

**MOYNIHAN STATION DEVELOPMENT CORPORATION**

**MEETING OF THE DIRECTORS**

**WEDNESDAY**

**FEBRUARY 18, 2015**

**1:00 p.m.**

# MOYNIHAN STATION DEVELOPMENT CORPORATION

## Meeting of the Board of Directors of the Moynihan Station Development Corporation

At the offices of the  
New York State Urban Development Corporation  
d/b/a Empire State Development  
633 Third Avenue –37<sup>th</sup> Floor  
New York, New York 10017

**Wednesday**

**February 18, 2015 – 1:00 p.m.**

### **PROPOSED AGENDA**

#### **CORPORATE ACTION**

1. Approval of the Minutes of the September 26, 2014 Directors' Meeting

#### **FOR INFORMATION**

2. President's Report (Oral Report)

#### **FOR CONSIDERATION**

3. Authorization to Amend a Contract with Parson Brinkerhoff (f/k/a PB Americas, Inc.) for Architectural, Engineering, Design, and Construction Phase Services; Authorization to Take Related Actions
4. Authorization to Amend the Contract with the National Railroad Passenger Corporation (Amtrak) for Preliminary Engineering and Pre-construction Support Services related to Moynihan Station; Authorization to Enter into a Letter Agreement with Amtrak Regarding Rights and Responsibilities for Final Design of Moynihan Station Phase 2; Authorization to Take Related Actions

**ITEM 1**

**MOYNIHAN STATION DEVELOPMENT CORPORATION**

Meeting of the Directors  
Held at the Offices of the  
Empire State Development  
633 Third Avenue  
37<sup>th</sup> Floor Conference Room  
New York, New York 10017

**September 26, 2014**

**MINUTES**

**In Attendance**

**Directors:**

Victor Mendez (Acting Chair) (via video conference)  
Tokumbo Shobowale  
Paul Williams

**Present for the Empire  
State Development:**

Ingrid Barbosa-Santiago, Director of Subsidiary Finance  
Thomas Brennan, Senior Vice President – Internal Audit  
Joseph Chan, Executive Vice President – Business Development  
Maria Cassidy, Deputy General Counsel  
Richard Dorado, Senior Counsel  
Elizabeth Fine, Executive Vice President – Legal & General  
Counsel  
Nicole Jordan, Manager –Community Relations  
Benson Martin, Director of Compliance  
Kathleen Mize, Deputy CFO and Controller  
Maria Michalos, Junior Press Secretary/Speechwriter  
Harold Rojas, Manager of Accounting  
Sankar Singh, Manager – Contract Audit & Admin.

**Present for the  
Moynihan Station**

**Development Corporation:**

Michael Evans, President  
Fred Bartoli, Project Manager  
Rebecca Pellegrini, Financial Project Manager  
Regina Stephens, Acting Corporate Secretary  
Thelma Washington, Executive Secretary

**Present for FRA/USDOT:**

Joe Peraino, USDOT/FRA (via video conference)

**Also Attending:** Ron Calvosa, PANY&NJ  
Kelly Eustice, PANY&NJ  
Patrick Higgins, PANY&NJ  
Andrew Lynn, PANY&NJ  
Jacqueline McCarthy, PANY&NJ  
Bruno Signorelli, PANY&NJ  
Kevin Pierce, STV  
Dyana Lee, Thatcher Associates, LLC  
Joseph DeLuca, Thatcher Associates, LLC

The meeting of the Moynihan Station Development Corporation (“MSDC” or the “Corporation”) was called to order by Victor Mendez at approximately 9:45 am. Chairman Mendez noted for the record that the meeting was being webcast. He also noted for the record the Corporation’s policy to welcome public comments on the items on the current Agenda. Chairman Mendez briefly reviewed the protocol for comments.

Before beginning with substantive portion of the meeting, Chairman Mendez asked the directors whether anyone had any potential conflict of interest with respect to any of the items on the Agenda, and if so, he asked that the Director make the appropriate disclosure on the record and recuse him or herself from any discussion or vote with regard to any such items.

Before moving forward with the Agenda items Chairman Mendez asked each person seated at the table to introduce themselves so that those on video conference will know who is seated at the table. The following people were seated at the table: Michael Evans, President of MSDC, Director Tokumbo Shobowale, Chief Operating Officer of The New School University, Joseph Chan, Executive Vice President, Real Estate Public Private Partnership at ESD, Richard

Dorado, Counsel to MSDC, Andrew Lynn, Director of Planning, Port Authority of New York & New Jersey, Bruno Signorelli, Port Authority – Program Director for Moynihan Station, Director Paul Williams, President DASNY.

Next, Chairman Mendez requested a motion for approval of the meeting minutes of July 10, 2014, Directors meeting. Upon motion duly made and seconded the following resolution was unanimously adopted:

217. MOYNIHAN STATION DEVELOPMENT CORPORATION - APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE JULY 10, 2014 MEETING OF THE DIRECTORS OF THE MOYNIHAN STATION DEVELOPMENT CORPORATION

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RESOLVED, that the Minutes of the meeting of the Corporation held on July 10, 2014, are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

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Chairman Mendez asked that Michael Evans present his President's Report. He noted for the record that this report was for the Directors' information only and no vote would be required.

Mr. Evans began his report by explaining to the Director the progress made since the last Directors meeting. He stated that the Project has had an extremely productive period since the last meeting, by having completed 57 percent of the Project, as well as completing 70 percent of the steel for the new concourse. It is anticipated that all of the steel will be in place

by the end of January as planned. He further stated that it is hard to believe that the critical 18 month construction window of steel erection is nearing completion and he attributed this great work to the contractors, Skanska, the construction management team, STV Joint Venture, the Port Authority of New York & New Jersey (“Port Authority”) team, and the Railroad’s fantastic coordination.

Before Bruno Signorelli presented his progress report Mr. Evans introduced Kevin Pierce the replacement for Tony Caracchiola. He continued explaining that Mr. Caracchiola would be transitioning to a part-time status to take advantage of his retirement years. Mr. Evans stated that Kevin Pierce is from STV and has an enormous amount of experience which includes the World Trade Center Project. Mr. Pierce has also worked on the West Coast on other transit properties.

Mr. Pierce thanked MSDC and the Port Authority for allowing him the opportunity to be part of the Moynihan Project and expressed his excitement in working on the Project. Mr. Pierce stated that the Moynihan Project is a transformation for this region, for the City of New York and for Amtrak. Lastly, he stated he looked forward to working with everyone on the Project team.

Mr. Evans stated that Tony Caracchiolo has agreed to remain as a project resource even though his fulltime days on the job will decrease over the next several months.

Following Mr. Evans' comments Bruno Signorelli gave his progress report. In his report Mr. Signorelli mentioned among other things, that the Project is 57 percent complete and the Project is at its two year mark to its commencement of work in the train shed. He continued, stating that 65 full weekend outages and 8 partial weekend outages have been received. He explained that since the last Directors' meeting, steel has been installed from track 14 through 16 and the closures for these two tracks were the most difficult because they split the station which required the closures to be scheduled more than a year in advance. Mr. Signorelli stated that work in this area was challenging because it was the first time work had been tied into the West End Concourse which required installation of new staircases prior to any demolition occurring. He continued stating that 90 percent of the steel work has been completed at the North Plaza at 33<sup>rd</sup> Street and Eighth Avenue, as well as waterproofing of sub-surfaces and installation of stone on the Northside of the Eighth Avenue steps. Also, work on the relocation of subway steps and installation of the MEP equipment in the Farley Building basement will continue as well as the reframing of the south half of 33rd Street for the Connecting Corridor.

Mr. Signorelli also reported on work scheduled going forward which included structural steel work for the West End Concourse to be installed by the end of January. Work on the finishes on the southern half of the West End Concourse will begin in November, the Northside of Eighth Avenue steps are scheduled to be installed by mid -November as well as completion of the North Plaza subway steps relocation and finishes are scheduled to be completed in January. Lastly, Mr. Signorelli stated that it is anticipated that the south half of 33<sup>rd</sup> Street framing will be completed in April.

Following Mr. Signorelli's progress report, Mr. Evans informed the Directors of the progress on what was mentioned at the previous board meeting regarding proactive steps to mitigate certain risks anticipated in the last two years of the Project and leading up to the opening of the new concourse. Mr. Evans explained that a group led by the Port Authority and the construction management team are addressing individual issues and creating working groups with the Railroad. Progress is being reported every month by the working group to the Construction Steering Committee. The Working Group reports their progress on issues as well as, their investigation into different issues, keeping a list of these issues and providing an update very month. Mr. Evans stated that the plans to have members of the team give a report at the next Directors' meeting.

Following Mr. Evans President's Report, Chairman Mendez asked if there were any comments or questions from the Directors. Hearing none, he continued stating that he wanted to convey his thanks to Tony Caracchiolo and to say welcome aboard to Kevin Pierce.

Chairman Mendez then asked if there were any comments from the Public, hearing none he asked Mr. Evans to continue with the next Agenda item, requesting authorization for the Corporation to amend the contract with Skidmore, Owings & Merrill.

In his presentation Mr. Evans stated among other things, that it is now time to turn attention to the next Phase of the Project. He explained that as work continues in order to advance to the next Phase, a significant amount of design work is involved. He continued

stating that Skidmore, Owings & Merrill (“SOM”) has been an excellent architectural and engineering team on the Project since that late 1990s. SOM were selected through competitive procurement and created 80 percent of the design drawings for the train hall in 2006.

Mr. Evans stated that in order to move forward with construction of the second Phase of the Project, review and repackaging of the design drawings are required. SOM has been the architect of record on Phase I of the Project and the SOM contract has been amended by the Directors to allow for repackaging of the scope of Phase I elements into bid-ready documents which is what was put out for bid and is what Skanska is now constructing. SOM has experience and they are familiar with the design of the building. Mr. Evans continued explaining that SOM created conceptual plans based on 2006 design drawings but had to adopt Amtrak’s new program requirement which will be the basis of design for the next Phase. This new design Phase will take approximately 12 months and will be separated into five stages preliminary design criteria, early action packages and 50 percent, 75 percent, 100 percent train hall package.

Mr. Evans noted for the Directors that SOM’s proposal to do all of this work in 12 months is an extremely aggressive design schedule. He stated that SOM’s proposal is \$11.6 million which the Port Authority has reviewed and finds to be competitive and well below any expected proposal according to the analysis the Port Authority uses on major projects for a new architectural and engineering team. Mr. Evans informed the Directors that MSDC staff

and the Port Authority recommend that the Corporation move forward with the packaging of the 2006 plans to save an enormous amount of time and money.

Following a full presentation of the item by Mr. Evans, Director Shobowale asked MSDC's project counsel to confirm there are no procurement issues with regard to amending a contract of this amount even though it seems to be a savings for the Project. Richard Dorado, MSDC's Project counsel responded stating that the criteria for properly enforcing this single source contract has been satisfied. Director Shobowale also asked if the contingency balance for Phase I scope of work will be rolled over into Phase II. Mr. Evans responded that SOM continues to provide construction advisory service on Phase I and he anticipates keeping those funds for Phase I right now, however, any balances at the end of Phase I would certainly be rolled over into Phase II if necessary. Mr. Evans stated he does not anticipate spending the contingency.

Director Shobowale then asked Mr. Evans if he had any concerns meeting the aggressive 12-month deadline for the design scope of work for Phase II. Mr. Evans responded, he has two (2) concerns, one concern is uncovering unforeseen conditions of the structural steel over the train hall and what modifications will be necessary; and secondly MSDC's railroad partner Amtrak must provide very tight turnaround timelines which can always be an issue.

Director Shobowale inquired about funds being included in the Phase I contract for the demolition of structures. Mr. Evan responded that the team is currently putting together a demolition assessment. He explained that there will be minimal demolition work which will be carried out by the contractor brought in by OGS or possibly Skanska.

Director Shobowale asked with regards to the Amtrak coordination, the Directors be kept apprised of any delays as soon as possible. Mr. Evans stated that as with Phase I, a high level group should be formed to oversee and insure things stay on schedule.

Chairman Mendez also commented on the 12-month design schedule issue. He asked that the Directors be kept apprised of any indication of delays in the design schedule. Mr. Evans responded that he will keep the Directors informed of any potential issues in the design schedule.

Director Shobowale then commented on the success in Phase I which has allowed the Project to advance to the next Phase. He praised the Project team on how they have undertaken manageable portions of the Project to keep the momentum and by doing so he believes they will save millions of dollars on the completed Project.

Following comments from the Directors, Chairman Mendez asked if there were any comments from the Public, hearing none, he requested a motion for approval to amend the contract with SOM. Upon motion duly made and seconded the following resolution was

unanimously adopted:

218. NEW YORK (NEW YORK COUNTY) – Moynihan Station Civic and Land Use Improvement Project – Authorization to Amend the Contract with Skidmore, Owings & Merrill LLP for Architectural, Engineering, Design, Development, and Related Services; and Authorization to Take Related Actions
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BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Skidmore Owings & Merrill LLP (“SOM”) to be responsible; and be it further

RESOLVED, that the Directors hereby authorize the amendment of the contract with SOM in the amount of \$11,663,151 plus a 10% contingency of \$1,166,315 for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials, thereby increasing aggregate limit of the contract \$26,604,334; and be it further

RESOLVED, that the President, or other Officer of the Corporation, or his designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing Resolutions.

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Mr. Evans presented the next Agenda item requesting authorization to amend the contract with PB Americas for architectural, engineering, design and maintenance services. In his presentation Mr. Evans reminded the Directors of the delay due to fracturing of the Northern Penn Station retaining wall which led to a redesign and significant change order and use of contingency in order to complete the Project. He explained that the team believes its prudent prior to moving into construction of E-Yard structural work to have PB Americas design consultant review the design, make any necessary adjustments in order to have an efficient construction period and avoid making a significant change order during the Project. He continued stating that the Port Authority and PB Americas have developed a scope of services

involving this redesign effort, and currently the contract amount is approximately \$3.6 million, and this request is for \$144,458 with a 10 percent contingency for a total contract amount of \$3.7 million. Mr. Evans reiterated to the Directors that he and the Project team think this is a prudent step to take and the Port Authority has worked closely with the design team so the Project team can plan accordingly.

Chairman Mendez asked if the Directors had any questions. Director Paul Williams asked if this action was being taken under a single source contract. Mr. Evans responded affirmatively. Director Williams also asked if all permit contracts in the contract have the best efforts goals used and requested a report in the near future on those efforts.

Following questions and comments by the Directors, Chairman Mendez entertained a motion for approval to amend the contract with PB Americas, Inc. Upon motion duly made and seconded the following resolution was unanimously adopted:

219. NEW YORK CITY (NEW YORK COUNTY) – Moynihan Station Civic and Land Use Improvement Project – Authorization to Amend Contracts for Architectural, Engineering, Design, and Construction Phase Services with PB Americas, Inc.; and Authorization to Take Related Actions

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BE IT RESOLVED, that based on the materials presented at this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds PB Americas, Inc. (“PB”) to be responsible; and be it further

RESOLVED, that in accordance with the Materials, the Corporation is hereby authorized to amend the existing contract with PB and increase the amount of such contract by \$158,903, to a new aggregate limit of \$3,756,403, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President, or other Officer of the Corporation, or his or her designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing Resolutions.

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Chairman Mendez then entertained a motion to conduct an Executive Session pursuant to paragraph (h) of Subdivision 1, Section 105 of the New York State Open Meeting Law, and more specifically to discuss real estate negotiations issues relating to development of the James A. Farley Building. Upon motion duly made and seconded, the following resolution was unanimously adopted:

220. EXECUTIVE SESSION – Pursuant to Paragraph (h) of Subdivision 1 of Section 105 of the New York State Open Meeting Law

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RESOLVED, that the Directors conduct an Executive Session to consider matters pertaining to paragraph (h) of Subdivision 1 of Section 105 of the New York State Open Meetings Law.

\* \* \*

The meeting was temporarily adjourned to conduct the Executive Session. All persons were requested to leave the room with the exception of the Directors, members of ESD's senior staff and others.

Once the meeting was back in Open Session, Chairman Mendez noted for the record that no votes had been taken during Executive Session.

There being no additional business, the meeting was adjourned at approximately 10:50 a.m.

Respectfully submitted,

Regina Stephens  
Acting Corporate Secretary

# ITEM 3



FOR CONSIDERATION

February 18, 2015

TO: The Directors

FROM: Michael Evans, President

SUBJECT: New York City (New York County) – Moynihan Station Civic and Land Use Improvement Project

REQUEST FOR: Authorization to Amend a Contract with Parsons Brinkerhoff (f/k/a PB Americas, Inc.) for Architectural, Engineering, Design, and Construction Phase Services; Authorization to Take Related Actions

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BACKGROUND

Phase 1 of Moynihan Station includes three distinct sub-projects:

1. West End Concourse Expansion
2. Emergency Ventilation System
3. 33<sup>rd</sup> Street Connector

In April 2010, the Directors authorized a contract with Parson Brinkerhoff, formerly known as PB Americas, Inc., (“PB”) for architectural and engineering services on Phase 1 of the Moynihan Station Project, specifically pertaining to the design of the Emergency Ventilation Sub-project.

In May 2012, the Directors awarded the construction contract for the West End Concourse Expansion Sub-project (“WEC”) to Skanska USA Civil Northeast, Inc. (“Skanska”).

In September 2012, USDOT awarded a \$30 million grant to NYSDOT/MSDC for to advance the 33<sup>rd</sup> Street Connector sub-project and to construct the fan room structures over C-Yard for the Emergency Ventilation System.

In order to advance the structural work in C-Yard, in October 2012 the Directors authorized an amendment to the contract with PB to repackage the Platform Ventilation System plans and specifications so structural work could proceed in C-Yard.

In January 2013, the Directors authorized an amendment to the Skanska contract in order to include the construction of the C-yard fan room structures. Work began in C-Yard in February 2013 and is nearing completion. Due to significant construction challenges in C-Yard resulting

from fracturing and fissuring of the northern Penn Station retaining wall a significant redesign of C-Yard was required in summer of 2013 in the middle of construction. This delayed the completion of work in C-Yard and resulted in change orders in substantial amounts.

In September 2014, the Directors authorized an amendment to the PB contract to allow for PB to review the plans for the fan room structures in E-yard in advance of MSDC initiating this work, in order to improve the design based on lessons learned from C-Yard, thereby reducing the likelihood for significant change orders and delays during the course of construction.

Subsequent to this amendment, it has become necessary to conduct a more comprehensive visual survey of the existing conditions in E-Yard. This work will need to be accomplished by Severud Associates Consulting Engineers P.C. ("Severud"), serving as a sub-consultant to PB. Severud will be performing visual inspection of 25 columns adjacent to tracks and 18 girders spanning over multiple tracks in E-Yard. The survey will determine design revisions which will also inform cost estimates for the E-yard fan room structures, leading to more reliable budgeting for this element of work. This work must proceed in advance of PB's redesign efforts, and PANYNJ recommends advancing this amendment in order to expedite the design review process so that MSDC will be in a position to consider advancing this construction work in the latter half of 2015.

Severud has previously served as a sub-consultant to PB and has extensive experience on the Moynihan Phase 1 Project, as well as in-depth knowledge of the Farley Building.

Therefore, approval is sought for the following actions:

- 1) Amend PB contract to allow for its sub-consultant Severud Associates Consulting Engineers P.C. to perform a visual survey of the existing structural condition of elements being loaded or altered by platform ventilation work in E-Yard in order to re-package the Platform Ventilation System plans and specifications so the necessary structural work can proceed in E-Yard of the train shed and to provide necessary construction phase services during construction as the Engineer of Record.

A Contract Reporter Exemption request was submitted to ESD Legal for this amendment.

#### **PROPOSED CONTRACT AMENDMENT**

The structural survey of the existing steel in E-Yard is budgeted at **\$55,596.00**, based on a proposal from PB. The proposal has been reviewed and recommended by PANYNJ Engineering, per the terms of the consulting services agreement between PANYNJ and MSDC.

Staff recommends a 10% contingency of **\$5,560**.

MSDC, therefore, requests authorization to amend the PB contract by a total of **\$61,156**, for a new total contract amount not to exceed **\$3,817,559**, inclusive of contingency.

**SUMMARY**

Based on the foregoing, board approval is requested to amend the contracts with PB as follows:

| <b>Consultant</b> | <b>Previously Authorized Contract*</b> | <b>Additional Services</b> | <b>Contingency (10%)</b> | <b>Amended Contract Total</b> |
|-------------------|--|----------------------------|--------------------------|-------------------------------|
| <b>PB</b>         | \$3,756,403                            | \$55,596                   | \$5,560                  | <b>\$3,817,559</b>            |

*\* Includes previously authorized contingencies.*

**FUNDING**

The amendments to these contracts and the associated professional liability insurance policy will be funded from the Phase 1 budget with 100% funding from the Federal Railroad Administration (“FRA”) Appropriations Grant. Funds will be drawn from existing accounts and all advances will be reimbursed promptly.

**RESPONSIBLE PARTIES**

Pursuant to State Finance Law Section 139-j and 139-k and MSDC’s policy related thereto, staff has (a) considered the ability of PB to perform the services as set forth in these materials, and (b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on the foregoing, staff finds PB to be responsible.

**AFFIRMATIVE ACTION / NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY**

MSDC’s DBE/MBE/WBE Program Plan will apply to these contracts. PB will use best efforts to achieve a Minority Business Enterprise participation goal of 15% and a Women Business Enterprise participation goal of 5% of the total dollar value of work performed pursuant to contracts or purchase orders entered into in connection with the construction work related to the Project. This is a comprehensive goal for all areas of the project (i.e., professional, construction and purchasing of supplies), and therefore the overall goal for the project is 20%. MSDC will also encourage DBE participation, but there is no numerical goal for DBEs.

**ENVIRONMENTAL REVIEW**

The requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act (SEQRA) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required with this authorization.

**REQUESTED ACTIONS**

The Directors are requested to authorize the Corporation to amend the existing contracts with PB for architectural, engineering, design, and construction phase services, as set forth in these materials.

**RECOMMENDATION**

Based on the foregoing, I recommend approval of the requested actions.

**ATTACHMENT**

Resolution

February 18, 2015

NEW YORK CITY (NEW YORK COUNTY) – Moynihan Station Civic and Land Use Improvement Project – Authorization to Amend Contracts for Architectural, Engineering, Design, and Construction Phase Services with Parsons Brinkerhoff (f/k/a PB Americas, Inc.); and Authorization to Take Related Actions

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BE IT RESOLVED, that based on the materials presented at this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Parsons Brinkerhoff , formerly known as PB Americas, Inc., (“PB”) to be responsible; and be it further

RESOLVED, that in accordance with the Materials, the Corporation is hereby authorized to amend the existing contract with PB and increase the amount of such contract by \$61,156, to a new aggregate limit of \$3,817,559, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President, or other Officer of the Corporation, or his or her designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing Resolutions.

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# ITEM 4



FOR CONSIDERATION

February 18, 2015

TO: The Directors

FROM: Michael Evans

SUBJECT: New York (New York County) – Moynihan Station Civic and Land Use Improvement Project

REQUEST FOR: Authorization to Amend the Agreement with the National Railroad Passenger Corporation (Amtrak) for Preliminary Engineering and Pre-construction Support Services related to Moynihan Station; Authorization to Enter into a Letter Agreement with Amtrak Regarding Rights and Responsibilities for Final Design of Moynihan Station Phase 2; Authorization to Take Related Actions

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BACKGROUND

In 2010, MSDC entered into a Memorandum of Understanding (MOU) with Amtrak by which Amtrak indicated its support for the Moynihan Station Project in that it expressed its intent to become the primary transportation occupant and operator of Moynihan Station as its New York passenger station facility to be relocated from its current site in Pennsylvania Station. Further, the MOU indicated that services required supporting the project, in both pre-construction and construction phases would be provided to MSDC under the most favorable terms and conditions that could be possible within the limits of Amtrak's existing labor and other contractual and regulatory obligations, including the prioritization of scheduling and availability of labor, in effect supporting the Project as if Amtrak itself was its sponsor.

MSDC is advancing the Moynihan Station project in two distinct phases. In 2001, the Directors authorized MSDC to enter into a Preliminary Engineering and Pre-construction Services Agreement with Amtrak that provided the terms and conditions for Amtrak's design review and design approval of the Phase 1 project because the predominant amount of work being carried out in Phase 1 was being constructed in the Amtrak owned and operated Penn Station trainshed. And the improvements would also be owned by Amtrak upon project completion and acceptance of the improvements by Amtrak.

The Preliminary Engineering and Pre-construction Services Agreement (“PEA”) is a force account agreement that is required by Amtrak in order for the Project work to be performed on or adjacent to Amtrak’s property. For any external sponsor of project work situated on or adjacent to Amtrak property that has an actual or potential impact on Amtrak operations, facilities, or other property, Amtrak requires the project sponsor to enter into a preliminary engineering agreement. Under this agreement, costs associated with Amtrak’s provision of direct labor and support services as it deems necessary for the development of an Amtrak-approved project design are reimbursed by the project sponsor according to the terms defined by this agreement.

Now that MSDC is advancing Phase 2 of Moynihan Station through Final Design, approval is sought from the Directors to amend the PEA so that it covers all Phase 2 work that will be carried out within the Amtrak owned and controlled train-shed and to allow MSDC to enter into a letter agreement with Amtrak specifying Amtrak’s rights and responsibilities in Final Design of the train hall within the Farley Building.

### **PROPOSED AMENDMENT**

Phase 2 of Moynihan Station will see the redevelopment of the James A. Farley Post Office Building into a new intercity train hall for use by Amtrak. While ESD, the parent corporation of MSDC, is the owner of the Farley Building, Phase 2 will involve substantial work within the Amtrak owned and controlled train-shed, including installation of escalators, construction of freight elevators and relocation of numerous platform utilities and other systems, including impacts to the overhead electric catenary system. Amtrak requires the amendment of the PEA in order to cover the scope of work within the train-shed for Phase 2 of the project. All terms and conditions, including insurance obligations and indemnifications, will remain in place and unchanged and will extend to the new scope of work.

The Scope of Work within the train-shed for Phase 2 is attached for review.

A Contractor Reporter Exemption has been submitted for approval.

Amtrak is expected to have a leasehold interest in the train hall which is adjacent to and directly connected to the Amtrak owned train-shed. Amtrak will enter into a separate letter agreement with MSDC specifying Amtrak’s rights and responsibilities with regard to the design of the Phase 2 elements within the train hall. Specifically, the Letter Agreement will set out Amtrak’s design review timelines and general design review criteria.

### **PEA FUNDING**

Amtrak has agreed that all design review costs for Phase 2 under both the amended PEA and the Letter Agreement will be capped at a not to exceed amount of \$350,000. These costs will be paid for by MSDC utilizing FRA funds committed to Moynihan Station, which are restricted in their use for Amtrak planning, design and engineering costs.

It is not necessary to make a change to the dollar limit of the PEA as it has an upper limit of \$2,000,000, of which only \$742,294 has been expended up to this point in time.

### **ENVIRONMENTAL REVIEW**

The requested authorization to enter into the PEA for Amtrak pre-construction services and the said letter agreement constitutes a Type II action as defined by the New York State Environmental Quality Review Act (SEQRA) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

### **RESPONSIBLE PARTIES**

Pursuant to State Finance Law Section 139-j and 139-k and the Corporation's policy related thereto, staff has; a) considered proposed Amtrak's ability to perform the services provided for in the proposed agreements; and b) consulted the list of officers determined to be non-responsible bidders and debarred officers maintained by the New York State Office of General Services. Based on the foregoing, staff considers the Amtrak to be responsible.

### **AFFIRMATIVE ACTION**

The National Railroad Passenger Corporation (Amtrak) Non-Discrimination and Affirmative Action policies will apply.

### **REQUESTED ACTION**

The Directors are requested to authorize the Corporation to amend the Preliminary Engineering and Pre-construction Services Agreement with the National Railroad Passenger Corporation (Amtrak) for preliminary engineering and preconstruction support services related to Moynihan Station to include all necessary tasks associated with Amtrak's required review and approval of drawings and specifications for Phase 2 of the project located within the Amtrak owned and controlled train-shed and to authorize the Corporation to enter into a letter agreement with Amtrak specifying its rights and responsibilities with regard to the design of the train hall within the ESD-owned Farley Building. The costs of these services will be reimbursed by the Corporation in an amount not to exceed \$350,000.

### **RECOMMENDATION**

Based on the foregoing, staff recommends approval of required actions.

### **ATTACHMENTS**

Scope of Work – Moynihan Phase 2 – Train-shed Work  
Resolutions

**Moynihan Station Phase 2  
Scope of Work – Amtrak Train-shed**

**Vertical Transportation Elements to be constructed between the Farley Building Basement Level (Moynihan Station Train Hall Concourse Level) and the Penn Station Boarding Platforms, and Related Work including:**

- Reframing of Basement Level structure of the Farley Building
- Construction of Escalator and Elevator Pits and Equipment Rooms at Boarding Platforms
- Construction of Support Columns
- Relocation of Existing Railroad Utilities including:
  - Elements of existing communications and signaling systems
  - Elements of existing lighting systems
- Abatement of hazardous materials related to all of the above

**Summary of Vertical Transportation Elements**

**11 Escalators**

- Two between each of Platforms Four, Five, Six, Seven and Eight and the Train Hall Concourse Level
- One between Platform Three and the Train Hall Concourse Level

**5 Baggage Elevators**

- One between each of Platforms Four, Five, Six, Seven and Eight and the Train Hall Second Floor Level.

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February 18, 2015

New York (New York County) – Moynihan Station Civic and Land Use Improvement Project Authorization to Amend the Agreement with the National Railroad Passenger Corporation (Amtrak) for Preliminary Engineering and Pre-construction Support Services related to Moynihan Station; Authorization to Enter into a Letter Agreement with Amtrak Regarding Rights and Responsibilities for Final Design of Moynihan Station Phase 2; Authorization to Take Related Actions

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BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds National Railroad Passenger Corporation ("Amtrak") to be responsible; and be it further

RESOLVED, that in accordance with the Materials, the Corporation is hereby authorized to amended the Preliminary Engineering and Pre-construction Support Services Agreement ("PEA") with Amtrak for pre-construction engineering services and to enter into a letter agreement with Amtrak pertaining to design review rights and obligations for the train hall within the Farley Building, combined costs for which will be reimbursed by the Corporation to Amtrak in payments limited to a total amount not to exceed \$350,000, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President, or other Officer of the Corporation, or his designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing Resolutions.

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