

**Statement of the Permanent Citizens Advisory Committee to the MTA
Before the Finance Committee of the MTA Board
October 26, 2009**

I am William Henderson, Executive Director of the Permanent Citizens Advisory Committee to the MTA. The PCAC is composed of the members of three riders' councils established by the State legislature in 1981 and addresses regional issues as well as coordinating the work of the councils.

Today I want to speak to the proposed contract between the MTA and Transport for London for expert services with regard to unique or outstanding knowledge and abilities that TfL may possess in the areas of transportation systems and operations. First, we believe that the procurement to be considered today must be seen in the context of the cooperative relationship that Mr. Walder proposes to establish between the MTA and TfL. This relationship is an ambitious undertaking and goes far beyond occasional informal contacts between professionals in different agencies. We believe that such a relationship is potentially very beneficial to both agencies. There are few transportation agencies that can truly be considered peers of the MTA, and the potential for exchange of information, knowledge and expertise is exciting.

Still, the proposed procurement action resulting from this new relationship understandably raises eyebrows. Under the MTA procurement system, this is a sole source, non-competitive procurement for up to one half million dollars over two years. We would note that this proposed contract contemplates only the reimbursement of actual costs, and does not provide for overhead or profit, and we believe that the benefits of this contract, in terms of both cost and quality of services received, make this new direction worth pursuing, so long as there is appropriate monitoring of its progress. We recommend that MTA Audit Services have oversight of this contract and after the first year of the contract term present its conclusions as to the costs and benefits of this contract to the MTA Board and the public. These conclusions should address the MTA needs that are being met through the expert services arrangement and the costs incurred in meeting those needs in comparison to the estimated costs of meeting these needs through alternative means, such as private consultants.