



Metro-North Railroad

Metro-North Railroad Committee Meeting

December 2009

Committee Members

J. Sedore, Jr., Chair

R. Bickford

J. Blair

N. Brown

D. Cecil

S. Metzger

C. Wortendyke



MEETING AGENDA

MTA METRO-NORTH RAILROAD COMMITTEE

December 9, 2009 – 8:30 a.m.

347 Madison Avenue
Fifth Floor Board Room
New York, NY

<u>AGENDA ITEMS</u>	<u>PAGE</u>
PUBLIC COMMENTS	
1. APPROVAL OF MINUTES – NOVEMBER 16, 2009	3
2. PROPOSED 2010 METRO-NORTH COMMITTEE WORK PLAN	6
3. STATUS OF OPERATIONS (Additional material to be distributed)	11a
4. FINANCIAL REPORT	18
5. MONTHLY RIDERSHIP REPORT	35
6. CAPITAL PROGRAM REPORT	45
7. MONTHLY SAFETY REPORT	48
8. MTA POLICE REPORT	54
9. INFORMATION ITEMS Third Quarter 2009 HVAC Results	55
10. ACTION ITEMS 2009 November Forecast and 2010 Final Proposed Budget License Agreement for System-Wide Branded Beverage & Snack Vending Services at MNR Stations & Employee Locations	62 74
11. PROCUREMENTS Request for Authorization to Award Various Procurements	78
<u>Non-Competitive</u> <u>Non-Competitive Purchases and Public Work Contracts</u> Mateson Chemical Corp. USSC LLC	81

Competitive 84
Request to use RFP for Procurement of Purchases and Public Works
in Lieu of Sealed Bids
MNR's On-Call Construction Program

Personal Service Contracts
General Engineering Consultants
Day Engineering, PC

Miscellaneous Service Contracts
The Lawn Barber, Inc.

Ratifications 99
None

12. EXECUTIVE SESSION

Date of next meeting: **Monday, January 25, 2010 at 8:30 a.m.**

Minutes of the Regular Meeting
Metro-North Committee

Wednesday, November 16, 2009

Meeting Held at
347 Madison Avenue
New York, New York 10017

8:30 a.m.

The following members were present:

Hon. James L. Sedore, Jr., Chairman of the Committee
Hon. Robert C. Bickford
Hon. James F. Blair
Hon. Norman E. Brown
Hon. Donald Cecil
Hon. Susan G. Metzger
Hon. Carl V. Wortendyke

Not Present:

Hon. Andrew M. Saul, Vice Chairman, MTA

Also Present:

Howard R. Permut – President
Stephen Conner – Assistant Chief, MTA Police Department
Raymond Burney – Sr. Vice President, Administration
Mark Campbell – Chief Safety/Security Officer
Seth J. Cummins – Vice President and General Counsel
Sherry Herington – Assistant Vice President – Operation Services
Robert C. MacLagger – Vice President, Planning
Kim Porcelain – Vice President - Finance and Information Systems
Ronald Yutko - Senior Director, Capital Programs

1. Approval of Minutes - Upon motion duly made and seconded, the members of the Committee present unanimously approved the minutes of the regular meeting of October 21, 2009.
2. 2009 Metro-North Committee Work Plan – A copy of the 2009 Committee work plan is filed with the records of this meeting.
3. Mr. Permut reported that a new ticket center on the east side of Grand Central Terminal opened two weeks ago and has been a big success. The ticket center greatly increases Metro-North's ticket selling capacity. Mr. Permut also noted that a ground breaking ceremony took place to mark the start of construction at Cortlandt Station for expanded parking and station facilities. The project will greatly increase parking,

provide an intermodal drop-off plaza and improve access to the westside of the tracks. The station facilities will include a new waiting area, concession area, and ground-level vending area. The project will be completed in approximately two years.

4. Status of Operations – Ms. Herrington presented a summary of the railroad's performance in October 2009. She noted that the new Yankee Stadium service was very successful with an on-time performance of 96.8% and the Meadowlands service was also very successful. The details of that report are contained in the Status of Operations report filed with the records of the meeting.
5. Financial Report – Ms. Porcelain gave the financial report for the period ending September 30, 2009 against the mid-year forecast. The details of Ms. Porcelain's report are contained in the financial statements filed with the records of this meeting.
6. Monthly Ridership Report – Mr. MacLagger reported on ridership trends in September 2009. He reported that east of Hudson ridership was 4.7% lower in 2009 than the comparable period in 2008. However, non-commutational ridership in September 2009 was 1.3% higher than in the comparable period of 2008. The details of Mr. MacLagger's report are contained in the Monthly Ridership Report filed with the records of this meeting.
7. Capital Program Report – Mr. Yutko gave the capital program report. He reported that 66 coaches (55 trailers and 11 cab cars) have been overhauled and are in service. Two of the six west of Hudson locomotives have arrived at Progress Rail in Mayfield, Kentucky for overhaul. Mr. Yutko reported that since November 2000, Metro-North awarded 83 GEC contracts that did not require approval and 45 that required approval. Beginning January 2010, all GEC awards will be presented on a monthly basis as information items reported on during the Capital Program report; Procurement & Material Management will notify the Committee of any prospective GEC awards that are over \$1.5M. Mr. Permut noted that the GEC program is done jointly with the LIRR. In December 2009, Metro-North and LIRR will come forward with a new annual GEC program. Metro-North and LIRR have made very extensive efforts to work on joint procurements wherever possible and are working with each other on a daily basis to achieve this end. The details of Mr. Yutko's report are contained in the Capital Program report filed with the records of this meeting.
8. Monthly Safety Report – Mr. Campbell reported on employee and customer injuries through September 2009. The details of that report are contained in the Safety Report filed with the records of this meeting.
9. MTA Police Report – Assistant Chief Conner gave the report. The details of that report are contained in the MTA Police Department report filed with the records of this meeting.
10. Information Items:
 - 2010 Preliminary Operating Budget
 - 2009 Holiday Schedule.
 - Lease agreement with Yorkville Tennis Club, LLC.

Staff summaries and reports setting forth the details of items two and three above are filed with the records of this meeting.

11. Action Items:

Upon motion duly made and seconded, the members of the Committee present unanimously recommended to the Board approval of the following action item.

- Annual Committee Charter Review.

The Charter for the Committee on Operations of Metro-North Commuter Railroad is filed with the records of this meeting.

12. Procurements:

Mr. Permut noted that the board will be voting on a multi-agency procurement as part of the New York City Transit agenda that will affect Metro-North.

Upon motion duly made and seconded, the members of the Committee present unanimously recommended to the Board approval of the following non-competitive procurement requiring majority vote by the Board.

Miscellaneous Procurement Contracts

- Harris Stratex Networks, Inc. – Software support services for MNR's Network Management System (NMS).

A staff summary and report setting forth the details of the above item is filed with the records of this meeting.

13. Next Meeting – Wednesday, December 9, 2009 at 8:30 a.m.

14. Upon motion duly made and seconded, the members of the Committee present unanimously voted to adjourn the meeting.

Respectfully submitted,



Linda Montanino
Assistant Secretary

Page is left intentionally blank.



Proposed 2010 Metro-North Railroad Committee Work Plan

I. RECURRING AGENDA ITEMS

RESPONSIBILITY

Approval of Minutes
Committee Work Plan
Operations Performance Summary
Information Items (if any)
Action Items (if any)
Procurements (if any)

Committee Chair & Members
Committee Chair & Members
President Permut and Senior Staff
As listed
As listed
Procurement & Material Management

II. SPECIFIC AGENDA ITEMS

RESPONSIBILITY

JANUARY 2010

Approval of 2010 Committee Work Plan
2009 Operating Results
Rolling Stock Plan Update

Committee Chair & Members
Operations
Capital Planning & Programming

FEBRUARY 2010

Adopted Budget/Financial Plan 2010-2013
Strategic Investments & Planning Studies--
Annual Report
MDBF Annual Report
Safety Annual Report
Schedule Change

Finance & Information Systems
Planning

Operations
Safety
Operations Planning & Analysis

MARCH 2010

Annual Human Resources and EEO Report
2009 Annual Ridership Report
Summary Results of 2009 HVAC System

Human Resources & Diversity
Operations Planning & Analysis
Operations

APRIL 2010

Final Review of 2009 Operating Results
Fleet Maintenance Plan Update

Finance & Information Systems
Operations

MAY 2010

NO SPECIFIC ITEMS

JUNE 2010

Grand Central Terminal Retail Development
First Quarter 2010 HVAC Results

MTA Real Estate
Operations

JULY 2010
NO SPECIFIC ITEMS

SEPTEMBER 2010

2010 Mid-Year Forecast	Finance & Information Systems
2011 Preliminary Operating Budget	Finance & Information Systems
Strategic Investments & Planning Studies-- Update	Planning
October Schedule Change	Operations Planning & Analysis
Second Quarter 2009 HVAC Results	Operations

OCTOBER 2010

2011 Preliminary Operating Budget	Finance & Information Systems
Inventory Report	Procurement & Material Management

NOVEMBER 2010

2011 Preliminary Operating Budget	Finance & Information Systems
GEC Program Analysis	Capital Engineering
Holiday Schedule	Operations Planning & Analysis
Annual Committee Charter Review	Metro-North Committee

DECEMBER 2010

2011 Final Proposed Operating Budget	Finance & Information Systems
Third Quarter 2010 HVAC Results	Operations
Proposed 2011 Committee Work Plan	Metro-North Committee Chairman

Detailed Summary

I. RECURRING AGENDA ITEMS

Approval of Minutes

Approval of the official proceedings of the previous month's Committee Meeting.

Metro-North Railroad Committee Work Plan

A monthly update of any edits and/or changes in the work plan.

Operations Performance Summary Presentation

Performance summary of railroad service, including discussion of finance and ridership; Capital Program Plan achievements and safety. Information includes discussion of key indicators such as Railroad On-Time Performance, MDBF and Standee Report; Capital Plan awards, design starts and project completions and safety report.

Information Items (if any)

Materials presented to the Committee for review pertaining to certain agency initiatives and functions.

Action Items (if any)

Staff summary documents presented to the Board for approval of items affecting business standards and practices.

Procurements (if any)

Actions requiring Board approval and items for Committee and Board information. The Non-Competitive items will be first, followed by the Competitive items and then the Ratifications. Includes items that require a 2/3 vote of the Board for approval.

II. SPECIFIC AGENDA ITEMS

Detailed Summary

Proposed 2010 Committee Work Plan

JANUARY 2010

Approval of 2010 Committee Work Plan

In December 2009, the committee will receive and review a draft work plan for 2010. Including any changes to the draft, the Committee will be asked to approve the work plan for 2010.

2009 Operating Results

The Senior Vice President of Operations will report on the prior year's performance of railroad service.

Rolling Stock Plan Update

The Capital Planning and Programming Department will provide an annual report on the capital and maintenance programs developed by Metro-North to address fleet size and needs.

FEBRUARY 2010

Adopted Budget/Financial Plan 2010-2013

Metro-North will present a revised 2010-2013 Financial Plan. This plan will reflect the 2010 Adopted Budget and an updated Financial Plan for 2010-2013 reflecting the out-year impact of any changes incorporated into the 2010 Adopted Budget. The documents will also include a monthly allocation of planned expenditures for 2010 by category.

Strategic Investments & Planning Studies--Annual Report

The Vice President of Planning will provide a comprehensive annual report of the agency's strategic investments & planning studies that will include fleet, facility, infrastructure, station projects, station access improvements, and environmental and feasibility studies involving all five lines: the Hudson, Harlem, New Haven, Pascack Valley and Port Jervis lines.

MDBF Annual Report

The Senior Vice President of Operations will provide a report on the Mean Distance Between Failure (MDBF) for all train equipment in the prior year.

Safety Annual Report

The Chief Safety & Security Officer will provide an annual report on customer and employee injuries, and initiatives underway and planned to address safety.

Schedule Change

The Committee will be informed of the schedule changes taking effect for train service on the Hudson, Harlem, New Haven, Pascack Valley and Port Jervis Lines.

MARCH 2010

Annual Human Resources and EEO Report

The Vice President of Human Resources & Diversity will provide an annual report on the agency's workforce demographics, recruitment efforts and diversity program.

2009 Annual Ridership Report

The Operations Planning and Analysis Department will provide a report on Metro-North's ridership trends during 2009 based on monthly ticket sales data and the results of train ridership counts conducted by Metro-North.

Summary Results of 2009 HVAC System

The Senior Vice President of Operations will provide the results of the fleet's HVAC system performance during the previous year.

APRIL 2010

Final Review of 2009 Operating Budget Results

The customary review of prior year's budget results and their implications for current and future budget performance will be presented to the Committee. Each Agency will prepare for inclusion in the Agenda materials and be prepared to answer questions on a review of its experience. The MTA Budget Division will prepare an overall review; also for inclusion in the materials, that draws MTA-wide conclusions.

Fleet Maintenance Plan Update

The Senior Vice President of Operations will provide an annual report on the fleet maintenance plan to address fleet reliability and availability.

MAY 2010

NO SPECIFIC ITEMS

JUNE 2010

Grand Central Terminal Retail Development

MTA Real Estate will provide an annual report on leasing and construction opportunities and financial and marketing information related to retail development in Grand Central Terminal.

First Quarter 2010 HVAC Results

The Senior Vice President of Operations will provide the results of the fleet's HVAC system performance during the first quarter.

JULY 2010

NO SPECIFIC ITEMS

SEPTEMBER 2010

2010 Mid-Year Forecast & 2011 Preliminary Operating Budget

Agency will present the 2010 Mid-Year Forecast and highlights of the 2011 Preliminary Operating Budget to the Committee. Public comment will be accepted on the 2011 Preliminary Operating Budget.

Strategic Investments & Planning Studies--Update

The Vice President of Planning will provide a semi-annual update of the agency's strategic investments & planning studies that will include fleet, facility, infrastructure, station projects, station access improvements, and environmental and feasibility studies involving all five lines: the Hudson, Harlem, New Haven, Pascack Valley and Port Jervis lines.

October Schedule Change

The Committee will be informed of the schedule changes taking effect for train service on the Hudson, Harlem, New Haven, Pascack Valley and Port Jervis Lines.

Second Quarter 2010 HVAC Results

The Senior Vice President of Operations will provide the results of the fleet's HVAC system performance during the second quarter.

OCTOBER 2010

2011 Preliminary Operating Budget

Public comment will be accepted on the 2011 Preliminary Operating Budget.

Inventory Report

The Procurement and Material Management Department will provide a report as to Metro-North's inventory activity.

NOVEMBER 2010

2011 Preliminary Operating Budget

Public comment will be accepted on the 2011 Preliminary Operating Budget.

GEC Program Analysis

The Capital Engineering Department will provide an annual report as to contracts awarded under the General Engineering Consultant Program.

Holiday Schedule

The Committee will be informed of Metro-North's service plans for the Thanksgiving and Christmas/New Year's holiday periods.

Annual Committee Charter Review

The Committee will review and assess the adequacy of the Committee Charter.

DECEMBER 2010

2011 Final Proposed Operating Budget

The Committee will recommend action to the MTA Board on the Final Proposed Operating Budget for 2011.

Third Quarter 2010 HVAC Results

The Senior Vice President of Operations will provide the results of the fleet's HVAC system performance during the third quarter.

Proposed 2011 Committee Work Plan

The Committee Chairman will present a draft Metro-North Railroad Committee Work Plan for 2011 that will address initiatives to be reported throughout the year.



Metro-North Railroad

2829 State Route 207
Campbell Hall, New York 10916
845-427-5134

October 2009

WEST OF HUDSON SERVICE SUMMARY OF EVENTS RESULTING IN 3 or more LATE TRAINS

Date	Description of Event	Delay Code	Ann	Term	Late	LA&T	Line
11-05	Late NEC Connection – Secaucus – Portal Bridge	1339	0	0	3	3	PVL
11-21	Harriman Signal System Cutover	1465	0	0	3	3	PJL
11-25	Heavy Holiday Traffice Slow Loading/unloading	1412	0	0	3	3	PJL
11-25	Heavy Holiday Traffice Slow Loading/unloading	1412	0	0	6	6	PVL

**METRO-NORTH RAILROAD
MEAN DISTANCE BETWEEN FAILURE
MTA BOARD PRESENTATION
October-09**

**METRO NORTH RAILROAD
MEAN DISTANCE BETWEEN FAILURE**

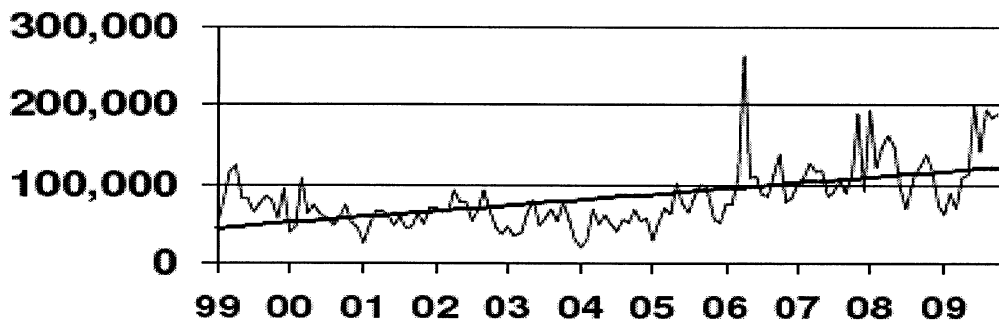
MNRR EQUIPMENT CLASS	TOTAL FLEET SIZE	2009 MONTHLY GOAL	MONTHLY MDBF Sep-09	MONTHLY MDBF Oct-09	2009 MDBF Y-T-D	12 MO. ROLLING MDBF
M-1	30	35,000	8,409	37,318	20,078	23,242
M-2	235	73,000	114,478	300,965	82,401	78,419
M-3	140	80,000	352,906	190,546	212,326	162,826
M-4	54	60,000	156,571	70,864	42,839	44,065
M-6	48	70,000	278,709	56,284	56,411	55,180
M-7	336	300,000	1,778,041	303,600	468,674	412,667
BL20	12	8,000	9,766	7,578	9,807	9,733
FL-9	8	N/A	N/A	N/A	4,691	18,627
P-32	31	30,000	36,397	47,037	39,516	35,497
COACH	213	300,000	445,909	1,368,961	249,477	239,307
SYSTEM	1,107	105,000	170,649	186,500	115,665	110,056

MTA BOARD

PRINTED: 11/12/09 15:52

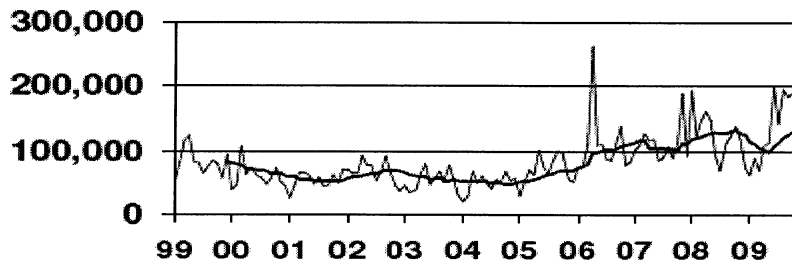
Mean Distance Between Failures (MDBF) is the average number of miles a railcar travels in revenue service before breaking down and causing a delay. The higher the mileage for the MDBF, the more reliable the equipment and the service.

Mean Distance Between Failure MN ELECTRIC FLEET M1, M2, M3, M4, M6 & M7



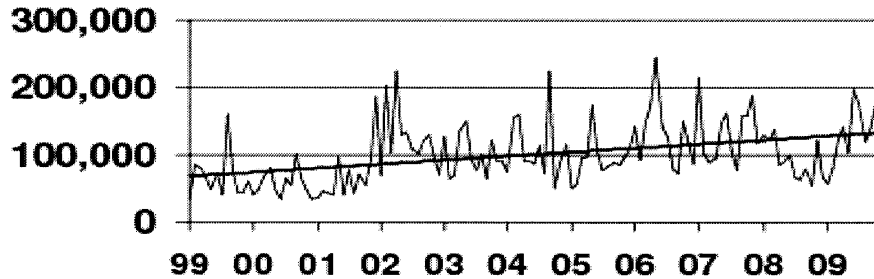
Linear Regression Trend-Line Analysis

Mean Distance Between Failure MN ELECTRIC FLEET M1, M2, M3, M4, M6 & M7



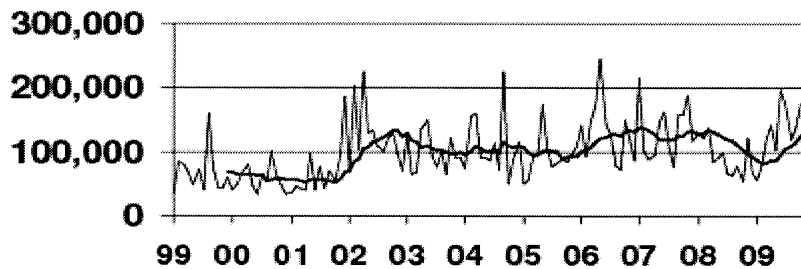
Twelve Month Rolling Average

Mean Distance Between Failure Diesel Hauled Fleet BL-20, P-32 & COACH



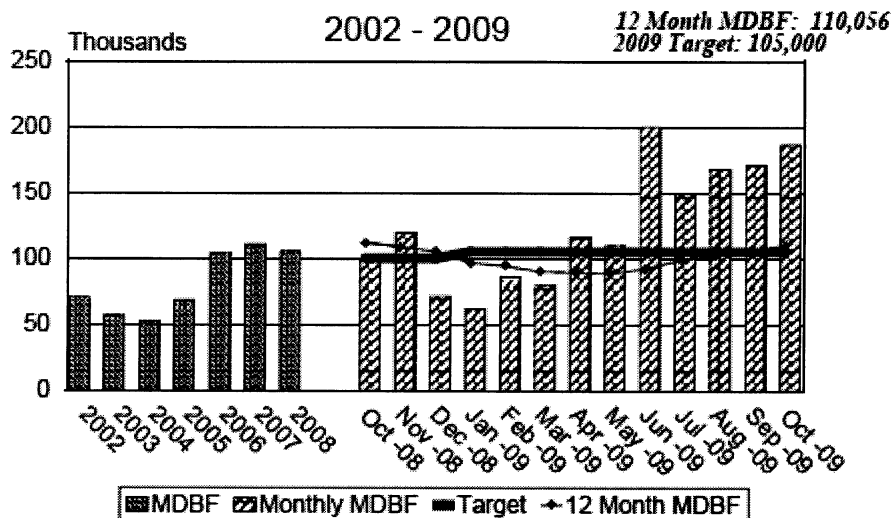
Linear Regression Trend-Line Analysis

Mean Distance Between Failure Diesel Hauled Fleet BL-20, P-32 & COACH



Twelve Month Rolling Average

ALL FLEETS Mean Distance Between Failure



METRO-NORTH STANDEES – EAST OF HUDSON

<u>DAILY AVG. AM PEAK</u>	<u>2008 NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>2009 NOV*</u>
Hudson Line													
Program Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Additional Standees</u>	<u>0</u>	<u>16</u>	<u>96</u>	<u>50</u>	<u>6</u>	<u>9</u>	<u>11</u>	<u>0</u>	<u>3</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total Standees	0	16	96	50	6	9	11	0	3	2	1	1	0
Harlem Line													
Program Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Additional Standees</u>	<u>23</u>	<u>36</u>	<u>129</u>	<u>49</u>	<u>26</u>	<u>9</u>	<u>25</u>	<u>0</u>	<u>11</u>	<u>6</u>	<u>13</u>	<u>23</u>	<u>7</u>
Total Standees	23	36	129	49	26	9	25	0	11	6	13	23	7
New Haven Line													
Program Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Additional Standees</u>	<u>58</u>	<u>80</u>	<u>214</u>	<u>120</u>	<u>343</u>	<u>63</u>	<u>84</u>	<u>57</u>	<u>14</u>	<u>21</u>	<u>5</u>	<u>14</u>	<u>5</u>
Total Standees	58	80	214	120	343	63	84	57	14	21	5	14	5
SYSTEM TOTAL	81	132	439	219	375	81	120	57	28	29	19	38	12
 <u>DAILY AVG. PM PEAK</u>													
Hudson Line													
Program Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Additional Standees</u>	<u>10</u>	<u>14</u>	<u>74</u>	<u>49</u>	<u>4</u>	<u>7</u>	<u>0</u>	<u>1</u>	<u>3</u>	<u>2</u>	<u>6</u>	<u>0</u>	<u>0</u>
Total Standees	10	14	74	49	4	7	0	1	3	2	6	0	0
Harlem Line													
Program Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Additional Standees</u>	<u>18</u>	<u>24</u>	<u>34</u>	<u>9</u>	<u>24</u>	<u>19</u>	<u>18</u>	<u>7</u>	<u>12</u>	<u>18</u>	<u>15</u>	<u>7</u>	<u>0</u>
Total Standees	18	24	34	9	24	19	18	7	12	18	15	7	0
New Haven Line													
Program Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Additional Standees</u>	<u>73</u>	<u>210</u>	<u>371</u>	<u>254</u>	<u>297</u>	<u>125</u>	<u>146</u>	<u>127</u>	<u>44</u>	<u>122</u>	<u>48</u>	<u>23</u>	<u>65</u>
Total Standees	73	210	371	254	297	125	146	127	44	122	48	23	65
SYSTEM TOTAL	101	248	479	312	325	151	164	135	59	142	69	30	65

* Data available through November 20, 2009.

METRO-NORTH STANDEES – WEST OF HUDSON

<u>DAILY AVG. AM PEAK</u>	<u>2008 NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>2009 NOV*</u>
Port Jervis Line													
Program Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Additional Standees</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
Pascack Valley Line													
Program Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Additional Standees</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>6</u>	<u>0</u>
Total Standees	2	0	0	0	0	0	0	0	0	0	3	6	0
SYSTEM TOTAL	2	0	0	0	0	0	0	0	0	0	3	6	0

DAILY AVG.
PM PEAK

Port Jervis Line													
Program Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Additional Standees</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
Pascack Valley Line													
Program Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Additional Standees</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Standees	0	0	0	0	0	0	0	0	0	0	0	0	0
SYSTEM TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

[Standees/jp]

* Data available through November 25, 2009.

Operations Planning and Analysis

Definitions

- Weekday standees are calculated based on the most recent average weekday customer counts for the train's **maximum load point**. For Hudson, Harlem and most New Haven Line trains, this point occurs at GCT/125th St.. However, for certain New Haven Line trains, this maximum load point is east of Stamford.
- "**Program Standees**" is the average number of customers in excess of programmed seating capacity.
- "**Additional Standees**" reflect the impact of reduced train car consists (as reported in the weekday equipment reports).

Note that these statistics do not include the effects of daily ridership variation or uneven distribution of customers within trains. Holidays, for which there are special equipment programs, are not included.

[Standees/jp]
Operations Planning and Analysis

Page is left intentionally blank.

MTA METRO-NORTH RAILROAD
FINANCIAL STATEMENTS – MID YEAR FORECAST
MONTH ENDED: OCTOBER 2009

OFFICE OF VICE PRESIDENT OF FINANCE & INFORMATION SYSTEMS

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2009 MID-YEAR FORECAST
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
October 2009
(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$44.171	\$43.762	(\$0.409)	(0.9)	\$0.000	\$0.000	\$0.000	-	\$44.171	\$43.762	(\$0.409)	(0.9)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	2.833	3.239	0.406	14.3	0.000	0.000	0.000	-	2.833	3.239	0.406	14.3
<i>Capital & Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	10.649	10.316	(0.332)	(3.1)	10.649	10.316	(0.332)	(3.1)
CDOT	0.000	0.000	0.000	-	4.780	5.216	0.436	9.1	4.780	5.216	0.436	9.1
Other	0.000	0.000	0.000	-	1.070	1.115	0.045	4.2	1.070	1.115	0.045	4.2
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	16.499	16.647	0.148	0.9	16.499	16.647	0.148	0.9
Total Revenue/Receipts	\$47.004	\$47.001	(\$0.004)	(0.0)	\$16.499	\$16.647	\$0.148	0.9	\$63.503	\$63.648	\$0.145	0.2
Expenses												
<i>Labor:</i>												
Payroll	\$32.990	\$31.778	\$1.212	3.7	\$3.884	\$3.758	\$0.126	3.3	\$36.874	\$35.536	\$1.338	3.6
Overtime	4.042	4.242	(0.200)	(4.9)	1.346	1.546	(0.200)	(14.9)	5.388	5.788	(0.400)	(7.4)
Health and Welfare	5.751	5.331	0.420	7.3	0.871	0.872	(0.000)	(0.1)	6.622	6.203	0.419	6.3
OPEB Current Payment	0.659	0.971	(0.311)	(47.2)	0.000	0.000	0.000	-	0.659	0.971	(0.311)	(47.2)
Pensions	3.625	3.229	0.396	10.9	0.518	0.445	0.073	14.1	4.143	3.674	0.469	11.3
Other Fringe Benefits	6.593	6.379	0.215	3.3	0.877	0.880	(0.004)	(0.4)	7.470	7.259	0.211	2.8
Reimbursable Overhead	(3.727)	(3.856)	0.129	3.5	3.676	3.804	(0.128)	(3.5)	(0.050)	(0.052)	0.001	2.6
Total Labor	\$49.934	\$48.074	\$1.859	3.7	\$11.172	\$11.305	(\$0.133)	(1.2)	\$61.106	\$59.379	\$1.727	2.8
<i>Non-Labor:</i>												
Traction and Propulsion Power	\$5.690	\$4.855	\$0.836	14.7	\$0.000	\$0.000	\$0.000	-	\$5.690	\$4.855	\$0.836	14.7
Fuel for Buses and Trains	1.050	1.157	(0.107)	(10.2)	0.000	0.000	0.000	-	1.050	1.157	(0.107)	(10.2)
Insurance	0.984	0.973	0.011	1.1	0.454	0.402	0.051	11.3	1.437	1.375	0.062	4.3
Claims	1.009	0.979	0.030	3.0	0.000	0.000	0.000	-	1.009	0.979	0.030	3.0
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	9.228	6.917	2.311	25.0	2.251	1.455	0.797	35.4	11.479	8.372	3.107	27.1
Professional Service Contracts	2.163	2.395	(0.231)	(10.7)	0.573	0.658	(0.085)	(14.8)	2.736	3.052	(0.316)	(11.5)
Materials & Supplies	7.223	6.880	0.343	4.7	1.987	2.763	(0.776)	(39.1)	9.210	9.643	(0.434)	(4.7)
Other Business Expenses	1.189	1.291	(0.103)	(8.6)	0.062	0.065	(0.003)	(4.4)	1.251	1.356	(0.105)	(8.4)
Total Non-Labor	\$28.536	\$25.447	\$3.089	10.8	\$5.327	\$5.342	(\$0.016)	(0.3)	\$33.863	\$30.790	\$3.073	9.1
<i>Other Adjustments:</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adjs.	\$78.469	\$73.521	\$4.948	6.3	\$16.499	\$16.647	(\$0.148)	(0.9)	\$94.968	\$90.169	\$4.800	5.1
Depreciation	\$24.072	\$19.398	\$4.674	19.4	\$0.000	\$0.000	\$0.000	-	\$24.072	\$19.398	\$4.674	19.4
OPEB Obligation	4.667	4.975	(0.308)	(6.6)	0.000	0.000	0.000	-	4.667	4.975	(0.308)	(6.6)
Environmental Remediation	2.051	0.000	2.051	100.0	0.000	0.000	0.000	-	2.051	0.000	2.051	100.0
Total Expenses	\$109.259	\$97.894	\$11.365	10.4	\$16.499	\$16.647	(\$0.148)	(0.9)	\$125.758	\$114.541	\$11.217	8.9
Net Surplus/(Deficit)	(\$62.255)	(\$50.894)	\$11.362	18.2	\$0.000	\$0.000	\$0.000	-	(\$62.255)	(\$50.894)	\$11.362	18.2
<i>Cash Conversion Adjustments:</i>												
Depreciation	\$24.072	\$19.398	(\$4.674)	(19.4)	\$0.000	\$0.000	\$0.000	-	\$24.072	\$19.398	(\$4.674)	(19.4)
Operating/Capital	(0.943)	(0.950)	(0.007)	(0.8)	0.000	0.000	0.000	-	(\$0.943)	(\$0.950)	(0.007)	(0.8)
Other Cash Adjustments	(3.214)	1.266	4.480	*	0.000	0.000	0.000	-	(\$3.214)	\$1.266	4.480	*
Total Cash Conversion Adjustments	\$19.916	\$19.714	(\$0.202)	(1.0)	\$0.000	\$0.000	\$0.000	-	\$19.916	\$19.714	(\$0.202)	(1.0)
Net Cash Surplus/(Deficit)	(\$42.339)	(\$31.180)	\$11.159	26.4	\$0.000	\$0.000	\$0.000	-	(\$42.339)	(\$31.180)	\$11.159	26.4

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2009 MID-YEAR FORECAST
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
October Year-To-Date
(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance	Percent	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance	Percent	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance	Percent
Revenue												
Farebox Revenue	\$422.392	\$413.039	(\$9.353)	(2.2)	\$0.000	\$0.000	\$0.000	-	\$422.392	\$413.039	(\$9.353)	(2.2)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	29.829	33.738	3.909	13.1	0.000	0.000	0.000	-	29.829	33.738	3.909	13.1
<i>Capital & Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	93.754	88.795	(4.958)	(5.3)	93.754	88.795	(4.958)	(5.3)
CDOT	0.000	0.000	0.000	-	45.799	47.432	1.633	3.6	45.799	47.432	1.633	3.6
Other	0.000	0.000	0.000	-	10.927	11.703	0.777	7.1	10.927	11.703	0.777	7.1
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	150.479	147.930	(2.549)	(1.7)	150.479	147.930	(2.549)	(1.7)
Total Revenue/Receipts	\$452.221	\$446.777	(\$5.444)	(1.2)	\$150.479	\$147.930	(\$2.549)	(1.7)	\$602.701	\$594.708	(\$7.993)	(1.3)
Expenses												
<i>Labor:</i>												
Payroll	\$327.903	\$322.008	\$5.894	1.8	\$36.929	\$36.133	\$0.795	2.2	\$364.831	\$358.142	\$6.689	1.8
Overtime	44.895	46.524	(1.628)	(3.6)	13.767	15.904	(2.137)	(15.5)	58.662	62.427	(3.765)	(6.4)
Health and Welfare	56.551	54.720	1.831	3.2	8.354	8.507	(0.153)	(1.8)	64.905	63.227	1.678	2.6
OPEB Current Payment	8.091	9.564	(1.473)	(18.2)	0.000	0.000	0.000	-	8.091	9.564	(1.473)	(18.2)
Pensions	35.171	32.935	2.236	6.4	4.783	4.340	0.443	9.3	39.954	37.275	2.679	6.7
Other Fringe Benefits	66.086	65.062	1.024	1.5	8.454	8.594	(0.140)	(1.7)	74.540	73.656	0.884	1.2
Reimbursable Overhead	(37.612)	(37.648)	0.036	0.0	35.495	35.632	(0.137)	(0.4)	(2.117)	(2.016)	(0.101)	(4.8)
Total Labor	\$501.085	\$493.165	\$7.920	1.6	\$107.782	\$109.111	(\$1.329)	(1.2)	\$608.867	\$602.276	\$6.591	1.1
<i>Non-Labor:</i>												
Traction and Propulsion Power	\$56.774	\$51.014	\$5.760	10.1	\$0.000	\$0.000	\$0.000	-	\$56.774	\$51.014	\$5.760	10.1
Fuel for Buses and Trains	9.996	10.186	(0.189)	(1.9)	0.000	0.000	0.000	-	9.996	10.186	(0.189)	(1.9)
Insurance	10.073	9.955	0.118	1.2	4.038	3.825	0.213	5.3	14.111	13.780	0.331	2.3
Claims	10.173	11.091	(0.918)	(9.0)	0.000	0.000	0.000	-	10.173	11.091	(0.918)	(9.0)
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	77.408	65.001	12.408	16.0	14.553	13.158	1.395	9.6	91.961	78.158	13.803	15.0
Professional Service Contracts	20.609	20.196	0.412	2.0	6.879	6.027	0.851	12.4	27.487	26.224	1.264	4.6
Materials & Supplies	70.959	69.033	1.926	2.7	17.203	15.833	1.370	8.0	88.163	84.866	3.297	3.7
Other Business Expenses	11.116	11.304	(0.187)	(1.7)	0.025	(0.023)	0.048	*	11.141	11.281	(0.139)	(1.3)
Total Non-Labor	\$267.109	\$247.779	\$19.329	7.2	\$42.698	\$38.820	\$3.878	9.1	\$309.806	\$286.599	\$23.207	7.5
<i>Other Adjustments</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adjs.	\$768.194	\$740.944	\$27.249	3.5	\$150.479	\$147.930	\$2.549	1.7	\$918.673	\$888.875	\$29.798	3.2
Depreciation	\$212.476	\$201.382	\$11.094	5.2	\$0.000	\$0.000	\$0.000	-	\$212.476	\$201.382	\$11.094	5.2
OPEB Obligation	45.667	49.750	(4.083)	(8.9)	0.000	0.000	0.000	-	45.667	49.750	(4.083)	(8.9)
Environmental Remediation	6.623	3.368	3.255	49.1	0.000	0.000	0.000	-	6.623	3.368	3.255	49.1
Total Expenses	\$1,032.960	\$995.445	\$37.515	3.6	\$150.479	\$147.930	\$2.549	1.7	\$1,183.439	\$1,143.375	\$40.064	3.4
Net Surplus/(Deficit)	(\$580.738)	(\$548.667)	\$32.071	5.5	(\$0.000)	\$0.000	\$0.000	-	(\$580.738)	(\$548.667)	\$32.071	5.5
<i>Cash Conversion Adjustments:</i>												
Depreciation	\$212.476	\$201.382	(\$11.094)	(5.2)	\$0.000	\$0.000	\$0.000	-	\$212.476	\$201.382	(\$11.094)	(5.2)
Operating/Capital	(20.202)	(17.414)	2.788	13.8	0.000	0.000	0.000	-	(20.202)	(17.414)	2.788	13.8
Other Cash Adjustments	46.693	66.216	19.523	41.8	0.000	0.000	0.000	-	\$46.693	\$66.216	19.523	41.8
Total Cash Conversion Adjustments	\$238.967	\$250.184	\$11.217	4.7	\$0.000	\$0.000	\$0.000	-	\$238.967	\$250.184	\$11.217	4.7
Net Cash Surplus/(Deficit)	(\$341.771)	(\$298.483)	\$43.288	12.7	(\$0.000)	\$0.000	\$0.000	-	(\$341.771)	(\$298.483)	\$43.288	12.7

*AABB actual operating savings are captured within the category construct of MTA's traditional financial statements. Please see variance explanations for more detail.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2009 MID-YEAR FORECAST
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
OCTOBER, 2009
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Month vs. Mid-Year Forecast			Year to Date vs. Mid-Year Forecast		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
OTHER OPERATING REVENUE	Non-Reimb	\$0.406	14.3%	Primarily due to higher advertising revenue.	\$3.909	13.1%	Primarily due to higher advertising revenue, net GCT Retail revenue, commissary revenue and station concessions.
OVERTIME	Reimb	(\$0.200)	(14.9%)	Reflects higher activity during the period on the following projects: CDOT Bridge and Catenary "B", and Connecticut Concrete Tie Program.	(\$2.137)	(15.5%)	Reflects higher activity during the period on the following projects: Connecticut Bridge and Catenary "B", Mainline/Highspeed Turnouts, C-28 Track Program, and GCT T.O./Switch Renewal.
HEALTH AND WELFARE	Non-Reimb	\$0.420	7.3%	Reflects lower premium rate increases than forecasted.			
OPEB CURRENT PAYMENT	Non-Reimb	(\$0.311)	(47.2%)	Additional retirees	(\$1.473)	(18.2%)	Additional retirees
PENSIONS	Non-Reimb	\$0.396	10.9%	Rate differential. Includes final MTA pension adjustment to Non-Reimbursable expenses.	\$2.236	6.4%	Rate differential. Includes final MTA pension adjustment to Non-Reimbursable expenses.
	Reimb	\$0.073	14.1%	Reflects lower rates.	\$0.443	9.3%	Reflects lower rates.
TRACTION AND PROPULSION POWER	Non-Reimb	\$0.836	14.7%	Primarily due to lower than projected prices on the H/H and NH Lines and lower usage on the NH Line.	\$5.760	10.1%	Primarily due to lower than projected prices and usage on the H/H and NH Lines.
FUEL FOR BUSES & TRAINS	Non-Reim	(\$0.107)	(10.2%)	Due to higher than projected prices for the period.			
INSURANCE	Reimb	\$0.051	11.3%	Reflects lower than projected costs during the period.	\$0.213	5.3%	Reflects lower than projected costs during the period.
CLAIMS	Non-Reimb				(\$0.918)	(9.0%)	West of Hudson FELA settlement costs for injury to NJT employee on M-N property (not in MYF).

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2009 MID-YEAR FORECAST
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
OCTOBER, 2009
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Month vs. Mid-Year Forecast			Year to Date vs. Mid-Year Forecast		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$2.311	25.0%	Lower than projected expenditures for steam, electricity, heating fuel, telephones, Meadowlands game service, weed control, computer hardware and software maintenance, shop equipment/building maintenance, and market research as well as higher Amtrak expense recovery.	\$12.408	16.0%	Reflects primarily higher Amtrak expense recovery, lower than projected expenditures for Genesis Locomotive overhaul, NJT and Hudson Rail Link subsidy payments, steam, electricity, and telephones, as well as other miscellaneous maintenance contracts during the period including those covering tracks, shop equipment, weed control, computer hardware and software and market research.
	Reimb	\$0.797	35.4%	Reflects lower activity during the period on the NHL End Door Bombardier Coaches (on-going late delivery issue).	\$1.395	9.6%	Reflects lower activity due to late delivery of the NHL - End Door Bombardier Coaches (\$4.4 million), partially offset by higher than projected costs for the 525 N. Broadway, Harmon Shop Replacement, and the Hudson Line Station Improvement projects.
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	(\$0.231)	(10.7%)	Reflects higher than projected expenditures on advertising, medical services and data center charges.			
	Reimb	(\$0.085)	(14.8%)	Reflects primarily higher costs during the period on the Signal System Replacement and M8 Specification Design projects.	\$0.851	12.4%	Reflects lower activity during the period on the GCT Leaks Remediation project.
MATERIAL AND SUPPLIES	Reimb	(\$0.776)	(39.1%)	Reflects higher activity during the period on the WOH Track Improvements program, partially offset by lower than projected activity on the Signal System Replacement, Cyclical Track Program, and Mainline/High Speed Turnouts projects.	\$1.370	8.0%	Reflects lower activity during the period on the Signal System Replacement project partially offset by higher than projected activity on the Harmon Shop Replacement project.
OTHER BUSINESS EXPENSES	Non-Reimb	(\$0.103)	(8.6%)	Due to higher than projected bank fees, MTA Mobility and other taxes.			
	Reimb				\$0.048	(*)	Reflects primarily lower activity during the period on the M8 Specification Development project.
DEPRECIATION	Non-Reimb	\$4.674	19.4%	Reflects timing differences in project completions.	\$11.094	5.2%	Reflects timing differences in project completions.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2009 MID-YEAR FORECAST
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
OCTOBER, 2009
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Month vs. Mid-Year Forecast			Year to Date vs. Mid-Year Forecast		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
OTHER POST EMPLOYMENT BENEFITS	Non-Reimb	(\$0.308)	(6.6%)	Higher than projected accrual adjustment is based on recent actuarial report.	(\$4.083)	(8.9%)	Higher than projected accrual adjustment for the period is based on recent actuarial report.
ENVIRONMENTAL REMEDIATION	Non-Reimb	\$2.051	(*)	Timing, as well as lower than projected accrual for the period.	\$3.255	49.1%	Lower than projected accrual information.
OPERATING CAPITAL	Non-Reimb				\$2.788	13.8%	Reflects lower than projected expenditures during the period for the Expanded Kronos Installation, Vehicle Fleet Replacement, Upgrade of Fiber Optic Network, Concrete Tie Replacement, and Purchase of Mobile & Rolling Stock Radios projects partially offset by the capitalization of computer hardware and software replacements (budgeted as operating expense).

(*) Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2009 MID-YEAR FORECAST
CASH RECEIPTS AND EXPENDITURES
(\$ in millions)

	October 2009				Year-to-Date			
			Favorable (Unfavorable)				Favorable (Unfavorable)	
	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent
Receipts								
Farebox Receipts	\$44.653	\$44.787	\$0.134	0.3	\$428.156	\$422.940	(\$5.216)	(1.2)
Toll Receipts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Receipts	4.029	12.651	8.622	*	46.529	58.987	12.458	26.8
<i>Capital & Other Reimbursements:</i>								
MTA	9.515	8.184	(1.331)	(14.0)	87.954	91.298	3.344	3.8
CDOT	4.192	6.989	2.797	66.7	46.441	49.836	3.395	7.3
Other	1.104	0.972	(0.132)	(12.0)	19.480	22.296	2.816	14.5
Total Capital and Other Reimbursements	14.811	16.145	1.334	9.0	153.875	163.430	9.555	6.2
Total Receipts	\$63.493	\$73.583	\$10.090	15.9	\$628.560	\$645.357	\$16.797	2.7
Expenditures								
<i>Labor:</i>								
Payroll	\$42.090	\$39.814	\$2.276	5.4	\$361.228	\$353.010	\$8.218	2.3
Overtime	6.424	7.034	(0.610)	(9.5)	60.486	63.653	(3.167)	(5.2)
Health and Welfare	7.399	7.867	(0.468)	(6.3)	75.584	77.899	(2.315)	(3.1)
OPEB Current Payment	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Pensions	3.722	3.735	(0.013)	(0.3)	36.951	37.038	(0.087)	(0.2)
Other Fringe Benefits	7.866	7.602	0.264	3.4	78.787	78.683	0.104	0.1
GASB Account	0.546	0.546	0.000	0.0	5.460	5.460	0.000	0.0
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor	\$68.047	\$66.598	\$1.449	2.1	\$618.496	\$615.743	\$2.753	0.4
<i>Non-Labor:</i>								
Traction and Propulsion Power	\$5.510	\$4.436	\$1.074	19.5	\$57.682	\$51.012	\$6.670	11.6
Fuel for Buses and Trains	0.880	1.414	(0.534)	(60.7)	10.346	10.226	0.120	1.2
Insurance	1.379	0.000	1.379	100.0	16.006	14.657	1.349	8.4
Claims	1.126	1.889	(0.763)	(67.8)	9.894	7.882	2.012	20.3
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	14.337	9.000	5.337	37.2	116.096	101.489	14.607	12.6
Professional Service Contracts	1.963	1.364	0.599	30.5	28.501	24.441	4.060	14.2
Materials & Supplies	10.686	9.560	1.126	10.5	96.014	91.208	4.806	5.0
Other Business Expenditures	1.904	10.502	(8.598)	*	17.296	27.183	(9.887)	(57.2)
Total Non-Labor	\$37.785	\$38.165	(\$0.380)	(1.0)	\$351.835	\$328.098	\$23.737	6.7
<i>Other Adjustments:</i>								
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Post Employment Benefits	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenditures	\$105.832	\$104.763	\$1.069	1.0	\$970.331	\$943.841	\$26.490	2.7
Net Cash Deficit (excludes Opening Cash Balance)	(\$42.339)	(\$31.180)	\$11.159	26.4	(\$341.771)	(\$298.484)	\$43.287	12.7
Subsidies								
MTA	\$35.507	\$16.888	(\$18.619)	(52.4)	\$269.847	\$221.055	(\$48.792)	(18.1)
CDOT	6.832	5.563	(1.269)	(18.6)	70.472	74.810	4.338	6.2
Total Subsidies	\$42.339	\$22.451	(\$19.888)	(47.0)	\$340.319	\$295.865	(\$44.454)	(13.1)
Cash Timing and Availability Adjustment	\$0.000	\$7.077	\$7.077	-	\$0.000	\$2.656	\$2.656	-

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2009 MID YEAR FORECAST
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN FORECAST AND ACTUAL RESULTS
(\$ in millions)

Table 5

Generic Receipt or Expense Category	October, 2009			Year-To-Date as of October 31, 2009		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
OTHER OPERATING REVENUE	8.622	*	Extraordinary receipts from parking revenues of \$2.4 million (to close out old vendor and receipts from new vendor), higher Amtrak receipts of \$2.9 million (two months, including retro-active adjustment primarily for higher fuel rates), higher advertising receipts, timing of GCT retail management charges, as well as an erroneous cash receipt of \$1.8 million from Westchester County that should have been paid to the MTA directly (will be transferred to the MTA in November).	12.458	26.8%	Higher receipts from parking revenues (timing), advertising, Amtrak reimbursements, (including retro-active cost reimbursement), higher net GCT- retail revenues, and other miscellaneous receipts during the period, as well as an erroneous cash receipt of \$1.8 million that will be corrected November.
CAPITAL AND OTHER REIMBURSEMENTS:						
MTA	(1.331)	(14.0%)	Lower activity as well as receipt timing differences.			
CDOT	2.797	66.7%	Higher project activity as well as receipt timing differences.	3.395	7.3%	Higher project activity as well as receipt timing differences.
OTHER	(0.132)	(12.0%)	Receipt timing difference	2.816	14.5%	Receipt timing differences.
PAYROLL	2.276	5.4%	Lower costs reflect higher vacancies and the exclusion of a management COLA increase (which is included in the forecast).			
OVERTIME	(0.610)	(9.5%)	Primarily due to higher capital project overtime requirements as well as vacancy coverage..	(3.167)	(5.2%)	Primarily due to higher capital project overtime requirements, as well as vacation and vacancy coverage.
HEALTH & WELFARE	(0.468)	(5.9%)	Higher management and agreement employee health insurance premium payments.			
TRACTION AND PROPULSION POWER	1.074	19.5%	Primarily due to lower prices and payment timing differences.	6.670	11.6%	Lower than projected prices and usage on both H/H and NH Lines.
FUEL FOR TRAINS	(0.534)	(60.7%)	Payment timing differences as well as higher prices.			
INSURANCE	1.379	100.0%	Payment timing difference for force account premium.	1.349	8.4%	Payment timing difference for force account premium.
CLAIMS	(0.763)	(67.8%)	Primarily due to fatality claim settlement on the New Haven Line.	2.012	20.3%	Lower personal injury payments for the period.
MAINTENANCE & OTHER OPERATING CONTRACTS	5.337	37.2%	Payment timing difference for NHL End Door Bombardier coach overhauls funded by the capital program and office rent charges, and lower telephone, heating fuel and utility expenses, computer hardware and software maintenance, weed control, market research and other miscellaneous services, partially offset by higher payments for TVM maintenance and environmental services.	14.607	12.6%	Timing difference in payments for NHL End Door Bomb coach overhaul funded by the capital program and office rent, as well as lower telephone costs, electric and steam utility costs, weed control, track maintenance, market research and other miscellaneous services, partially offset by higher payments during the period for temporary employees, TVM maintenance and environmental services.

* Variance exceeds 100%

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2009 MID YEAR FORECAST
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN FORECAST AND ACTUAL RESULTS
(\$ in millions)

Table 5

Generic Receipt or Expense Category	October, 2009			Year-To-Date as of October 31, 2009		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
PROFESSIONAL SERVICE CONTRACTS	0.599	30.5%	Payment timing differences for capital related expenditures and payments for security guards, partially offset by a higher payments during the month for New Haven Line BSC costs, data center, and other miscellaneous services.	4.060	14.2%	Lower capital related expenditures and lower payments during the period for security guard services, software customization, data center services, employee training, New Haven Line BSC costs and other miscellaneous services, partially offset by higher payments during the period for advertising and legal fees.
MATERIALS & SUPPLIES	1.126	10.5%	A timing difference in payments for various capital and operating material costs including friction brake, truck and other rolling stock material components.	4.806	5.0%	Lower expenditures for capital related material, as well as lower payments for gasoline and other petroleum based products, electrical supplies, propulsion material, brake components, fasteners, and office furniture purchases, partially offset by higher expenditures during the period for HVAC and main/auxiliary power material.
OTHER BUSINESS EXPENSES	(8.598)	*	Payment to the MTA for excess Amtrak Shell project funds to fund New Haven Line signal replacement project (\$7.0 million), timing in payment for MTA mobility tax (\$0.9 million), and higher payments for Metro-Card pass-through and other miscellaneous expenses.	(9.887)	(57.2%)	Payment to the MTA for excess Amtrak Shell project funds to fund new Haven Line signal replacement project (\$7.0 million), and higher payments for MTA mobility tax, bus fare and Metro-Card pass-throughs, as well as other miscellaneous payments.
MTA SUBSIDY RECEIPTS	(18.619)	(52.4%)	Lower subsidy draw due to lower net cash deficit (primarily resulting from higher non-farebox receipts and capital project reimbursements, lower payroll disbursements, and a favorable change in available cash balance), partially offset by lower CDOT subsidy payments.	(48.792)	(18.1%)	Lower subsidy draw due to lower net cash deficit (primarily resulting from lower non-payroll disbursements, higher non-farebox and force account receipts, as well as higher CDOT subsidy payments), partially offset by lower fare revenue receipts.
CDOT SUBSIDY RECEIPTS	(1.269)	(18.6%)	Payment timing differences (November received in October).	4.338	6.2%	Payment timing differences.
TOTAL SUBSIDY RECEIPTS	(19.888)	(47.0%)		(44.454)	(13.1%)	

* Variance exceeds 100%

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2009 MID-YEAR FORECAST
CASH CONVERSION (CASH FLOW ADJUSTMENT)
(\$ in millions)

	October				Year-to-Date			
	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance	Percent	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance	Percent
<u>Receipts</u>								
Farebox Revenue	\$0.482	\$1.025	\$0.543	*	\$5.764	\$9.901	\$4.137	71.8
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	1.196	9.412	8.216	*	16.700	25.249	8.549	51.2
<i>Capital & Other Reimbursements:</i>					0.000	0.000		
MTA	(1.134)	(2.132)	(0.999)	(88.1)	(5.800)	2.503	8.302	*
CDOT	(0.588)	1.773	2.361	*	0.642	2.404	1.762	*
Other	0.034	(0.143)	(0.177)	*	8.553	10.593	2.039	23.8
Total Capital and Other Reimbursements	(1.688)	(0.502)	1.186	70.3	3.396	15.500	12.104	*
Total Revenue/Receipts	(\$0.010)	\$9.935	\$9.945	*	\$25.859	\$50.649	\$24.790	95.9
<u>Expenditures</u>								
<i>Labor:</i>								
Payroll	(\$5.216)	(\$4.278)	\$0.938	18.0	\$3.603	\$5.132	\$1.529	42.4
Overtime	(1.036)	(1.246)	(0.210)	(20.2)	(1.824)	(1.226)	0.598	32.8
Health and Welfare	(0.777)	(1.664)	(0.887)	*	(10.679)	(14.672)	(3.993)	(37.4)
OPEB Current Payment	0.659	0.971	0.311	47.2	8.091	9.564	1.473	18.2
Pensions	0.421	(0.061)	(0.482)	*	3.003	0.237	(2.766)	(92.1)
Other Fringe Benefits	(0.396)	(0.343)	0.053	13.4	(4.247)	(5.027)	(0.780)	(18.4)
GASB Account	(0.546)	(0.546)	0.000	0.0	(5.460)	(5.460)	0.000	0.0
Reimbursable Overhead	(0.050)	(0.052)	(0.001)	(2.6)	(2.117)	(2.016)	0.101	4.8
Total Labor	(\$6.941)	(\$7.219)	(\$0.278)	(4.0)	(\$9.629)	(\$13.467)	(\$3.838)	(39.9)
<i>Non-Labor:</i>								
Traction and Propulsion Power	\$0.180	\$0.419	(\$0.238)	*	(\$0.908)	\$0.002	(\$0.910)	*
Fuel for Buses and Trains	0.170	(0.257)	(0.427)	*	(0.350)	(0.040)	0.309	88.4
Insurance	0.058	1.375	1.317	*	(1.895)	(0.877)	1.018	53.7
Claims	(0.117)	(0.910)	(0.793)	*	0.279	3.209	2.930	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	(2.858)	(0.628)	2.230	78.0	(24.135)	(23.331)	0.804	3.3
Professional Service Contracts	0.773	1.688	0.915	*	(1.014)	1.783	2.796	*
Materials & Supplies	(1.476)	0.083	1.560	*	(7.851)	(6.342)	1.509	19.2
Other Business Expenses	(0.653)	(9.146)	(8.493)	*	(6.155)	(15.902)	(9.748)	*
Total Non-Labor	(\$3.922)	(\$7.375)	(\$3.453)	(88.0)	(\$42.029)	(\$41.499)	\$0.530	1.3
<i>Other Adjustments:</i>								
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Cash Conversion Adjustments before Non-Cash Liability Adjs.	(\$10.874)	(\$4.659)	\$6.215	57.2	(\$25.799)	(\$4.317)	\$21.482	83.3
Depreciation	\$24.072	\$19.398	\$4.674	19.4	\$212.476	\$201.382	\$11.094	5.2
OPEB Obligation	4.667	4.975	(0.308)	(6.6)	45.667	49.750	(4.083)	(8.9)
Environmental Remediation	2.051	0.000	2.051	100.0	6.623	3.368	3.255	49.1
Total Cash Conversion Adjustments	\$19.916	\$19.714	(\$0.203)	(1.0)	\$238.967	\$250.183	\$11.216	4.7

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2009 MID-YEAR FORECAST
UTILIZATION
(in millions)

	<u>Month of October</u>		<u>Variance</u>		<u>Year-to-Date October</u>		<u>Variance</u>	
	<u>Forecast</u>	<u>Actual</u>	<u>Fav (Unfav)</u>	<u>MYF</u>	<u>Forecast</u>	<u>Actual</u>	<u>Fav (Unfav)</u>	<u>MYF</u>
			<u>Amount</u>	<u>%</u>			<u>Amount</u>	<u>%</u>
<u>Farebox Revenue</u>								
Harlem Line	\$13.384	\$13.044	(\$0.340)	-2.5	\$125.310	\$122.034	(\$3.276)	-2.6
Hudson Line	\$9.789	\$9.672	(\$0.117)	-1.2	\$91.225	\$89.571	(\$1.654)	-1.8
New Haven Line	\$20.941	\$20.972	\$0.031	0.1	\$205.359	\$200.872	(\$4.487)	-2.2
 Total Farebox Revenue	 \$44.114	 \$43.688 ⁽¹⁾	 (\$0.426)	 -1.0	 \$421.894	 \$412.477 ⁽¹⁾	 (\$9.417)	 -2.2
 <u>Ridership</u>								
Harlem Line	2.353	2.273	(0.080)	-3.4	22.300	21.797	(0.503)	-2.3
Hudson Line	1.389	1.346	(0.043)	-3.1	13.273	12.941	(0.332)	-2.5
New Haven Line	3.231	3.170	(0.061)	-1.9	30.869	30.139	(0.730)	-2.4
 Total Ridership	 6.973	 6.789	 (0.184)	 -2.6	 66.442	 64.877	 (1.565)	 -2.4

(1) Excludes West of Hudson Mail & Ride revenue totaling \$0.074 million for the month and \$0.562 million year-to-date.

Overall ridership for the month was 6.789 million. This was 0.184 million or 2.6% lower than mid-year forecast. Ridership on the Harlem Line was 3.4% lower than mid-year forecast, 3.1% lower on the Hudson Line, and 1.9% lower on the New Haven Line. The Farebox revenue was \$0.426 million lower than mid-year forecast for the month of October.

Overall ridership for the year-to-date was 64.877 million. This was 1.565 million or 2.4% lower than mid-year forecast. Ridership on the Harlem Line was 2.3% lower than mid-year forecast, 2.5% lower on the Hudson Line, and 2.4% lower on the New Haven Line. The Farebox revenue was \$9.417 million lower than mid-year forecast for the year-to-date October.

MTA METRO-NORTH RAILROAD
2009 MID-YEAR FORECAST VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS (1)
October 31, 2009

<u>Department</u>	<u>2009 Mid-Year Forecast</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Administration			
President	3	3	0
Labor Relations	13	12	1
Safety	17	16	1
Corporate Communications	21	21	0
Legal	16	16	0
Claims Services	16	16	0
Environmental Compliance & Serv	6	5	1
VP Human Resources	4	4	0
Human Resources	45	45	0
Training	29	27	2
Employee Relations & Diversity	4	3	1
VP Planning & Development	2	2	0
Operations Planning & Analysis	20	20	0
Capital Planning & Programming	14	14	0
Business Development & Facilities	22	21	1
Long Range Planning	9	9	0
VP Finance & Information Systems	1	2	(1)
Controller	119	117	2
Information Technology	110	108	2
Budget	16	15	1
Customer Service (2)	231	243	(12)
Corporate	-	-	0
Total Administration	718	719	(1)
Operations			
Operations Administration	51	50	1
Operations Services	1,755	1,695	60
Metro-North West	27	32	(5)
Total Operations	1,833	1,777	56
Maintenance			
GCT	334	355	(21)
Maintenance of Equipment	1,292	1,218	74
Maintenance of Way	1,516	1,525	(9)
Procurement & Material Mgmt	166	171	(5)
Total Maintenance	3,308	3,269	39
Engineering/Capital			
Project Budget	-	-	-
Construction Management	37	37	0
Engineering & Design	65	64	1
Total Engineering/Capital	102	101	1
Total Positions	5,961	5,866	95
Non-Reimbursable	5,363	5,279	84
Reimbursable	598	587	11
Total Full-Time	5,958	5,863	95
Total Full-Time-Equivalents (of part-time positions)	3	3	0

(1) Reflects authorized positions reduced by vacancies.

(2) Includes 6 part-time positions equal to 3 FTEs.

MTA METRO-NORTH RAILROAD
2009 MID-YEAR FORECAST VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
October 31, 2009

Agency-wide (Non-Reimbursable and Reimbursable)	2009 Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance	Explanation of Variances
<i>Functional Classification:</i>				
Operating	1,833	1,777	56	Higher than projected vacancies
Maintenance	3,308	3,269	39	Higher than projected vacancies
Administration	718	719	(1)	Lower than projected vacancies ⁽¹⁾
Engineering / Capital	102	101	1	Higher than projected vacancies
Total Agency-wide Headcount	5,961	5,866	95	
Non-Reimbursable	5,363	5,279	84	Higher than projected vacancies
Reimbursable	598	587	11	Higher than projected vacancies.

(1) Forecast includes a railroad-wide vacancy provision that is included in Corporate Department (aggregated under Administration).

MTA METRO-NORTH RAILROAD
2009 BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
October 31, 2009

FUNCTION/OCCUPATION	2009 Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance
Administration			
Managers/Supervisors	49	45	4
Professional, Technical, Clerical	639	645	(6)
Operational Hourlies	30	29	1
Total Administration	718	719	(1)
Operations			
Managers/Supervisors	24	22	2
Professional, Technical, Clerical	294	313	(19)
Operational Hourlies	1,515	1,442	73
Total Operations	1,833	1,777	56
Maintenance			
Managers/Supervisors	41	42	(1)
Professional, Technical, Clerical	958	1,019	(61)
Operational Hourlies	2,309	2,208	101
Total Maintenance	3,308	3,269	39
Engineering/Capital			
Managers/Supervisors	30	28	2
Professional, Technical, Clerical	72	73	(1)
Operational Hourlies	-	-	-
Total Engineering/Capital	102	101	1
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	-	-	-
Total Positions			
Managers/Supervisors	144	137	7
Professional, Technical, Clerical	1,963	2,050	(87)
Operational Hourlies	3,854	3,679	175
Total Positions	5,961	5,866	95

**MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN – 2009 MIDYEAR FORECAST
MONTHLY PERFORMANCE INDICATORS**

OCTOBER 2009

	<u>MONTH</u>			<u>VARIANCE</u>	
	<u>2009</u>	<u>Forecast</u>	<u>2008</u>	<u>vs. Forecast</u>	<u>vs. 2008</u>
Farebox Operating Ratio (Percent)	59.6%	56.4%	53.9%	3.2%	5.7%
Cost Per Passenger	\$10.66	\$11.08	\$10.70	\$0.42	\$0.04
Passenger Revenue/Passenger	\$6.53	\$6.41	\$5.91	\$0.12	\$0.62

	<u>YEAR-TO-DATE</u>			<u>VARIANCE</u>	
	<u>2009</u>	<u>Forecast</u>	<u>2008</u>	<u>vs. Forecast</u>	<u>vs. 2008</u>
Farebox Operating Ratio (Percent)	55.3%	54.3%	55.9%	1.0%	(0.6%)
Cost Per Passenger	\$11.37	\$11.54	\$10.80	\$0.17	(\$0.57)
Passenger Revenue/Passenger	\$6.44	\$6.43	\$6.20	\$0.01	\$0.24

- 1) Farebox Operating Ratio excludes Other Post Employment Benefits cost of 49.750M (Year to Date) and Environmental GASB-49 Accruals/Payments cost of \$3.368M (Year to Date)
- 2) Cost per Passenger includes West of Hudson
- 3) Passenger Revenue/Passenger is for East of Hudson only and Includes Bar Car Services

MTA METRO-NORTH RAILROAD
MID-YEAR FORECAST AND NOVEMBER FORECAST vs. ACTUAL RESULTS (NON-REIMBURSABLE)
OCTOBER 2009 YEAR-TO-DATE
(\$ in millions)

	<u>October Year-to-Date</u>			<u>Favorable(Unfavorable) Variance</u>			
	<u>Mid-Year Forecast</u>	<u>November Forecast</u>	<u>Actual</u>	<u>Mid-Year Forecast</u>		<u>November Forecast</u>	
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Total Revenue	452.2	445.3	446.8	(5.4)	(1.2)	1.4	0.3
Total Expenses before Non-Cash Liability Adjs	768.2	756.0	741.0	27.2	3.5	15.0	2.0
Depreciation	212.5	205.6	201.4	11.1	5.2	4.2	2.1
OPEB Obligation	45.7	48.7	49.8	(4.1)	(8.9)	(1.1)	(2.2)
Environmental Remediation	6.6	5.1	3.3	3.3	49.9	1.8	34.9
Total Expenses	1,033.0	1,015.4	995.4	37.5	3.6	20.0	2.0
Net Surplus/(Deficit)	(580.7)	(570.0)	(548.7)	32.1	5.5	21.4	3.8

Note: Totals may not add due to rounding

MTA Metro-North Railroad
Explanation of Variances Between November Forecast and Actual
October 2009 Year-to-Date
(\$ In Millions)

	Favorable (Unfavorable) Variance		Reason for Variance
	\$	%	
Total Revenue (Nonreimbursable)	1.4	0.3	Increase is primarily due to favorable Fare Box Revenue \$.8 million (primarily higher One-Way Off-Peak sales), and higher net GCT Retail and advertising revenue \$.6 million.
Total Expenses (Nonreimbursable)	20.0	2.0	The favorable variance is primarily due to lower depreciation due to the timing of asset recognition, lower labor costs resulting from additional vacancies and higher overhead recoveries, lower traction & propulsion prices, utilities, GASP49 accruals, computer software and hardware purchases, lower shop equipment and building maintenance costs, Meadowlands game service charges, and higher Amtrak recoveries. Partially offsetting these lower costs are higher Post Employment Benefit accruals and increasing fuel prices.

NOTE: Mid-Year Forecast vs. Actual variance explanations are provided in the monthly report to the Finance Committee.

Page is left intentionally blank.

METRO-NORTH

MONTHLY RIDERSHIP REPORT

OCTOBER 2009

Operations Planning & Analysis
Department
December, 2009

MTA METRO-NORTH RAILROAD

RIDERSHIP SUMMARY

OCTOBER 2009

OCTOBER RIDERSHIP

SERVICE	OCTOBER 2009	OCTOBER 2008	CHANGE VS. 2008	
			AMOUNT	PERCENT
East of Hudson ⁽¹⁾	6,788,990	7,151,047	(362,057)	-5.1%
West of Hudson ^{(1) (3)}	163,821	181,342	(17,521)	-9.7%
METRO-NORTH RAIL RIDERSHIP	6,952,811	7,332,389	(379,578)	-5.2%
Connecting Services Provided By Metro-North Contractors ⁽²⁾	54,728	56,116	(1,388)	-2.5%
TOTAL MTA METRO-NORTH SYSTEM RIDERSHIP	7,007,539	7,388,505	(380,966)	-5.2%

YTD RIDERSHIP

SERVICE	YTD 2009	YTD 2008	CHANGE VS. 2008	
			AMOUNT	PERCENT
East of Hudson ⁽¹⁾	64,877,241	67,690,859	(2,813,618)	-4.2%
West of Hudson ^{(1) (3)}	1,615,564	1,748,342	(132,778)	-7.6%
METRO-NORTH RAIL RIDERSHIP	66,492,805	69,439,201	(2,946,396)	-4.2%
Connecting Services Provided By Metro-North Contractors ⁽²⁾	507,563	558,692	(51,129)	-9.2%
TOTAL MTA METRO-NORTH SYSTEM RIDERSHIP	67,000,368	69,997,893	(2,997,525)	-4.3%

Notes:

1) 2008 ridership figures have been restated to eliminate calendar impacts on ridership.

2) Includes Hudson Rail Link, Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry.

RIDERSHIP

EAST OF HUDSON

OCTOBER 2009

OCTOBER RIDERSHIP

LINE	OCTOBER 2009 ACTUAL	OCTOBER 2009 MID-YEAR FORECAST	VARIANCE VS. MID-YEAR FORECAST		OCTOBER 2008 RESTATE ⁽¹⁾	CHANGE FROM 2008	
			AMOUNT	PERCENT		AMOUNT	PERCENT
Harlem	2,272,964	2,353,474	(80,510)	-3.4%	2,422,391	(149,427)	-6.2%
Hudson	1,346,263	1,389,005	(42,742)	-3.1%	1,417,065	(70,802)	-5.0%
New Haven	3,169,763	3,231,202	(61,439)	-1.9%	3,311,591	(141,828)	-4.3%
TOTAL	6,788,990	6,973,681	(184,691)	-2.6%	7,151,047	(362,057)	-5.1%

YTD RIDERSHIP

LINE	2009 YTD ACTUAL	2009 YTD MID-YEAR FORECAST	VARIANCE VS. MID-YEAR FORECAST		2008 YTD RESTATE ⁽¹⁾	CHANGE FROM 2008	
			AMOUNT	PERCENT		AMOUNT	PERCENT
Harlem	21,796,943	22,299,581	(502,638)	-2.3%	22,732,877	(935,934)	-4.1%
Hudson	12,941,601	13,272,934	(331,333)	-2.5%	13,450,025	(508,424)	-3.8%
New Haven	30,138,697	30,869,222	(730,525)	-2.4%	31,507,957	(1,369,260)	-4.3%
TOTAL	64,877,241	66,441,737	(1,564,496)	-2.4%	67,690,859	(2,813,618)	-4.2%

Note:

1) 2008 ridership figures have been restated to eliminate calendar impacts on ridership.

REVENUE
EAST OF HUDSON
OCTOBER 2009

OCTOBER REVENUE

LINE	OCTOBER 2009 ACTUAL	OCTOBER 2009 MID-YEAR FORECAST	VARIANCE VS. MID-YEAR FORECAST		OCTOBER 2008 ACTUAL	CHANGE FROM 2008	
			AMOUNT	PERCENT		AMOUNT	PERCENT
Harlem	\$13,044,257	\$13,384,356	(\$340,099)	-2.5%	\$12,537,611	\$506,646	4.0%
Hudson	\$9,671,561	\$9,788,517	(\$116,956)	-1.2%	\$9,196,785	\$474,775	5.2%
New Haven	\$20,971,774	\$20,940,765	\$31,009	0.1%	\$20,909,752	\$62,022	0.3%
TOTAL	\$43,687,592	\$44,113,638	(\$426,046)	-1.0%	\$42,644,148	\$1,043,444	2.4%

YTD REVENUE

LINE	2009 YTD ACTUAL	2009 YTD MID-YEAR FORECAST	VARIANCE VS. MID-YEAR FORECAST		2008 YTD ACTUAL	CHANGE FROM 2008	
			AMOUNT	PERCENT		AMOUNT	PERCENT
Harlem	\$122,034,275	\$125,310,278	(\$3,276,003)	-2.6%	\$121,738,851	\$295,424	0.2%
Hudson	\$89,571,318	\$91,224,569	(\$1,653,250)	-1.8%	\$89,201,451	\$369,867	0.4%
New Haven	\$200,871,567	\$205,359,251	(\$4,487,684)	-2.2%	\$205,878,034	(\$5,006,466)	-2.4%
TOTAL	\$412,477,161	\$421,894,098	(\$9,416,937)	-2.2%	\$416,818,336	(\$4,341,176)	-1.0%

RIDERSHIP
OCTOBER 2009
NYS PORTION OF WEST OF HUDSON SERVICE ⁽¹⁾

OCTOBER RIDERSHIP

LINE	OCTOBER 2009 ACTUAL ⁽³⁾	OCTOBER 2009 MID-YEAR FORECAST	VARIANCE VS. MID-YEAR FORECAST		OCTOBER 2008 RESTATE ⁽²⁾	CHANGE FROM 2008	
			AMOUNT	PERCENT		AMOUNT	PERCENT
Port Jervis	116,913	123,755	(6,842)	-5.5%	131,574	(14,661)	-11.1%
Pascack Valley	46,908	55,236	(8,328)	-15.1%	49,768	(2,860)	-5.7%
TOTAL	163,821	178,991	(15,170)	-8.5%	181,342	(17,521)	-9.7%

YTD RIDERSHIP

LINE	2009 YTD ACTUAL ⁽³⁾	2009 YTD MID-YEAR FORECAST	VARIANCE VS. MID-YEAR FORECAST		2008 YTD RESTATE ⁽²⁾	CHANGE FROM 2008	
			AMOUNT	PERCENT		AMOUNT	PERCENT
Port Jervis	1,163,324	1,221,555	(58,231)	-4.8%	1,286,741	(123,417)	-9.6%
Pascack Valley	452,240	482,201	(29,961)	-6.2%	461,601	(9,361)	-2.0%
TOTAL	1,615,564	1,703,756	(88,192)	-5.2%	1,748,342	(132,778)	-7.6%

Notes:

(1) NY State portion includes Port Jervis Line stations West of Suffern and Pascack Valley Line stations north of Montvale.

REVENUE
OCTOBER 2009
NYS PORTION OF WEST OF HUDSON SERVICE ⁽¹⁾

OCTOBER REVENUE

LINE	OCTOBER 2009 ACTUAL ⁽²⁾	OCTOBER 2009 MID-YEAR FORECAST	VARIANCE VS. MID-YEAR FORECAST		OCTOBER 2008 ACTUAL	CHANGE FROM 2008	
			AMOUNT	PERCENT		AMOUNT	PERCENT
Port Jervis	\$859,035	\$935,458	(\$76,423)	-8.2%	\$886,164	(\$27,129)	-3.1%
Pascack Valley	\$259,497	\$295,175	(\$35,678)	-12.1%	\$246,375	\$13,122	5.3%
TOTAL	\$1,118,532	\$1,230,633	(\$112,101)	-9.1%	\$1,132,539	(\$14,007)	-1.2%

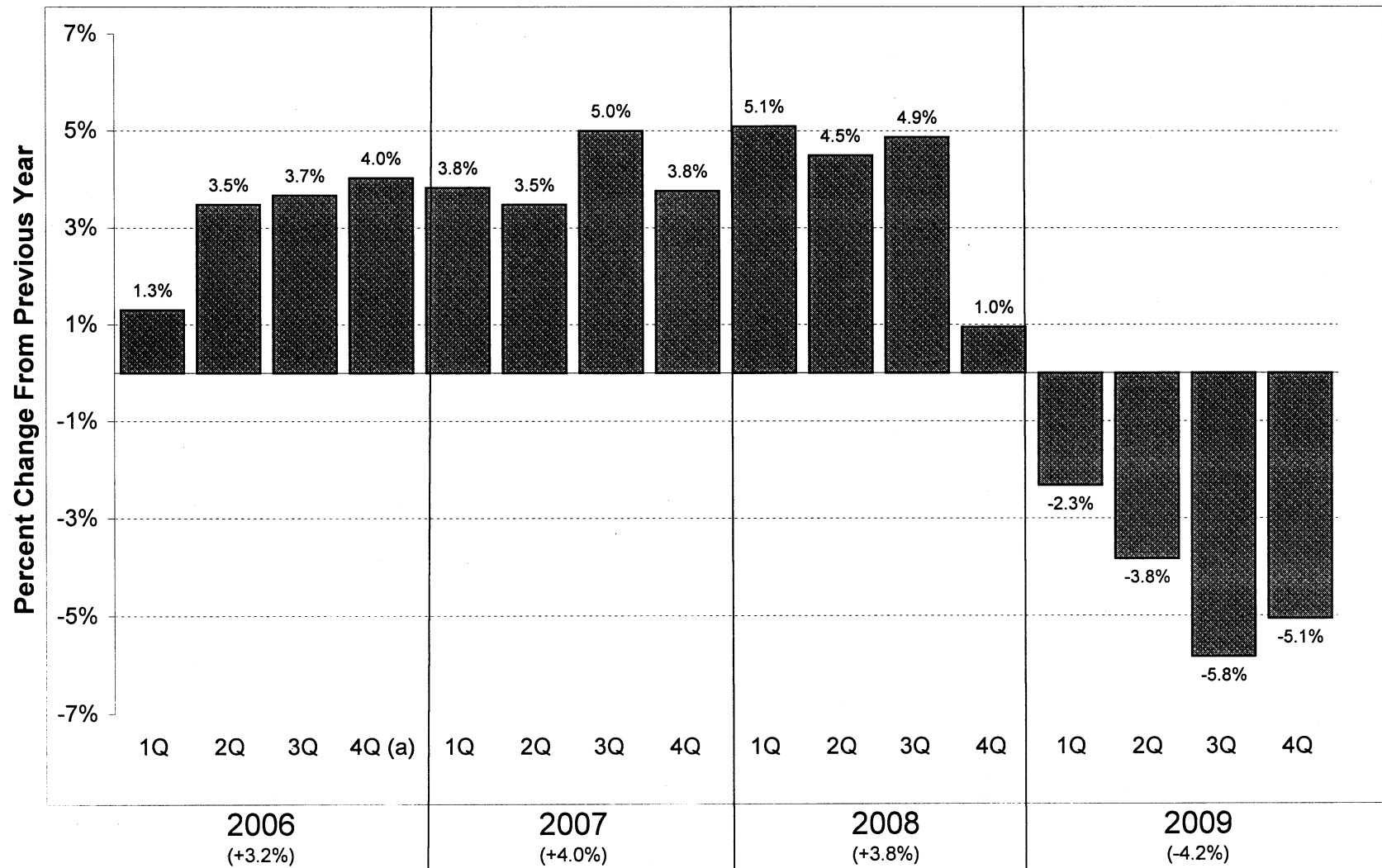
YTD REVENUE

LINE	2009 YTD ACTUAL ⁽²⁾	2009 YTD MID-YEAR FORECAST	VARIANCE VS. MID-YEAR FORECAST		2008 YTD ACTUAL	CHANGE FROM 2008	
			AMOUNT	PERCENT		AMOUNT	PERCENT
Port Jervis	\$8,474,652	\$9,038,398	(\$563,746)	-6.2%	\$8,966,448	(\$491,796)	-5.5%
Pascack Valley	\$2,452,019	\$2,608,886	(\$156,867)	-6.0%	\$2,373,577	\$78,442	3.3%
TOTAL	\$10,926,670	\$11,647,284	(\$720,614)	-6.2%	\$11,340,025	(\$413,355)	-3.6%

Notes:

(1) NY State portion includes Port Jervis Line stations West of Suffern and Pascack Valley Line stations north of Montvale.

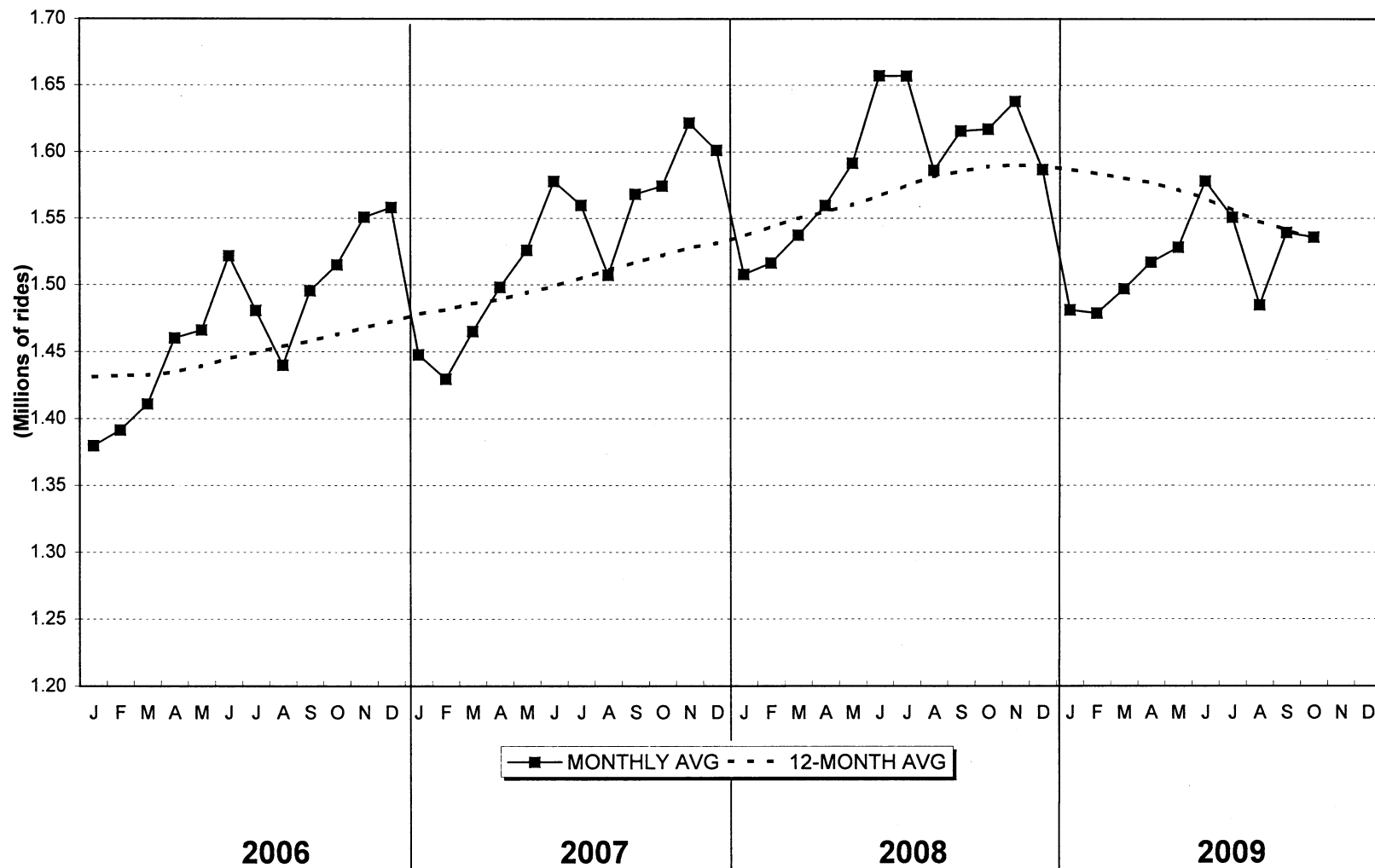
QUARTERLY RIDERSHIP GROWTH EAST OF HUDSON



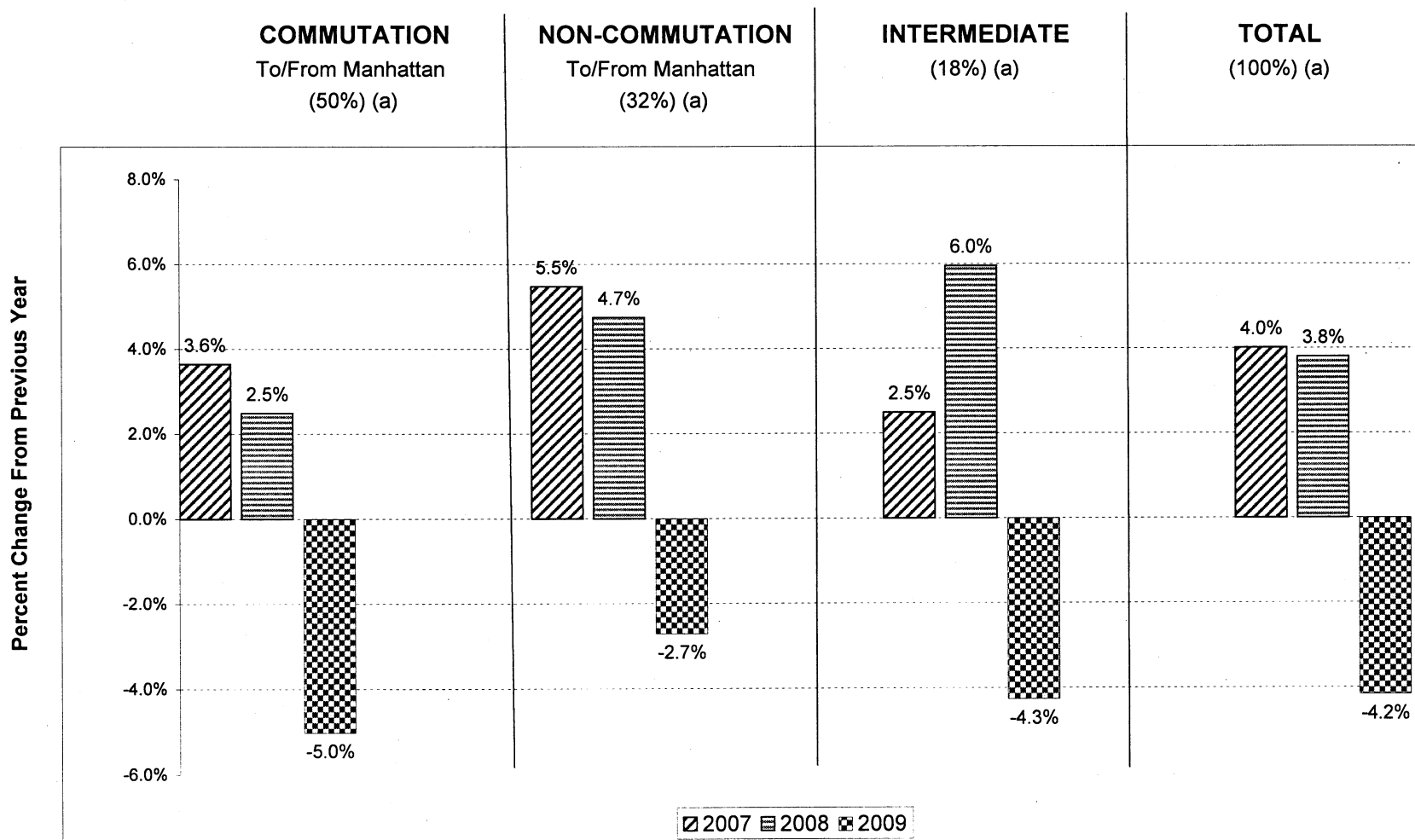
(a) Thru October, 2009.

AVERAGE WEEKLY RIDERSHIP

EAST OF HUDSON



RIDERSHIP TRENDS BY MARKET EAST OF HUDSON



(a) Percent of total market.

(b) 2007 and 2008 figures reflect annual trends.

CONNECTING SERVICES RIDERSHIP REPORT

OCTOBER 2009 ⁽¹⁾

SERVICE	CURRENT MONTH			
	OCTOBER	OCTOBER	CHANGE FROM 2008	
	2009 ACTUAL	2008 RESTATE ⁽²⁾	AMOUNT	PERCENT

YEAR-TO-DATE			
OCTOBER	OCTOBER	CHANGE FROM 2008	
2009 ACTUAL	2008 RESTATE ⁽²⁾	AMOUNT	PERCENT

1) CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS

Hudson Rail Link	34,599	34,042	557	1.6%
Haverstraw-Ossining Ferry	11,755	11,737	18	0.2%
Newburgh-Beacon Ferry	8,374	10,337	(1,963)	-19.0%
TOTAL	54,728	56,116	(1,388)	-2.5%

326,011	347,664	(21,653)	-6.2%
102,534	112,722	(10,188)	-9.0%
79,018	98,306	(19,288)	-19.6%
507,563	558,692	(51,129)	-9.2%

2) CONNECTING SERVICES PROVIDED BY METRO-NORTH PARTNERS

Bronx (NYCT)(3)	82,540	82,999	(459)	-0.6%
Westchester (WCDOT, Croton Falls Shuttle) (3)	51,668	60,058	(8,390)	-14.0%
Westchester Shuttles (WCDOT)	16,967	17,885	(918)	-5.1%
Putnam (Putnam County)	134	124	10	8.1%
Dutchess (Dutchess Loop)	2,264	3,469	(1,205)	-34.7%
Connecticut (CDOT, I-Bus, Danbury-Brewster, Ridgefield-Katonah, Greenwich & Stamford)	77,857	90,010	(12,153)	-13.5%
Shore Line East (CDOT)	16,030	18,553	(2,523)	-13.6%
Rockland (Tappan ZeeXpress) (4)	21,034	23,126	(2,092)	-9.0%
Orange (Newburgh-Beacon)	3,930	4,702	(772)	-16.4%
TOTAL	272,424	300,926	(28,502)	-9.5%

767,339	805,090	(37,751)	-4.7%
501,644	582,671	(81,027)	-13.9%
160,484	167,980	(7,496)	-4.5%
1,207	1,690	(483)	-28.6%
24,100	35,536	(11,436)	-32.2%
759,511	844,004	(84,493)	-10.0%
162,597	184,589	(21,992)	-11.9%
209,466	213,888	(4,422)	-2.1%
39,133	49,637	(10,504)	-21.2%
2,625,480	2,885,085	(259,605)	-9.0%

COMBINED TOTAL	327,152	357,042	(29,890)	-8.4%
-----------------------	----------------	----------------	-----------------	--------------

3,133,043	3,443,777	(310,734)	-9.0%
------------------	------------------	------------------	--------------

(1) Ridership reflects passengers using connecting services to travel on Metro-North only and is calculated based on a combination of passenger counts and ticket sales.

(2) 2008 ridership figures have been restated to eliminate calendar impacts on ridership.

(3) Totals exclude Westchester and NYCT Bronx connecting bus service which continues to be adversely impacted by the introduction of MetroCard in April 2007.

(4) October Rockland (Tappan ZeeXpress) ridership figures are estimated.

**CAPITAL PROGRAM
HIGHLIGHTS/SIGNIFICANT ISSUES
DECEMBER 9th**

Parking

Cortlandt Parking and Access Improvements

Federal Id: NY-95-X002

Contractor's field mobilization, project submittals, survey stakeout work, earthwork and soil compaction testing, clearing & grubbing is ongoing. Excavation and hauling of stumps continue. Local 14 building demolition work is completed, and disposal continues. Pile foundation work for the station building and Wall "A" is complete and continues for Wall "B". MNR has applied for NYSDOT permits for Route 9A intersection improvements work.

Stations

Hudson Line Station Improvements Phase II

Federal Id: NY-90-X590; NY-90-X578; NY-90-X567; NY-90-X537; NY-05-0111; NY-05-0109

Ossining:

- West side elevator was put into service November 20, 2009.
- Installation of mini pile is complete.
- Slabs at the south end of tracks 1/3 platform are complete.
- Set stairs from the overpass to the south end of tracks 1/3 platform.

Scarborough:

- Setting precast slabs for track 3 platform and erecting light poles.
- Formwork for the east side ADA ramp is complete.
- Electrical rough-in commenced.

Philipse Manor:

- Setting precast slabs and reconstructing stairs to the street.
- Installation of new electric service cabinet 98% complete.

Tarrytown Station Improvements

Federal ID: NY-56-0001 ARRA Section 5309

- Track 3 was taken out of service on October 19, 2009, continuously for 10 months. Track 3 resurfacing is complete, and temporary platform on track 3 has been put into service.
- Demolition of the southern portion of track 3 platform is complete.
- Construction of the temporary platform between tracks 2/4 is 75 % complete.
- Southern end of tracks 2/4 island platform was removed from service, and demolition preparation commenced.

Poughkeepsie Station Improvements – Roof/Utility Upgrade

Federal Id: NY-90-X578; NY-95-X002

Work progress for the Terra Cotta and Roof Replacement project.

- Station Terra Cotta cleaning, patching and glazing continues.
- Installation of the tile roof west face complete; east face nearing completion.
- Installation of the replacement Terra Cotter pieces nearing completion.

Poughkeepsie Station Improvements – Window/Doors

Federal ID: NY-56-0001 ARRA Section 5309

Contractor submittals continue. Work on the lintels replacement and east face brick repointing continues.

Station Building Rehabilitation (Tarrytown, Fordham, Port Chester, and Mamaroneck)

Federal Id: NY-95-X009 (Tarrytown)

Tarrytown, Port Chester and Mamaroneck improvements are substantially complete.
Fordham Station – An award is in process.

NHL Station Improvements – Port Chester and Rye

Federal Id: NY-90-X590

At Rye and Port Chester:

- Inbound platform bearing and "T - Stem" repairs are 95 % complete.
- Inbound and outbound temporary platform stair installation is complete and awaiting to be placed in service prior to demolition of existing platform stairs.
- Inbound and outbound platforms concrete core drilling for new light poles are complete.

At Rye Station:

- Inbound canopy deck replacement is 85% complete. Asbestos and lead abatement and canopy deck removal continues on the remainder portion.
- New electrical conduit installation on the underside of both station platforms are 50% complete.
- Building roof and canopy asbestos abatement and joist and decking repairs continues.
- Sidewalk and plaza demolition is complete and a canopy columns base repair continues.
- Canopy extension column foundation layout completed between the station building and the west overpass.
- East overpass closure is scheduled for December 1st and will remain closed for rehabilitation for a scheduled duration of 8 months. The west overpass will remain in service through out this rehabilitation period.

Fordham Station Capacity Improvements

Requisition is circulating for approvals. A request for proposals is expected to be issued to the list of GEC's in December 2009.

Track and Structures

Bridge Rehabilitation- Moodna/Woodbury Viaducts

Construction Priority Repairs Moodna:

All work on the priority repairs is complete and the contractor has demobilized from the site.

Phase II Design Repairs Moodna and Woodbury:

The computer modeling of the structures for both viaducts is in progress.

The consultant is preparing the evaluation and recommendations for repairs to both structures based on the results of the inspection.

Replace Overhead Bridges

Superstructure Replacement of NH 13.79 – South First (a.k.a. Park) Avenue Bridge, Mt. Vernon:

Contractor is working on submittals. The abutment and pier stone masonry were cleaned, the detour signs were placed. Bridge closure is anticipated on December 7, 2009, with demolition work commencing thereafter.

2009 Cyclical Track Program

Federal ID: NY-05-0112

To date approximately 16,832 ties have been installed and 88 miles of track surfaced. Tie installation in NYS between Greystone and Tarrytown on track 2 is ongoing.

Grand Central Terminal

GCT Elevator Rehabilitation Phase III

Contractor is finalizing installation of steel rail in shaft. Fireproofing work in the shaft is ongoing. The hole for the new elevator piston has been completed. Steel framing for the new elevator cab has been delivered to the site, and the remaining elevator components are scheduled for delivery in December 2009.

GCT Elevators

Federal ID: NY-56-0001 ARRA Section 5309

Contractor continues field surveys, and preparation of shop drawing submittals and Requests for Information. Contractor continues work on elevators T-10 and T-12 in Hall "D". Work on elevators T-10 and T-12 is scheduled to be completed by February 2010. The new controller and motor for T-10 has been installed and work on T-12 controller and motor is ongoing. Installation of governor cables, shaft risers and door components is ongoing in both cars. Work will begin on cars T-9 and T-11 in Hall "D" following completion of T-10 and T-12.

GCT Employee Welfare Facility - Design/Build

Federal ID: NY-56-0001 ARRA Section 5309

Selective demolition work is underway.

Shops and Yards**Croton-Harmon Shop/Yard Rehabilitation**

Phase IV - Stage I Design: MNR has all contract documents ready to begin the procurement process.

General Engineer Task Orders awarded (less than \$1.5M)

There were no General Engineering task orders awarded in November 2009 less than \$1.5M.

Other than Capital Funded**Biltmore Room; Main Level GCT**

Overall work is approximately 99% complete.

Page is left intentionally blank.

SAFETY REPORT
TO THE METRO-NORTH RAILROAD COMMITTEE

December 2009

METRO-NORTH
EMPLOYEE SAFETY INITIATIVES

- CONTINUED ENHANCEMENT OF THE PRIORITY 1 PROGRAM

SAFETY BRIEFINGS
JOB SAFETY ANALYSIS
EMPLOYEE RECOGNITION
SAFETY BULLETINS AND FORECASTS
- SAFETY TRAINING AND EDUCATION

NEW HIRE SAFETY TRAINING
SUPERVISOR'S SAFETY PROGRAM REVIEW
- OPERATING DEPARTMENT SAFETY INITIATIVES

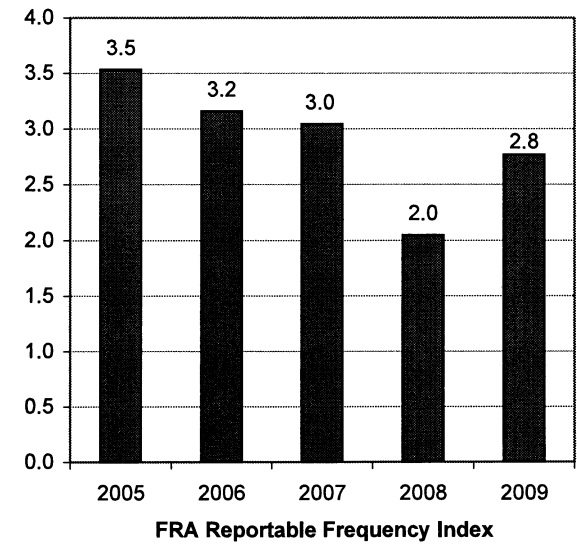
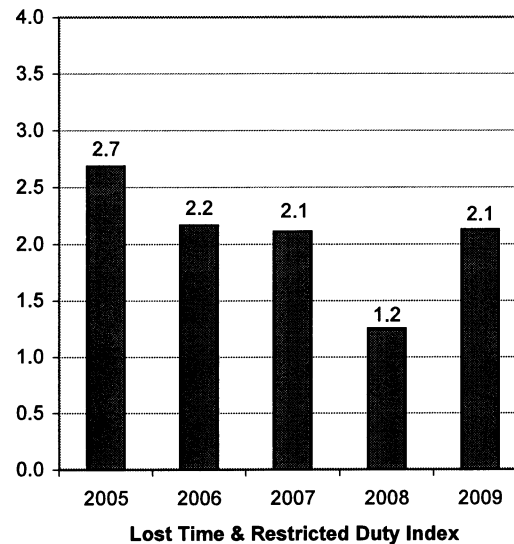
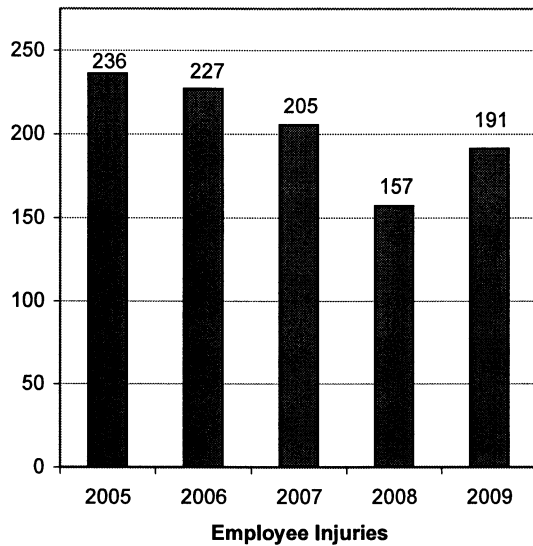
DEPARTMENTAL SAFETY PLANS
100% PERSONAL PROTECTIVE EQUIPMENT COMPLIANCE
SEATBELT SAFETY
- SAFETY COMMUNICATIONS PLAN

SAFETY POSTER PROGRAM
ON TRACK ARTICLES
WEEKLY SAFETY NEWS ITEMS
- AUDIT PROGRAM

SAFETY AUDITS
24/7

MTA Metro-North Railroad Summary of Employee Injuries Through October

50



Total Employee Injuries

Year	Total
2005	236
2006	227
2007	205
2008	157
2009	191

Total Employee Lost Time and Restricted Duty Injuries

Year	Lost Time	Restricted Duty	LT FI*	RD FI*	LT&RD FI*
2005	95	38	1.9	0.8	2.7
2006	66	45	1.3	0.9	2.2
2007	61	47	1.2	0.9	2.1
2008	43	23	0.8	0.4	1.2
2009	96	17	1.8	0.3	2.1

Total Employee FRA Reportable Injuries

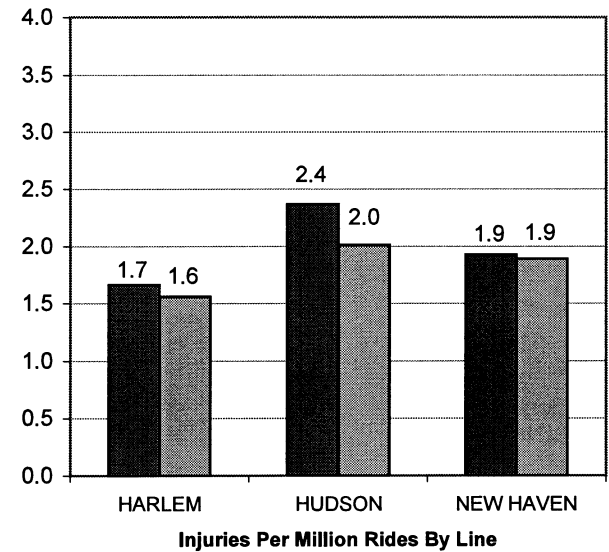
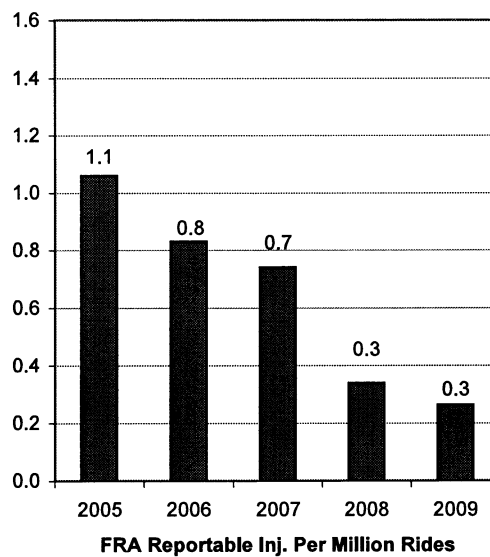
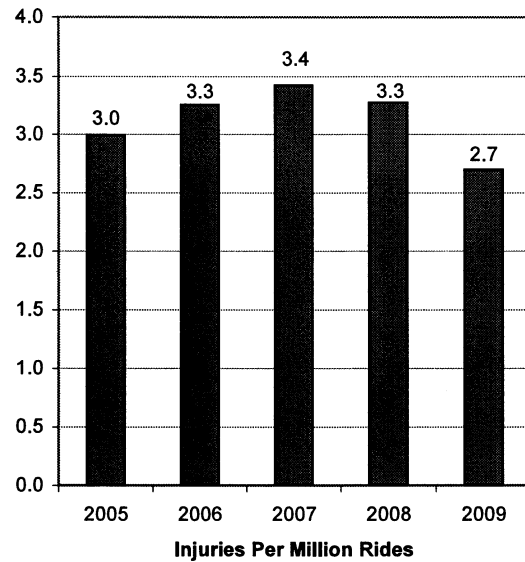
Year	Total	FRA FI*
2005	175	3.5
2006	162	3.2
2007	156	3.0
2008	108	2.0
2009	147	2.8

* - Injuries Per 200,000 Hours

METRO-NORTH
CUSTOMER SAFETY INITIATIVES

- CUSTOMER SAFETY BROCHURE AVAILABLE IN GRAND CENTRAL TERMINAL & OUTLYING STATIONS
- CUSTOMER SAFETY RULE – MILEPOSTS
- FACILITIES PREVENTIVE MAINTENANCE STUDY OF STATIONS IN ORDER TO IMPROVE SAFETY FOR CUSTOMERS
- REGULAR INSPECTIONS OF ALL STATIONS, STAIRWAYS, PLATFORMS AND RAMPS IN COORDINATION WITH SERVICE QUALITY AND STATIONS SERVICES AND FACILITIES DEPARTMENTS
- EMERGENCY DISASTER SIMULATIONS
- PUBLIC SAFETY EDUCATION INITIATIVE
- GAP SAFETY INITIATIVES

MTA Metro-North Railroad Summary of Customer Injuries Through October



Customer Injuries

Year	Total	FI*
2005	181	3.0
2006	204	3.3
2007	222	3.4
2008	223	3.3
2009	175	2.7

FRA Reportable Customer Injuries

Year	Total	FRA FI*
2005	64	1.1
2006	52	0.8
2007	48	0.7
2008	23	0.3
2009	17	0.3

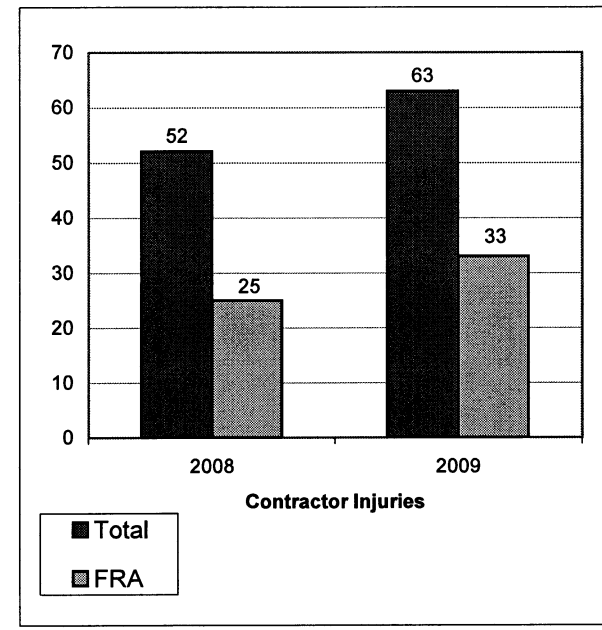
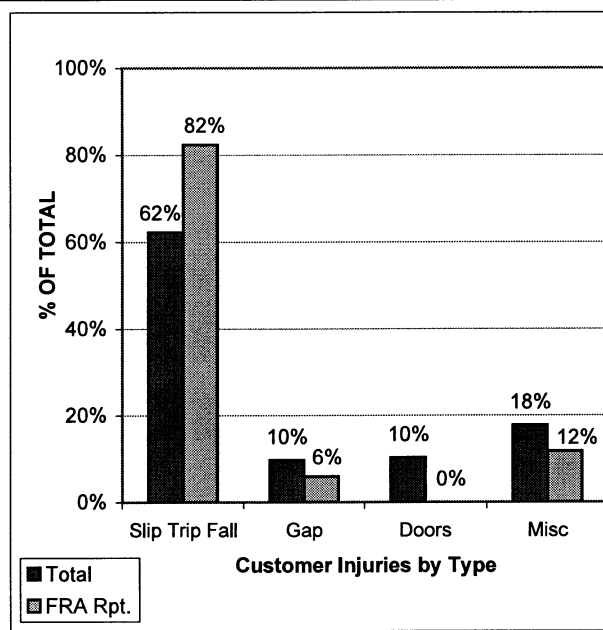
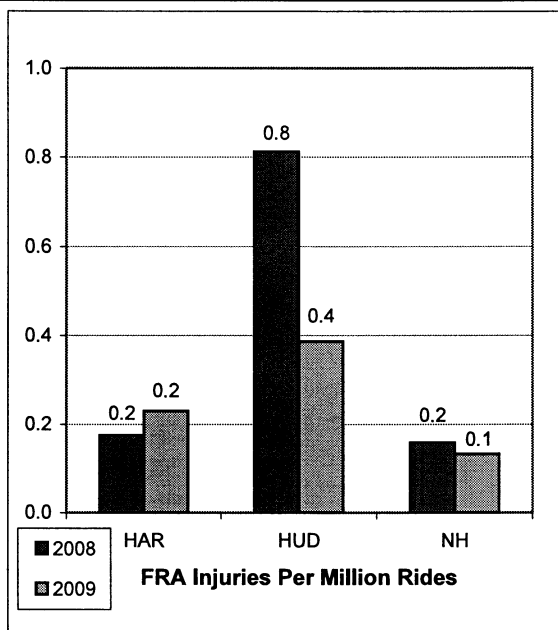
Customer Injuries by Line

Year	2008	2009	2008 FI*	2009 FI*
HARLEM	38	34	1.7	1.6
HUDSON	32	26	2.4	2.0
NEW HAVEN	61	57	1.9	1.9

* - Injuries Per Million Rides

MTA Metro-North Railroad Summary of Customer/Contractor Injuries Through October

53



Total FRA Reportable Customer Injuries by Line					% of Customer Injury by Type					Contractor Injures		
Year	2008	2009	2008 FI*	2009 FI*	Type	Total	% of Total	FRA Rpt.	% of Total		2008	2009
HAR	4	5	0.2	0.2	Slip Trip Fall	109	62%	14	82%	Total	52	63
HUD	11	5	0.8	0.4	Gap	17	10%	1	6%	FRA Rpt.	25	33
NH	5	4	0.2	0.1	Doors	18	10%	0	0%			
					Misc	31	18%	2	12%			
					Total	175		17				

* - Injuries Per Million Rides



**METROPOLITAN TRANSPORTATION AUTHORITY
Police Department
Metro North Railroad**

November 2009

	2009	2008	Diff	%Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	2	2	0	0%
Felony Assault	1	2	-1	-50%
Burglary	1	2	-1	-50%
Grand Larceny	8	5	3	60%
GLA	0	1	-1	-100%
Total Major Felonies	12	12	0	0%

January to November, 2009

	2009	2008	Diff	%Change
Murder	0	0	0	0%
Rape	0	1	-1	-100%
Robbery	11	13	-2	-15%
Felony Assault	11	12	-1	-8%
Burglary	9	15	-6	-40%
Grand Larceny	68	106	-38	-36%
GLA	4	6	-2	-33%
Total Major Felonies	103	153	-50	-33%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION



METROPOLITAN TRANSPORTATION AUTHORITY
Police Department
System Wide

November 2009

	2009	2008	Diff	%Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	6	5	1	20%
Felony Assault	3	8	-5	-63%
Burglary	1	3	-2	-67%
Grand Larceny	16	12	4	33%
GLA	0	1	-1	-100%
Total Major Felonies	26	29	-3	-10%

January to November, 2009

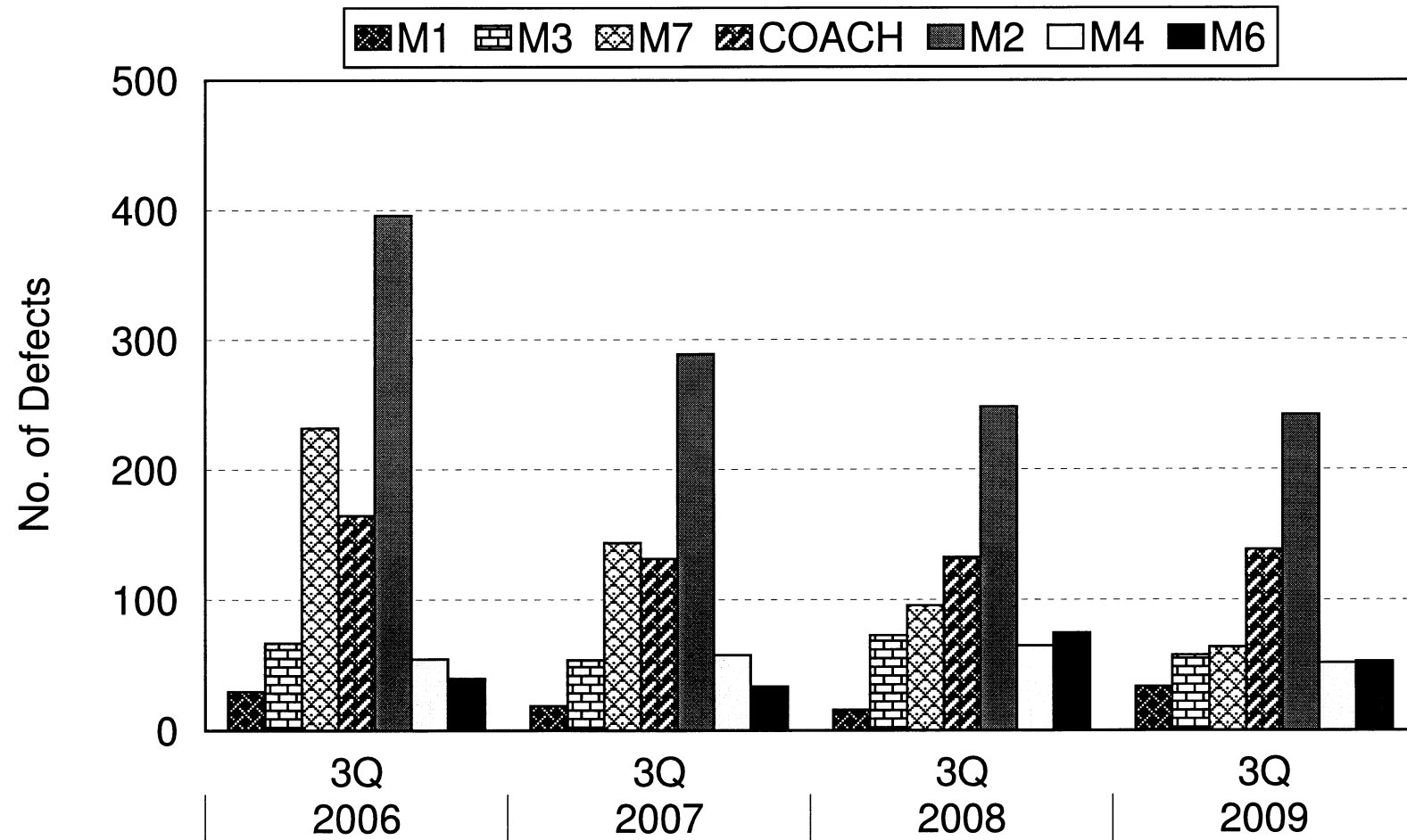
	2009	2008	Diff	%Change
Murder	1	0	1	0%
Rape	0	2	-2	-100%
Robbery	34	58	-24	-41%
Felony Assault	38	38	0	0%
Burglary	13	23	-10	-43%
Grand Larceny	176	203	-27	-13%
GLA	9	8	1	13%
Total Major Felonies	271	332	-61	-18%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION

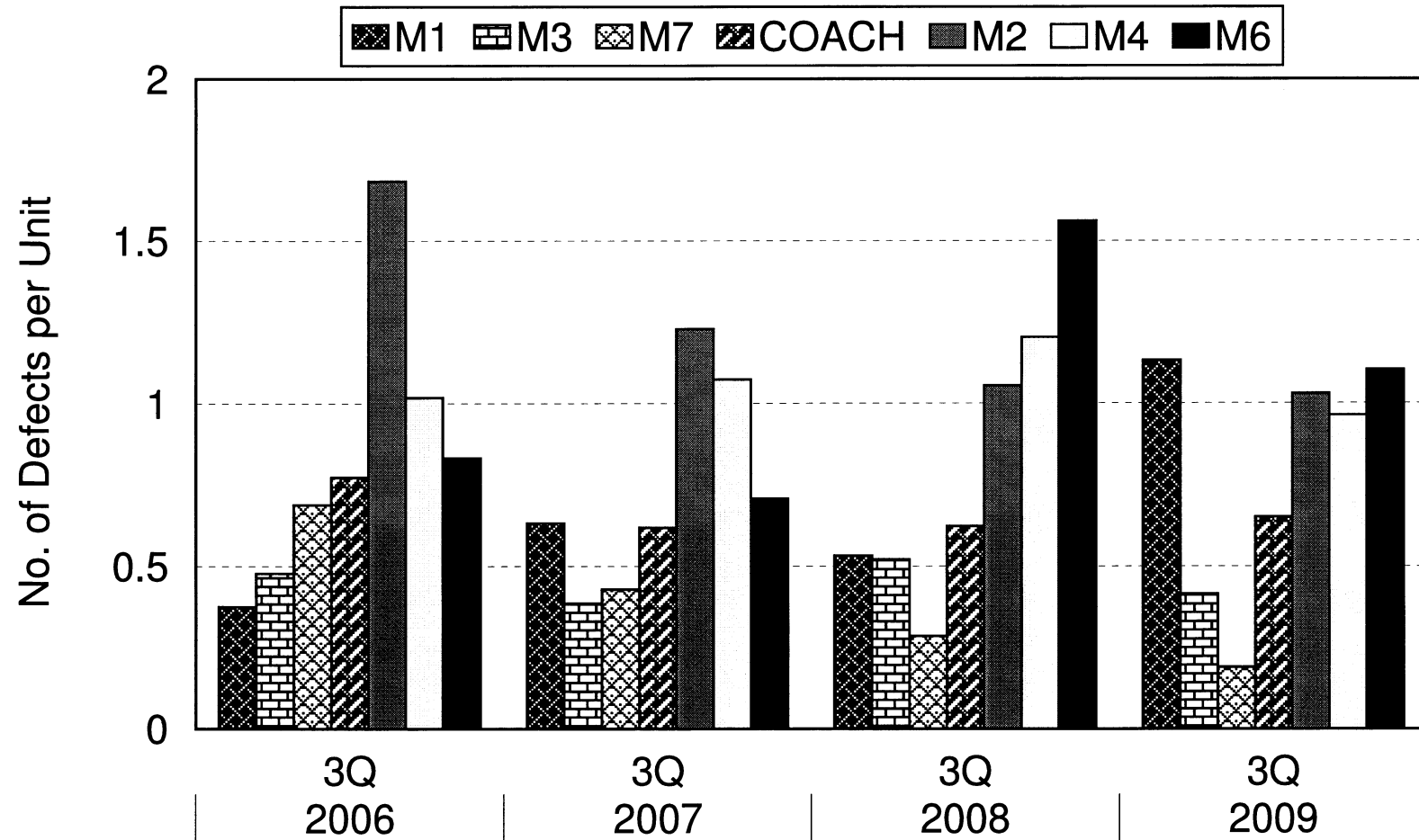
MTA Metro-North

Fleet HVAC Review

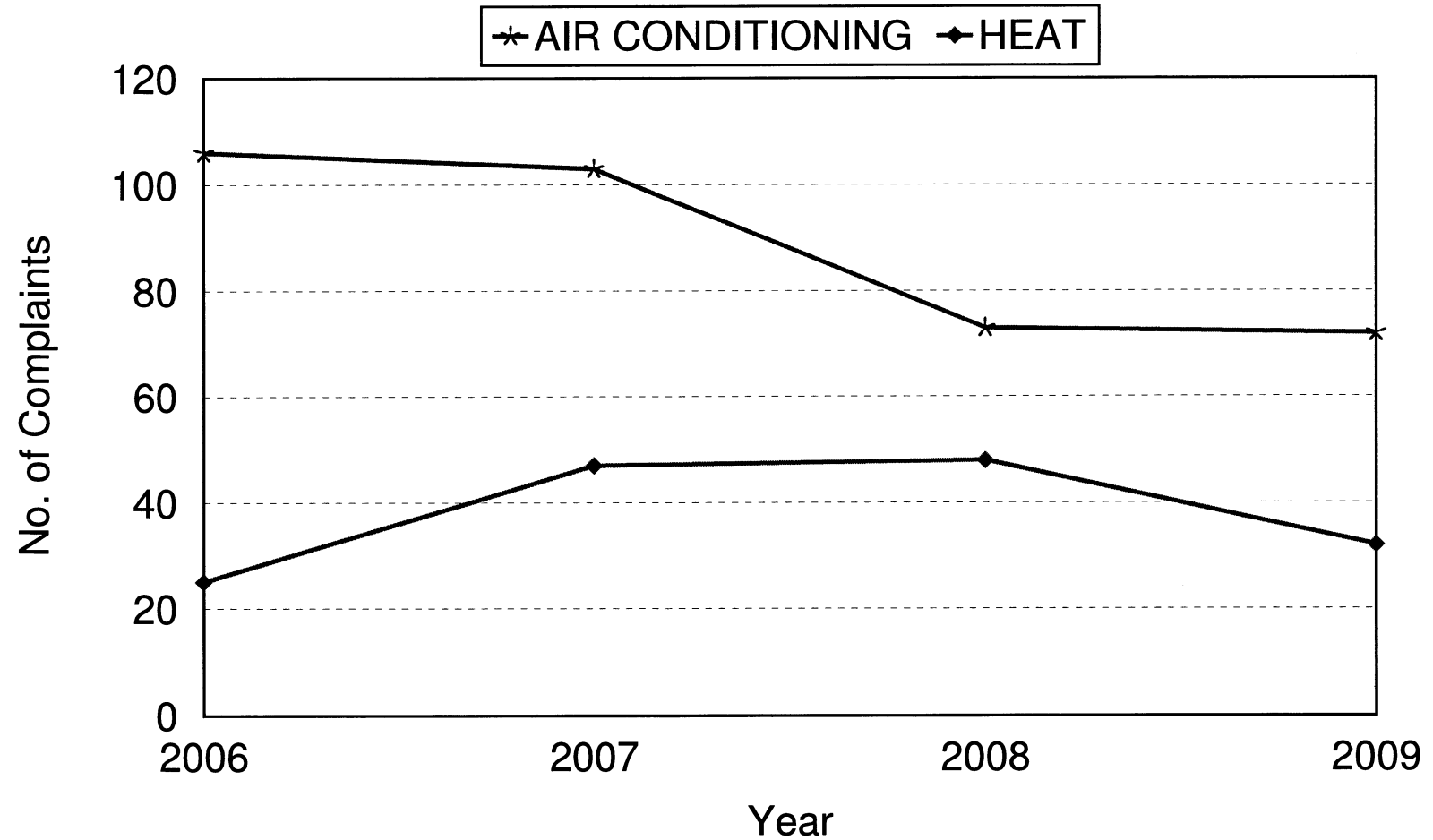
MNR HVAC Defects Reported



MNR HVAC Defect Ratio

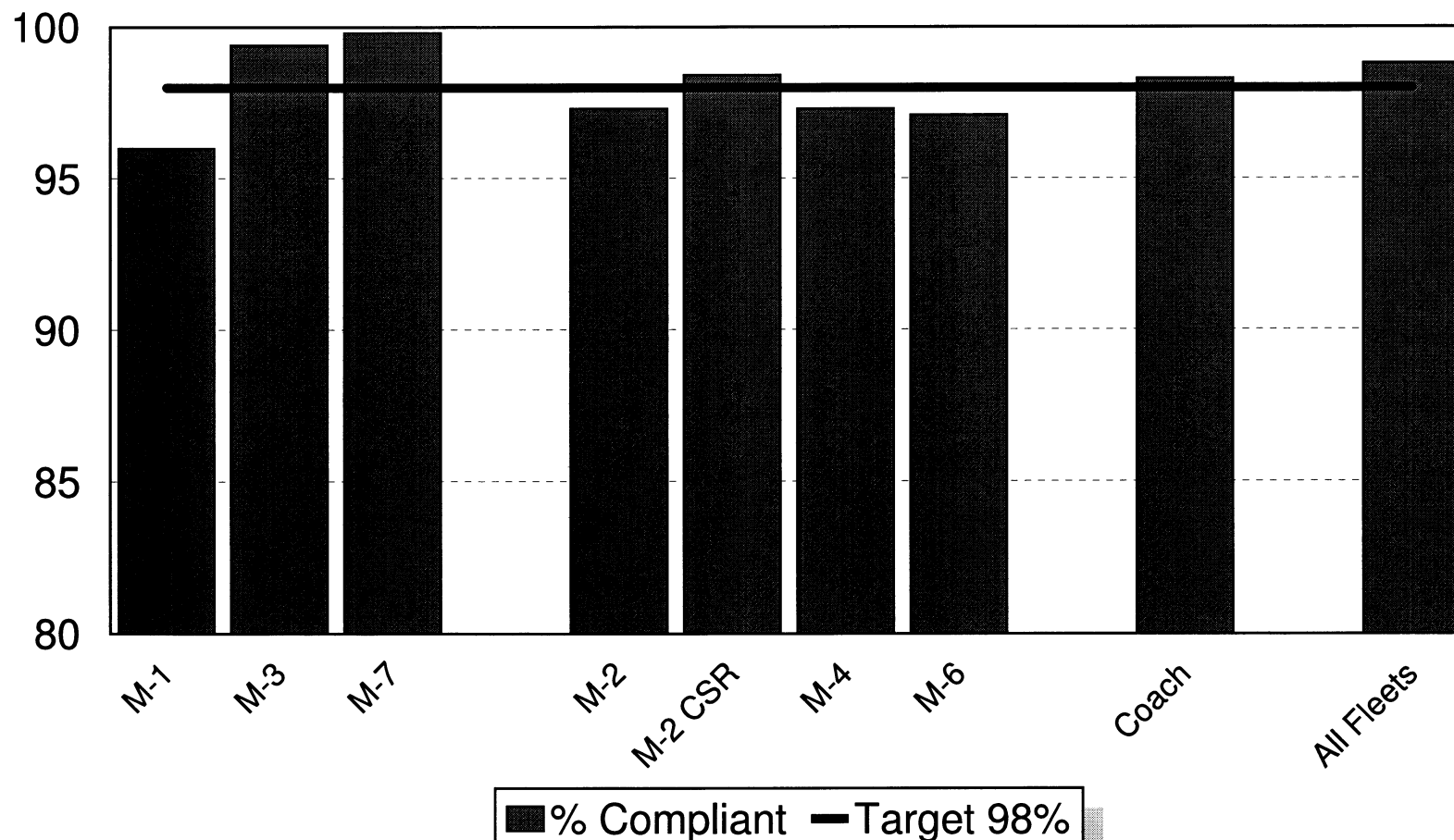


MNR HVAC COMPLAINTS



MNR HVAC PERFORMANCE

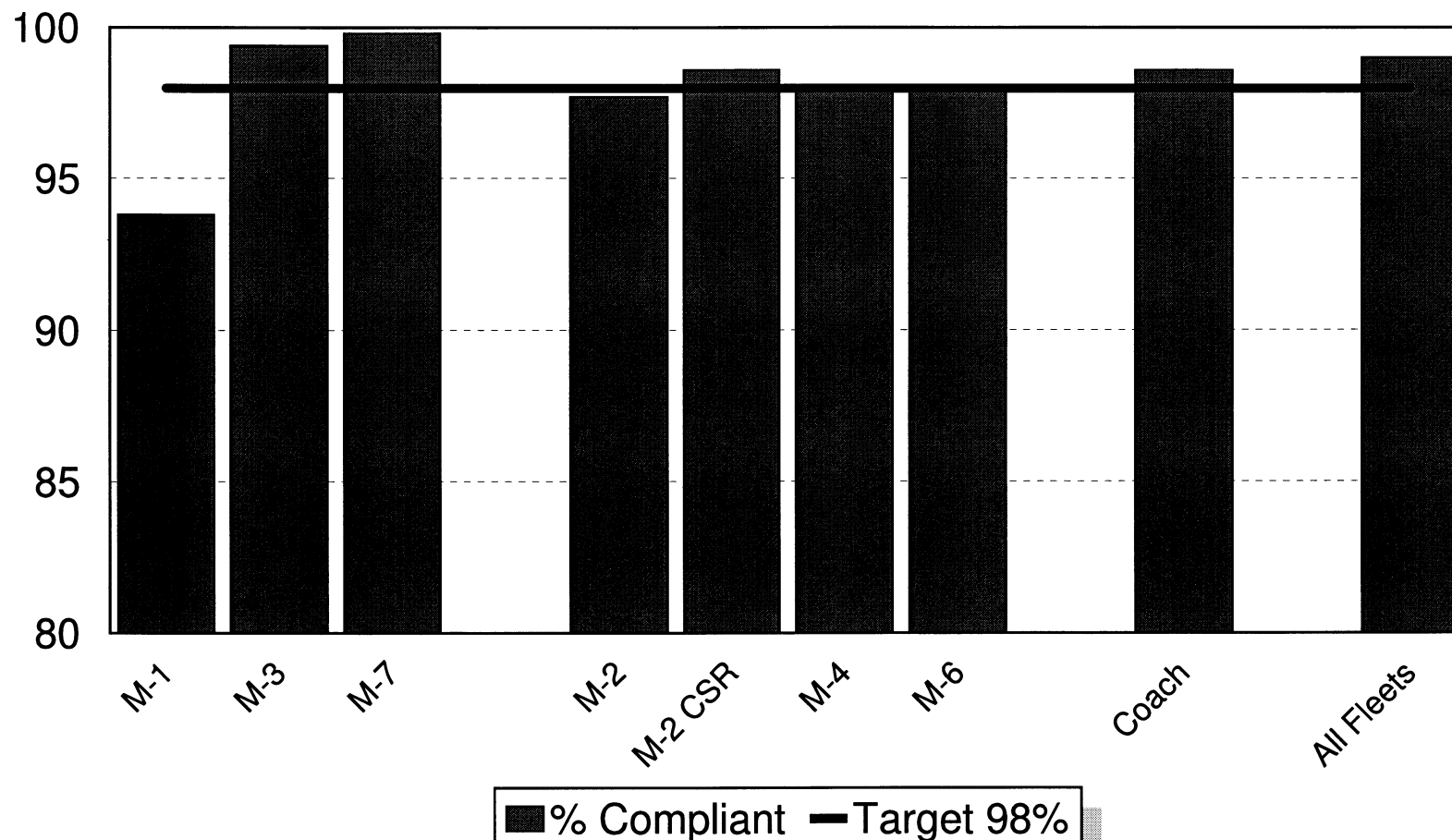
3rd Qtr 2009



As of 2008, HVAC is compliant when average interior temperature is between 64 and 78 degrees

MNR HVAC PERFORMANCE

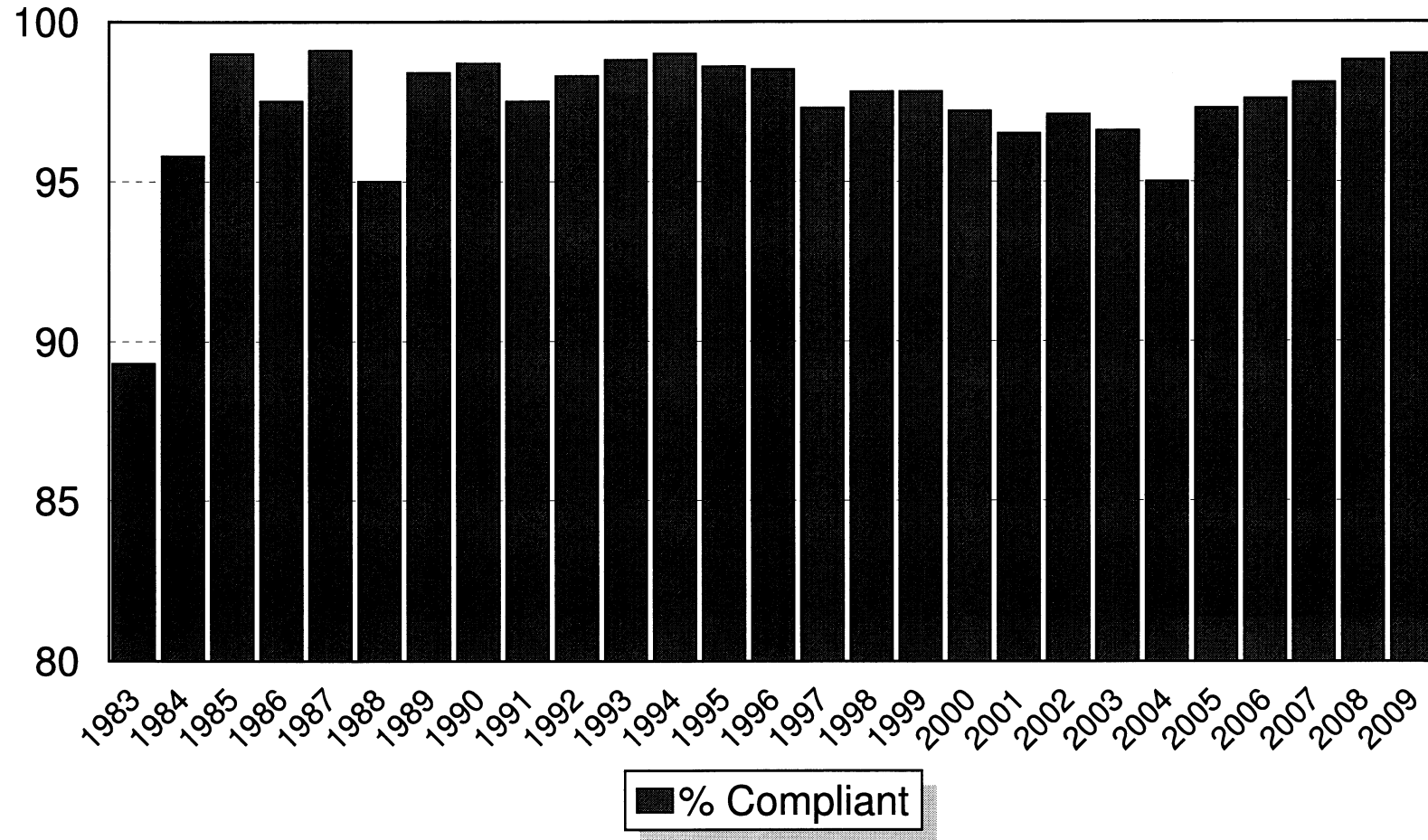
Year To Date - 2009



As of 2008, HVAC is compliant when average interior temperature is between 64 and 78 degrees

MNR HVAC PERFORMANCE

1983 - 2009

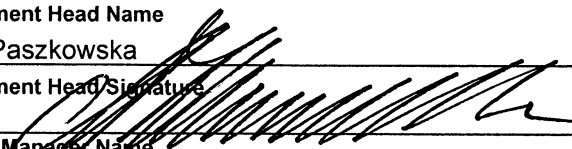


As of 2008, HVAC is compliant when average interior temperature is between 64 and 78 degrees

Page is left intentionally blank.

Staff Summary

Page 1 of 2

Subject 2010 Budget	Date November 25, 2009
Department Budget	Vendor Name
Department Head Name Mary Paszkowska	Contract Number
Department Head Signature 	Contract Manager Name
Project Manager Name	Table of Contents Ref#

Board Action					
Order	To	Date	Approval	Info	Other
	M-N Comm. Mtg.				
	MTA Fin. Comm.				
	MTA Board Mtg.				

Internal Approvals			
Order	Approval	Order	Approval
	President		Budget
	VP Operations		VP Capital Programs
	VP Financial Admin		Engr/Const
	Controller		Project Reporting

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
	VP Planning & Development		Corporate & Public Affairs		Labor Relations		General Counsel
	Press		VP Human Resources		Human Resources		Other

PURPOSE

To secure MTA Board adoption of the MTA Metro-North Railroad's 2009 November Forecast and 2010 Final Proposed Budget.

DISCUSSION:

MTA Metro-North Railroad's 2009 November Forecast and 2010 Final Proposed Budget are presented on the attached schedules.

The 2009 Non-Reimbursable baseline November Forecast reflects revenue projections totaling \$538.8 million, and expenses, including depreciation, Other Post Employment Benefits and Environmental Remediation accruals, of \$1,245.1 million that generate an operating deficit of \$706.2 million. Cash adjustments of \$317.0 million reduce that amount to a cash deficit of \$389.2 million, of which \$306.4 million represents the MTA share and \$82.8 million ConnDOT share. The 2009 November Forecast Reimbursable revenue and expense projections total \$170.2 million.

The 2010 Non-Reimbursable baseline Final Proposed Budget reflects revenue projections totaling \$546.8 million, and expenses, including depreciation, Other Post Employment Benefits and Environmental Remediation accruals, of \$1,295.6 million that generate an operating baseline deficit of \$748.8 million. Cash adjustments of \$265.9 million reduce that amount to a cash deficit of \$482.9 million, of which \$381.0 million represents the MTA share and \$101.9 million ConnDOT share. The 2010 Final Proposed Reimbursable revenue and expense projections total \$235.7 million.

Staff Summary

PROGRAM TO ELIMINATE THE GAP (PEG)

Metro-North identified a number of Gap-Closing actions that total \$9.7 million for 2010. These PEGs include savings realized due to the elimination of service improvements planned for 2010 East and West of Hudson (\$4.0 million), Administration position reductions (\$1.2 million), implementation of a new TVM deployment strategy (\$1.1 million), implementation of T&E efficiency measures and targeted, joint procurement cost savings (\$1.5 million), and the elimination and/or deferral of cost increase provisions to establish second shift at Harmon Coach Shop (\$.7 million) and augment GCT Halls/Trainshed security personnel (\$1.2 million). A total of 56 existing or planned positions were eliminated for 2010.

Once implemented, the "gap closing" program would reduce the 2010 cash deficit to \$473.2 million, of which \$372.9 million would represent MTA share and \$100.3 million ConnDOT share.

These and any other GAP Actions will be part of MTA Consolidated Material.

RECOMMENDATION:

It is recommended that the MTA Board adopt MTA Metro-North Railroad's 2009 November Forecast and 2010 Final Proposed Budget.

Approved for Submission to the Board



Howard R. Permut
President

MTA Metro-North Railroad
November Financial Plan 2010 - 2013
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2008 Actual	2009 November Forecast	2010 Final Proposed Budget	2011	2012	2013
Operating Revenue						
Farebox Revenue	\$502.6	\$500.3	\$509.1	\$525.5	\$544.4	\$559.4
Toll Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Revenue	\$36.0	\$38.5	\$37.8	\$39.4	\$39.9	\$41.3
MNR - MTA	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
MNR - CDOT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
MNR - Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital and Other Reimbursements	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Revenue	\$538.6	\$538.8	\$546.8	\$564.9	\$584.3	\$600.7
Operating Expenses						
<u>Labor:</u>						
Payroll	\$375.7	\$390.5	\$402.3	\$413.1	\$426.8	\$442.6
Overtime	\$56.0	\$57.9	\$58.9	\$60.3	\$62.4	\$64.4
Health and Welfare	\$66.1	\$70.1	\$78.6	\$84.6	\$91.6	\$99.6
OPEB Current Payment	\$9.7	\$9.4	\$10.5	\$11.4	\$12.3	\$13.4
Pensions	\$33.9	\$44.0	\$50.6	\$56.7	\$63.1	\$64.9
Other Fringe Benefits	\$75.6	\$79.7	\$81.3	\$83.0	\$85.0	\$90.2
Reimbursable Overhead	(\$47.1)	(\$41.3)	(\$40.0)	(\$39.9)	(\$40.5)	(\$41.1)
Total Labor	\$569.8	\$610.4	\$642.1	\$669.2	\$700.6	\$734.0
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$63.6	\$64.0	\$69.7	\$78.0	\$87.7	\$97.7
Fuel for Buses and Trains	\$23.9	\$12.1	\$18.4	\$22.2	\$22.4	\$30.3
Insurance	\$12.1	\$12.0	\$13.3	\$14.8	\$16.5	\$18.4
Claims	\$6.2	\$12.8	\$12.0	\$12.0	\$12.0	\$12.0
Paratransit Service Contracts						
Maintenance and Other Operating Contracts	\$87.8	\$87.5	\$103.6	\$106.4	\$108.1	\$100.2
Professional Service Contracts	\$21.3	\$25.9	\$34.3	\$38.1	\$39.5	\$40.3
Materials & Supplies	\$80.8	\$84.7	\$85.7	\$96.4	\$102.4	\$104.3
Other Business Expenses	\$14.0	\$14.2	\$13.6	\$14.6	\$14.4	\$14.6
Total Non-Labor	\$309.7	\$313.2	\$350.7	\$382.6	\$403.1	\$417.8
<u>Other Expenses Adjustments:</u>						
Other						
Total Other Expense Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation and GASB Adjs.	\$879.5	\$923.6	\$992.9	\$1,051.8	\$1,103.7	\$1,151.8
Depreciation	\$219.9	\$254.1	\$231.7	\$239.8	\$248.2	\$256.8
OPEB Obligation	\$54.9	\$59.7	\$63.0	\$67.0	\$71.0	\$75.0
Environmental Remediation	\$7.6	\$7.6	\$8.0	\$8.2	\$8.5	\$8.7
Total Expenses	\$1,162.0	\$1,245.1	\$1,295.6	\$1,366.8	\$1,431.4	\$1,492.3
Baseline Surplus/(Deficit)	(\$623.4)	(\$706.2)	(\$748.8)	(\$802.0)	(\$847.0)	(\$891.6)
Cash Conversion Adjustments:						
Depreciation	\$219.9	\$254.1	\$231.7	\$239.8	\$248.2	\$256.8
Operating/Capital	(\$19.7)	(\$18.6)	(\$15.3)	(\$17.4)	(\$16.0)	(\$17.0)
Other Cash Adjustments	\$76.3	\$81.4	\$49.5	\$70.5	\$64.9	\$76.9
Total Cash Conversion Adjustments	\$276.5	\$317.0	\$265.9	\$293.0	\$297.1	\$316.7
Baseline Cash Surplus/(Deficit)	(\$347.0)	(\$389.2)	(\$482.9)	(\$509.0)	(\$550.0)	(\$574.9)
Post-2010 Agency Program to Eliminate the Gap	\$0.0	\$0.0	\$0.0	\$14.5	\$33.0	\$34.4
2010 Agency Program to Eliminate the Gap	\$0.0	\$0.7	\$9.7	\$9.4	\$9.4	\$9.5
Total PEG's	\$0.0	\$0.7	\$9.7	\$23.9	\$42.4	\$43.9
Net Surplus/(Deficit)	(\$347.0)	(\$388.5)	(\$473.2)	(\$485.2)	(\$507.5)	(\$531.0)

MTA Metro-North Railroad
November Financial Plan 2010 - 2013
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2008 Actual	2009 November Forecast	2010 Final Proposed Budget	2011	2012	2013
Revenue						
Farebox Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Toll Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
MNR - MTA	\$102.4	\$104.8	\$129.1	\$131.7	\$135.4	\$139.0
MNR - CDOT	\$70.5	\$52.2	\$84.4	\$82.1	\$81.9	\$84.2
MNR - Other	\$26.5	\$13.2	\$22.1	\$20.2	\$20.7	\$12.7
Capital and Other Reimbursements	\$199.5	\$170.2	\$235.7	\$234.0	\$238.0	\$235.8
Total Revenue	\$199.5	\$170.2	\$235.7	\$234.0	\$238.0	\$235.8
Expenses						
Labor:						
Payroll	\$41.0	\$42.1	\$43.4	\$44.1	\$44.8	\$45.5
Overtime	\$16.6	\$15.8	\$15.5	\$15.7	\$15.9	\$16.1
Health and Welfare	\$9.5	\$9.5	\$10.3	\$11.0	\$11.7	\$12.5
OPEB Current Payment	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Pensions	\$5.1	\$5.2	\$6.6	\$7.3	\$8.1	\$8.1
Other Fringe Benefits	\$9.6	\$9.6	\$9.7	\$9.8	\$9.9	\$10.3
Reimbursable Overhead	\$43.7	\$39.5	\$38.8	\$39.4	\$40.1	\$40.6
Total Labor	\$125.5	\$121.7	\$124.3	\$127.4	\$130.4	\$133.1
Non-Labor:						
Traction and Propulsion Power	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Fuel for Buses and Trains	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Insurance	\$4.8	\$4.3	\$4.5	\$4.6	\$4.7	\$4.8
Claims	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Paratransit Service Contracts	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Maintenance and Other Operating Contracts	\$32.2	\$18.3	\$49.6	\$42.6	\$40.9	\$33.3
Professional Service Contracts	\$8.2	\$7.4	\$5.0	\$5.2	\$5.3	\$5.4
Materials & Supplies	\$32.0	\$18.5	\$51.7	\$53.8	\$56.2	\$58.8
Other Business Expenses	(\$3.1)	\$0.1	\$0.5	\$0.5	\$0.5	\$0.5
Total Non-Labor	\$74.0	\$48.6	\$111.3	\$106.7	\$107.6	\$102.7
Other Adjustments:						
Other						
Total Other Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation	\$199.5	\$170.2	\$235.7	\$234.0	\$238.0	\$235.8
Depreciation						
OPEB Obligation						
Environmental Remediation						
Total Expenses	\$199.5	\$170.2	\$235.7	\$234.0	\$238.0	\$235.8
Baseline Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Cash Conversion Adjustments:						
Depreciation	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Operating/Capital	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Cash Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Cash Conversion Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Baseline Cash Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Post-2010 Agency Program to Eliminate the Gap	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
2010 Agency Program to Eliminate the Gap	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total PEG's	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

MTA Metro-North Railroad
November Financial Plan 2010 - 2013
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2008 Actual	2009 November Forecast	2010 Final Proposed Budget	2011	2012	2013
Revenue						
Farebox Revenue	\$502.6	\$500.3	\$509.1	\$525.5	\$544.4	\$559.4
Toll Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Revenue	\$36.0	\$38.5	\$37.8	\$39.4	\$39.9	\$41.3
MNR - MTA	\$102.4	\$104.8	\$129.1	\$131.7	\$135.4	\$139.0
MNR - CDOT	\$70.5	\$52.2	\$84.4	\$82.1	\$81.9	\$84.2
MNR - Other	\$26.5	\$13.2	\$22.1	\$20.2	\$20.7	\$12.7
Capital and Other Reimbursements	\$199.5	\$170.2	\$235.7	\$234.0	\$238.0	\$235.8
Total Revenue	\$738.1	\$709.1	\$782.5	\$798.9	\$822.3	\$836.5
Expenses						
Labor:						
Payroll	\$416.7	\$432.6	\$445.7	\$457.2	\$471.6	\$488.1
Overtime	\$72.6	\$73.7	\$74.4	\$76.1	\$78.3	\$80.5
Health and Welfare	\$75.6	\$79.6	\$88.9	\$95.6	\$103.3	\$112.1
OPEB Current Payment	\$9.7	\$9.4	\$10.5	\$11.4	\$12.3	\$13.4
Pensions	\$39.0	\$49.3	\$57.1	\$64.1	\$71.1	\$73.0
Other Fringe Benefits	\$85.2	\$89.3	\$91.1	\$92.8	\$94.9	\$100.5
Reimbursable Overhead	(\$3.4)	(\$1.8)	(\$1.2)	(\$0.5)	(\$0.5)	(\$0.5)
Total Labor	\$695.3	\$732.1	\$766.5	\$796.6	\$831.1	\$867.1
Non-Labor:						
Traction and Propulsion Power	\$63.6	\$64.0	\$69.7	\$78.0	\$87.7	\$97.7
Fuel for Buses and Trains	\$23.9	\$12.1	\$18.4	\$22.2	\$22.4	\$30.3
Insurance	\$16.9	\$16.3	\$17.8	\$19.4	\$21.2	\$23.2
Claims	\$6.2	\$12.8	\$12.0	\$12.0	\$12.0	\$12.0
Paratransit Service Contracts	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Maintenance and Other Operating Contracts	\$120.0	\$105.9	\$153.2	\$149.0	\$149.0	\$133.5
Professional Service Contracts	\$29.5	\$33.3	\$39.4	\$43.3	\$44.8	\$45.6
Materials & Supplies	\$112.8	\$103.1	\$137.4	\$150.2	\$158.6	\$163.0
Other Business Expenses	\$10.9	\$14.3	\$14.0	\$15.1	\$14.8	\$15.1
Total Non-Labor	\$383.7	\$361.8	\$462.1	\$489.2	\$510.6	\$520.6
Other Adjustments:						
Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Other Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation and GASB Adjs.	\$1,079.0	\$1,093.9	\$1,228.5	\$1,285.8	\$1,341.7	\$1,387.6
Depreciation	\$219.9	\$254.1	\$231.7	\$239.8	\$248.2	\$256.8
OPEB Obligation	\$54.9	\$59.7	\$63.0	\$67.0	\$71.0	\$75.0
Environmental Remediation	\$7.6	\$7.6	\$8.0	\$8.2	\$8.5	\$8.7
Total Expenses	\$1,361.5	\$1,415.3	\$1,531.3	\$1,600.9	\$1,669.3	\$1,728.1
Baseline Surplus/(Deficit)	(\$623.4)	(\$706.2)	(\$748.8)	(\$802.0)	(\$847.0)	(\$891.6)
Cash Conversion Adjustments:						
Depreciation	\$219.9	\$254.1	\$231.7	\$239.8	\$248.2	\$256.8
Operating/Capital	(\$19.7)	(\$18.6)	(\$15.3)	(\$17.4)	(\$16.0)	(\$17.0)
Other Cash Adjustments	\$76.3	\$81.4	\$49.5	\$70.5	\$64.9	\$76.9
Total Cash Conversion Adjustments	\$276.5	\$317.0	\$265.9	\$293.0	\$297.1	\$316.7
Baseline Cash Surplus/(Deficit)	(\$347.0)	(\$389.2)	(\$482.9)	(\$509.0)	(\$550.0)	(\$574.9)
Post-2010 Agency Program to Eliminate the Gap	\$0.0	\$0.0	\$0.0	\$14.5	\$33.0	\$34.4
2010 Agency Program to Eliminate the Gap	\$0.0	\$0.7	\$9.7	\$9.4	\$9.4	\$9.5
Total PEG's	\$0.0	\$0.7	\$9.7	\$23.9	\$42.4	\$43.9
Net Surplus/(Deficit)	(\$347.0)	(\$388.5)	(\$473.2)	(\$485.2)	(\$507.5)	(\$531.0)

**MTA Metro-North Railroad
November Financial Plan 2010 - 2013
Cash Receipts & Expenditures
(\$ in millions)**

CASH RECEIPTS AND EXPENDITURES						
	2008 Actual	2009 November Forecast	2010 Final Proposed Budget	2011	2012	2013
Receipts						
Farebox Revenue	\$512.0	\$506.8	\$516.2	\$532.8	\$551.3	\$566.3
Toll Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Revenue	\$61.5	\$59.2	\$57.2	\$60.5	\$61.8	\$63.8
MNR - MTA	\$104.1	\$110.8	\$121.9	\$130.3	\$134.8	\$138.5
MNR - CDOT	\$75.1	\$52.4	\$81.6	\$82.4	\$82.1	\$84.4
MNR - Other	\$31.5	\$25.0	\$24.7	\$30.2	\$22.5	\$15.7
Capital and Other Reimbursements	\$210.7	\$188.3	\$228.3	\$242.9	\$239.5	\$238.6
Total Receipts	\$784.2	\$754.2	\$801.6	\$836.2	\$852.6	\$868.8
Expenditures						
Payroll	\$410.1	\$430.2	\$442.6	\$456.3	\$474.2	\$485.9
Overtime	\$73.9	\$74.5	\$74.8	\$76.8	\$79.7	\$80.9
Health and Welfare	\$79.6	\$82.3	\$91.6	\$98.6	\$106.4	\$115.0
OPEB Current Payment	\$9.7	\$9.4	\$10.5	\$11.4	\$12.3	\$13.4
Pensions	\$28.4	\$44.1	\$57.3	\$64.3	\$71.3	\$73.2
Other Fringe Benefits	\$86.9	\$89.2	\$90.9	\$93.1	\$96.1	\$100.5
GASB Account	\$5.8	\$6.5	\$7.2	\$8.0	\$8.7	\$9.6
Reimbursable Overhead	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Labor	\$694.4	\$736.2	\$774.9	\$808.5	\$848.7	\$878.6
Non-Labor:						
Traction and Propulsion Power	\$61.1	\$64.6	\$69.7	\$78.0	\$87.7	\$97.7
Fuel for Buses and Trains	\$23.9	\$12.1	\$18.4	\$22.2	\$22.4	\$30.3
Insurance	\$20.3	\$16.6	\$17.8	\$20.3	\$21.0	\$23.0
Claims	\$9.6	\$10.0	\$12.1	\$12.1	\$12.1	\$12.1
Paratransit Service Contracts	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Maintenance and Other Operating Contracts	\$143.7	\$130.1	\$183.3	\$174.6	\$171.4	\$156.1
Professional Service Contracts	\$30.3	\$33.6	\$40.7	\$43.7	\$45.3	\$46.1
Materials & Supplies	\$125.1	\$111.0	\$140.8	\$154.7	\$163.2	\$167.9
Other Business Expenses	\$22.7	\$29.3	\$26.6	\$31.1	\$30.6	\$31.7
Total Non-Labor	\$436.8	\$407.2	\$509.6	\$536.8	\$553.9	\$565.0
Other Adjustments:						
Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Cash Timing and Availability Adjustment	\$2.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Other Adjustments	\$2.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenditures	\$1,133.2	\$1,143.5	\$1,284.5	\$1,345.2	\$1,402.6	\$1,443.6
Baseline Cash Deficit	(\$349.1)	(\$389.2)	(\$482.9)	(\$509.0)	(\$550.0)	(\$574.9)
Subsidies						
MTA	(\$276.1)	(\$306.4)	(\$381.0)	(\$395.5)	(\$422.1)	(\$440.6)
CDOT	(\$73.0)	(\$82.8)	(\$101.9)	(\$113.5)	(\$127.9)	(\$134.3)
Total Subsidies	(\$349.1)	(\$389.2)	(\$482.9)	(\$509.0)	(\$550.0)	(\$574.9)
Post-2010 Agency Program to Eliminate the Gap	\$0.0	\$0.0	\$0.0	\$14.5	\$33.0	\$34.4
2010 Agency Program to Eliminate the Gap	\$0.0	\$0.7	\$9.7	\$9.4	\$9.4	\$9.5
Total PEG's	\$0.0	\$0.7	\$9.7	\$23.9	\$42.4	\$43.9
Net Surplus/Deficit	(\$349.1)	(\$388.5)	(\$473.2)	(\$485.2)	(\$507.5)	(\$531.0)
MTA share of PEGS	\$0.0	\$0.5	\$8.1	\$19.2	\$34.2	\$35.3
CDOT share of PEGS	\$0.0	\$0.2	\$1.6	\$4.7	\$8.3	\$8.6
Total PEGS	\$0.0	\$0.7	\$9.7	\$23.9	\$42.4	\$43.9
Subsidies						
MTA	(\$276.1)	(\$305.9)	(\$372.9)	(\$376.3)	(\$387.9)	(\$405.3)
CDOT	(\$73.0)	(\$82.6)	(\$100.3)	(\$108.8)	(\$119.6)	(\$125.7)
Total Subsidies	(\$349.1)	(\$388.5)	(\$473.2)	(\$485.2)	(\$507.5)	(\$531.0)

MTA Metro-North Railroad
November Financial Plan 2010 - 2013
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2008 Actual	2009 November Forecast	2010 Final Proposed Budget	2011	2012	2013
Receipts						
Farebox Revenue	\$9.4	\$6.5	\$7.1	\$7.4	\$6.9	\$7.0
Toll Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Revenue	\$25.5	\$20.6	\$19.4	\$21.1	\$21.9	\$22.5
MNR - MTA	\$1.7	\$6.1	(\$7.2)	(\$1.4)	(\$0.6)	(\$0.5)
MNR - CDOT	\$4.5	\$0.2	(\$2.8)	\$0.3	\$0.3	\$0.3
MNR - Other	\$5.0	\$11.8	\$2.6	\$10.0	\$1.9	\$3.0
Capital and Other Reimbursements	\$11.2	\$18.0	(\$7.4)	\$8.9	\$1.5	\$2.8
Total Receipts	\$46.1	\$45.1	\$19.1	\$37.3	\$30.3	\$32.2
Expenditures						
Payroll	\$6.7	\$2.4	\$3.1	\$0.9	(\$2.6)	\$2.2
Overtime	(\$1.4)	(\$0.8)	(\$0.4)	(\$0.7)	(\$1.4)	(\$0.4)
Health and Welfare	(\$4.0)	(\$2.7)	(\$2.7)	(\$3.0)	(\$3.1)	(\$3.0)
OPEB Current Payment	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Pensions	\$10.6	\$5.2	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)
Other Fringe Benefits	(\$1.7)	\$0.1	\$0.1	(\$0.4)	(\$1.2)	(\$0.1)
GASB Account	(\$5.8)	(\$6.5)	(\$7.2)	(\$8.0)	(\$8.7)	(\$9.6)
Reimbursable Overhead	(\$3.4)	(\$1.8)	(\$1.2)	(\$0.5)	(\$0.5)	(\$0.5)
Total Labor	\$1.0	(\$4.1)	(\$8.4)	(\$11.9)	(\$17.7)	(\$11.6)
Non-Labor:						
Traction and Propulsion Power	\$2.5	(\$0.5)	\$0.0	\$0.0	\$0.0	\$0.0
Fuel for Buses and Trains	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Insurance	(\$3.4)	(\$0.4)	\$0.1	(\$0.9)	\$0.2	\$0.2
Claims	(\$3.4)	\$2.9	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)
Paratransit Service Contracts	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Maintenance and Other Operating Contracts	(\$23.7)	(\$24.2)	(\$30.1)	(\$25.5)	(\$22.4)	(\$22.5)
Professional Service Contracts	(\$0.8)	(\$0.2)	(\$1.3)	(\$0.5)	(\$0.5)	(\$0.5)
Materials & Supplies	(\$12.4)	(\$7.9)	(\$3.4)	(\$4.5)	(\$4.6)	(\$4.8)
Other Business Expenditures	(\$11.9)	(\$15.1)	(\$12.6)	(\$16.0)	(\$15.8)	(\$16.6)
Total Non-Labor	(\$53.1)	(\$45.5)	(\$47.5)	(\$47.6)	(\$43.2)	(\$44.4)
Other Adjustments:						
Other						
Total Other Expenditure Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Cash Conversion Adjustments before						
Depreciation and GASB Adjs.	(\$6.0)	(\$4.5)	(\$36.8)	(\$22.1)	(\$30.6)	(\$23.8)
Depreciation Adjustment	\$219.9	\$254.1	\$231.7	\$239.8	\$248.2	\$256.8
OPEB Obligation	\$54.9	\$59.7	\$63.0	\$67.0	\$71.0	\$75.0
Environmental Remediation	\$7.6	\$7.6	\$8.0	\$8.2	\$8.5	\$8.7
Baseline Total Cash Conversion Adjustments	\$276.5	\$317.0	\$265.9	\$292.9	\$297.1	\$316.7
Post-2010 Agency Program to Eliminate the Gap	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
2010 Agency Program to Eliminate the Gap	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total PEG's	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Cash Conversion Adjustments	\$276.5	\$317.0	\$265.9	\$292.9	\$297.1	\$316.7

MTA Metro-North Railroad
November Financial Plan 2010 - 2013
Ridership (Utilization)
(in millions)

	2008	2009	2010			
	Actual	November	Final Proposed			
		Forecast	Budget	2011	2012	2013
<u>Farebox Revenue</u>						
Harlem Line	146.6	148.8	152.8	158.0	163.3	167.7
Hudson Line	107.4	108.6	112.0	116.5	121.4	124.9
New Haven Line	248.0	242.3	243.6	250.3	259.0	266.1
West of Hudson Mail & Ride	0.6	0.6	0.6	0.7	0.7	0.7
Baseline Total Farebox Revenue	502.6	500.3	509.1	525.5	544.4	559.4
<i>Impact of:</i>						
2010 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Post-2010 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Total PEG's	0.0	0.0	0.0	0.0	0.0	0.0
Total Farebox Revenue	502.6	500.3	509.1	525.5	544.4	559.4
<u>Ridership</u>						
Harlem Line	27.4	26.3	25.9	26.7	27.6	28.3
Hudson Line	16.2	15.5	15.4	16.0	16.6	17.0
New Haven Line	37.9	36.2	35.9	36.9	38.3	39.3
Baseline Total Ridership	81.5	78.1	77.2	79.5	82.5	84.5
<i>Impact of:</i>						
2010 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Post-2010 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Total PEG's	0.0	0.0	0.0	0.0	0.0	0.0
Total Ridership	81.5	78.1	77.2	79.5	82.5	84.5

MTA Metro-North Railroad
November Financial Plan 2010-2013
Summary of 2010 Program to Eliminate the Gap (PEGs)
(\$ in millions)

	<u>2009</u>		<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>	
	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Administration										
Administration Position Reductions	8	0.450	10	1.170	10	1.192	10	1.217	10	1.241
Sub-Total Administration	8	\$0.450	10	\$1.170	10	\$1.192	10	\$1.217	10	\$1.241
Customer Convenience/Amenities										
TVM Strategy	0	0.000	13	1.097	13	1.110	13	1.132	13	1.155
Sub-Total Customer Convenience/Amenities	0	\$0.000	13	\$1.097	13	\$1.110	13	\$1.132	13	\$1.155
Maintenance										
Establish Second Shift Coach Shop	0	0.000	8	0.709	0	(0.030)	0	(0.044)	0	(0.059)
Sub-Total Maintenance	0	\$0.000	8	\$0.709	0	-\$0.030	0	(\$0.044)	0	-\$0.059
Other										
T&E Efficiency Reductions	4	0.275	4	1.133	4	1.168	4	1.180	4	1.203
Review Procurement/Purchasing	0	0.000	0	0.341	0	0.355	0	0.371	0	0.387
Sub-Total Other	4	\$0.275	4	\$1.474	4	\$1.523	4	\$1.551	4	\$1.590
Safety										
Security Plan - GCT Halls/Trainshed Fire Safety	0	0.000	12	1.245	8	0.864	8	0.882	8	0.900
Sub-Total Safety	0	\$0.000	12	\$1.245	8	\$0.864	8	\$0.882	8	\$0.900
Service										
W of H Service Plan Reduction	0	0.000	0	1.740	0	1.740	0	1.740	0	1.740
Service Plan 2010	0	0.000	9	2.238	9	2.951	9	2.915	9	2.886
Sub-Total Service	0	\$0.000	9	\$3.978	9	\$4.691	9	\$4.655	9	\$4.626
Total Programs	<u>12</u>	<u>\$0.725</u>	<u>56</u>	<u>\$9.673</u>	<u>44</u>	<u>\$9.350</u>	<u>44</u>	<u>\$9.393</u>	<u>44</u>	<u>\$9.453</u>

MTA Metro-North Railroad
November Financial Plan 2010-2013
Summary of Post-2010 Program to Eliminate the Gap (PEGs)
(\$ in millions)

	<u>2009</u>		<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>	
	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Other										
Unspecified	0	0	0	\$0.000	0	\$14.500	0	\$33.045	0	\$34.400
Sub-Total Other	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$14.500</u>	<u>0</u>	<u>\$33.045</u>	<u>0</u>	<u>\$34.400</u>
Total Programs	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$ 14.500</u>	<u>0</u>	<u>\$33.045</u>	<u>0</u>	<u>\$34.400</u>

MTA Metro-North Railroad
November Financial Plan 2010 - 2013
Total Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2008 Actual	2009 November Forecast	2010	2011	2012	2013
			Final Proposed Budget			
Administration						
President	5	3	3	3	3	3
Labor Relations	12	13	13	13	13	13
Safety	18	17	28	28	28	28
Corporate Communications	18	21	21	21	21	21
Customer Service	243	238	247	247	247	247
Legal	15	16	17	17	17	17
Claims Services	16	17	20	20	20	20
Environmental Compliance & Serv	6	6	7	7	7	7
VP Human Resources	4	4	4	4	4	4
Human Resources & Diversity	46	46	46	19	19	19
Training	30	27	34	35	36	36
Employee Relations & Diversity	3	4	4	4	4	4
VP Planning Procurem't & Bus Dev Admin	2	2	2	2	2	2
Operations Planning & Analysis	20	20	21	21	21	21
Capital Planning & Programming	14	14	14	14	14	14
Business Development Facilities & Mktg	20	22	22	22	22	22
Long Range Planning	10	9	10	10	10	10
VP Finance & Info Systems	1	2	3	3	3	3
Controller	119	119	120	90	90	90
Information Technology & Project Mgmt	108	111	111	111	111	111
Budget	16	16	16	16	16	16
Corporate *	-	-	(40)	(40)	(40)	(40)
Total Administration	726	727	723	667	668	668
Operations						
VP Operations	51	51	56	56	56	69
Operations Services	1,705	1,760	1,820	1,840	1,869	1,930
Metro-North West	30	27	29	29	29	29
Total Operations	1,786	1,838	1,905	1,925	1,954	2,028
Maintenance						
GCT	350	340	350	362	362	362
Maintenance of Equipment	1,274	1,276	1,318	1,325	1,363	1,371
Maintenance of Way	1,512	1,544	1,647	1,676	1,676	1,676
Procurement & Material Management	168	168	173	174	174	174
Total Maintenance	3,304	3,328	3,488	3,537	3,575	3,583
Engineering/Capital						
Project Budget	-	-	-	-	-	-
Construction Management	36	39	39	39	39	39
Engineering & Design	65	65	68	68	68	68
Total Engineering/Capital	101	104	107	107	107	107
Baseline Total Positions	5,917	5,997	6,223	6,236	6,304	6,386
Non-Reimbursable	5,306	5,396	5,611	5,624	5,692	5,774
Reimbursable	611	601	612	612	612	612
Total Full-Time	5,912	5,994	6,220	6,233	6,301	6,383
Total Full-Time-Equivalents	5	3	3	3	3	3

Impact of:						
2010 Program to Eliminate the Gap		12	56	44	44	44
Post 2010 Program to Eliminate the Gap			-	-	-	-
Total Positions	5,917	5,985	6,167	6,192	6,260	6,342
Non-Reimbursable	5,306	5,384	5,555	5,580	5,648	5,730
Reimbursable	611	601	612	612	612	612
Total Full-Time	5,912	5,982	6,164	6,189	6,257	6,339
Total Full-Time-Equivalents	5	3	3	3	3	3

* Reflects turnover vacancies in December not included in department totals.

MTA Metro-North Railroad
November Financial Plan 2010 - 2013
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION/OCCUPATIONAL GROUP	2008 Actual	2009 November Forecast	2010 Final Proposed Budget	2011	2012	2013
Administration						
Managers/Supervisors	40	49	51	51	51	51
Professional, Technical, Clerical	657	648	644	588	589	589
Operational Hourlies	29	30	28	28	28	28
Total Administration	726	727	723	667	668	668
Operations						
Managers/Supervisors	23	24	25	25	25	25
Professional, Technical, Clerical	318	292	333	333	333	344
Operational Hourlies	1,445	1,522	1,547	1,567	1,596	1,659
Total Operations	1,786	1,838	1,905	1,925	1,954	2,028
Maintenance						
Managers/Supervisors	39	41	43	43	43	43
Professional, Technical, Clerical	1,024	979	1,078	1,085	1,085	1,085
Operational Hourlies	2,241	2,308	2,367	2,409	2,447	2,455
Total Maintenance	3,304	3,328	3,488	3,537	3,575	3,583
Engineering/Capital						
Managers/Supervisors	28	30	30	30	30	30
Professional, Technical, Clerical	73	74	77	77	77	77
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	101	104	107	107	107	107
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
MTA Metro-North Consolidated Baseline						
Managers/Supervisors	130	144	149	149	149	149
Professional, Technical, Clerical	2,072	1,993	2,132	2,083	2,084	2,095
Operational Hourlies	3,715	3,860	3,942	4,004	4,071	4,142
Total MTA Metro-North Consolidated Baseline	5,917	5,997	6,223	6,236	6,304	6,386

Staff Summary



Subject License Agreement for System-Wide Branded Beverage and Snack Vending Services at Metro-North Railroad Passenger Stations and Employee Locations
Departments MNR Business Development, Facilities and Marketing & MTA Real Estate
Department Head Names Randall J. Fleischer/MNR Jeffery B. Rosen/MTA RE
Department Head Signatures MNR MTARE
Project Manager Names Peter Ramos / Alan Schuman / Andrew Greenberg

Date December 9, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	12//09	X		
2	CC/P/RE Committee	12/09	X		
3	MTA Board	12/16	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	3	Civil Rights
5	Chief of Staff	2	Legal
		1	Metro-North
4	Dep Exec Dir of Admin		

AGENCY: Metro-North Commuter Railroad ("MNR")

LICENSEE: Answer Vending, Inc

LOCATION: MNR stations and employee facilities throughout New York State

ACTIVITY: License agreement for beverage and snack vending machines, including branded snack and beverage vending exclusivity rights

ACTION REQUESTED: Approval of terms

TERM: Ten (10) years

COMPENSATION: Total estimated compensation of the ten year program is approximately \$3.0M, net of a \$.2M electric upgrade investment by MNR. Specifically, gross vending compensation over the ten-year term is \$1.7 million in guaranteed payments, with exclusivity compensation of nearly \$1.2 million and licensee contributions to electric upgrades to select stations of \$.32M. Revenues may be higher based upon increased sales, assignment of optional vending areas and additional exclusivity fees. Payments to MNR by the Licensee shall be composed of the following components:

- Minimum Annual Guaranteed Compensation ("MAG")

Year	Annual	Monthly
1	\$128,600	\$8,100.00- 6mths/\$13,333 -6 mths
2	163,200	\$13,600.00
3	166,464	\$13,872.00
4	169,793	\$14,149.44
5	173,189	\$14,432.43
6	176,653	\$14,721.08
7	180,186	\$15,015.50
8	183,790	\$15,315.81
9	187,466	\$15,622.13
10	191,215	\$15,934.57
Total	\$1,720,556	

In addition to the Minimum Annual Guarantee, Licensee shall make the following payments:

- Variable Compensation Payments: When either of the following two components exceeds the MAG for any license year, Licensee shall pay to MNR the higher of the following:
 - 1) Machine-Based Compensation ("MBC"): MBC will be based on the number of machines in operation in a given license year, multiplied by an annual compensation per machine. Machines in Phase I Stations (see below) will be billed at \$1,200 per annum; machines at Phase II-IV Stations and employee facilities will be billed at \$720 per annum; machines at Yankees E. 153rd Street station will be billed at \$1,861 per annum. These figures will be increased by two percent (2%) per annum, except at Yankees E. 153rd Street station, where the annual increase will be five percent (5%).
 - 2) Percentage Compensation: Percentage Compensation will be calculated by multiplying annual gross sales from all station vending machines by 35%, and annual gross sales from all employee facility vending machines by 15%. Inclusion of this percentage compensation in the license agreement ensures that MNR will participate in the "upside" if and when the percentage compensation exceeds the MAG and MBC.
- Exclusivity payments:
 - 1) Subject to exclusive beverage brand identification and MNR approval, annual payments for brand-exclusive vending machine beverage provider rights shall be paid to MNR. Licensee has proposed and MNR will accept Coca-Cola as the exclusive provider with an initial 5 year commitment to pay \$60,000 annually. Remaining years subject to negotiation or re-solicitation.
 - 2) Subject to exclusive snack brand identification and MNR approval, annual payments for brand-exclusive vending machine snack provider rights shall be paid to MNR. Licensee has proposed and MNR will accept M&M/MARS Inc as the exclusive provider, with an initial 1 year commitment to pay \$50,000. Remaining years subject to negotiation or re-solicitation.
 - 3) An annual payment of \$8,000 for overall exclusive vending machine operator rights to be held by Licensee for stations outside of GCT.
 - 4) At MNR's election of an option, an annual payment of \$5,000 for exclusive vending machine provider rights to be held by Licensee for Grand Central/ North End Access areas.
- Electric upgrade contribution: Select stations need electric work to support the vending program and will, depending on the station, provide MNR greater electrical flexibility, for its own future needs. Licensee shall pay \$320,000 over the first three years of the agreement to compensate MNR for provision of electrical power supply for vending machines at stations. MNR shall perform additional electrical work, at its expense, estimated at \$225,000. If MNR elects to go forward with Phase IV, Licensee shall make additional electrical work contributions of up to \$13,000 per year in years 4-8, and MNR shall also make an equal investment towards electric.
- Optional Additional Machine Payments: MNR may elect to designate additional areas for vending machines in Grand Central North End Access areas and other locations yet to be identified. Payments for North-End Access machines shall be \$2,400 per annum per machine (in addition to above-referred brand exclusivity payment of \$5,000 per annum).

Staff Summary

NARRATIVE:

I. Purpose

The Metropolitan Transportation Authority and Metro-North Railroad created the System-Wide Branded Vending Machine Program for Metro-North Railroad stations and employee locations to: 1) increase non-fare-based revenues to MNR through vending sales and brand exclusivity fees, and 2) provide enhanced amenities to MNR's customers and employees.

II. Background

In August 2000, MTA Real Estate and Metro-North awarded J & S Vending (a predecessor to Answer Vending, the proposed licensee) a license under a pilot program to install and operate select machines at a few outlying Metro-North train stations. The pilot program has successfully provided non-fare-based revenues to MNR and provided its customers with amenities, without any negative impacts on the station environment. Concurrently, J&S Vending has held a license agreement providing 60 vending machines at MNR employee facilities. Through these programs combined, MNR currently receives revenues of approximately \$75,000 a year.

Following a November 2008 Request for Expressions of Interest (RFEI) to inform the solicitation, a Request for Proposals ("RFP") was issued by MTA Real Estate on behalf of MNR to nine firms that had responded to the earlier RFEI. In light of the uncertain economy and extent of capital investment required, Answer Vending was the only firm to respond to the RFP. However, the proposal was evaluated by a selection committee composed of MNR and MTA representatives that unanimously recommended proceeding with negotiations with Answer Vending, based on the following considerations:

- Answer's proposal offered a comprehensive package of additional revenue, customer amenities, and a commitment to deliver state-of-the-art vending machines using up-to-date payment methods, while also providing significant payments towards the cost of providing electrical improvements needed to accommodate vending machines at the passenger stations. Answer Vending has 20 years of vending experience serving the tri-state area, had \$27 million in sales in 2008 and is a franchisee of the Compass Group.
- A comparison of relevant vending machine programs indicates that MNR's average annual guaranteed compensation and overall net annual benefit per machine exceed those of transit peer agencies and is competitive with municipal and hospital sponsorship deals currently in the marketplace. Additional financial benefits of the deal will be realized post ramp-up when the system-wide program will be in full operation, electric upgrades will be in place, and the machine revenue will be realized along with potential sales growth.

III. Description

System-Wide Branded Vending Machine Program

By offering snack and beverage companies the opportunity to install their branded machines throughout the MNR network in New York State, MNR will achieve revenues significantly in excess of those available through non-exclusive arrangements. Product mix and consumer pricing will be subject to approval by MNR. The proposed licensee has committed to including "healthy" snack and beverage choices in machines, subject to MNR approval, in addition to the traditional fare of soda and candy.

At a minimum, the proposed licensee will be required to install vending machines in three phases at MNR locations, with a fourth phase at MNR's option, as shown below:

	License	At Passenger	At Employee	
	Year	Stations	Facilities	Total
Phase I	1	74	59	133
Phase II	2	27		27
Phase III	3	18		18
Phase IV (Option)	4-8	Up to 29		Up to 29
			Potential Total	207

Such phased installation of the vending machines will allow MNR forces the time to complete the station electrical work required for each phase. The electric upgrade compensation mentioned above will fund a portion of MNR's electrical work. Much of the electrical work required for Phase I stations is already in place.

Additional Terms

- The compensation structure described above will provide significant non-fare-based revenue to MNR. The exact amount of compensation in any given year will be based on annual true-up of the MAG, MBC, and Percentage Compensation (highest of the three), plus the Exclusivity and other Additional Payments. With full program roll-out, increased sales and exercise of potential options, revenues to MNR could be higher.
- If exclusive rights are not granted in any year or if full exclusive payments for that year are not be provided, then non-branded vending machines may be installed instead of branded machines. MTA/MNR reserves the right to discontinue exclusivity arrangements for corporate purposes.
- MNR will have the right to require the licensee to relocate or remove machines from the program for operational or other reasons, at MNR's sole discretion.
- At seasonal and very low traffic stations, MNR can designate select machines as "convenience machines" at 50% of MBC rent (no offset to MAG).
- The Licensee will also have the opportunity to pilot new machines, deploy units at special events/locations and test/provide new product selections.

IV. Project Cost and Benefits

Financial benefits, as indicated above, are significant. Total estimated net compensation of the ten year program will be approximately \$3.0M, with a present value at 7% of \$2.1M. Guaranteed compensation over the ten-year term is estimated to be \$1.7 million, exclusivity compensation could be up to \$1.2 million, and optional vending areas could generate higher gross compensation. The Licensee will also provide an estimated \$320,000, with a present value at 7% of \$281,000, to support MNR's electrical work to accommodate the vending machines. MNR is expected to have an additional electric expense of \$225,000, which is included in the overall net revenue estimates above.

Nonmonetary benefits of the program will be significant as well. With MNR's trains running constantly, customers at the vast majority of stations in New York State will soon have access to a wide choice of beverage and snack amenities at all times. Additional benefits are:

1. 24/7 vending customer service and maintenance phone center, to handle refund and repair issues promptly
2. Expanded payment options for machines to accept credit/debit cards; adaptable for innovative payment methods, such as future MTA fare media
3. Enhancement of MNR employee welfare facilities by replacing vending machines at all MNR employee work areas (NYS), installing new vending machines with wide product offerings and keeping prices reasonable
4. State-of-the-art, Energy Star or other "green" vending machines where feasible.

V. Recommendation

Based on the foregoing, we request authorization to enter into a license agreement with Answer Vending, Inc. on the above-described terms and conditions.



Subject Request for Authorization to Award Various Procurements					
Department Procurement and Material Management					
Department Head Name Anthony J Bombace, Jr.					
Department Head Signature <i>[Signature]</i>					
Project Manager Name Various					
Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm Mtg	12-09-09			
2	MTA Board Mtg	12-16-09			

Date November 25, 2009			
Vendor Name Various			
Contract Number Various			
Contract Manager Name Various			
Table of Contents Ref #			
Internal Approvals			
Approval		Approval	
X	President	X	Budget
X	Sr. VP Operations	X	Capital Programs
X	Sr. VP Administration		Engr/Const
X	VP Finance & IT	X	Chief of Staff

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
X	VP Planning		Government Relations		Labor Relations	X	General Counsel
	Press		Safety		Human Resources		Other

PURPOSE:

To obtain approval of the Board to award various contracts/contract modifications and purchase orders, and to inform the MTA Metro-North Railroad Committee of these procurement actions.

DISCUSSION:

MNR proposes to award non-competitive procurements in the following categories:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Non-Competitive Purchases and Public Work Contracts		2	\$320,000
• Mateson Chemical Corp	\$200,000		
• USSC, LLC	\$120,000		
SUB TOTAL:		2	\$320,000

MNR proposes to award competitive procurements in the following categories:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule B:	Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)	1	\$5,000,000
	• MNR's On-Call Construction Program		\$5,000,000
<u>Schedules Requiring Majority Vote</u>			
Schedule F:	Personal Service Contracts	2	\$298,000,000
	• General Engineering Consultants		\$295,000,000
	• Day Engineering, PC		\$3,000,000
Schedule G:	Miscellaneous Service Contracts	1	\$105,000
	• The Lawn Barber, Inc.		\$105,000
SUB TOTAL:		4	\$303,105,000

MNR presents the following procurement actions for Ratification:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		
Schedule D:	Ratification of Completed Procurement Actions	NONE
<u>Schedules Requiring Majority Vote</u>		
Schedule K:	Ratification of Completed Procurement Actions	NONE
SUB TOTAL:		
TOTAL:		6 \$303,425,000

The contractors noted above and on the following Staff Summary Sheets have been found in all respects responsive and responsible, and are in compliance with State laws and regulations concerning procurements.

BUDGET IMPACT: The purchases/contracts will result in obligating MNR operating and capital funds in the amount listed. Funds are available in the current MNR 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.)

METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, in accordance with Section 1265-a and Section 1209 of the Public Authorities law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain change orders to procurement, public work, and miscellaneous procurement contracts; and

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

NOW, upon the recommendation of the Executive Director, the Board resolves as follows:

1. As to each purchase and public work contract set forth in the 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 it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical or inappropriate to utilize a procurement process inviting sealed bids with award to the lowest responsive/responsible bidder.
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. The Board ratifies each action taken set forth in Schedule D 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.

DECEMBER 2009

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

(Staff Summaries required for all items greater than: \$100K; \$250K Other Non-Competitive)

1. **Mateson Chemical Corp. \$200,000 (not-to-exceed) Staff Summary Attached**
Two (2) Year Purchase Agreement for Various Size AC Vaporizer Gel Packs
Non-competitive, two (2)-year purchase agreement for various size (2, 5 & 7lb) AC Vaporizer Gel Packs used on MNR's Coach Cars (5 and 7 lb only) and the M-7 Railcar fleet (2 lb only). Mateson Chemical Corp is the OEM, sole source and current supplier for this material.

At MNR, the gel packs allow for one consistent inventory across the different fleets. The purchase agreement supports 2 different applications for deodorizing: 95% of the agreement, or \$190,000 for the 5 & 7lb packs, is to be used for deodorizing the entire Bombardier Coach Car and are used as part of the periodic inspections. This application is unique to the Bombardier Coaches. The 5% balance of the agreement or \$10,000 is used in the M-7s (the 2lb packs) to deodorize the toilet compartment.

The price for the various size gel packs has risen an average 1-2% since their last purchases in 2007 and 2008. Advertisements placed in the last 12 months, as well as MNR's investigation of alternate sources, have not identified any additional interest from other vendors. This procurement is to be funded by the MNR Operating Budget.

2. **USSC, LLC \$120,000 (not-to-exceed) Staff Summary Attached**
Drop Sash Window Hardware/Parts- MNR M-2/4/6/ Commuter Railcar Fleets
Non-competitive, two (2)-year purchase agreement for various drop sash window hardware/parts for use on MNR's M-2, 4 and 6 Railcars. USSC is the OEM and sole source for drop sash windows used in the engineers cab and conductor locations.

The purchase of repair parts will directly reduce the need and minimum buy-cost of full window assemblies. With the retirement of M-2 Railcars to begin shortly, MNR M of E forces will repair windows on an as-needed basis. The purchase agreement for window parts is considered the most cost effective means to repair windows on the M-2, 4 & 6 Fleets. The total amount of this two (2)-year agreement is not-to-exceed \$120,000, and it is to be funded by the MNR Operating Budget.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: A-1

Vendor Name (& Location) Mateson Chemical 1025 East Montgomery Avenue Philadelphia, PA 19125
Description Purchase of Vaporizer Gel Pack
Contract Term (including Options, if any) Two Year (November 2009 – November 2011)
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other: Sole Source

Contract Number TBD	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$ 200,000 (not-to-exceed)	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	
Contract Manager: O. Messado	

Discussion:

Non-competitive, two (2)-year purchase agreement for various size (2, 5 & 7lb) AC Vaporizer Gel Packs used on MNR's Coach Cars (5 and 7 lb only) and the M-7 Railcar fleet (2 lb only). Mateson Chemical Corp is the OEM, sole source and current supplier for this material.

At MNR, the gel packs allow for one consistent inventory across the different fleets. The purchase agreement supports 2 different applications for deodorizing: 95% of the agreement, or \$190,000 for the 5 & 7lb packs, is to be used for deodorizing the entire Bombardier Coach Car and are used as part of the periodic inspections. This application is unique to the Bombardier Coaches. The 5% balance of the agreement or \$10,000 is used in the M-7s (the 2lb packs) to deodorize the toilet compartment.

The price for the various size gel packs has risen an average 1-2% since their last purchases in 2007 and 2008. Advertisements placed in the last 12 months, as well as MNR's investigation of alternate sources, have not identified any additional interest from other vendors. This procurement is to be funded by the MNR Operating Budget.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: A-2

Vendor Name (& Location) USSC INC 780 THIRD AVENUE KING OF PRUSSIA Pa 19406
Description Purchase of Various Drop Sash Window Hardware
Contract Term (including Options, if any) Two Year (November 2009 – November 2011)
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

Contract Number TBD	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$ 120,000 (not-to-exceed)	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	
Contract Manager: M. Coppola	

Discussion:

Non-competitive, two (2)-year purchase agreement for various drop sash window hardware for use on MNR's M-2, 4 and 6 Railcars. USSC is the OEM and sole source for drop sash windows used in the engineers cab and conductor locations. Based on the near retirement of the M-2 cars, the previous and successful replacement of full assemblies as part of the M-2 CSR program, and the fact that the total amount of labor to perform the individual repairs on the window during the running repair of the cars is comparable to the full replacement of the window there is no longer a need to purchase complete window assemblies. The purchase agreement for window parts is considered to be the best value to MNR based upon reduced inventory and comparative labor hours for the repair and replacement versus the installation of a new window. The total amount of this two (2)-year agreement is not-to-exceed \$120,000, and it is to be funded by the MNR Operating Budget.

DECEMBER 2009

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

B. Request to use RFP for Procurement of Purchases and Public Works in lieu of Sealed Bids
(Staff Summaries only required for items estimated to be greater than \$1 million)

1. MNR's On-Call Construction Program \$5,000,000 (est.)(not-to-exceed) Staff Summary Attached
Pre-qualification- Construction Contractors

MTA Metro-North Railroad requests permission to use the RFP process to prequalify a number of construction contractors (exact number to be determined as a result of the RFP process) to provide small scale construction services to support both Railroad Operations and the Capital Program on an as-needed basis. Once approved, these prequalified contractors will be eligible to submit sealed competitive bids for actual work tasks where a definitive scope of work is created. The program will be for a period of five (5) years with an overall estimated cost of \$5,000,000. Each work task approved for inclusion in this program will not exceed \$500,000 unless otherwise approved by senior management on an exception basis.

The program has the benefit of reducing procurement lead-time and thus reducing total project time for small construction projects while maintaining adequate price competition. The MTA Board has approved Metro-North's previous On-Call Construction Program and has approved similar programs for NYCTA, LIRR and Bridges and Tunnels. Based upon discussions with the other Agencies, a joint or multi-agency procurement is not recommended due to the geographic restrictions of the small to mid-sized contractors who would be bidding on this type of work. This procurement is to be funded by the MNR Capital Program and Operating Budgets.

Schedules Requiring Majority Vote:

F. Personal Service Contracts

(Staff Summaries required for items greater than: \$100K Sole Source; \$250K Other Non-Competitive, \$1M Competitive)

2. General Engineering Consultants \$295,000,000 (est.) (not-to-exceed) Staff Summary Attached
Pre-qualification for General Engineering

A joint procurement endeavor was initiated by MTA Metro-North Railroad, MTA Long Island Rail Road, MTA Capital Construction and MTA Headquarters ("the Agencies") to utilize the general engineering/prequalification (GEC) approach for securing general engineering, design, and construction management services. The GEC has been previously and efficiently employed by both MNR & LIRR to streamline the request for proposal procurement process of consultant selection and retention, to reduce procurement lead time and overall project time, and reduce administrative costs while ensuring appropriate, on-going competition and best value. MNR & LIRR have successfully utilized the general engineering approach over the last five years.

This comprehensive General Engineering arrangement will use prequalified engineering firms to provide design, engineering, construction supervision and inspection services, and miscellaneous professional services on an as-required basis to support both the MTA Agencies 2010-2014 Capital Program and their Operating Divisions. One hundred and seventy (170) firms in all received the solicitation and proposals were received from ninety-six (96) firms during August 2009 – September 2009, for the three major types of service to be performed and the twenty-five (25) categories of work. Selection Committees were formed by Metro-North Railroad and the Long Island Rail Road for each category of work. These separate committees evaluated the proposals received using the criteria of selection as set forth in the RFP. Proposals were evaluated based on the following selection criteria listed in equal order of importance:

1. Demonstrated experience of the Consultant in the execution of Work of similar nature;
2. Expertise and experience of key personnel proposed to be assigned to perform the Work.
3. Proposed approach to organize, direct, administer and manage the Work (Project Management Plan).
4. Knowledge of and experience with railroad operations; or demonstrated ability to adapt to railroad/agency operations.

Cost is to be considered in the subsequent requests for contract/task assignments.

The Committees selected a pool of consultants for specific categories based on the merits of the firms' qualifications with respect to the established selection criteria. There were no restraints as to size of the final consultant pool for any category.

As detailed in the accompanying staff summary sheet, 81 firms have been selected in twenty five (25) categories of work, based on the competitive RFP, and are recommended to be solicited to provide the aforementioned services on a contract or task order basis. Prior to the award of any contract to any of these firms, each agency shall perform a full responsibility review in accordance with the MTA guidelines. For the purpose of this prequalification process, a limited review was performed to confirm that none of the recommended firms are subject to federal debarment or have other circumstances which would likely preclude contract awards to any such firm.

Each firm will be issued a prequalification letter which indicates which category of work they are eligible to propose on. There is no obligation associated with this arrangement. MNR and LIRR have been successfully using a similar General Engineering approach over the last five year program and have now been joined by MTA Capital Construction and MTA Headquarters. Funds required for each new project will be included in the Agencies' individual Five (5)-year Capital Programs or from their Operational Budget, as required. The total period of performance for this arrangement is five (5) years and the GEC program is estimated at a total value not-to-exceed \$295,000,000.

3. Day Engineering, PC \$3,000,000 (not-to-exceed) Staff Summary Attached
On-Call Environmental Engineering and Occupational Safety Consulting Services

Request for Proposal (RFP) Process, Eight (8) proposals received; Four (4) firms shortlisted; Contract term is five (5) years. Metro-North Railroad's Environmental and Compliance Services and Safety & Security Departments require the services (on an on-call basis) of an environmental engineering and occupational safety consultant that has knowledge of the specific characteristics and sensitivities of Metro-North's territory (e.g. New York City Watershed and Hudson River,) as well as the regulatory standards and personnel of the many agencies with jurisdiction over Metro-North, including both New York and Connecticut agencies as well as the specific New York regional offices in which Metro-North

operates (e.g.-Region 3 of the NYS Department of Environmental Conservation, which covers Westchester and counties north as well as Orange and Rockland counties West of Hudson).

A discussion with the LIRR, who has an existing on-call contract for environmental engineering, found that both agencies agree on the importance of having a consultant that knows the environmental territory and possesses excellent working relationships with regulatory agencies. Because LIRR and MNR operate in different DEC regions and different counties (and with MNR, two states) neither agency could identify any firms that met the preferred criteria of both agencies. As such, it was agreed that this was not a service to be performed jointly.

Twenty-eight (28) firms requested a copy of the RFP, eight (8) firms submitted proposals and the MNR selection committee short-listed four (4) firms to give oral presentations. The Selection Committee unanimously selected Day Engineering, PC as being the most professionally and technically competent firm to provide the required services. Day Engineering, PC is currently providing these environmental engineering and occupational safety compliance services for Metro North under an existing contract. Day Engineering's labor and equipment rates were evaluated and found to be not only consistent with the previous existing contract, but significantly lower than all other short-listed firms. This is an On-Call contract; therefore, the total cost of a given task is determined when the scope of work is produced and a cost proposal is received and negotiated with the contractor. The total cost of these services is not-to-exceed \$3,000,000 for the five (5)-year period. This procurement is to be funded by the MNR Operating Budget.

G. Miscellaneous Service Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP; No Staff Summary required if Sealed Bid Procurement.)

**4. The Lawn Barber, Inc. \$105,000 (not-to-exceed)
Snow and Ice Removal – Yankees/E.153rd St. Train Station**

Competitively bid (6 bids received) miscellaneous service contract, for up to a three (3)-year term (1 yr. Base + 2 yr. MNR Option) for snow and ice removal at MNR's Yankees/E.153rd St. Train Station. The Lawn Barber, Inc., the low bidder, will furnish all labor, material and equipment necessary for the removal and treatment of snow and ice conditions during the winter/snow season. Lawn Barber's prices are fixed and guaranteed regardless of the volume of calls for service, for up to the three (3)-year period. The total cost for up to the three (3)-year contract period is not-to-exceed \$105,000. There are no alternatives to providing the snow and ice removal services at this time, as Metro-North does not currently have sufficient in-house forces to incorporate this location into its current snow removal rotation. Metro-North resources will be re-evaluated on a yearly basis and prior to the commencement of each snow season to determine if this work can be accomplished with in-house forces. This procurement is to be funded by the MNR Operating Budget

Staff Summary

Item Number B-1					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name: Sr. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	12-09-09	x		
2	MTA Board Mtg.	12-16-09	x		
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	Sr. V.P. Operations		
X	Sr. V.P. Admin.		V.P. Planning		
X	V.P. Finance & IT	X	General Counsel		
X	Capital Programs				

SUMMARY INFORMATION	
Vendor Name N/A	Contract Number
Description Metro-North On-Call Construction Services Contract	
Total Amount \$5,000,000 (not -to-exceed) (estimated)	
Contract Term (including Options, if any) Five (5) years	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input checked="" type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION: To obtain MTA Board approval to use the RFP process to prequalify a number of construction contractors (the exact number to be determined as a result of the RFP process) to provide small-scale miscellaneous construction services to support both Railroad Operations and the Capital Program.

II. DISCUSSION: Metro-North has an on-going need to conduct small scale construction work to support both Railroad Operations and approved Capital programs. These construction needs, although smaller and more limited in scope, still require the same competitive solicitation process required for major public work contracts. Metro-North proposes to use the RFP process to prequalify a number of construction contractors who will be directly solicited to competitively bid on those projects or tasks deemed eligible for this program. The actual number of firms will be determined as a result of the RFP process. Once a definitive scope(s) of work is created, these prequalified contractors will be eligible to submit sealed, competitive bids for actual work to be performed. The program will be for a period of five (5) years with an overall estimated cost of \$5,000,000. Each work task approved for inclusion in this program will not exceed \$500,000 unless otherwise approved by senior management on an exception basis.

It is necessary to use the RFP process in order to evaluate the overall qualifications of contractors as a basis for selection and inclusion in this program. The criteria for selection include: work experience, past performance on work of a similar nature, qualifications of key personnel, and the contractor's safety and environmental record. Once the program is established, the solicitation of sealed, competitive bids for actual work tasks will ensure competition and price reasonableness.

This program will have the benefit of reducing procurement lead-time and thus reducing total project time for small construction while maintaining adequate price competition. The MTA Board has approved Metro-North's previous On-Call Construction Program and has also approved similar programs for NYCTA, LIRR and Bridges and Tunnels. Based upon a discussion with the other Agencies, it was determined that it was the best process for MNR to procure these services separately, as a joint procurement with other MTA Agencies is not recommended due to the geographic restrictions of the small to mid-sized contractors who would be bidding on this type of work.

Staff Summary

III. D/M/WBE INFORMATION: Minority participation goals will be requested on a contract-to-contract basis.

IV. IMPACT ON FUNDING: The cost of this work is estimated at a total not-to-exceed \$5,000,000 and is to be funded by the MNR Capital Program and the MNR Operating Budget. No funds will be obligated under these contracts unless a specific project has been approved for implementation.

Staff Summary

Item Number F-2					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name: Sr. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	12-09-09	X		
2	MTA Board Mtg.	12-16-09	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	Sr. V.P. Operations		
X	Sr. V.P. Admin.	X	V.P. Planning		
X	V.P. Finance & IT	X	General Counsel		
X	Capital Programs				

SUMMARY INFORMATION	
Vendor Name Various	Contract Number N/A
Description GEC 2010-2014 Consultant Prequalification	
Total Amount \$295,000,000 (not-to-exceed)	
Contract Term (including Options, if any) Five (5) Years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION: To obtain MTA board approval to prequalify 81 consultants (listed in Attachment A) who propose to perform personal service for design, engineering, supervision inspection services and miscellaneous professional services to support both the 2010-2014 Capital Program and the needs of the Operating Divisions. The period of performance for this prequalification will be for a five (5) year period.

II. DISCUSSION: A joint procurement endeavor was initiated by Metro-North Railroad, the Long Island Rail Road, MTA Capital Construction and MTA Headquarters ("the Agencies") to utilize the general engineering/prequalification (GEC) approach for securing general engineering, design and construction management services. The GEC has been previously and efficiently employed by the agencies to streamline the request for proposal procurement process of consultant selection and retention, to reduce procurement lead time and overall project time, and reduce administrative costs while ensuring appropriate, on-going competition and best value. The Agencies have successfully utilized the general engineering approach over the last five years.

A Request for Proposal was developed and forwarded on July 9, 2009 to approximately one-hundred (100) firms currently participating in the Agencies' GEC programs and to additional firms who made inquires specifically directed toward interest in the new GEC program. The solicitation was concurrently advertised in the New York State Contract Reporter, the New York Post, The Daily Challenge, and El Diario on July 9, 2009 and the Engineer News Review ENR Weekly Publication on July 27, 2009. One hundred and seventy (170) firms received the solicitation and proposals were received from over four-hundred (400) firms on three consecutive weeks between August -September 2009 for the three major types of service to be performed and the twenty-five (25) categories of work. Independent selection committees were formed for each category of work. These separate committees evaluated the proposals received using the criteria of selection as set forth in the RFP. Proposals were evaluated based on the following selection criteria listed in equal order of importance:

1. Demonstrated experience of the Consultant in the execution of Work of similar nature;
2. Expertise and experience of key personnel proposed to be assigned to perform the Work.
3. Proposed approach to organize, direct, administer and manage the Work (Project Management Plan).
4. Knowledge of and experience with railroad/agency operations; or demonstrated ability to adapt to railroad/agency operations.

Cost is to be considered in the subsequent requests for contract/task assignments.

Staff Summary

The Committee selected a pool of consultants for specific categories based on the merits of the firms' qualifications with respect to the established selection criteria. There were no restraints as to size of the final consultant pool for any category. Final selection of any firm was based upon a pass/fail method with 75 points being the minimum requirement for selection in the Prequalification phase.

Eighty-one (81) firms have been selected in twenty-five (25) categories of work. All consultants selected who met the requirements of the RFP will be deemed eligible to propose on individual contract/task assignments offered by the individual Agency in their respective category of work. When required by exigent circumstances, and consistent with the All-Agency Guidelines, less than the full pool in any given category may be canvassed. Prior to the award of any contract to any of these firms, each agency shall perform a full responsibility review in accordance with the MTA guidelines. For the purpose of this prequalification process, a limited review was performed to confirm that none of the recommended firms are subject to federal debarment or have other circumstances which would likely preclude contract awards to any such firm.

The categories of work included:

A. Design and Engineering Services

- Category 1: Line Structures
- Category 2: Buildings, Passenger Station, Shops & Yards, and Parking Facilities
- Category 3: Power
- Category 4: Track
- Category 5: Signals & Communications
- Category 6: Rolling Stock
- Category 7: Value Engineering
- Category 8: Security Engineering
- Category 9: Environmental Engineering
- Category 10: Forensic Engineering / Laboratory Testing Services
- Category 11: Soils / Foundation Engineering

B. Construction Supervision & Inspection Services

- Category 1: Line Structures
- Category 2: Buildings, Passenger Station, Shops & Yards, and Parking Facilities
- Category 3: Power
- Category 4: Track
- Category 5: Signals & Communications
- Category 6: Rolling Stock
- Category 7: Environmental Engineering

C. Misc. Professional Services

- Category 1: Scheduling
- Category 2: Cost Estimating
- Category 3: Claims Support
- Category 4: Constructability
- Category 5: Design Reviews
- Category 6: Technical Writer
- Category 7: Quality Management

When a specific workscope is identified and approved, the responsible Agency will solicit technical and level-of-effort proposals from consultants listed in the category to which the Workscope belongs. The responsible Agency will utilize their individual forms of Request for Proposal in accordance with MTA All-Agency Procurement Guidelines. For New York State funded contract/task assignments this will usually be a two phase selection when costs and technical aspects of

Staff Summary

a consultant's proposal are utilized. All federally-funded contract/task assignments will utilize the "Brooks Method" of selection. The Federal Brooks Act requires a qualification-based selection process for federally-funded engineering contracts. Each specific proposal will be evaluated in accordance with specific evaluation criteria established at the time the contract/task assignments is solicited.

Attachment 1 lists the categories of work and the firms selected for each category.

III. D/M/WBE INFORMATION: Minority participation goals will be sought on a contract to contract basis.

IV. IMPACT ON FUNDING: The total period of performance for this arrangement is five (5)-years and the GEC program is estimated to total \$295M. (not-to-exceed). Funding for work under these contracts will be taken from the funding source applicable to each Project. Expenditures will be reported in the responsible Agency's Capital Program Monthly Progress Report.

V. ALTERNATIVES: The Agencies will continue to require consultant assistance to provide essential design, construction supervision and inspection and specialty engineering services to support both the Capital Programs and respective Operating Divisions. The alternative is to continue to use individual Request for Proposal process for each individual project requirement. The general engineering approach described herein is strongly recommended as a replacement to the traditional method as a means to significantly lessen the procurement lead-time for contract/task award, thus reducing overall project time and costs.

Firms Recommended for Prequalification - MNR General Engineering Consultant Contract

Attachment 1

A Design and Engineering Services

01 Line Structures

A. Dicesare Associates

AECOM USA, Inc.

Ammann & Whitney Consulting Engineers

Berger, Lehman Associates

Clough Harbour & Associates

Dewberry

Erdman Anthony

Gannett Fleming Engineers & Architects

Greenman-Pedersen, Inc.

HAKS Engineers, Architects and Land Surveyors

Hardesty & Hanover

Hatch Mott MacDonald, Inc.

Henningson, Durham & Richardson

HNTB New York Engineering & Architecture

Jacobs Civil Consultants

Jenny Engineering Corporation

KS Engineers

LiRo Group

Lochner Engineering

M.G. McLaren d/b/a McLaren Engineering Group

Maser Consulting

Michael Baker Engineering, Inc.

Parsons Transportation Group of New York, Inc.

PB Americas, Inc.

Shaw Environmental & Infrastructure Engineering

Stantec Consulting Services

STV, Inc.

Transsystems Architect & Engineer

URS Corporation-New York

WSP Sells, Inc.

30 Firms Selected

02 Stations/Bldgs/Shops/Yards/Parking

AECOM USA, Inc.

Ammann & Whitney Consulting Engineers

B. Thayer Associates

Beyer Blinder Belle

Bond Street/Design Kouzmanoff Bainton JV

Burns Engineering, Inc.

Cameron Engineering & Associates

Clough Harbour & Associates

Desman Associates

Dewberry

diDomenico & Partners

Domenech Hicks & Krockmainic Architects

FST Engineers, Inc.

FX Fowle Architects

Gannett Fleming Engineers & Architects

Greenman-Pedersen, Inc.

Gruzen Stanton Architects

HAKS Engineers, Architects and Land Surveyors

Hatch Mott MacDonald, Inc.

Henningson, Durham & Richardson

Jacobs Civil Consultants

KS Engineers

Lee Harris Pomeroy Architects

LiRo Group

Lochner Engineering

Louis Berger & Associates

Louis K. McLean Associates

M.G. McLaren d/b/a McLaren Engineering Group

Michael Baker Engineering, Inc.

Parsons Transportation Group of New York, Inc.

PB Americas, Inc.

RMJM, Inc.

Shaw Environmental & Infrastructure Engineering

Simpson Gumpertz & Heger Associates, Inc.

SJH Engineering

Stantec Consulting Services

STV, Inc.

SYSTRA Engineering

Thornton Tomasetti, Inc.

Transsystems Architect & Engineer

URS Corporation-New York

Wank Adams Slavin Associates

WSP Sells, Inc.

43 Firms Selected

03 Power

AECOM USA, Inc.

Burns Engineering, Inc.

Gannett Fleming Engineers & Architects

Hatch Mott MacDonald, Inc.

Henningson, Durham & Richardson

HNTB New York Engineering & Architecture

Jacobs Civil Consultants

Louis T. Klauder And Associates

Parsons Transportation Group of New York, Inc.
RCM Technologies, Inc.
STV, Inc.
SYSTRA Engineering
URS Corporation-New York

13 Firms Selected

04 Track

AECOM USA, Inc.
Clough Harbour & Associates
Henningson, Durham & Richardson
HNTB New York Engineering & Architecture
Jacobs Civil Consultants
Lochner Engineering
PB Americas, Inc.
STV, Inc.
SYSTRA Engineering
Transsystems Architect & Engineer
URS Corporation-New York
WSP Sells, Inc.

12 Firms Selected

05 Signals and Communications

AECOM USA, Inc.
Booz Allen Transportation
Gannett Fleming / CWA JV
Hatch Mott MacDonald, Inc.
HNTB New York Engineering & Architecture
Jacobs Civil Consultants
Louis T. Klauder And Associates
Parsons Transportation Group of New York, Inc.
Stantec Consulting Services

STV, Inc.
SYSTRA Engineering
The Kohl Group
URS Corporation-New York

13 Firms Selected

06 Rolling Stock

Booz Allen Transportation
Hatch Mott MacDonald, Inc.
Interfleet Technology
Louis T. Klauder And Associates
Parsons Transportation Group of New York, Inc.
Raul V. Bravo & Associates, Inc.
Simpson Gumpertz & Heger Associates, Inc.
STV, Inc.
SYSTRA Engineering

10 Firms Selected

07 Value Engineering

AECOM USA, Inc.
Faithful+Gould, Inc.
Greenman-Pedersen, Inc.
Interfleet Technology
Jacobs Civil Consultants
LiRo Group
PB Americas, Inc.

7 Firms Selected

08 Security Engineering

AECOM USA, Inc.
Gannett Fleming Engineers & Architects
Hatch Mott MacDonald, Inc.
Henningson, Durham & Richardson

HNTB New York Engineering & Architecture
Louis Berger & Associates
Michael Baker Engineering, Inc.
Parsons Transportation Group of New York, Inc.
PB Americas, Inc.

STV, Inc.
SYSTRA Engineering
TRC Engineers, Inc.
URS Corporation-New York

13 Firms Selected

09 Environmental Engineering

AECOM USA, Inc.
AKRF, Inc.
ATC Associates, Inc.
Dewberry
Dvirka and Bartilucci Consulting Engineers
FPM Group
Gannett Fleming Engineers & Architects
GZA GeoEnvironmental of New York
H2M - Holzmacher, McLendon & Murrell
Hatch Mott MacDonald, Inc.
Henningson, Durham & Richardson
Jacobs Civil Consultants
Langan Engineering & Environmental Services
LiRo Group
Louis Berger & Associates
Parsons Transportation Group of New York, Inc.
PB Americas, Inc.
PS & S Integrating Design & Engineering
Stantec Consulting Services
STV, Inc.

TRC Engineers, Inc.
URS Corporation-New York
Weston Solutions, Inc.

23 Firms Selected

10 Forensic Eng/Laboratory Testing Services

M.G. McLaren d/b/a McLaren Engineering Group
Simpson Gumpertz & Heger Associates, Inc.
Tectonic Engineering & Surveying Consultants
Thornton Tomasetti, Inc.

4 Firms Selected

11 Soils / Foundation Engineering

AECOM USA, Inc.
Dewberry
Gannett Fleming Engineers & Architects
GeoDesign, Inc.
GZA GeoEnvironmental of New York
Hatch Mott MacDonald, Inc.
Langan Engineering & Environmental Services
Louis Berger & Associates
PB Americas, Inc.
STV, Inc.
Tectonic Engineering & Surveying Consultants
URS Corporation-New York

12 Firms Selected

B Construction Supervision and Inspection Services

01 Line Structures

A. Dicesare Associates
AECOM USA, Inc.

AI Engineers, Inc.
ARCADIS
B & H Engineering
Berger, Lehman Associates
Clough Harbour & Associates
Dewberry
Gannett Fleming Engineers & Architects
Garg Consulting Services, Inc.
Greenman-Pedersen, Inc.
HAKS Engineers, Architects and Land Surveyors
Hatch Mott MacDonald, Inc.
Henningson, Durham & Richardson
Hill International, Inc.
HNTB New York Engineering & Architecture
Howard L. Boswell Engineer & Land Surveyor
Jacobs Civil Consultants
LiRo Group
Lochner Engineering
Louis Berger & Associates
Louis K. McLean Associates
MCSS, Inc.
Michael Baker Engineering, Inc.
PB Americas, Inc.
Shaw Environmental & Infrastructure Engineering
Stantec Consulting Services
STV, Inc.
Tectonic Engineering & Surveying Consultants
TRC Engineers, Inc.
URS Corporation-New York
WSP Sells, Inc.

32 Firms Selected

02 Stations/Bldgs/Shops/Yards/Parking

A. Dicesare Associates
AECOM USA, Inc.
AI Engineers, Inc.
ARCADIS
Armand Corporation
Berger, Lehman Associates
Gannett Fleming Engineers & Architects
Garg Consulting Services, Inc.
Greenman-Pedersen, Inc.
HAKS Engineers, Architects and Land Surveyors
Hatch Mott MacDonald, Inc.
Hill International, Inc.
HNTB New York Engineering & Architecture
Jacobs Civil Consultants
LiRo Group
Lochner Engineering
Louis Berger & Associates
Michael Baker Engineering, Inc.
PB Americas, Inc.
Shaw Environmental & Infrastructure Engineering
Stantec Consulting Services
STV, Inc.
SYSTRA Engineering
Tectonic Engineering & Surveying Consultants
TRC Engineers, Inc.
URS Corporation-New York
WSP Sells, Inc.

27 Firms Selected

03 Power

AECOM USA, Inc.

Hatch Mott MacDonald, Inc.

Henningson, Durham & Richardson

Jacobs Civil Consultants

LiRo Group

STV, Inc.

SYSTRA Engineering

URS Corporation-New York

8 Firms Selected

04 Track

AECOM USA, Inc.

Clough Harbour & Associates

Henningson, Durham & Richardson

Hill International, Inc.

HNTB New York Engineering & Architecture

Jacobs Civil Consultants

PB Americas, Inc.

STV, Inc.

SYSTRA Engineering

URS Corporation-New York

10 Firms Selected

05 Signals and Communications

AECOM USA, Inc.

Gannett Fleming / CWA JV

Jacobs Civil Consultants

Louis T. Klauder and Associates

STV, Inc.

SYSTRA Engineering

The Kohl Group

URS Corporation-New York

8 Firms Selected

06 Rolling Stock

Booz Allen Transportation

Interfleet Technology

Louis T. Klauder and Associates

Raul V. Bravo & Associates, Inc.

STV, Inc.

5 Firms Selected

07 Environmental Engineering

ARCADIS

Dvirka and Bartilucci Consulting Engineers

FPM Group

Gannett Fleming Engineers & Architects

GZA GeoEnvironmental of New York

Henningson, Durham & Richardson

Langan Engineering & Environmental Services

LiRo Group

Louis Berger & Associates

PS & S Integrating Design & Engineering

Shaw Environmental & Infrastructure Engineering

STV, Inc.

TRC Engineers, Inc.

Weston Solutions, Inc.

14 Firms Selected

C Miscellaneous Professional Services

01 Scheduling

AECOM USA, Inc.

Faithful+Gould, Inc.

Hill International, Inc.

HNTB New York Engineering & Architecture

LiRo Group

Louis Berger & Associates

MCSS, Inc.

STV, Inc.

The Kohl Group

URS Corporation-New York

10 Firms Selected

02 Cost Estimating

AECOM USA, Inc.

Faithful+Gould, Inc.

Hill International, Inc.

LiRo Group

MCSS, Inc.

STV, Inc.

Toscano Clements Taylor

URS Corporation-New York

8 Firms Selected

03 Claims Support

AECOM USA, Inc.

Hill International, Inc.

MCSS, Inc.

MDC Systems

Simpson Gumpertz & Heger Associates, Inc.

5 Firms Selected

04 Constructability

AECOM USA, Inc.

FST Engineers, Inc.

Gannett Fleming Engineers & Architects

Greenman-Pederson, Inc.

Henningson, Durham & Richardson

Hill International, Inc.

Jacobs Civil Consultants

LiRo Group

MCSS, Inc.

PB Americas, Inc.

PS & S Integrating Design & Engineering

Shaw Environmental & Infrastructure Engineering

Simpson Gumpertz & Heger Associates, Inc.

Stantec Consulting Services

URS Corporation-New York

15 Firms Selected

05 Design Reviews

AECOM USA, Inc.

Booz Allen Transportation

diDomenico & Partners

Fay Spofford & Thorndike

Henningson, Durham & Richardson

Hill International, Inc.

Interfleet Technology

Jacobs Civil Consultants

LiRo Group

PB Americas, Inc.

Raul V. Bravo & Associates, Inc.

Shaw Environmental & Infrastructure Engineering

Simpson Gumpertz & Heger Associates, Inc.

Stantec Consulting Services

URS Corporation-New York

15 Firms Selected

06 Technical Writer

AECOM USA, Inc.

Raul V. Bravo & Associates, Inc.

2 Firms Selected

07 Quality Management

AECOM USA, Inc.

Booz Allen Transportation

Raul V. Bravo & Associates, Inc.

3 Firms Selected

Staff Summary

Item Number F-3					
Dept & Dept Head Name:					
Procurement & Material Management, Anthony V. Bombace, Jr.					
Division & Division Head Name:					
Sr. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	12-09-09			
2	MTA Board Mtg.	12-16-09			
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	Sr. V.P. Operations		
X	Sr. V.P. Admin.	X	V.P. Planning		
X	V.P. Finance & IT	X	General Counsel		
	Capital Programs				

SUMMARY INFORMATION	
Vendor Name	Contract Number
Day Engineering, PC	62051
Description	
Environmental Engineering and Occupational Safety Consulting Services	
Total Amount	
\$3,000,000 not-to-exceed	
Contract Term (including Options, if any)	
Five (5) years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION: To obtain MTA Board approval to award a personal services contract to the firm Day Engineering, PC to provide On-Call Environmental Engineering and Occupational Safety Consulting Services.

II. DISCUSSION: Metro-North Railroad's Environmental and Compliance Services and Safety & Security Departments require the services (on an on-call basis) of an environmental engineering and occupational safety consultant that has knowledge of the specific characteristics and sensitivities of Metro-North's territory (e.g. New York City Watershed and Hudson River,) as well as the regulatory standards and personnel of the many agencies with jurisdiction over Metro-North, including both New York and Connecticut agencies as well as the specific New York regional offices in which Metro-North operates (e.g. Region 3 of the NYS Department of Environmental Conservation, which covers Westchester and counties north as well as Orange and Rockland counties West of Hudson).

A discussion with the LIRR, who has an existing on-call contract for environmental engineering, found that both agencies agree that it is important to have a consultant that knows the environmental territory and possesses excellent working relationships with regulatory agencies. Because LIRR and MNR operate in different DEC regions and different counties (and with MNR, two states) neither agency could identify any firms that met the preferred criteria of both agencies. As such, it was agreed that this was not a service to be performed jointly.

These scope of services to be performed include, but are not limited to: (a) Evaluation of operations and facilities to identify areas of non-compliance, (b) Development of plans and programs to meet environmental and occupational health and safety compliance, (c) Preparation and delivery of training to Metro-North personnel, (d) Timely identification and notification to Metro-North of proposed, new and revised environmental and health and safety laws, regulations, interpretation and enforcement initiatives, (e) Preparation of design and construction engineering documents, plans and specifications, (f) Performance of environmental site assessments and inspections, and(g) Audit regulated waste disposal sites.

Staff Summary

Twenty-eight (28) firms requested a copy of the Request for Proposal (RFP) and a notice of the RFP was advertised in The New York Post, The Daily Challenge, and The New York State Contract Reporter. Eight (8) firms submitted proposals, received on September 3, 2009. Concurrently, a Selection Committee of five (5) members was formed consisting of Metro-North Railroad's Environmental and Compliance Services, Safety & Security, and Procurement and Material Management Departments.

The criteria established for the Selection Committee to evaluate the proposals was listed in the RFP as follows: a. Demonstrated understanding of the Scope of Work and Services; b. Project plan; c. Confidence level, commitment of relevant resources to the project, qualifications of key personnel, subs, etc.; and d. Past experience with similar projects. Once the short-listing process was complete, Cost became an evaluation criterium.

The Selection Committee reviewed the proposals and subsequently selected four (4) firms to provide oral presentations to the Committee. These firms: Day Engineering, PS&S, GZA, and HRP met with the Selection Committee on September 28, 2009. After an in-depth review of all the shortlisted firms' technical proposals, costs, relevant experience, and references; the Selection Committee unanimously selected and recommended the award of the contract to the firm, Day Engineering, PC.

In addition to its excellent past performance with Metro-North, Day Engineering submitted a thorough, well-thought out proposal reinforced by a well-planned oral presentation. The team assembled by Day Engineering showed an excellent overall understanding of the work scope requirements and a unique understanding of Metro-North's needs. Day Engineering's team demonstrated extensive experience, particularly with projects similar in nature. Day Engineering is currently providing these occupational engineering and compliance services for Metro-North under an existing contract and has performed above average to date. Day's labor and equipment rates were evaluated and found to be not only consistent with the previous existing contract, but significantly lower than all other short-listed firms

This is an On-Call contract; therefore, the total cost of a given task is determined when the scope of work is produced and a cost proposal is received and negotiated with the contractor.

III. D/M/WBE INFORMATION: MTA Office of Civil Rights (MTAOCR) established a 5% MBE and 5% WBE goal for this contract. MTAOCR has determined that Day Engineering, PC, has responded satisfactorily to the MBE and WBE goals requirement.

IV. IMPACT ON FUNDING: The cost of the required services is not-to-exceed \$3,000,000 for a period of performance of five (5) years, and is to be funded by the MNR Operating Budget.

V. ALTERNATIVES: MNR does not have the available in-house staff to perform the full spectrum of environmental engineering and occupational safety and consulting services required.

DECEMBER 2009

METRO-NORTH RAILROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

NONE

