



Metro-North Railroad Procurements

Omar Messado, Assistant 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 \$3.8M.

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	10/28/24			
2	Board	10/30/24			

October 25, 2024			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	President	<i>CAR</i>	
	EVP & COO	<i>[Signature]</i>	
	VP & General Counsel	<i>[Signature]</i>	

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 Joint Railroad Committee of these procurement actions.

DISCUSSION

Metro-North proposes to award Noncompetitive procurements in the following categories:

<u>Procurements Requiring Two-Thirds Vote:</u>	<u># of</u>	<u>\$ Amount</u>
	<u>Actions</u>	
Schedule A: Noncompetitive Purchases and Public Work Contracts	1	\$ 3.8 M
SUBTOTAL	1	\$ 3.8 M

Metro-North proposes to award Competitive procurements in the following categories: None

Metro-North proposes to award Ratifications in the following categories: None

TOTAL \$ 3.8 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 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.

OCTOBER 2024

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Noncompetitive Purchase and Public Works Contracts

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

- 1. GE Grid Solutions, LLC** **\$3,797,000 (estimated)** ***Staff Summary Attached***
7 years
Contract #422937
Award of a contract for the supply of Positive Train Control Data Radios for Metro-North
Railroad and Long Island Rail Road.

Schedule A: Noncompetitive Purchases and Public Work Contracts

Item Number: 1

Vendor Name (Location) GE Grid Solutions, LLC (Atlanta, Georgia)	Contract Number 422937	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description Supply and Deliver PTC Data Radios for MNR & LIRR	Total Amount: \$3,797,000 (estimated) MNR: \$1,146,046 LIRR: \$2,650,954	
Contract Term (including Options, if any): November 1, 2024–November 30, 2031	Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a	Requesting Department Maintenance of Equipment: Jeffrey Weston, Chief Mechanical Officer	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive		
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:		

Discussion:

Metro-North Railroad (“MNR”) on behalf of itself and Long Island Rail Road (“LIRR”), collectively “the Railroads”, requests Board approval to award a noncompetitive estimated quantity contract to GE Grid Solutions, LLC (“GE”) for the supply and delivery of Positive Train Control (“PTC”) Data Radios. This procurement was initially competitively solicited through an Invitation for Bids (“IFB”) process. GE will supply these data radios in the estimated amount of \$3,797,000.

GE was the original equipment manufacturer who supplied the original PTC Radios for both the MNR and LIRR rolling stock fleets. However, the current PTC Data Radios are now obsolete and need to be updated and replaced in order to maintain compliance with the PTC federal mandate. Under the federal mandate, PTC, a signaling and communications technology, was designed and implemented to make commuter rail safer through GPS-based safety technology with the ability to stop a train and prevent train-to-train collisions, overspeed derailments, and unauthorized train movement. To function properly, PTC requires a communication network using a 220 MHz radio system, located both on a railcar and the wayside, that verifies GPS train locations and transmits data between the train, the PTC Control Center, and the Wayside Signal System. As the PTC Data Radio is an essential component to meeting PTC compliance, replacement units are required.

An IFB was publicly advertised in the *New York State Contract Reporter*, the *New York Daily News*, and posted on the MTA website. The IFB was also sent directly to a list of firms known to supply this type of equipment in the industry. On July 21, 2023, bids were received from two vendors: GE and Siemens Mobility, Inc. (“Siemens”).

GE, the low apparent bidder, and Siemens, the second bidder, both indicated the ability to perform the work and supply materials. However, GE and Siemens both took exception to several terms and conditions of the contract, including cybersecurity requirements. Both bids were therefore determined to be non-responsive. Siemens’ technical approach and cost were not economically viable, therefore MNR elected to negotiate with GE. As such, MTA Board approval is being sought in accordance with the MTA All-Agency General Procurement Guidelines and Section 1265-a(4)(c) of the Public Authorities Law.

Under this contract, GE will use its proprietary firmware with the necessary engineering efforts to design, build, and functionally test the next generation PTC Data Radio. Its design will include backward compatibility to work with the legacy data radio currently in use by the Railroads. After delivery of the prototype units to the Railroads for environmental integration testing and commissioning, an initial lot of 250 units will be supplied over a five-year delivery schedule. Each unit delivered will have a five-year warranty period and will replace existing radios as they fail.

The total price of \$3.8 million consists of project engineering (recurring and nonrecurring costs), hardware and firmware integration, factory validation, prototype commissioning, and the first 250 production units. The price is determined fair and reasonable based on a comparison to prior pricing for the obsolete radios. As the OEM, GE has historically supported the legacy data radios for the Railroads and their performance has been satisfactory. GE will continue to support the existing legacy units through December 2026, the time at which the new radios will be available.

Should the Railroads need to procure additional radios (beyond the quantity of 250) during the contract term, the negotiated firm fixed price will be \$2,950.

Schedule A: Noncompetitive Purchases 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, will be included in the contract terms and conditions prior to award.

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

M/W/DBE Information

The MTA Department of Diversity and Civil Rights has set zero percent MWBE/SDVOB goals on this contract due to the lack of subcontracting opportunities and MWBE/SDVOB firms in the marketplace.

Impact on Funding

This project will be funded by each agency's Operating Budget.

Alternatives

None.