plasser American Inc.	\$19,100,000	Award of a contract for the upgrade of critical systems on two NYC Transit–owned Track Geometry Cars (TGC3 and TGC4)



New York City Transit Procurements

Louis Montanti, Deputy Chief Procurement Officer – MTA Office of the Chief Procurement Officer

PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed estimated expenditure of \$19.1M.

Subject Request for Authorization to Award Various Procurements					
Department MTA Procurement					
Department Head Name Lisette Camilo					
Department Head Signature					
Project Manager Name Rose Davis					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	5/22/23			
2	Board	5/24/23			

May 19, 2023			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	President NYCT	X	SVP Subways
	Deputy CFO	X	Pres. MTA Bus / SVP DOB
X	Law	X	Diversity / Civil Rights

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

PURPOSE

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

DISCUSSION

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

Procurements Requiring Two-Thirds Vote:	# of Actions	\$ Amount
Schedule A: Noncompetitive Purchases and Public Work Contracts	1	\$ 19.1 M
SUBTOTAL	1	\$ 19.1 M

NYC Transit proposes to award Competitive procurements in the following categories: None

NYC Transit proposes to award Ratifications in the following categories: None

TOTAL	1	\$ 19.1 M
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COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

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

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

BOARD RESOLUTION

WHEREAS, in accordance with Sections 1265-a and 1209 of the Public Authorities Law and the All-Agency General Contract Procurement Guidelines, the Board authorizes the award of certain noncompetitive purchase and public work contracts, and the solicitation and award of requests for proposals regarding purchase and public work contracts; and

WHEREAS, in accordance with the All-Agency Service Contract Procurement Guidelines and General Contract Procurement Guidelines the Board authorizes the award of certain noncompetitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and

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

NOW, the Board resolves as follows:

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

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

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

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

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

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

MAY 2023

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Noncompetitive Purchases and Public Work Contracts

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

- | | | |
|--|----------------------------|--------------------------------------|
| 1. Plasser American Corporation | \$19,100,000 (Est.) | <i>Staff Summary Attached</i> |
| Three Years | | |
| Contract# SSE 370933 | | |
| Award of a contract for the upgrade of critical systems on two NYC Transit–owned Track Geometry Cars: TGC3 and TGC4. | | |

Schedule A: Noncompetitive Purchases and Public Work Contracts



Item Number: 1

Vendor Name (Location) Plasser American Corporation (Chesapeake, Virginia)
Description Upgrade of Critical Systems on TGC3 and TGC4
Contract Term (including Options, if any): Four Years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Negotiation

Contract Number SSE 370933	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$19,100,000 (Est.)
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Department: Department of Subways; Demetrius Crichlow	

Discussion:

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law Section 1209, subsection 9(b) due to the existence of a single responsible source and approve the award of an estimated value contract to Plasser American Corporation (“Plasser”) for the upgrade of critical systems on two NYC Transit–owned Track Geometry Cars (“TGCs”): TGC3 and TGC4. The sole-source advertisement for this requirement did not receive any responses.

Both the TGC3 and TGC4 (manufactured in 2006 and 2007 respectively) are scheduled for a comprehensive overhaul. This contract will allow for critical systems to be upgraded, either because they are well-worn or better technology is available, and other parts to be overhauled to achieve another 15 years of operational life on each TGC. The TGCs are a critical safety item that use sophisticated inspection tools to identify (1) failures in rails; (2) movement in rails or the track bed; (3) obstructions in the operating envelop of the subway tunnels; and (4) any other related situation that could potentially impact the safe operation of subway trains or the riding public.

TGCs are an integration of a Power Car Unit (“PCU”) that contains the motive power for the TGC and the Ultrasonic Test equipment, and a Measuring Car Unit (“MCU”) that contains the track observation and measuring equipment. Under this contract, the following major components and/or systems will be upgraded or replaced on both TGCs: (1) the Ultrasonic Test unit will be upgraded to the latest technology; (2) the guiding axle and gearbox for the Ultrasonic Test unit will be replaced; (3) a rebuilt transmission will be installed, including all ancillary components; the generator and worn engine components will be replaced; and (4) the trucks on both the PCU and MCU will be rebuilt with new suspension and brake components. On the MCU, the thermal imaging system and the rail profile and flangeway measuring system will be upgraded, and specialized cameras designed to detect flaws and cracks on the surface of the rail will be replaced as needed. Finally, rusted components on the TGCs’ exterior will be removed and refurbished.

All equipment and related subsystems were manufactured by Plasser or other subsystem suppliers and integrated by Plasser. The overall contract term is expected to be approximately four years. Upon award, Plasser will purchase the necessary equipment, components, and subsystems to complete the upgrades of both TGCs. The lead time for these items is approximately one year. When work on the TGCs is ready to be scheduled, the TGC3 will be transported via truck to Plasser’s facility in Chesapeake, Virginia, where it will undergo modernization for approximately 18 months. When completed, it will be transported back to NYC Transit for commissioning and TGC4 will then be transported to Plasser’s facility for modernization, a process that is scheduled to take six months. Finally, TGC4 will be modernized and returned to NYC Transit for commissioning, a process that is scheduled for one year. Any replaced components or subsystems that can be used for spare parts will be returned to NYC Transit.

Pricing was broken out and negotiated on a line-by-line basis for each major task in the scope of work, including pricing for major subsystem replacement, Plasser labor/level of effort, and subcontracted services. This provided a high level of transparency under which Procurement and the Technical team were able to achieve the best pricing. Additionally, negotiations were conducted on collateralized advanced and milestone payment schedules, performance bonding, and establishing an aggressive but achievable overall project schedule with an incentive for early completion. Through the efforts of the Department of Subways and Procurement, Plasser submitted its Best and Final Offer of \$19.1 million, a savings of \$3.3 million from its original offer of \$22.4 million. The pricing offered by Plasser has been found fair and reasonable.

Schedule I: Modifications to Purchase and Public Work Contracts



This contract has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, have been included in the contract terms and conditions.

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

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

Impact on Funding

This procurement will utilize 50 percent Capital and 50 percent Operating funds.