§ 1265-a. Contracts. 1. The provisions of this section shall only apply to procurements by the authority commenced during the period from April first, nineteen hundred eighty-seven until December thirty-first, nineteen hundred ninety-one, and during the period from December sixteenth, nineteen hundred ninety-three until June thirtieth, two thousand twenty-eight; provided, however, that the provisions of this section shall not apply to (i) the award of any contract of the authority if the bid documents for such contract so provide and such bid documents are issued within sixty days of the effective date of this section or within sixty days of December sixteenth, nineteen hundred ninety-three, or (ii) for a period of one hundred eighty days after the effective date of this section or for a period of one hundred eighty days after December sixteenth, nineteen hundred ninety-three, the award of any contract for which an invitation to bid, solicitation, request for proposal, or any similar document has been issued by the authority prior to the effective date of this section or during the period from January first, nineteen hundred ninety-two until December sixteenth, nineteen hundred ninety-three.

2. * (a) Except as otherwise provided in this section, all purchase contracts for supplies, materials or equipment involving an estimated expenditure in excess of one million dollars and all contracts for public work involving an estimated expenditure in excess of one million dollars shall be awarded by the authority to the lowest responsible bidder after obtaining sealed bids in the manner hereinafter set forth. For purposes hereof, contracts for public work shall exclude contracts for personal, engineering and architectural, or professional services. The authority may reject all bids and obtain new bids in the manner provided by this section when it is deemed in the public interest to do so or, in cases where two or more responsible bidders submit identical bids which are the lowest bids, award the contract to any of such bidders or obtain new bids from such bidders. Nothing in this paragraph shall obligate the authority to seek new bids after the rejection of bids or after cancellation of an invitation to bid. Nothing in this section shall prohibit the evaluation of bids on the basis of costs or savings including life cycle costs of the item to be purchased, discounts, and inspection services so long as the invitation to bid

reasonably sets forth the criteria to be used in evaluating such costs or savings. Life cycle costs may include but shall not be limited to costs or savings associated with installation, energy use, maintenance, operation and salvage or disposal.

* NB Effective until June 30, 2028

* (a) Except as otherwise provided in this section, all purchase contracts for supplies, materials or equipment involving an estimated expenditure in excess of fifteen thousand dollars and all contracts for public work involving an estimated expenditure in excess of twenty-five thousand dollars shall be awarded by the authority to the lowest responsible bidder after obtaining sealed bids in the manner hereinafter set forth. For purposes hereof, contracts for public work shall exclude contracts for personal, engineering and architectural, or professional services. The authority may reject all bids and obtain new bids in the manner provided by this section when it is deemed in the public interest to do so or, in cases where two or more responsible bidders submit identical bids which are the lowest bids, award the contract to any of such bidders or obtain new bids from such bidders. Nothing herein shall obligate the authority to seek new bids after the rejection of bids or after cancellation of an invitation to bid. Nothing in this section shall prohibit the evaluation of bids on the basis of costs or savings including life cycle costs of the item to be purchased, discounts, and inspection services so long as the invitation to bid reasonably sets forth the criteria to be used in evaluating such costs or savings. Life cycle costs may include but shall not be limited to costs or savings associated with installation, energy use, maintenance, operation and salvage or disposal.

* NB Effective June 30, 2028

* (b) Section twenty-eight hundred seventy-nine of this chapter shall apply to the authority's acquisition of goods or services of any kind, in the actual or estimated amount of fifteen thousand dollars or more, provided (i) that a contract for services in the actual or estimated amount of one million dollars or less shall not require approval by the board of the authority regardless of the length of the period over which the services are rendered, and provided further that a contract for services in the actual or estimated amount in excess of one million dollars shall require approval by the board of the authority regardless

of the length of the period over which the services are rendered unless such a contract is awarded to the lowest responsible bidder after obtaining sealed bids, and (ii) the board of the authority may by resolution adopt guidelines that authorize the award of contracts to small business concerns, to service disabled veteran owned businesses certified pursuant to article seventeen-B of the executive law, or minority or women-owned business enterprises certified pursuant to article fifteen-A of the executive law, or purchases of goods or technology that are recycled or remanufactured, in an amount not to exceed one million five hundred thousand dollars without a formal competitive process and without further board approval. The board of the authority shall adopt guidelines which shall be made publicly available for the awarding of such contract without a formal competitive process.

* NB Effective until June 30, 2028

* (b) Section twenty-eight hundred seventy-nine of this chapter shall apply to the authority's acquisition of goods or services of any kind, in the actual or estimated amount of fifteen thousand dollars or more, provided that a contract for personal services in the actual or estimated amount of less than twenty thousand dollars shall not require approval by the board of the authority regardless of the length of the period over which the services are rendered, and provided further that a contract for personal services in the actual or estimated amount of twenty thousand dollars or more shall require approval by the board of the authority regardless of the length of the period over which the services are rendered.

* NB Effective June 30, 2028

(c)(1) Notwithstanding the provisions of paragraph (a) of this subdivision, the authority shall establish guidelines governing the qualifications of bidders entering into contracts for its project to bring the Long Island Rail Road into Grand Central Terminal ("East Side Access Project"). The bidding may be restricted to those who have qualified prior to the receipt of bids according to standards fixed by the authority; provided, however, that the award of contracts shall, to the extent not inconsistent with this paragraph, be in accordance with paragraph (a) of this subdivision.

(2) In determining whether a prospective bidder qualifies for the inclusion on a list of prequalified bidders for the East Side Access

Project, the authority shall consider: (i) the experience and past performance of the prospective bidder; (ii) the prospective bidder's ability to undertake work, including but not limited to whether it participates in state approved apprenticeship programs and whether it utilizes employees who are represented by labor organizations; (iii) the financial capability and responsibility of the prospective bidder; and (iv) the records of the prospective bidder in complying with existing labor standards. The authority may also consider such other factors as it deems appropriate.

3. (a) Advertisement for bids, when required by this section, shall be published at least once in a newspaper of general circulation in the area served by the authority and in the procurement opportunities newsletter published pursuant to article four-C of the economic development law provided that, notwithstanding the provisions of article four-C of the economic development law, an advertisement shall only be required for a purchase contract for supplies, materials or equipment when required by this section. Publication in a newspaper of general circulation in the area served or in the procurement opportunities newsletter shall not be required if bids for contracts for supplies, materials or equipment are of a type regularly purchased by the authority and are to be solicited from a list of potential suppliers, if such list is or has been developed consistent with the provisions of subdivision six of this section. Any such advertisement shall contain a statement of: (i) the time and place where bids received pursuant to any notice requesting sealed bids will be publicly opened and read; (ii) the name of the contracting agency; (iii) the contract identification number; (iv) a brief description of the public work, supplies, materials, or equipment sought, the location where work is to be performed, goods are to be delivered or services provided and the contract term; (v) the address where bids or proposals are to be submitted; (vi) the date when bids or proposals are due; (vii) a description of any eligibility or qualification requirement or preference; (viii) a statement as to whether the contract requirements may be fulfilled by a subcontracting, joint venture, or co-production arrangement; (ix) any other information deemed useful to potential contractors; and (x) the name, address, and telephone number of the

person to be contacted for additional information. At least fifteen business days shall elapse between the first publication of such advertisement or the solicitation of bids, as the case may be, and the date of opening and reading of bids.

(b) The authority may designate any officer or employee to open the bids at the time and place bids are to be opened and may designate an officer to award the contract to the lowest responsible bidder. Such designee shall make a record of all bids in such form and detail as the authority shall prescribe. All bids received shall be publicly opened and read at the time, place and in the manner specified in the advertisement or at the time of solicitation, or to which the opening and reading or posting have been adjourned by the authority, provided that any sealed bid may be received and secured through an electronic platform as permitted by the authority, and that any sealed bid received electronically is made public at the same time as any competing paper bid. The authority shall, at minimum, provide the same opportunity and time for submitting sealed bids physically as for sealed bids submitted electronically, and shall provide the opportunity for bidders to submit sealed bids physically any time that it provides the opportunity to submit sealed electronic bids. In addition, the authority shall establish a process for accommodating force majeure events that prevent the submission of a sealed electronic bid, including but not limited to internet and power outage events, and for automatically confirming receipt of any sealed electronic bid received. All bidders shall be notified of the time and place of any such adjournment.

4. Notwithstanding the foregoing, the authority may, by resolution approved by a two-thirds vote of its members then in office, or by a majority vote of its members with respect to contracts proposed to be let pursuant to paragraph (a) of this subdivision declare that competitive bidding is impractical or inappropriate because of the existence of any of the circumstances hereinafter set forth and thereafter the authority may proceed to award contracts without complying with the requirements of subdivision two or three of this section. In each case where the authority declares competitive bidding impractical or inappropriate, it shall state the reason therefor in writing and summarize any negotiations that have been conducted. Except

for contracts awarded pursuant to paragraphs (a), (b), (c) and (e) of this subdivision, the authority shall not award any contract pursuant to this subdivision earlier than thirty days from the date on which the authority declares that competitive bidding is impractical or inappropriate. Competitive bidding may only be declared impractical or inappropriate where:

(a) the existence of an emergency involving danger to life, safety or property requires immediate action and cannot await competitive bidding or the item to be purchased is essential to efficient operation or the adequate provision of service and as a consequence of unforeseen circumstance such purchase cannot await competitive bidding;

(b) the item to be purchased is available only from a single responsible source, provided that if bids have not been solicited for such item pursuant to subdivision two of this section within the preceding twelve months public notice shall first be given pursuant to subdivision three of this section;

(c) the authority receives no responsive bids or only a single responsive bid in response to an invitation for competitive bids;

(d) the authority wishes to experiment with or test a product or technology or new source for such product or technology or evaluate the service or reliability of such product or technology;

(e) the item is available through an existing contract between a vendor and (i) another public authority provided that such other authority utilized a process of competitive bidding or a process of competitive requests for proposals to award such contracts, (ii) Nassau county, (iii) the state of New York, (iv) the city of New York or (v) the United States general services administration provided that such administration utilized a process of competitive bidding or a process of competitive requests for proposals to award such contract, provided that in any case when under this paragraph the authority determines that obtaining such item thereby would be in the public interest and sets forth the reasons for such determination. Such rationale shall include, but need not be limited to, a determination of need, a consideration of the procurement method by which the contract was awarded, an analysis of alternative procurement sources including an explanation why a competitive procurement or the use of a centralized contract let by the commissioner of the office of general services is not in the best

interest of the authority, and the reasonableness of cost. The authority shall accept sole responsibility for any payment due the vendor as a result of the authority's order; or

(f) the authority determines that it is in the public interest to award contracts pursuant to a process for competitive requests for proposals as hereinafter set forth. For purposes of this section, a process for competitive requests for proposals shall mean a method of soliciting proposals and awarding a contract on the basis of a formal evaluation of the characteristics, such as quality, cost, delivery schedule and financing of such proposals against stated selection criteria. Public notice of the requests for proposals shall be given in the same manner as provided in subdivision three of this section and shall include the selection criteria. In the event the authority makes a material change in the selection criteria from those previously stated in the notice, it will inform all proposers of such change and permit proposers to modify their proposals.

* (i) Except for a contract with a value of one hundred million dollars or less that is awarded pursuant to this paragraph to the proposer whose proposal is the lowest cost, the authority may award a contract pursuant to this paragraph only after a resolution approved by a two-thirds vote of its members then in office at a public meeting of the authority with such resolution (A) disclosing the other proposers and the substance of their proposals, (B) summarizing the negotiation process including the opportunities, if any, available to proposers to present and modify their proposals, and (C) setting forth the criteria upon which the selection was made provided however that for purposes of this subparagraph the board may, at its discretion, require such a resolution be approved for contracts with a value of one hundred million dollars or less.

* NB Effective until June 30, 2028

* (i) The authority may award a contract pursuant to this paragraph only after a resolution approved by a two-thirds vote of its members then in office at a public meeting of the authority with such resolution (A) disclosing the other proposers and the substance of their proposals, (B) summarizing the negotiation process including the opportunities, if any, available to proposers to present and modify their proposals, and (C) setting forth the criteria upon which the selection was made.

* NB Effective June 30, 2028

(ii) Nothing in this paragraph shall require or preclude (A) negotiations with any proposers following the receipt of responses to the request for proposals, or (B) the rejection of any or all proposals at any time. Upon the rejection of all proposals, the authority may solicit new proposals or bids in any manner prescribed in this section.

(g) the authority issues a competitive request for proposals pursuant to the procedures of paragraph (f) of this subdivision for the purchase or rehabilitation of rail cars and omnibuses. Any such request may include among the stated selection criteria the performance of all or a portion of the contract at sites within the state of New York or the use of goods produced or services provided within the state of New York, provided however that in no event shall the authority award a contract to a manufacturer whose final offer, as expressed in unit cost is more than ten percent higher than the unit cost of any qualified competing final offer, if the sole basis for such award is that the higher priced offer includes more favorable provision for the performance of the contract within the state of New York or the use of goods produced or services provided within the state of New York, and further provided that the authority's discretion to award a contract to any manufacturer shall not be so limited if a basis for such award, as determined by the authority, is superior financing, delivery schedule, life cycle, reliability, or any other factor the authority deems relevant to its operations.

* (i) Except for a contract with a value of one hundred million dollars or less that is awarded pursuant to this paragraph to the proposer whose proposal is the lowest cost, the authority may award a contract pursuant to this paragraph only after a resolution approved by a vote of not less than a two-thirds vote of its members then in office at a public meeting of the authority with such resolution (A) disclosing the other proposers and the substance of their proposals, (B) summarizing the negotiation process including the opportunities, if any, available to proposers to present and modify their proposals, and (C) setting forth the criteria upon which the selection was made provided however that for purposes of this subparagraph the board may, at its discretion, require such a resolution be approved for contracts with a value of one hundred million dollars or less.

* NB Effective until June 30, 2028

* (i) The authority may award a contract pursuant to this paragraph only after a resolution approved by a vote of not less than a two-thirds vote of its members then in office at a public meeting of the authority with such resolution (A) disclosing the other proposers and the substance of their proposals, (B) summarizing the negotiation process including the opportunities, if any, available to proposers to present and modify their proposals, and (C) setting forth the criteria upon which the selection was made.

* NB Effective June 30, 2028

(ii) Nothing in this paragraph shall require or preclude (A) negotiations with any proposers following the receipt of responses to the request for proposals, or (B) the rejection of any or all proposals at any time. Upon the rejection of all proposals, the authority may solicit new proposals or bids in any manner prescribed in this section.

5. Upon the adoption of a resolution by the authority stating, for reasons of efficiency, economy, compatibility or maintenance reliability, that there is a need for standardization, the authority may establish procedures whereby particular supplies, materials or equipment are identified on a qualified products list. Such procedures shall provide for products or vendors to be added to or deleted from such list and shall include provisions for public advertisement of the manner in which such lists are compiled. The authority shall review such list no less than once a year for the purpose of making such modifications. Contracts for particular supplies, materials or equipment identified on a qualified products list may be awarded by the authority to the lowest responsible bidder after obtaining sealed bids in accordance with this section or without competitive sealed bids in instances when the item is available from only a single source, except that the authority may dispense with advertising provided that it mails copies of the invitation to bid to all vendors of the particular item on the qualified products list.

6. The authority shall compile a list of potential sources of supplies, materials or equipment regularly purchased. The authority shall, by resolution, set forth the procedures it has established to

identify new sources and to notify such new sources of the opportunity to bid for contracts for the purchase of supplies, materials or equipment. Such procedures shall include, but not be limited to: (a) advertising in trade journals; (b) cooperation with federal, state and local agencies within its area of operations; (c) publication in the state register quarterly; and (d) procedures established pursuant to subdivision thirteen of section twelve hundred sixty-six-c of this article.

7. The provisions of this section shall not supersede any other provisions of law relative to purchases of products or devices manufactured or provided by the blind or other severely handicapped persons, to the invitation and acceptance of bids from small or minority business enterprises or to the purchases of supplies, materials or equipment through the office of general services. Except as may otherwise be provided by law or as more restrictively defined in the official policy or bid specifications of the authority, the term "small business" means a small business or similar term, under federal regulations applicable to projects of the authority which are federally assisted.

* 8. Notwithstanding any other provisions in this section, the authority shall be allowed to use an electronic bidding system for the purchase of goods, materials, and commodities that may inform bidders whether their bid is the current low bid, and allow bidders to submit new bids before the date and time assigned for the opening of bids. Such procedure shall not constitute disclosure of bids in violation of section twenty-eight hundred seventy-eight of this chapter.

* NB Effective until June 30, 2028

* 8. The provisions of this section shall not apply to any procurement made by any other public entity not otherwise required by law to award contracts for such purchases to the lowest responsible bidder if such purchases are made at the sole cost and expense of such entity.

* NB Effective June 30, 2028

* 9. The provisions of this section shall not apply to any procurement made by any other public entity not otherwise required by law to award contracts for such purchases to the lowest responsible bidder if such purchases are made at the sole cost and expense of such entity.

* NB Repealed June 30, 2028

10. (a) Whenever the comptroller pursuant to section twenty-eight hundred seventy-nine-a of this chapter intends to require supervision in the form of prior review and approval of a contract or contract amendment to be awarded by the authority pursuant to this section, then such contract or contract amendment shall be submitted to the comptroller by the authority for approval and shall not be a valid enforceable contract unless it shall first have been approved by the comptroller but only if the comptroller has notified the authority of such determination within thirty days of having received written notice of such contract or contract amendment either in the authority's annual report or any revised report;

(b) If the comptroller has timely notified the authority as provided in paragraph (a) of this subdivision that any contract or contract amendment shall be subject to comptroller prior review and approval, and such contract or contract amendment has been submitted to the comptroller, it shall become valid and enforceable without such approval if the comptroller has not approved or disapproved it within thirty days of submission to the comptroller.