Metropolitan Transportation Authority

July 2010

MTA Board Action Items

MEETING AGENDA
METROPOLITAN TRANSPORTATION AUTHORITY BOARD
July 28, 2010 9:30 a.m.

347 Madison Avenue
Fifth Floor Board Room
New York, NY

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Authorization of Fare Hearings

Date of next MTA Board meeting: Wednesday September 29, 2010 at 9:30 a.m.

Metropolitan Transportation Authority
Minutes of the
Special Board Meeting
347 Madison Avenue
New York, NY 10017

Wednesday, June 9, 2010
9:30 a.m.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew M. Saul, Vice Chairman
Hon. Andrew Albert
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Patrick J. Foye
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

The following members were absent:

Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Doreen M. Frasca
Hon. Susan Metzger
Hon. Vincent Tessitore, Jr.

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Board Member James F. Blair, Board Member Norman Brown, Thomas Prendergast, President of NYCTA, and Douglas Sussman, Director, Community Affairs also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Board of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, and the Staten Island Rapid Transit Operating Authority.

Chairman Walder called the meeting to order.

1. **PUBLIC SPEAKERS.** The following speakers addressed agenda items.

Paul Piazza, TWU Local 100 member
Arthur Clements, TWU Local 100 member
Marty Goodman, TWU Local 100 member
Tony Murphy, Bail Out the People Movement
Kevin Harrington, TWU Local 100 member
Manzoor Chowdhury, TWU Local 100 member
Sabrina Greenwood, TWU Local 100 member

2. CHAIRMAN'S REMARKS.

Chairman Walder thanked everyone for attending the Special Board meeting.

The Chairman noted that a court had recently ruled that the MTA could not proceed with planned subway station booth closures without holding additional public hearings. Chairman Walder stated that MTA had followed the appropriate hearing process and is appealing the ruling. The Chairman noted that MTA's financial situation requires that it proceed on parallel paths. The Board is being asked to authorize the issuance of public and Community Board notices and the holding of further public hearings in each of the four boroughs affected by the station booth/kiosk actions – Manhattan, Brooklyn, Queens and the Bronx. The hearings would be scheduled as quickly as possible and likely take place in mid-July. These actions will elicit public comments concerning proposed closure and/or reduction in hours of subway station booths and the elimination of kiosks.

Board member Seabrook expressed his intent to vote in favor of the resolution. Mr. Seabrook also noted that his term expires on June 30, 2010, and he encouraged Board members to continue to work hard for the public.

3. RESOLUTION ON PUBLIC/COMMUNITY NOTICES AND HEARINGS.

Upon motion duly made and seconded, the Board approved a resolution authorizing the Chairman and Chief Executive Officer of MTA and NYCTA and his designees to proceed with the issuance of public and community Board notices and the holding of further public hearings to elicit further public comments concerning proposed closure and/or reduction in hours of subway station booths and the elimination of station customer assistance agency staffing and associated station kiosks.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 9:50 a.m.

Respectively submitted,

Victoria Clement
Assistant Secretary

Metropolitan Transportation Authority
Minutes of the
Regular Board Meeting
347 Madison Avenue
New York, NY 10017

Wednesday, June 23, 2010
9:30 a.m.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Patrick J. Foye
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Donald Cecil
Hon. James L. Sedore, Jr.
Hon. Vincent Tessitore, Jr.

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James F. Blair, Board Member Norman Brown, Board Member Ira Greenberg, Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North, James Ferrara, President of TBTA, Joseph A. Smith, President of LI Bus, MTA Bus & Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Board of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road, the Metro-North

Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

Unless otherwise indicated, these minutes reflect items on the agenda of the Board of the Metropolitan Transportation Authority, the Metropolitan Suburban Bus Authority, and the First Mutual Transportation Assurance Company. Refer to the other agencies' minutes of this date for items on the agendas of the Boards of the other agencies.

Chairman Walder called the meeting to order.

1. **PUBLIC SPEAKERS.** The following speakers addressed MTA agenda items. Refer to the video recording of the June 23, 2010 meeting for the contents of these speakers' statements.

   Eric Josephson, TWU Local 100 member
   Paul Piazza, TWU Local 100 member
   Matthew Shotkin, private citizen
   Marty Goodman, TWU Local 100 member
   Lois Morris, private citizen
   Patricia Ross, private citizen
   Manzoor Chowdhury, TWU Local 100 member
   George Kaufer, private citizen

2. **CHAIRMAN'S REMARKS.**

   The Chairman welcomed Patrick J. Foye, MTA's newest Board member, who was nominated by Governor Paterson and approved by the Senate on May 25, 2010.

   Chairman Walder, providing an update on developments in Albany that impact the MTA, advised the Board that the MTA's 2010-2014 Capital Program had attained approval, allowing the agency to move ahead immediately with the Capital Program. Chairman Walder congratulated Linda Kleinbaum and everyone who worked hard on program.

   Chairman Walder noted that another positive development in Albany was the passage of legislation allowing the use of cameras to enforce the bus lanes associated with Select Bus Service. The Chairman said that the cameras will help show the benefits of dedicated bus lanes, which will allow MTA to move its 2.5 million bus customers much faster. He stated that this is also a great partnership between the MTA and the City of New York.

   Chairman Walder announced that the mentoring bill which will help the MTA expand and diversify the pool of contractors who bid on MTA contracts, is expected to be signed shortly. The Chairman congratulated Michael Garner, MTA Chief Diversity Officer, who has worked tirelessly on this matter.

Chairman Walder commented on the $25 million that was included in the State Budget for student MetroCards, noting that while the MTA had hoped that the State and City would fund the total cost of the program, MTA recognized the difficult financial environment governments are facing. At public hearings, at meetings with student leaders and in protests around the City of New York, the message had been clearly communicated that student pass elimination would have a life-changing impact on the ability of New Yorkers to receive a quality education. In light of the impact that eliminating student passes for travel to and from school would have, the Chairman announced that the agency has decided to abandon the proposal. Chairman Walder noted that as a result the budget deficit that the MTA is facing will increase, but the alternative is worse. The Chairman stated that further actions needed to close the budget gap will be addressed when the MTA's preliminary financial plan is released in July.

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on May 24, 2010.

4. **COMMITTEE ON FINANCE.**

A. **Action Items.** Upon motion duly made and seconded, the Board approved the following action items. The specifics are set forth in the attached staff summaries and documentation.

1. Swap Advisor/Contract Authorization. Approved the contract with Swap Financial Group, LLC for swap advisory services in connection with managing the existing portfolio of derivative contracts and for execution of new derivatives for a period of three years, including up to two annual renewals.

2. 2010 State Public Work Enforcement Fund ("PWEF") Assessment. Approved the payment of the State assessment, on behalf of the MTA and its constituent agencies, for the PWEF for calendar year 2010, including the adjustment for the 2009 underpayment to the State Department of Labor.

B. **Procurement Items**. Upon motion duly made and seconded, the Board approved the following procurement items. The specifics are set forth in the attached staff summary and documentation.

1. U2 Labs International, LLC – Summer Intern Technology-Related Research Projects – No. 10101-0100. Approved a non-competitive contract to provide consulting and supervisory services for the administration and management of (i) cell phone service on MTA Subways using wireless mesh network, (ii) credit card services for paying fares on MTA Buses, and (iii) provision of dead reckoning to determine the accuracy of the bus location information and resolve problems encountered.

2. The Open Planning Project – Open Standards Bus Customer Information System – No. 10077-0100. Approved the development of a pilot project for an Open Standards Bus Customer Information System (Bus CIS).

3. American Arbitration Association – Mediation Services – No. 09240-0100. Approved a competitive contract to provide mediation services in support of the Contractual Disputes Review Board ("CDRB") process managed by MTA's General Counsel in connection with NYCTA and TBTA equipment procurement and/or construction contracts.

4. TDX Construction Corporation – Construction Manager for MTAHQ Small Business Mentoring Program ("SBMP") - No. 1009-0100. Approved a competitive contract to provide mentoring and construction management services for the MTA's new SBMP.

5. Matt Mullican – AFT Project for Metro-North – No. 10091. Approved a competitive contract to provide technical design, fabrication, crating, storage, delivery and oversight of installation of materials at the Rye Station on the New Haven Line.

6. PC Helps, LLC – Help Desk Support Services – No. 09293-0100. Approved a competitive contract to provide 24-hour/seven days per week help desk coverage to continue to supplement MTA's and LIRR's technical help-desk support for their employees.

C. **Real Estate Items.** Upon motion duly made and seconded, the Board approved the following real estate items. The specifics are set forth in the attached staff summaries and documentation. Board member John Banks recused himself from the vote on item # 6 below.

New York City Transit Authority:

1. Determination and findings pursuant to a public hearing for the acquisition of a fee interest and permanent and temporary easements and terminations of rights for sidewalk encroachments in various properties in connection with the Second Avenue Subway Project., Manhattan, N.Y.

2. Sale of property located at 166 Smith Street (Block 390, Lot 40) to Lexington Avenue Associates, Cobble Hill, Brooklyn, N.Y.

Metro-North Railroad:

3. Lease agreement with Central Station Groceries Corp d/b/a Frankie's Dogs on the Go for retail sale of beef hot dogs, chicken sausages, a variety of toppings and side dishes and cold beverages including NY egg crease located at Retail Space K-03 and Storage Space LCS-9, Grand Central Terminal, N.Y.

4. Lease agreement with Golden Krust Franchising Inc. d/b/a Golden Krust for the retail sale of Jamaican-style patties, lunch and dinner entrees, Caribbean-inspired dessert items and cold beverages located at Retail Space K-05 and Storage Space LCS-13, Grand Central Terminal, N.Y.

5. Lease modification agreement with CPG Partners for supplementary parking for employees' passenger vehicles during holiday shopping events at Harriman Station Parking Facility, Harriman, N.Y.

Long Island Railroad

6. License agreement and easement purchase option with Consolidated Edison, Inc. ("Con Ed") for the installation of a power conduit on a portion of LIRR Property located on Block 183, Lot 160, Queens, N.Y.

7. License agreement with the Village of Island Park for commuter parking located at LIRR's Island Park Station, Island Park, N.Y.

5. **OTHER MTA BUSINESS.** Upon motion duly made and seconded, the Board approved the following items. The specifics are set forth in the attached staff summary and documentation.

A. MTA Federal Substance Abuse Policy. Approved the revised MTA Federal Substance Abuse Policy, covering safety-sensitive employees of MTA, specifically employees of the MTA Police department who carry a firearm for security purposes.

B. Whistleblower Policy. Adopted an amended whistleblower policy, detailing MTA's whistleblower protection policies and procedures and ensuring that the policy is consistent with the Public Authorities Law as amended.

Board member Andrew Albert, commenting on the Chairman's opening statement relating to student MetroCards, noted that speakers at the public hearings were also adamant about retaining the same level of services in the system.

6. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board voted to convene an executive session to discuss matters concerning safety and security and collective negotiations.

7. **PUBLIC SESSION.** Upon motion duly made and seconded, the public session resumed.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:25 a.m.

Respectively submitted,

Victoria Clement
Assistant Secretary

Minutes of the
Regular Board Meeting
for the New York City Transit Authority,
Manhattan and Bronx Surface Transit Operating Authority,
Staten Island Rapid Transit Operating Authority and
MTA Bus Company

347 Madison Avenue
New York, NY 10017

Wednesday, June 23, 2010
9:30 a.m.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Patrick J. Foye
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Donald Cecil
Hon. James L. Sedore, Jr.
Hon. Vincent Tessitore, Jr.

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James F. Blair, Board Member Norman Brown, Board Member Ira Greenberg, Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North, James Ferrara, President of TBTA, Joseph A. Smith, President of LI Bus, MTA Bus & Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting.

1. CHAIRMAN JAY WALDER CALLED THE MEETING TO ORDER

Details of Chairman Walder's opening remarks are set forth in minutes recorded by the MTA, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

2. PUBLIC COMMENT PERIOD

8 public speakers addressed NYC Transit/MTA Bus issues.

Eric Josephson, TWU Local 100, spoke in opposition to the service cuts and layoffs of Transit employees.

Paul Piazza, TWU Local 100, urged against the closing of station customer assistant locations and station booths and discussed the security implications of the decision to layoff station agents.

Matthew Shotkin urged against the elimination of station agents and token booths and discussed the importance of having station agents available to sell Metrocards when vending machines are not functional.

Marty Goodwin, TWU Local 100, discussed the East Side projects and suggested alternative solutions to the layoff off of Transit employees.

Lois Morris urged against the layoffs of station agents and discussed safety concerns.

Patricia Ross discussed the impact various bus service cuts will have on elderly individuals.

Manzoor Chowdhury, TWU Local 100, spoke in opposition to layoffs and service cuts.

George Kaufer, a high school student, thanked the MTA for saving student Metrocards.

3. CHAIRMAN JAY WALDER'S COMMENTS

Details of Chairman Walder's comments are set forth in minutes recorded by the MTA, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

4. MINUTES

Upon motion duly made and seconded, the Board unanimously approved the minutes of the regular board meeting of MTA New York City Transit, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Railway Transit Operating Authority, and MTA Bus Company held on May 26, 2010.

5. COMMITTEE ON FINANCE

Action Items

Approval of Financial and Swap Advisors/Contract Authorization: Upon motion duly made and seconded, the Board voted to approve a contract with SWAP Financial Group, LLC for swap advisory services in connection with managing the existing portfolio of derivative contracts and for execution of new derivatives. Details of the above item are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

Approval of 2010 State Public Work Enforcement Fund Assessment: Upon motion duly made and seconded, the Board voted to authorize actions relating to the payment of the State assessment on the MTA and its constituent agencies for the Public Work Enforcement Fund for the calendar year 2010. Details of the above item are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

Request for Authorization to Award Various Procurements: Upon motion duly made and seconded, the Board voted to award various contracts/contract modifications and purchase orders, as reviewed by the MTA Finance Committee. Details of the above item are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

6. COMMITTEE ON TRANSIT OPERATIONS
NYC Transit

Action Item:

Appointment of TAB Senior Hearing Officers: Upon motion duly made and seconded, the Board voted to approve the one-year renewal of retainer agreements between the MTA New York City Transit and certain attorneys for the provision of legal services to the Transit Adjudication Bureau in the capacity of per diem senior hearing officers, the total expenditures of which will not exceed $120,000.00.

Procurements

Non-Competitive Procurements: Upon motion duly made and seconded, the Board approved the non-competitive procurements requiring two-thirds vote (Schedule A in the Agenda) and a majority vote (Schedules E, F and G in the Agenda). Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

Competitive Procurements: Upon motion duly made and seconded, the Board approved the competitive procurements requiring a majority vote (Schedule I in the Agenda). Details of the

above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

Procurement Ratifications: Upon motion duly made and seconded, the Board ratified the procurements requiring a two-thirds vote (Schedule D in the Agenda) and majority vote (Schedule K in the Agenda). Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

7. OTHER BUSINESS

MTA Police Federal Substance Abuse Policy: Upon motion duly made and seconded, the Board voted to approve the revised MTA Federal Substance Abuse Policy. This Policy covers employees of MTA in safety-sensitive positions. Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

Whistleblower Policy: Upon motion duly made and seconded, the Board voted to authorize the whistleblower protection policy, details of which are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

12. EXECUTIVE SESSION

Upon motion duly made and seconded, the Board voted to convene in executive session to consider safety-sensitive issues and matters concerning collective bargaining negotiations. Upon motion duly made and seconded, the Members voted to resume public session.

13. ADJOURMENT

Upon motion duly made and seconded, the Members unanimously voted to adjourn the meeting at 11:25 a.m.

Respectfully submitted,

Mariel Tanne
Assistant Secretary

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company

Wednesday, June 23, 2010
9:30 a.m.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Patrick J. Foye
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Donald Cecil
Hon. James L. Sedore, Jr.
Hon. Vincent Tessitore, Jr.

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James F. Blair, Board Member Norman Brown, Board Member Ira Greenberg, Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North, James Ferrara, President of TBTA, Joseph A. Smith, President of LI Bus, MTA Bus & Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting.

1. Public Comment:

There were 8 public speakers. The details of the comments made are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

2. Chairman's Comments: Chairman Walder welcomed new board member Patick J. Foye. He noted that the Capital Program Review Board has approved the 2010-2014 Capital Program. The details of the remaining comments made by Chairman Walder are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

3. Approval of Minutes – Upon motion duly made and seconded, the minutes of the Regular Board Meeting of May 24, 2010 meeting were unanimously approved.

4. Committee on Finance

Real Estate Action Items:

Upon motion duly made and seconded, the Board, among other items, approved the following real estate items recommended to it by the Committee on Finance.

- Lease Agreement with Central Station Groceries Corp. d/b/a Frankie's Dogs on the Go for retail sale of beef hot dogs, chicken sausages, a variety of toppings and side dishes and cold beverages including NY egg creams; Retail Space K-03, Grand Central Terminal, New York.
- Lease Agreement with Tri Tip City LLC d/b/a Tri Tip Grill for the retail sale of grilled steak and chicken sandwiches, salads, and breakfast menu items; Retail Space LC-2S, Grand Central Terminal, New York.
- Lease Agreement with Golden Krust Franchising Inc. d/b/a Golden Krust for the retail sale of Jamaican-style patties, lunch and dinner entrees, Caribbean-inspired dessert items, and cold beverages; Retail Space K-OS, Grand Central Terminal, New York.
- Lease modification agreement with CPG Partners L.P. for mall employee parking during certain holiday weekends at Metro-North's Harriman Station parking facility, Harriman, New York.

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

5. Committee on Metro-North Railroad Operations:

Procurements:

Upon motion duly made and seconded, the Board approved the following non-competitive procurement requiring majority vote by the Board.

Miscellaneous Service Contracts

- Harris-Stratex Networks, Inc. – One-time upgrade to MNR Network Management System.

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

6. Other Business:

Upon motion duly made and seconded, the Board authorized the following item which applies to all current and future subsidiaries or affiliated entity of the MTA.

- Whistleblower Policy

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

7. Executive Session: Upon motion duly made and seconded, the Committee unanimously voted to convene in Executive Session to discuss public safety and collective bargaining. Upon motion duly made and seconded, the Committee unanimously voted to re-convene in Public Session.

8. Next Meeting – July 28, 2010 at 9:30 a.m.

9. Upon motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 11:25 a.m.

Respectfully submitted,

Linda Montanino
Assistant Secretary

June 2010 Board Minutes
Legal/Corporate

MINUTES OF MEETING OF THE BOARD OF THE LONG ISLAND RAIL ROAD COMPANY
Meeting Held At
347 Madison Avenue
New York, New York
Wednesday, June 23, 2010
9:30 A.M.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Patrick Foye
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Donald Cecil
Hon. James L. Sedore, Jr.
Hon. Vincent Tessitore, Jr.

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James F. Blair, Board Member Norman Brown, Board Member Ira Greenberg, Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Rail Road, Howard Permut, President of Metro-North, James Ferrara, President of TBTA, Joseph A. Smith, President of LI Bus, MTA Bus & Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting.

1. **PUBLIC SPEAKERS**

There were eight public speakers, none of whom addressed issues specific to the Long Island Rail Road.

2. **CHAIRMAN'S REMARKS**

The Chairman welcomed new MTA Board member Patrick Foye.

The Chairman updated the Board regarding recent developments in Albany, including the approval of MTA's 2010-2014 Capital Program, the passage of legislation allowing the use of cameras to enforce bus lanes, the passage of a small business mentoring bill, and the inclusion of $25 million in the State budget to fund Student MetroCards. The Chairman thanked Linda Kleinbaum and MTA staff for their hard work on the Capital Program. The Chairman noted that July would be an important month because of the presentation of the July Financial Plan. Details of the Chairman's remarks are contained in the minutes of the meeting of the Metropolitan Transportation Authority held this day.

3. **APPROVAL OF MINUTES**

Upon motion duly made and seconded, the Board unanimously approved the minutes of the Board meeting held on May 26, 2010.

4. **COMMITTEE ON FINANCE**

Upon motion duly made and seconded, the Board approved items from the Committee on Finance. Included among these items was a competitively negotiated contract with PC Helps, LLC for 24-hour, seven-day-per-week help desk coverage to continue to supplement MTA's and LIRR's technical help desk support. The details of this item are contained in the minutes of the meeting of the Metropolitan Transportation Authority and the staff summaries and materials filed with those minutes.

Upon motion duly made and seconded, the Board approved the following real estate items:

- License Agreement and Easement Purchase Option with Consolidated Edison, Inc., for a portion of LIRR Property located at Block 183, Lot 160, Queens, New York

- License Agreement with the Village of Island Park for commuter parking at the Island Park Station, Island Park, New York

Board Member Banks recused himself from the Consolidated Edison item.

5. **COMMITTEE ON NEW YORK CITY TRANSIT AUTHORITY/MaBSTOA/SIR/MTA BUS OPERATIONS**

Upon motion duly made and seconded, the Board approved items from the Committee on New York City Transit Authority/MaBSTOA/SIR/MTA Bus Operations. Included among those items were: (1) a multi-agency omnibus approval request for items identified as obtainable only from Alstom Signaling, Inc. for the purchase of replacement signal and switch system parts supplied by Alstom; and (2) a request for ratification of the declarations of Immediate Operating Need and the waiver of competitive bidding for the purchase of various H1N1 pandemic preparedness supplies for MTA New York City Transit, MTA Bus, Long Island Rail Road, Long Island Bus, and MTA Bridges & Tunnels. The details of these items are contained in the minutes of the meeting of the Committee on New York City Transit Authority/MaBSTOA/SIR/MTA Bus Operations held this day and the staff summaries and materials filed with those minutes

6. **LONG ISLAND COMMITTEE**

Upon motion duly made and seconded, the Board approved the following competitive and non-competitive procurements. Both competitive procurements were MTA Capital Construction items related to the East Side Access Project.

Non-Competitive Procurements

1. **New York State Industries for the Disabled**
Renewal: BP05504
Ratification: BP02822

Renewal:	**$10,454,673 FFP**
Ratification:	**$1,321,968 FFP**
For Approval:	**$11,776,641 FFP**

LIRR requests MTA Board approval to award a renewal contract to New York State Industries for the Disabled to provide janitorial services at LIRR's Penn Station and West Side Yard facilities, for a period of three years, from July 1, 2010 through June 30, 2013, in the fixed price amount of $10,454,673, and to ratify a four-month extension to the current contract, from March 1, 2010 through June 30, 2010 at the current monthly rate of $330,492, due to extended negotiations.

2. **Trans Tech Corporation** — **$164,275**
Contract No. TBD — **Fixed amount**

LIRR requests MTA Board approval to award a sole source contract to Trans Tech Corporation in the fixed amount of $164,275 for the purchase of 2,500 direct fixation fasteners ("DF Fasteners"). In 1983, 18,700 DF Fasteners manufactured by Landis Industries, Inc. were installed during the construction of LIRR's West Side Storage Yard facility. Replacement of deteriorated DF Fasteners is now required because they have reached the end of their useful life. Trans Tech now owns the patented design for the Landis DF Fasteners and serves as the Original Equipment Manufacturer.

3. **Mid-Island Electric Supply** — **$200,000**
Contract No. TBD — **Not-to-Exceed**

LIRR requests MTA Board approval to award a three-year sole source blanket purchase order contract in a total not-to-exceed amount of $200,000 to Mid-Island Electric Supply for technical support and services to properly maintain all of LIRR's Allen-Bradley/Rockwell Automation driven equipment. Mid-Island Electric Supply is the exclusive regional distributor of Allen-Bradley/Rockwell Automation products and is, therefore, the sole responsible source for providing these services to LIRR.

Competitive Procurements

1. **GTF, JV** — **$5,000,000**
Contract No. CQ031

This contract is for the construction of four soft-ground bored tunnels, shafts, miscellaneous structures, underpinning and ground pre-treatment to support structures, close to or over the tunnels and excavations; and miscellaneous demolition of surface structures for the East Side Access Project. MTA CC requests MTA Board approval to increase the allowance item in the contract utilized for the repair of an existing slurry wall.

2. **TC Electric** — **$228,500**
Contract No. FM216

This contract to construct a fiber optic-based automation system for the indication and controls of motor-operated disconnect switches as part of the East Side Access Project. MTA CC requests MTA Board approval to modify the contract for the labor and equipment required to re-route conduit and to install several doors.

Details of the above items are set forth in staff summaries, copies of which are on file with the records of this meeting.

7. COMMITTEE FOR MTA BRIDGES & TUNNELS OPERATIONS

Upon motion duly made and seconded, the Board approved items from the Committee on MTA Bridges & Tunnels Operations. Included among these items was a request that the Board declare competitive bidding to be impractical and/or inappropriate and to authorize MTA Bridges & Tunnels, MTA New York City Transit, Long Island Rail Road, MTA HQ, MTA CC and Metro-North to enter into a competitive Request for Proposal process for a joint solicitation to obtain miscellaneous construction services on an as-needed basis at various authority facilities. The details of this item are contained in the minutes of Triborough Bridge and Tunnel Authority held this day and the staff summaries and materials filed with those minutes.

8. OTHER BUSINESS

Upon motion duly made and seconded, the Board approved a revised whistleblower policy. The details of this item are contained in the minutes of the Metropolitan Transportation held this day and the staff summaries and materials filed with those minutes.

Board Member Albert commented that the public has been adamant about the need to maintain service.

9. EXECUTIVE SESSION

Upon motion duly made and seconded, the Board unanimously voted to convene in Executive Session to discuss matters related to public safety and collective bargaining negotiations. Upon motion duly made and seconded, the Board unanimously voted to reconvene in public session.

10. ADJOURNMENT

Upon motion duly made and seconded, the Board unanimously voted to adjourn the meeting. The meeting was adjourned at 11:25 A.M.

Respectfully submitted,

Catherine A. Rinaldi

Catherine A. Rinaldi
Secretary

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
June 23, 2010

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

9:30 A.M.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Patrick J. Foye
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. LeBow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

Not Present:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Donald Cecil
Hon. James E. Sedore, Jr.
Hon. Vincent Tessitore, Jr.

Fredericka Cuenca, Chief of Staff; James B. Henly, General Counsel, MTA; Catherine A. Blue, Acting Corporate Secretary; Board Member James Blair; Board Member Norman Brown; Board Member Ira Greenberg; James Ferrara, President, MTA Bridges and Tunnels; Michael F. Horodniceanu, President MTA Capital Construction Company; Howard R. Permut, President, Metro-North Commuter Railroad; Thomas Prendergast, President, New York City Transit; Joseph A. Smith, President Long Island Bus, MTA Bus & Senior Vice President, New York City Transit Department of Buses; Helena E. Williams, President, Long Island Rail Road; and Douglas R. Sussman, Director, Community Affairs, MTA also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Board of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

1. **Public Speakers**

There were eight public speakers. None of the speakers specifically commented on issues regarding the Triborough Bridge and Tunnel Authority. The subject matter of the public comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

2. **Chairman's Opening Comments**

On behalf of the Board, Chairman Walder welcomed new board member Mr. Patrick J. Foye, from Nassau County.

3. **Approval of the Minutes of the Regular Meeting May 26, 2010**

The Minutes of the meeting held May 26, 2010 were unanimously approved.

4. **Committee on Finance**

Upon a motion duly made and seconded, the Board unanimously approved:

- A contract with Swap Financial Group, LLC for swap advisory services in connection with managing the existing portfolio of derivative contracts and for execution of new derivatives. The execution of new swaps will require specific Board approval.
- Revisions to the MTA's whistleblower protection policies and procedures to ensure that they are consistent with the Public Authorities Reform Act enacted in December 2009.
- Mediation services in support of the Contractual Disputes Review Board process managed by MTA's General Counsel in connection with MTA NYC Transit Authority and Triborough Bridge and Tunnel Authority equipment procurement and/or construction contracts.

A copy of the staff summaries and details of the above items are filed with the minutes of the Board of the Metropolitan Transportation Authority.

5. Committee for MTA Bridges and Tunnels Operations

Procurements

Commissioner Lebow stated that there are no non-competitive procurements or ratifications this month.

Competitive Procurements

Commissioner Lebow stated that there are four competitive procurements totaling $1.384 million.

Upon a motion duly made and seconded, the Board unanimously approved the following competitive procurement items recommended to it by the Committee for MTA Bridges and Tunnels Operations.

Competitive Procurements

Request to Use RFP for Procurement of Purchase & Public Works in lieu of Sealed Bid

Contractors to be Determined	Contract Nos. GFM-495 (B&T), C31673 (NYCT), 6061 (LIRR), 10089 (MTAHQ), MC-832 (MTACC) and 0000074180 (MNR) Request that the Board declare competitive bidding to be impractical and/or inappropriate and authorize B&T, NYCT, LIRR, MTAHQ, MTACC and MNR to enter into a competitive Request for Proposal process for a joint solicitation to obtain Miscellaneous Construction Services on an As-Needed Basis at Various Authority Facilities. The budget for these as yet undefined projects is $36,000,000 for B&T, $50,000,000 for NYCT, $10,000,000 for LIRR, $2,000,000 for MTAHQ, $30,000,000 for MTACC, and $5,000,000 for MNR. The duration of these contracts will be three years.	Cost to be determined

Miscellaneous Procurement Contracts

Blue Water Group	Contract No. 101061 Upgrade the Authority's RSA Envision Security hardware and provide 12 months of maintenance support in accordance with New York State Office of General Services (OGS) Contract PT 60953. The RSA Envision Security Appliance is used to collect and analyze designated events from all critical network infrastructure systems. The appliance also improves incident response capabilities, enables real-time event management for IT security operations and allows the user to be more effective in responding to external and internal computer security threats. B&T is requesting an upgrade and hardware maintenance support for 12 months. The OGS Contract identifies RSA – The Security Division of EMC (RSA) as the licensed developer of this system which is also proprietary to RSA. Authorized resellers of RSA may provide the required support under OGS' contract.	$37,083.87

Personal Service Contracts

Integrated Strategic Resources LLC NASCO Construction Services Inc. VJ Associates	Contract Nos. PSC-08-2848 A - C B&T requires the services of three consulting firms to provide miscellaneous consultant estimating services on an as-needed basis for a duration of five years. The aggregate not-to-exceed amount for the contracts to be awarded is $750,000. These services are required to provide an independent review of design consultant estimates and prepare new estimates to support current projects as well as the new capital program. The current B&T	$750,000.00 (aggregate not-to-exceed amounts for the three contracts)

	staff does not have the capacity to provide these services. The contracts are for an indefinite quantity, with the required services being assigned on an as-needed basis by issuing Work Orders. The consultants will compete for assignment of the Work Orders with cost being the predominant factor for selection and utilizing the labor, overhead and profit rates negotiated in each contract.	

Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services

S.E.B. Services of New York, Inc.	Contract No. 04-ISD-2707X Extend the contract for six months to provide uniformed armed guard services at various B&T sites in order to revise the scope of work prior to the solicitation of a new contract.	$597,163.82

Upon a motion duly made and seconded, the Board approved NYCT's request to ratify the declarations of Immediate Operating Needs and the waiver of formal competitive bidding pursuant to the All-Agency Procurement Guidelines and Public Authorities Law, or the purchase of various H1N1 pandemic preparedness supplies for NYC Transit, MTA Bus, Long Island Rail Road, Long Island Bus and Bridges & Tunnels. B&T awarded a purchase order in September 2009 for disinfectant surface wipes to Redicare Co. in the amount of $31,311 based on this declaration.

6. **Executive Session**

Upon a motion duly made and seconded, the Board unanimously voted to convene in Executive Session to discuss public safety and collective bargaining matters.

7. **Public Session**

Upon a motion duly made and seconded, the Board unanimously voted to reconvene in Public Session.

8. Adjournment

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting 11:25 a.m.

Respectfully submitted,

Cindy L. Dugan
Assistant Secretary

Regular Board Meeting
MTA Capital Construction Company
347 Madison Avenue
New York, NY 10017

Wednesday, June 23, 2010
9:30 a.m.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Patrick J. Foye
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Donald Cecil
Hon. James L. Sedore, Jr.
Hon. Vincent Tessitore, Jr.

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James F. Blair, Board Member Norman Brown, Board Member Ira Greenberg, Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North, James Ferrara, President of TBTA, Joseph A. Smith, President of LI Bus, MTA Bus & Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting.

Chairman Walder called the meeting to order.

Public Comment Period

There were no public speakers on any issues regarding MTA Capital Construction.

Approval of Minutes

Upon motion duly made and seconded, the MTA Board unanimously approved the minutes of the regular Board meeting held on May 26, 2010.

MTA Capital Construction Action Items

There were no Capital Construction Items for the Board members to consider.

MTA Capital Construction Procurements

Upon motion duly made and seconded, the MTA board approved the following procurement items:

- Award of an On Call Services contract to The Louis Berger Group for environmental consultant services

- Award of a contract to Henry Brothers Electronics for IESS/C3 contract wrap-up support services

- A modification to the East Side Access Queens Bored Tunnels and Structures contract with GTF, Joint Venture, for additional repair work to the slurry wall constructed under a previous, defaulted contract

- A modification to the East Side Access MNR Traction Power MODs & 13.2 kV Loop contract with TC Electric for re-routing planned new conduits to ensure adequate accessibility to Metro-North operations.

Adjournment

Upon motion duly made and seconded, the MTA Board voted to adjourn the public meeting at 11:25 a.m.

Respectfully submitted,

Patrick Killackey
Secretary

Staff Summary

Metropolitan Transportation Authority

Subject Transportation Revenue Commercial Paper Program	**Date** July 28, 2010
Department Finance	**Vendor Name**
Department Head Name Robert E. Foran, Chief Financial Officer	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name Patrick J. McCoy, Director of Finance	**Table of Contents Ref #**

Board Action

Order	To	Date	Approval	Info	Other
1	Finance Comm.	7/26	X		
2	Board	7/28	X		

Internal Approvals

Order	Approval	Order	Approval
1	Legal		Chief of Staff

PURPOSE:

The MTA Finance Department is seeking MTA Board authorization of the necessary documentation and activities to issue up to $900 million of Transportation Revenue Bond Anticipation Notes ("BANs") to be issued in the form of Commercial Paper ("CP") to finance existing approved transit and commuter capital projects. Authorization is also being requested for long-term financing to permanently finance such CP from time to time including accrued interest thereon. MTA currently has a $750 million CP program with a Letter of Credit ("LOC") from ABN AMRO Bank. The LOC with ABN AMRO expires on December 8, 2010 and this facility is not being renewed by the bank due to recent ownership changes. Accordingly, the authorization sought in this staff summary is to approve a new and expanded CP program as described below.

DISCUSSION:

1. To obtain MTA Board approval of the annexed resolution (the "2010 Series CP-2 Transportation Revenue Bond Anticipation Note And Related Parity Debt Supplemental Resolution"), documents and activities in connection with the issuance of tax-exempt CP in an aggregate principal amount of up to $900 million for existing approved transit and commuter Capital Projects. The CP will be secured by multiple LOC's from commercial banks and will be issued from time to time in various amounts up to each LOC limit, with maturities up to 270 days. Long term bonds will be issued from time to time to permanently finance such outstanding CP. The CP will be issued in compliance with MTA's existing Transportation Revenue General Resolution.

   In May, MTA Finance issued a request for proposals seeking pricing from commercial banks interested in offering letters of credit in conjunction with this program. A total of nine banks responded and those listed below provided the most aggressive pricing and optimal terms. It is currently anticipated that the CP will be secured by four irrevocable, direct pay letters of credit issued by TD Bank, Barclays Bank, Royal Bank of Canada, and Citibank. The obligations to repay the banks for any unreimbursed draws on the respective letters of credit will constitute Parity Debt under the Transportation Revenue General Resolution (the "Series CP-2 Bank Parity Debt). The size, designation and term of the respective series of CP authorized under the 2010 Series CP-2 Transportation Revenue Bond Anticipation Note And Related Parity Debt Supplemental Resolution follows:

   i. Subseries A: TD Bank: $100 million, 3 years
   ii. Subseries B: Barclays Bank: $250 million, 3 years
   iii. Subseries C: Royal Bank of Canada: $350 million, 2 years
   iv. Subseries D: Citibank: $200 million, 3 years

2. To obtain MTA Board approval of the annexed resolution (the "Series CP-2 Transportation Revenue Bond Supplemental Resolution") authorizing the issuance of bonds from time to time in an aggregate principal amount up to $922.5 million to permanently finance all or any portion of the Capital Costs, directly by reimbursement or through the payment of the principal amount and interest accrued or to accrue on outstanding Series CP-2 Notes or through the reimbursement of amounts drawn under the Letter of Credit for such purpose and principal and interest accrued and to accrue on Series CP-2 Bank Parity Debt.

3. With respect to the above-referenced transaction set forth in paragraphs 1 and 2, to obtain MTA Board approval delegating authority to the Chairman and Chief Executive Officer, the Vice Chairman, the Chief Financial Officer, and the Director of Finance of MTA to award the obligations to members (or entities related to such firms) of the MTA underwriting syndicate (as defined in the Resolution) and to undertake all actions necessary to execute and/or deliver in each case, where appropriate:

   - Offering Memoranda and other disclosure documents,
   - Letter(s) of Credit and Reimbursement Agreements,
   - Issuing and Paying Agent Agreement,
   - Dealer Agreements, and
   - Certificate of Determination.

   Any such documents will be in substantially the form of any document previously entered into by MTA for previous issues and programs or otherwise substantially conform to the terms of the Resolution authorizing the BANs with such changes as approved by any one or more of the foregoing officers. In addition, such officers are hereby authorized to terminate, amend, supplement, replace or extend any such documents. The MTA Board hereby further delegates to such officers authority to take such other actions as may be necessary or desirable to effectuate such transactions.

4. On behalf of MTA and its subsidiaries and affiliates, to authorize the Chairman and Chief Executive Officer, the Vice Chairman, the Chief Financial Officer of MTA and the Director of Finance of MTA to take such other actions as may be necessary or desirable to effectuate the issuance of the new money notes.

ALTERNATIVES:
MTA has effectively utilized a CP program in meeting the needs of the Capital Program. MTA benefits from having the short-term market exposure of CP because it is a lower cost of borrowing than long-term bonds. MTA could opt to forgo the issuance of CP and instead only issue bonds.

RECOMMENDATION:
The Board approves the above-referenced resolution and documents and all other actions described above, including the execution and delivery of such other documents, and the taking of all other actions, from time to time deemed necessary or desirable by such officers in connection therewith.

METROPOLITAN TRANSPORTATION AUTHORITY

SERIES CP-2 TRANSPORTATION REVENUE

BOND ANTICIPATION NOTE

AND RELATED PARITY DEBT

SUPPLEMENTAL RESOLUTION

Adopted July 28, 2010

13033164.6

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EXHIBIT D ISSUING AND PAYING AGENCY AGREEMENT

EXHIBIT E FORM OF REQUEST

SERIES CP-2 TRANSPORTATION REVENUE BOND ANTICIPATION NOTE AND RELATED PARITY DEBT SUPPLEMENTAL RESOLUTION

BE IT RESOLVED BY THE METROPOLITAN TRANSPORTATION AUTHORITY (the "Issuer") as follows:

ARTICLE I
DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01. Supplemental Resolution. This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of a resolution of the Issuer adopted on March 26, 2002, entitled "General Resolution Authorizing Transportation Revenue Obligations" as heretofore amended and supplemented (the "Resolution").

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Series CP-2 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution (the "Commercial Paper Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Commercial Paper Resolution:

"Authorized Officer"' shall include, in addition to the officers designated as such in the Resolution except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Bank" means the issuer or issuers of one or more Letters of Credit for all or all portion of the Series CP-2 Credit Enhanced Notes selected by an Authorized Officer from time to time, or any successor or successors thereto.

"Book-Entry Series CP-2 Notes" means Series CP-2 Credit Enhanced Notes or Series CP-2 Bank Notes issued in book-entry-only form through the Securities Depository pursuant to Section 2.03 hereof.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Dealer" means any dealer or dealers appointed by the Issuer from time to time pursuant to a resolution or selected by an Authorized Officer and set forth in a certificate thereof to serve as dealer in accordance with the applicable Dealer Agreement, and any successor or successors thereto appointed pursuant to this Series Resolution.

"Dealer Agreement" means the Dealer Agreement or Dealer Agreements authorized by Section 5.01 hereof, as the same may be amended or supplemented, and any other

dealer agreement which the Issuer determines to be in replacement thereof as may be entered into by the Issuer with respect to the Series CP-2 Credit Enhanced Notes.

"Draw" means any drawing by the Issuing and Paying Agent on the applicable Letter of Credit.

"Holder" means any Person who is in possession of any Series CP-2 Notes drawn, issued or endorsed to such Person or to the order of such Person or to bearer or in blank; provided, however, that "Holder", when used with reference to a Master Series CP-2 Note, shall mean the registered owner thereof as shown on the books of the Issuing and Paying Agent kept pursuant to Section 2.03 hereof.

"Holding Period" has the meaning set forth therefore in Section 4.03 hereof.

"Interest Component" shall have the meaning set forth therefor in the Letter of Credit.

"Issuing and Paying Agency Agreement" means the Issuing and Paying Agency Agreement authorized by Section 5.02 hereof, as the same may be amended or supplemented, and any other issuing and paying agency agreement which the Issuer determines to be in replacement thereof as may be entered into by the Issuer from time to time with respect to the Series CP-2 Credit Enhanced Notes.

"Issuing and Paying Agent" means The Bank of New York Mellon, appointed by the Issuer pursuant to this Commercial Paper Resolution to serve as Issuing and Paying Agent in accordance with the Issuing and Paying Agency Agreement, and any successor thereto appointed pursuant to the Commercial Paper Resolution.

"Letter of Credit" means the letter or, collectively, letters of credit issued by the Bank under the applicable Reimbursement Agreement.

"Master Series CP-2 Bank Note" means a master note, in substantially the form of Exhibit A-2, issued pursuant to Section 2.08 hereof.

"Master Series CP-2 Credit Enhanced Note" means a master note, in substantially the form of Exhibit A-1, issued pursuant to Section 2.08 hereof.

"Master Series CP-2 Note" means either a Master Series CP-2 Bank Note or a Master Series CP-2 Credit Enhanced Note.

"Maximum Rate" means, with respect to Series CP-2 Credit Enhanced Notes, the rate of 12% per annum calculated on the basis of actual days elapsed and a 365 day year or such lesser rate per annum specified in a Certificate of Determination and, with respect to Series CP-2 Bank Notes, the rate of 25% per annum calculated on the basis of actual days elapsed and a 365 day year or such lesser rate specified in a Certificate of Determination.

"No-Issuance Instructions" shall have the meaning set forth in the Reimbursement Agreement.

"Office" means when used with reference to the Issuing and Paying Agent such address as the Issuing and Paying Agent may designate from time to time by notice in writing to the Issuer and the Dealer.

"Principal Component' shall have the meaning set forth therefore in the Letter of Credit.

"Reimbursement Agreement" means the Letter of Credit and Reimbursement Agreement authorized by Section 4.01 hereof, as the same may be amended, supplemented or replaced in accordance therewith and with the Commercial Paper Resolution.

"Related Agreements" means the Dealer Agreement, the Issuing and Paying Agency Agreement and the Reimbursement Agreement.

"Request" shall mean a request of the Issuer delivered pursuant to Section 3.01(c) hereof.

"Securities Depository" means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns ("DTC) or any other Person appointed by the Issuer to serve as securities depository for the Master Series CP-2 Notes.

"Series CP-2 Bank Notes" means the Series CP-2 Notes evidenced by the Master Series CP-2 Bank Notes and issued by the Issuer pursuant to this Commercial Paper Resolution.

"Series CP-2 Bank Parity Debt" is the Parity Debt authorized under Section 4.03 hereof which may be incurred under the Reimbursement Agreement to the extent authorized by this Commercial Paper Resolution.

"Series CP-2 Bonds" means the Transportation Revenue Bonds, Series CP-2 of the Issuer.

"Series CP-2 Credit Enhanced Notes" means the Series CP-2 Notes evidenced by the Master Series CP-2 Credit Enhanced Note and issued by the Issuer pursuant to this Commercial Paper Resolution.

"Series CP-2 Credit Enhanced Notes Fund" means the special purpose trust fund to be held by the Issuing and Paying Agent for the sole and exclusive benefit of the Owners from time to time of Series CP-2 Credit Enhanced Notes, referred to in Section 2.06 of this Commercial Paper Resolution, for the deposit of Draws and the payment therefrom of principal of and interest on Series CP-2 Credit Enhanced Notes, and over which the Issuing and Paying Agent shall have the sole right of withdrawal.

"Series CP-2 Notes" means the Series CP-2 Credit Enhanced Notes and the Series CP-2 Bank Notes issued by the Issuer pursuant to this Commercial Paper Resolution.

"Series CP-2 Reimbursement Fund" means the special purpose trust fund established pursuant to Section 2.07 of this Commercial Paper Resolution and to be held by the

Issuing and Paying Agent for the deposit of those proceeds of the sale on a particular day of Series CP-2 Credit Enhanced Notes that are to be used, to the extent of such proceeds, to reimburse the Bank for Draws.

"Series Resolution" means this Series CP-2 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution.

"Stated Amount" shall have the meaning set forth therefore in the Letter of Credit.

"Termination Date" means the date on which the Letter of Credit expires in accordance with the terms thereof.

3. To the extent that the Series CP-2 Notes issued and Outstanding at any time consist of more than one subseries as specified in one or more Certificates of Determination, except as otherwise provided in section 2.01 hereof, all terms defined herein shall be deemed to such term as applied to each such subseries individually and apart from any other subseries.

Section 1.03. Authority for this Commercial Paper Resolution. This Commercial Paper Resolution is adopted pursuant to the provisions of the Act and the Resolution.

ARTICLE II
AUTHORIZATION OF SERIES CP-2 NOTES

Section 2.01. General Authorization. There is hereby authorized to be issued Series CP-2 Notes in an aggregate principal amount not to exceed Nine Hundred Twenty-Two Million Five Hundred Thousand Dollars ($922,500,000) at any one time Outstanding, comprised of Series CP-2 Credit Enhanced Notes to be issued in one or more subseries in an aggregate principal amount not to exceed Nine Hundred Million Dollars ($900,000,000) at any one time Outstanding and Series CP-2 Bank Notes to be issued in one or more subseries in an aggregate principal amount not to exceed Nine Hundred Twenty-Two Million Five Hundred Thousand Dollars ($922,500,000) at any one time Outstanding. To the extent that the Series CP-2 Notes issued and Outstanding at any time consist of more than one subseries as specified in one or more Certificates of Determination, the portion of the not to exceed amounts for Series CP-2 Notes, Series CP-2 Credit Enhanced Notes and Series CP-2 Bank Notes applicable to each such subseries shall be the amounts specified in the Certificate of Determination relating to such subseries. The aggregate principal amount of Series CP-2 Bank Notes that may at any time be Outstanding shall be reduced by the aggregate principal amount of Series CP-2 Credit Enhanced Notes to be Outstanding following the issuance of such Series CP-2 Bank Notes, and the aggregate principal amount of Series CP-2 Credit Enhanced Notes that may at any time be Outstanding shall be reduced by the aggregate principal amount of Series CP-2 Bank Notes representing the Principal Component under the Letter of Credit to be outstanding following the issuance of such Series CP-2 Credit Enhanced Notes; to the extent that the Series CP-2 Notes issued and Outstanding at any time consist of more than one subseries as specified in one or more Certificates of Determination, the foregoing reductions shall be applied separately to each subseries..

Section 2.02. Use of Proceeds. The proceeds of the Series CP-2 Credit Enhanced Notes shall be used only for the purposes set forth in one or more Certificates of Determination and may include (i) the payment of all or any part of the Capital Costs, (ii) the payment of the principal and interest of Outstanding Series CP-2 Notes, (iii) the reimbursement of Draws and (iv) the funding of capitalized interest on Series CP-2 Notes. The proceeds of the sale of Series CP-2 Credit Enhanced Notes shall be applied in the manner set forth in Section 3.02 hereof. Series CP-2 Bank Notes shall be issued only to a Bank to evidence Draws.

Section 2.03. Series CP-2 Notes. Subject to the last paragraph of this Section, all issues of Series CP-2 Notes shall be issued in the form of a single fully registered Master Series CP-2 Credit Enhanced Note and a single fully registered Master Series CP-2 Bank Note, the ownership of each of which shall be registered in the name of the nominee of the Securities Depository.

In order to qualify the Series CP-2 Notes for the Securities Depository's book-entry system, any Authorized Officer is hereby authorized to execute, seal, countersign and deliver, from time to time, on behalf of the Issuer to such Securities Depository a letter or letters from the Issuer representing such matters as shall be necessary to so qualify the Series CP-2 Notes (each, a "Representation Letter"). The execution and delivery of a Representation Letter shall not in any way limit the provisions hereof or in any other way impose upon the Issuer any obligation whatsoever with respect to persons having interests in the Series CP-2 Notes other than the Owners thereof. In addition to the execution and delivery of a Representation Letter, each Authorized Officer of the Issuer is hereby authorized to take any other actions, not inconsistent with the Commercial Paper Resolution, to qualify the Series CP-2 Notes for the Securities Depository's book-entry system.

In the event (1) the Securities Depository determines not to continue to act as securities depository for the Series CP-2 Notes, or (ii) the Issuer determines that the Securities Depository shall no longer so act and delivers a written certificate to the Issuing and Paying Agent to that effect, the Issuer will discontinue the book-entry registration of the Series CP-2 Notes with the Securities Depository. If the Issuer determines to replace the Securities Depository with another qualified securities depository, the Issuer shall prepare or direct the preparation of a new, single, separate, fully registered Master Series CP-2 Credit Enhanced Note and a new, single separate fully registered Master Series CP-2 Bank Note for each issue or subseries of the Series CP-2 Notes, registered in the name of such successor or substitute qualified securities depository or its nominee, or make such other arrangements acceptable to the Issuer and the Securities Depository as are not inconsistent with the terms of this Commercial Paper Resolution. If the Issuer fails to identify another qualified securities depository to replace the Securities Depository, the Issuer shall deliver to the Issuing and Paying Agent for safekeeping, completion, authentication and delivery in accordance with the provisions hereof and of the Issuing and Paying Agency Agreement, Series CP-2 Notes for each issue or subseries then Outstanding executed on behalf of the Issuer, with the date of issuance, principal amount, maturity date, owner and rate of interest left blank. Each such Series CP-2 Note shall be held in safekeeping by the Issuing and Paying Agent until authenticated and issued in accordance with the provisions hereof and of the Issuing and Paying Agency Agreement.

Section 2.04. Terms Applicable to Series CP-2 Notes.

(a) Subject to the conditions and limitations contained herein, Series CP-2 Notes (i) shall be designated "Metropolitan Transportation Authority Transportation Revenue Bond Anticipation Notes, Series CP-2", together with "Credit Enhanced" or "Bank" as appropriate, and with such further or different designations as determined by an Authorized Officer, (ii) shall be dated as of the date of their issuance, (iii) shall mature on a Business Day (with respect to Book-Entry Series CP-2 Notes, a Business Day on which the Securities Depository is scheduled to be open for money market instrument settlement services), (iv) if interest-bearing Series CP-2 Credit Enhanced Notes, shall bear interest from their date, payable at maturity with principal, computed on the basis of actual days elapsed, including the issue date and excluding the maturity date, and a 365 or 366 day year, or otherwise shall be sold at a discount, (v) if Series CP-2 Bank Notes shall be interest bearing, shall bear interest from their date, payable as provided in the Reimbursement Agreement and computed on the basis of actual days elapsed and a 360 day year, (vi) except in the case of the Master Series CP-2 Credit Enhanced Note and the Master Series CP-2 Bank Note, shall be issued in bearer form without coupons, (vii) in the case of Series CP-2 Credit Enhanced Notes, shall be issued in denominations of $100,000 and in integral multiples of $1,000 (or such larger multiples in excess of $1,000 specified in a Certificate of Determination) in excess of such amount, (viii) unless otherwise directed by an Authorized Officer, shall be numbered in such manner as the Issuing and Paying Agent shall determine, (ix) in the case of Series CP-2 Bank Notes, shall be subject to redemption in whole or in part on any date and (x) in the case of Series CP-2 Credit Enhanced Notes, shall be issued on such dates and otherwise have such terms and conditions, all as shall be specified in a Request given to the issuing and Paying Agent pursuant to Section 3.01(c) hereof.

(b) Both principal of and interest on Series CP-2 Notes shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts. Except in the case of Book-Entry Series CP-2 Notes and the Series CP-2 Bank Notes, principal of and interest on Series CP-2 Notes, shall be payable upon presentation and surrender thereof at the Office of the Issuing and Paying Agent.

Section 2.05. Sources of Payment.

(a) The Owners of the Series CP-2 Credit Enhanced Notes shall be entitled to the benefits of the Letter of Credit issued by the Bank in favor of the Issuing and Paying Agent as agent for the Owners from time to time of Series CP-2 Credit Enhanced Notes. The Issuing and Paying Agent is directed in the Issuing and Paying Agency Agreement to make Draws upon the applicable Letter of Credit to pay the principal of and interest on the Series CP-2 Credit Enhanced Notes, the proceeds of which Draws are to be deposited by the Issuing and Paying Agent in the Series CP-2 Credit Enhanced Notes Fund and applied as provided in Section 2.06 hereof and in the Issuing and Paying Agency Agreement.

(b) The principal of and interest on the Series CP-2 Notes shall be payable solely from (i) the proceeds of Draws under the Letter of Credit in the case of Series CP-2 Credit Enhanced Notes, (ii) the moneys and securities (if any) on deposit in the Series CP-2 Reimbursement Fund, in the case of the Series CP-2 Bank Notes, (iii) the Series CP-2 Bank Parity Debt in the case of the Series CP-2 Bank Notes; (iv) the proceeds of the Series CP-2 Bonds, and (v) the proceeds of notes or other evidences of indebtedness or any other amounts, in each case if and to the extent such amounts may lawfully be used to make such payments;

provided, however, that in no event shall such moneys be applied to the payment of the principal of or interest on Series CP-2 Credit Enhanced Notes if moneys in the Series CP-2 Credit Enhanced Notes Fund are available for such purpose or if a Draw is available and may be requested for such purpose.

(c) There are hereby pledged to the payment of the Series CP-2 Notes (i) the proceeds of any renewals of Series CP-2 Credit Enhanced Notes, (ii) the proceeds of the Series CP-2 Bonds and (iii) Draws under the Letter of Credit for the payment thereof; and such pledge has priority over any other pledge thereof created by the Resolution, including Section 501.

Section 2.06. Series CP-2 Credit Enhanced Notes Fund. The Issuing and Paying Agent, as agent for the Owners from time to time of Series CP-2 Credit Enhanced Notes, is directed in the Issuing and Paying Agency Agreement (a) to create and establish, for the sole and exclusive benefit of the Owners from time to time of the Series CP-2 Credit Enhanced Notes, a separate and special purpose trust fund to be designated as the "Metropolitan Transportation Authority Transportation Revenue Series CP-2 Credit Enhanced Notes Fund" (the "Series CP-2 Credit Enhanced Notes Fund"), (b) to request Draws for each payment of principal of and interest on Series CP-2 Credit Enhanced Notes, (c) to deposit in the Series CP-2 Credit Enhanced Notes Fund the proceeds of all Draws under the Letter of Credit, and (d) to apply the moneys on deposit in the Series CP-2 Credit Enhanced Notes Fund solely to the payment of the principal of and interest on the Series CP-2 Credit Enhanced Notes, as the same mature and become due and payable. The Issuing and Paying Agent shall have the sole right of withdrawal over the moneys in the Series CP-2 Credit Enhanced Notes Fund. Moneys in the Series CP-2 Notes Credit Enhanced Fund shall not be invested prior to their application for authorized purposes. To the extent that the Series CP-2 Notes issued and Outstanding at any time consist of more than one subseries as specified in one or more Certificates of Determination, a separate subaccount for each such subseries shall be established in the Series CP-2 Credit Enhanced Notes Fund and amounts in each such subaccount shall be applied only to the subseries of the Series CP-2 Bonds to which such subaccount relates.

Section 2.07. Series CP-2 Reimbursement Fund. There is hereby created and established with the Issuing and Paying Agent a separate and special purpose trust fund for the benefit of the Bank and the Owners to be designated as the "Metropolitan Transportation Authority Transportation Revenue Series CP-2 Reimbursement Fund" (the "Series CP-2 Reimbursement Fund"). Pursuant to Section 3.02 hereof and the Issuing and Paying Agency Agreement, the Issuer shall deposit to the Series CP-2 Reimbursement Fund those proceeds of Series CP-2 Credit Enhanced Notes which are to be used to reimburse Draws and the Issuer has directed in the Issuing and Paying Agency Agreement that the Issuing and Paying Agent immediately transfer such proceeds to the Bank for application in the manner set forth in the Reimbursement Agreement. To the extent that the Series CP-2 Notes issued and Outstanding at any time consist of more than one subseries as specified in one or more Certificates of Determination, a separate subaccount for each such subseries shall be established in the Series CP-2 Reimbursement Fund and amounts in each such subaccount shall be applied only to the subseries of the Series CP-2 Bonds to which such subaccount relates.

Furthermore, the Issuer may deposit in the Series CP-2 Bank Reimbursement Fund any amounts lawfully available therefore and direct the Issuing and Paying Agent to apply

such proceeds or revenues to the payment of the principal of and interest on Series CP-2 Bank Notes or to the reimbursement of any outstanding Draws together with accrued interest thereon.

Anything in this Section 2.07 to the contrary notwithstanding, upon a failure of a Bank to make lawful payment under the applicable Letter of Credit in accordance with the terms of such Letter of Credit, any proceeds of Series CP-2 Credit Enhanced Notes deposited to the Series CP-2 Bank Reimbursement Fund on the day such failure occurs shall be applied to the payment of principal of and accrued interest on Series CP-2 Credit Enhanced Notes maturing on such day (but only to the extent that Series CP-2 Credit Enhanced Notes maturing on such day would have been paid from the proceeds of a Draw on such day) prior to the application of such proceeds to the reimbursement of Draws.

Section 2.08. Forms of Series CP-2 Notes. (a) The Master Series CP-2 Credit Enhanced Note, and the endorsement for authentication to appear thereon, shall be substantially in the form annexed hereto as Exhibit A-1 or such other form as the Issuer may from time to time prescribe in a Certificate of Determination, in each case with such appropriate subseries designations, insertions, omissions, substitutions and other variations as are permitted or required by this Commercial Paper Resolution, and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures, or CUSIP) and such legends and endorsements thereon as may, consistent herewith, be approved by an Authorized Officer. The Master Series CP-2 Notes shall not be valid or obligatory for any purpose until countersigned for authentication by the Issuing and Paying Agent.

(b) The Master Series CP-2 Bank Note, and the endorsement for authentication to appear thereon, shall be substantially in the form annexed hereto as Exhibit A-2 or such other form as the Issuer may from time to time prescribe in a Certificate of Determination, in each case with such appropriate subseries designations, insertions, omissions, substitutions and other variations as are permitted or required by this Commercial Paper Resolution, and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures, or CUSIP) and such legends and endorsements thereon as may, consistent herewith, be approved by an Authorized Officer. No Master Series CP-2 Bank Note shall be valid or obligatory for any purpose until countersigned for authentication by the Issuing and Paying Agent.

Section 2.09. General Provisions. The provisions of Articles A-III and A-IX of the Resolution regarding, respectively, general terms and provisions of Obligations and Amendments shall apply equally to the Series CP-2 Notes as though set forth in full herein but with each reference to Obligations being a reference to Series CP-2 Notes, except as affected by the terms hereof and the procedures of the Securities Depository.

Section 2.10. Delegation to an Authorized Officer. There is hereby delegated to each Authorized Officer the power and authority, on or prior to the date of the first issuance of Series CP-2 Credit Enhanced Notes, to make such additions, deletions, revisions or other changes in the form of this Commercial Paper Resolution as may be necessary or desirable in connection with obtaining a Letter of Credit securing Series CP-2 Credit Enhanced Notes or a

rating with respect to the Series CP-2 Bonds or the Series CP-2 Credit Enhanced Notes or in order to cure any ambiguities, inconsistencies or other defects or in order to facilitate the terms and provisions of the tax-exempt commercial paper program on terms acceptable to the Issuing and Paying Agent, any Dealer, any Bank and any securities depository.

Each Authorized Officer is hereby authorized to execute a Certificate of Determination evidencing the determinations made pursuant to this Commercial Paper Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series CP-2 Notes are delivered from time to time, and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series CP-2 Notes by the Trustee. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Commercial Paper Resolution.

ARTICLE III
ISSUANCE AND SALE OF SERIES CP-2 NOTES

Section 3.01. Issuance and Sale of Series CP-2 Notes.

(a) The Series CP-2 Credit Enhanced Notes shall be issued by the Issuing and Paying Agent in accordance with the Request to be given pursuant to subsection (c) of this Section.

(b) The issuance of the Series CP-2 Notes is subject to the following conditions and limitations:

(i) Each Series CP-2 Credit Enhanced Note shall mature not later than 270 days from its date of issuance and in no event later than the fifth Business Day prior to the Termination Date. Each CP-2 Bank Note shall be issued in accordance with Section 4.03 hereof.

(ii) The principal amount of Series CP-2 Notes Outstanding at any time shall not exceed the amounts specified in Section 2.01 hereof, Series CP-2 Notes shall bear interest, if interest-bearing, at a rate not in excess of the applicable Maximum Rate and Series CP-2 Credit Enhanced Notes shall be sold at a discount no greater than 12% of the face amount thereof. For purposes of the foregoing limitations, for any Series-CP-2 Credit Enhanced Notes sold at a discount, the amount of such notes Outstanding shall be calculated based upon their value at maturity.

(iii) The principal amount of any Series CP-2 Credit Enhanced Notes issued on any date, when added to the aggregate principal amount of all other Series CP-2 Credit Enhanced Notes then Outstanding (after taking into account the principal of any Series CP-2 Credit Enhanced Notes paid or to be paid on such date other than pursuant to a Draw), will not exceed the Principal Component of the Stated Amount in effect on such date, and the interest to accrue to maturity on any Series CP-2 Credit Enhanced Notes issued on any date, when added to the aggregate interest accrued and to accrue to maturity on all other Series CP-2 Credit Enhanced Notes then Outstanding (after taking

into account the interest on any Series CP-2 Credit Enhanced Notes paid or to be paid on such date other than pursuant to a Draw), will not exceed the Interest Component of the Stated Amount in effect on such date.

(iv) The principal amount of and interest accrued and to accrue to maturity on any Series CP-2 Credit Enhanced Notes issued on any date, when added to the aggregate principal amount of and interest accrued and to accrue to maturity on all other Series CP-2 Notes then Outstanding (after taking into account any Series CP-2 Notes paid or to be paid on such date) plus the amount of Draws then outstanding (after taking into account any Draws paid or to be paid from the proceeds of Series CP-2 Credit Enhanced Notes issued on such date), will not exceed the Stated Amount.

Except as otherwise permitted by the Reimbursement Agreement, no Series CP-2 Credit Enhanced Notes shall be issued, authenticated or delivered if (A) by reason of the independent determination made by the Issuing and Paying Agent in accordance with this Commercial Paper Resolution and the Issuing and Paying Agency Agreement, upon the issuance of such Series CP-2 Credit Enhanced Notes, any of the conditions or limitations contained in clauses (i), (ii), (iii) or (iv) of this subsection (b) shall not be complied with, or (B) the Issuing and Paying Agent shall be in receipt of No-Issuance Instructions, unless and until the Issuing and Paying Agent shall be in receipt of written notice from the Bank of the revocation thereof.

For purposes of the preceding paragraph, any notice received by the Issuing and Paying Agent from the Bank pursuant to the Reimbursement Agreement as to the amount of Draws outstanding and the amount of the Stated Amount, Principal Component and Interest Component then in effect shall be determinative in ascertaining the amount of Series CP-2 Credit Enhanced Notes which may be issued in compliance with the conditions and limitations contained in clause (iv) of this subsection (b).

(c) Except as otherwise provided in a Certificate of Determination, the following provisions shall apply with respect to any Series CP-2 Notes. Prior to the issuance by the Issuing and Paying Agent of any Series CP-2 Credit Enhanced Notes, an Authorized Officer shall give to the Issuing and Paying Agent a request of the Issuer substantially in the form appended hereto as Exhibit E (a "Request") instructing the Issuing and Paying Agent to (A) in the case of Book-Entry Series CP-2 Notes, deliver appropriate issuance instructions to DTC, or (B) in other cases, complete such Series CP-2 Credit Enhanced Notes in accordance with such Request and authenticate and deliver the same to the purchaser or purchasers therein specified. Each Request shall contain instructions with respect to, and approve on behalf of the Issuer:

(i) in the case of Book-Entry Series CP-2 Notes, the Securities Depository participant to which such Book-Entry Series CP-2 Notes is to be credited on the books of the Securities Depository,

(ii) the aggregate principal amount of Series CP-2 Credit Enhanced Notes then to be issued and the denominations in which they are to be issued,

(iii) the rates of interest, if any, or the initial discounts with respect to such Series CP-2 Credit Enhanced Notes, and

(iv) the issue dates and maturity dates of such Series CP-2 Credit Enhanced Notes.

Requests shall be given via a time-sharing terminal, if available, otherwise by telephone, or in writing (by facsimile), or by any other communication medium available to both the Issuer and the Issuing and Paying Agent. All oral Requests or Requests given by electronic transmission (other than by a time-sharing terminal or by facsimile) given as herein provided shall be confirmed in writing by an Authorized Officer of the Issuer as promptly as practicable thereafter. Any Request given by a time-sharing terminal shall be given by an Authorized Officer of the Issuer and need not be confirmed in writing, and the giving of such Request by a time-sharing terminal shall be deemed to be a representation by the Issuer as to the matters stated in paragraph (d) below. Written Requests and written confirmations of oral or electronically transmitted Requests shall be substantially in the form of Exhibit E.

(d) Except as otherwise provided in a Certificate of Determination, the following previsions shall apply with respect to any Series CP-2 Notes. Each instruction given by an Authorized Officer pursuant to subsection (c) of this Section 3.01 shall constitute a representation by the Issuer that (i) no Event of Default has occurred and is continuing hereunder, (ii) the Series CP-2 Credit Enhanced Notes are in compliance with the conditions and limitations contained in subsection (b) of this Section 3.01 (iii) the Issuer is not in receipt of a copy of (A) No-Issuance Instructions unless and until the Issuing and Paying Agent shall be in receipt of written notice from the Bank of the rescission thereof or (B) a notice from the Bond Counsel upon whose opinion (as to the validity of the Series CP-2 Credit Enhanced Notes and, if applicable, the exclusion of interest on the Series CP-2 Credit Enhanced Notes from gross income for Federal income tax purposes and the exemption of interest on the Series CP-2 Credit Enhanced Notes from New York income taxation) the Owners of the Series CP-2 Credit Enhanced Notes are then relying, to the effect that such Persons may no longer rely on such opinion, (iv) all action on the part of the Issuer necessary for the valid issuance of the Series CP¬1 Credit Enhanced Notes then to be issued has been taken, (v) all provisions of New York and Federal law necessary for the valid issuance of such Series CP-2 Credit Enhanced Notes have been complied with, and (vi) such Series CP-2 Credit Enhanced Notes in the hands of the Owners thereof will be valid and enforceable obligations of the Issuer according to their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws theretofore or thereafter enacted affecting creditors' rights, and to the application of principles of equity relating to or affecting the enforcement of contractual obligations, whether such enforceability is considered in a proceeding in equity or at law.

(e) Series CP-2 Bank Notes shall be delivered in accordance with the Reimbursement Agreement and the Issuing and Paying Agency Agreement; provided, however, that in no event shall the aggregate principal amount of Series CP-2 Bank Notes at any time outstanding exceed the amount specified in Section 2.01 hereof

Section 3.02. Proceeds of Sale of Series CP-2 Credit Enhanced Notes. The proceeds of the sale of Series CP-2 Credit Enhanced Notes shall be applied as follows:

(i) the proceeds of each issuance of Series CP-2 Credit Enhanced Notes hereunder (A) for the purpose of making payments with respect to other Series CP-2

Credit Enhanced Notes shall be applied to such purpose and (B) for the purpose of making payments with respect to Series CP-2 Bank Notes or of reimbursing Draws in an amount not in excess of the amount of Draws made on the day such proceeds are received by the Issuing and Paying Agent or the amount of outstanding Draws, respectively, shall be deposited to the Series CP-2 Reimbursement Fund and used to make such payments or to reimburse such Draws; and

(ii) the proceeds of each issuance of Series CP-2 Credit Enhanced Notes for any other purpose shall be applied as provided by Certificate of Determination.

ARTICLE IV
REIMBURSEMENT AGREEMENT AND SERIES CP-2 NOTES; RELATED PARITY DEBT; ADDITIONAL COVENANTS

Section 4.01. Reimbursement Agreement. Each Authorized Officer is hereby authorized to execute and to deliver one or more Reimbursement Agreements, which shall constitute a Credit Facility and shall each be substantially in the form annexed hereto as Exhibit B, with such changes and additions to and omissions as the officer executing such agreement shall approve as necessary or appropriate, such execution and attestation to be conclusive evidence of such approval. In addition, all officers and employees of the Issuer are hereby authorized to carry out or cause to be carried out the obligations of the Issuer under the Reimbursement Agreement.

Section 4.02. Maintenance of Letter of Credit Amount. (a) The Issuer agrees and covenants that at all times it will maintain a Principal Component and an Interest Component under the Letter of Credit which will be available to pay principal of and interest on Series CP-2 Credit Enhanced Notes in amounts at least equal to, respectively, the principal amount of and interest accrued and to accrue on the Outstanding Series CP-2 Credit Enhanced Notes. Notwithstanding the generality of the foregoing, the Interest Component may be based on an assumed rate, which may be less than the Maximum Rate, on the Principal Component for an assumed duration, which may be less than 270 days.

(b) The Issuer covenants that it will not substitute another credit or liquidity support agreement for the Reimbursement Agreement then in effect, nor will it permit or allow the Bank to assign all or any part of its obligation to honor Draws under the Letter of Credit to the extent such assignment is subject to the approval by or consent of the Issuer, unless, in any such case, prior to such substitution or assignment, as the case may be, the Issuer shall have received written evidence from each rating agency then rating the Series CP-2 Credit Enhanced Notes to the effect that such substitution or assignment, as the case may be, will not, by itself, result in a reduction, withdrawal or suspension of such rating agency's ratings of the Series CP-2 Credit Enhanced Notes from those which then prevail; provided, however, that the foregoing provisions shall not apply to any renewal or extension of any Letter of Credit then in effect.

(c) The Issuer covenants that it will not implement any voluntary substitution or assignment to which subsection (b) of this Section applies in a manner that causes any Series CP-2 Credit Enhanced Note to cease to be payable from the Letter of Credit enhancing such Series CP-2 Credit Enhanced Note upon its issuance.

Section 4.03. Security for Draws; Authorization of Parity Debt. To the extent that any payment is made under the Letter of Credit pursuant to a principal draft or an interest draft and such amount remains unpaid at the end of the Business Day on which such payment was made, the repayment thereof to the Bank shall be secured by the delivery by the Issuing and Paying Agent to the Bank, through DTC, as applicable, of Series CP-2 Bank Notes registered in the name of the Bank in substitution for the Series CP-2 Credit Enhanced Notes which were the subject of the related unreimbursed payments. Series CP-2 Bank Notes shall mature not later than the period ending on the 180th day following the Draw as specified in the Reimbursement Agreement (the "Holding Period"), with interest to accrue on the Series CP-2 Bank Notes for such period in accordance with the terms of the Reimbursement Agreement. Series CP-2 Bank Notes may be paid in whole or in part by the Issuer at any time during the Holding Period without premium. If at the end of the Holding Period or at such earlier time as shall be specified in the Certificate of Determination, the Issuer has not paid the Series CP-2 Bank Notes in full or as otherwise expressly provided by the Reimbursement Agreement, the reimbursement obligations under the Reimbursement Agreement shall constitute Parity Debt ("Series CP-2 Bank Parity Debt") to the extent provided in the Reimbursement Agreement; provided, however, that the principal components of such reimbursement obligations shall constitute Parity Debt within the meaning of the Resolution only to the extent such principal components are amortized in no greater amounts than would result from equal principal installments paid over five or more years. Unless as otherwise provided in the Certificate of Determination, any payment obligations under the Reimbursement Agreement other than those identified as Parity Debt or Series CP-2 Bank Notes shall constitute Operating and Maintenance Expenses. Each Authorized Officer is hereby authorized and directed to execute and deliver to the Trustee a certificate designating Series CP-2 Bank Parity Debt as Parity Debt.

Section 4.04. Additional Covenants. The Issuer agrees and covenants that, upon the issuance of any Series CP-2 Notes and for so long as any Series CP-2 Notes are from time to time outstanding:

(i) the Issuer shall pay or cause to be paid amounts with respect to each Series CP-2 Note as such amounts come due from the proceeds of other Series CP-2 Notes or the proceeds of Series CP-2 Bonds; provided, however, that this provision shall not preclude the Issuer from meeting its payment obligations with respect to any Series CP-2 Note, in its sole discretion, by paying or casing to be paid such amounts from the proceeds of any other Bonds or Parity Debt or from any other legally available source; and

(ii) each Series CP-2 Note and any renewal thereof shall mature within five years of the date of issue of the original Series CP-2 Note or, as applicable, other original note of the Issuer.

ARTICLE V
DEALER AGREEMENTS; ISSUANCE AND PAYING AGENCY AGREEMENT; RESPONSIBILITIES OF ISSUING AND PAYING AGENT

Section 5.01. Dealer Agreements. Each Authorized Officer is hereby authorized to execute and deliver from time to time one or more Dealer Agreements, which each

shall be substantially in the form annexed hereto as Exhibit C, with such changes and additions to and omissions from such draft of such agreement as the officer executing such agreement shall approve as necessary or appropriate, such execution and attestation to be conclusive evidence of such approval. In addition, all officers and employees of the Issuer are authorized to carry out or cause to be carried out the obligations of the Issuer under any Dealer Agreement. The Issuer shall promptly give written notice to the Issuing and Paying Agent of the resignation, removal, or appointment of each Dealer (other than of the appointment of the initial Dealer or Dealers).

Section 5.02. Issuing and Paying Agency Agreement Each Authorized Officer is hereby authorized to execute and deliver one or more Issuing and Paying Agency Agreements, which shall each be substantially in the form Annexed hereto as Exhibit D, with such changes and additions to and omissions from such draft of such agreement as the officer executing such agreement shall approve as necessary or appropriate, such execution and attestation to be conclusive evidence of such approval. All of the officers and employees of the Issuer are hereby authorized and directed to carry out or cause to be carried out the obligations of the Issuer under the Issuing and Paying Agency Agreement.

Section 5.03. Issuing and Paying Agent.

(a) The Issuer covenants to maintain and provide an Issuing and Paying Agent at all times while the Series CP-2 Credit Enhanced Notes are Outstanding, which shall be a bank, trust company or national banking association, in each case with trust powers. Should a change in the Issuing and Paying Agent for the Series CP-2 Credit Enhanced Notes occur, the Issuer agrees to promptly cause a notice thereof to be published in a financial newspaper or journal of general circulation in the City of New York, New York; provided, however, that such notice shall not be required to be published, but shall be delivered to the Securities Depository if the Series CP-2 Credit Enhanced Notes are being issued as Book-Entry Series CP-2 Notes at such time. Such notice shall give the address of the successor Issuing and Paying Agent. A successor Issuing and Paying Agent may be appointed without the consent of the Owners.

(b) The Issuer may remove any Issuing and Paying Agent by giving not less than ten days' advance written notice to the Issuing and Paying Agent, the Dealer and the Bank. A successor Issuing and Paying Agent shall be appointed by the Issuer. The Issuer shall give written notice of such appointment to the Dealer and the Bank.

(c) The Issuing and Paying Agent may resign at any time by giving written notice of such resignation to the Issuer, the Dealer and the Bank specifying the date as of which the Issuing and Paying Agent proposes that the same shall become effective, which date shall be not less than 60 days after the date of such notice. A successor Issuing and Paying Agent shall be appointed by the Issuer. The Issuer shall give written notice of such appointment to the Dealer and the Bank.

(d) During any period when the Series CP-2 Credit Enhanced Notes do not constitute Book-Entry Series CP-2 Notes, then notwithstanding subsections (b) and (c) above, no such removal or resignation shall be effective, and any Issuing and Paying Agency Agreement in effect at the time of the effective date of any such removal or resignation shall remain in full force and effect, with respect to any Series CP-2 Credit Enhanced Notes Outstanding on such

effective date until such Series CP-2 Credit Enhanced Notes have been paid in full. On the effective date of any such removal or resignation, the Issuing and Paying Agent shall deliver to the Issuer all cancelled or unissued Series CP-2 Credit Enhanced Notes then held by the Issuing and Paying Agent for disposition in accordance with this Commercial Paper Resolution. When all Outstanding Series CP-2 Credit Enhanced Notes have been paid in full after any such removal or resignation, the Issuing and Paying Agent shall transfer the funds then held by it to a successor Issuing and Paying Agent in accordance with the written instructions of the Issuer.

(e) The Issuer and the Issuing and Paying Agent may treat the Holder of Series CP-2 Credit Enhanced Notes as the absolute owner of any Series CP-2 Credit Enhanced Notes for the purpose of receiving payment thereof and for all other purposes, and the Issuer and the Issuing and Paying Agent shall not be affected by any notice or knowledge to the contrary.

Section 5.04. Responsibilities of the Issuing and Paying Agent With Respect to the Reimbursement Agreement and the Letter of Credit.

(a) Not later than the time specified in the Letter of Credit for the submission of demands to be made thereunder on the same day upon which any principal of or interest on Outstanding Series CP-2 Credit Enhanced Notes is due and payable, the Issuing and Paying Agent shall submit a demand for payment under the Letter of Credit in the manner provided therein in an amount equal to the principal of and interest on any Outstanding Series CP-2 Credit Enhanced Notes due and payable on such date. The Issuing and Paying Agent shall deposit the proceeds of any Draw to the Series CP-2 Credit Enhanced Notes Fund, and apply such proceeds to the payment of principal of and interest on Series CP-2 Credit Enhanced Notes becoming due and payable on the date of such Draw.

(b) The Issuing and Paying Agent shall timely prepare and present to the Bank all certificates, notices and other documents required by the terms of the Issuing and Paying Agency Agreement and the Letter of Credit to effect Draws under the Letter of Credit.

(c) The Issuing and Paying Agent shall accept, and shall be deemed to have knowledge of the contents all notices, advices and confirmations furnished by the Bank to the Issuing and Paying Agent pursuant to the Issuing and Paying Agency Agreement and the Letter of Credit, and shall be deemed to have knowledge of the contents of all other notices, advices and confirmations furnished by the Issuing and Paying Agent and the Bank, pursuant to the Reimbursement Agreement and actually received by the Issuing and Paying Agent (including any No-Issuance Instructions and any notice as to principal amount of Draws outstanding and the amount of the Stated Amount).

(d) Prior to issuing any Series CP-2 Credit Enhanced Notes, the Issuing and Paying Agent shall independently determine whether, upon the issuance of such Series CP-2 Credit Enhanced Notes, any of the conditions or limitations contained in clauses (i), (ii), (iii) and (iv) of Section 3.0I(b) hereof would not be complied with; and (1) if any such limitations would not then be complied with, or (2) if the Issuing and Paying Agent shall be in receipt of No-Issuance Instructions unless and until the Issuing and Paying Agent shall be in receipt of written notice of the revocation thereof, the Issuing and Paying Agent shall not issue such Series CP-2 Credit Enhanced Notes. For purposes of the preceding sentence, the Issuing and Paying Agent

may rely upon the notices referred to in Section 5.04(c) hereof, and any notice received by the Issuing and Paying Agent from the Bank pursuant to the Reimbursement Agreement as to the principal amount of Draws outstanding and the aggregate Stated Amount, Principal Component and Interest Component shall be determinative in ascertaining the amount of Series CP-2 Credit Enhanced Notes which may be issued in compliance with the conditions and limitations contained in clause (iv) of Section 3.01(b) hereof. The Issuing and Paying Agent shall request confirmations from the Bank of the principal amount of Draws outstanding and aggregate Stated Amount, Principal Component and Interest Component from time to time and in sufficient time to permit it to determine whether the conditions and limitations contained in clause (iv) of Section 3.01(b) hereof have been complied with in connection with each issuance of Series CP-2 Credit Enhanced Notes.

(e) Notwithstanding any other provision of this Commercial Paper Resolution, the Issuing and Paying Agent shall not draw upon the Letter of Credit with respect to any payment of principal of or interest on any Series CP-2 Credit Enhanced Notes which are, to the knowledge of the Issuing and Paying Agent, registered in the name of the Issuer, the Transit Authority, MaBSTOA, MTA Bus Company, LIRR or the MNCRC or held for its account.

(f) Upon the resignation or removal of the Issuing and Paying Agent and the appointment of a successor Issuing and Paying Agent pursuant to the Commercial Paper Resolution, the Issuing and Paying Agent and the successor Issuing and Paying Agent shall prepare and present to the Bank the Instructions to Transfer, or otherwise take all action necessary, to effect the transfer of the Letter of Credit to the successor Issuing and Paying Agent.

ARTICLE VI
MISCELLANEOUS

Section 6.01. Tax Covenants Relating to the Series CP-2 Notes. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series CP-2 Notes issued as tax-exempt obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of the "Arbitrage, and Use of Proceeds Certificate" to be executed by the Issuer in connection with the execution and delivery of the Series CP-2 Notes, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Series CP-2 Notes, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Series CP-2 Notes or the Trustee acting on their behalf), nor the Trustee acting on their behalf shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Series CP-2 Notes, including any subseries thereof which the Issuer determines pursuant to the applicable Certificate of Determination to issue as taxable obligations.

Section 6.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or use to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series CP-2 Notes issued as tax-exempt obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series CP-2 Notes issued as tax-exempt obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series CP-2 Notes issued as tax-exempt obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series CP-2 Notes issued as tax-exempt obligations in determining gross income for Federal income tax purposes.

Section 6.03. Additional Actions. The Authorized Officers and the other officers and employees of the Issuer are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Series CP-2 Notes and otherwise to effectuate the purposes of this Commercial Paper Resolution, the Reimbursement Agreement, the Dealer Agreement and the Issuing and Paying Agency Agreement.

Section 6.04. Termination of Notes Program. If, as verified by independent determination of the Issuing and Paying Agent, all of the Series CP-2 Notes shall no longer be Outstanding, and if all Draws and all other sums payable under the Reimbursement Agreement shall have been paid in full, and if the Issuer shall have advised the Issuing and Paying Agent that no additional Series CP-2 Notes are to be issued, authenticated and delivered under this Commercial Paper Resolution, and if the Issuing and Paying Agent shall have surrendered the Letter of Credit to the Bank for cancellation, all balances remaining in the funds and accounts established or provided for pursuant hereto shall be transferred to such other funds and/or accounts as an Authorized Officer may determine.

Section 6.05. Responsibilities of the Issuer With Respect to Rating Agencies. The Issuer shall give each rating agency then rating the Series CP-2 Credit Enhanced Notes at the request of the Issuer advance notice in writing of any (i) change of Dealer, (ii) change of Issuing and Paying Agent, (iii) expiration, termination or substitution of the Letter of Credit, and (iv) amendment or material change to this Commercial Paper Resolution, the Letter of Credit, the Issuing and Paying Agency Agreement and the Dealer Agreement. Such notices shall be sent to the respective addresses provided to the Issuer by such rating agencies from time to time.

FORM OF MASTER SERIES CP-2 CREDIT ENHANCED NOTE:

MUNICIPAL COMMERCIAL PAPER - TECP MASTER BANK NOTE

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is, requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR. VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

_____
(Date of Issuance)

METROPOLITAN TRANSPORTATION AUTHORITY ("Issuer"), for value received, hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company, or to registered assigns all in accordance with the Issuer Authorizing Documents (as hereinafter defined): (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of Issuer (the "Underlying Records") as being evidenced by this Master Note, which Underlying Records are maintained by The Bank of New York Mellon ("Paying Agent"); (ii) interest on the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made solely from the sources stated on the Underlying Records, in accordance with the Issuer Authorizing Documents (as hereinafter defined), by wire transfer to the registered owner from Paying Agent without the necessity of presentation and surrender of this Master Note.

This Mister Note evidences the obligation of the Issuer to pay the principal of and interest on, and only on, the Book-Entry Series CP-2 Notes referred to in the Series CP-2 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution adopted by the Issuer on July 28, 2010 (the "Series CP-2 Notes Resolution"), and is issued under the authority of and in full compliance with the General Resolution Authorizing Transportation Revenue Obligations of the Issuer adopted on March 26, 2002, as amended and supplemented, including as supplemented by the Series CP-2 Notes Resolution (the "Resolution"), the Constitution and statutes of the State of New York. Reference is hereby made to the Series CP-2 Notes Resolution and the other Issuer Authorizing Documents for definitions of terms used and not otherwise defined herein, and to all of the provisions of which (including provisions for issuance of obligations on a parity of security herewith) the Holder by acceptance of this Master Note hereby assents. This Master Note is also issued in accordance with the terms of the Issuing and Paying Agency Agreement dated as of July____, 2010 between the Issuer and

The Bank of New York Mellon (the "Issuing and Paying Agency Agreement"; the Issuing and Paying Agency Agreement and the Resolution are collectively referred to as the "Issuer Authorizing Documents").

The Book-Entry Series CP-2 Notes (and, accordingly, this Master Note) are not debts of the State of New York or The City of New York (neither of which is liable hereon) and constitute special obligations of the Issuer payable as to principal and interest from the proceeds, moneys and securities more fully described and to the extent provided in the Series CP-2 Notes Resolution.

At the request of the registered owner, Issuer shall promptly issue and deliver one or more separate note certificates evidencing each obligation evidenced by this Master Note. As of the date any such note certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Master Note.

This Master Note is a valid and binding special obligation of Issuer.

Not Valid Unless Countersigned for Authentication by Paying Agent.

The Bank of New York Mellon
(Paying Agent)

By: _____
(Authorized Countersignature)

Metropolitan Transportation Authority
(Issuer)

By: _____
(Authorized Signature)

[SEAL]

Attest: _____
(Authorized Signature)

EXHIBIT A-2

FORM OF MASTER SERIES CP-2 BANK NOTE:

MUNICIPAL COMMERCIAL PAPER TECP MASTER BANK NOTE

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer,, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

_____
(Date of Issuance)

METROPOLITAN TRANSPORTATION AUTHORITY ("Issuer"), for value received, hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company, or to registered assigns all in accordance with the Issuer Authorizing Documents (as hereinafter defined): (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of Issuer (the "Underlying Records") as being evidenced by this Master Note, which Underlying Records are maintained by The Bank of New York Mellon ("Paying Agent"); (ii) interest on the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made solely from the sources stated on the Underlying Records, in accordance with the Issuer Authorizing Documents, by wire transfer to the registered owner from Paying Agent without the necessity of presentation and surrender of this Master Note.

This Master Note evidences the obligation of the Issuer to pay the principal of and interest on, and only on, the Book-Entry Series CP-2 Bank Notes referred to in the Series CP-2 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution adopted by the Issuer on July 28, 2010 (the "Series CP-2 Notes Resolution"), and is issued under the authority of and in full compliance with the General Resolution Authorizing Transportation Revenue Obligations of the Issuer adopted on March 26, 2002, as amended and Supplemented, including as supplemented by the Series CP-2 Notes Resolution (the "Resolution"), the Constitution and statutes of the State of New York. Reference is hereby made to the Series CP-2- Notes Resolution and the other Issuer Authorizing Documents for definitions of terms used and not otherwise defined herein, and to all of the provisions of which (including provisions for issuance of obligations on a parity of security herewith) the Holder by acceptance of this Master Note hereby assents. This Master Note is also issued in accordance with the terms of the Issuing and Paying Agency Agreement dated as of July __, 2010 between the Issuer and

The Bank of New York Mellon (the "Issuing and Paying Agency Agreement"; the Issuing and Paying Agency Agreement and the Resolution are collectively referred to as the "Issuer Authorizing Documents").

The Book-Entry Series CP-2 Bank Notes (and, accordingly, this Master Note) are not debts of the State of New York or The City of New York (neither of which is liable hereon) and constitute special obligations of the Issuer payable as to principal and interest from the proceeds, moneys and securities more fully described and to the extent provided in the Series CP-2 Notes Resolution.

The Series CP-2 Bank Notes are subject to redemption in whole or in part on any date, at the option of the Issuer, at a redemption price equal to the principal amount thereof plus interest accrued to the date of redemption.

At the request of the registered owner, Issuer shall promptly issue and deliver one or more separate note certificates evidencing each obligation evidenced by this Master Note. As of the date any such note certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Master Note.

This Master Note is a valid and binding special obligation of Issuer.

Not Valid Unless Countersigned for Authentication by Paying Agent.

The Bank of New York Mellon (Paying Agent)	Metropolitan Transportation Authority (Issuer)
By: _____ (Authorized Countersignature)	By: _____ (Authorized Signature) [SEAL] Attest: _____ (Authorized Signature)

EXHIBIT A-2-2

13033164.6

EXHIBIT B

FORM OF REIMBURSEMENT AGREEMENT

EXHIBIT C

FORM OF DEALER AGREEMENT

EXHIBIT C-1

EXHIBIT D

FORM OF ISSUING AND PAYING AGENCY AGREEMENT

EXHIBIT E

FORM OF REQUEST

Metropolitan Transportation Authority
Request pursuant to Section 3.01 of the
Series CP-2 Notes Resolution referred to herein

No. ____

1. Metropolitan Transportation Authority ("the Issuer") hereby [instructs] [confirms that it has today instructed] The Bank of New York Mellon, as Issuing and Paying Agent under Series CP-2 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution adopted on July 28, 2010 (the "Series CP-2 Notes Resolution"), to [give issuance instructions to DTC to credit on its books to the DTC participants described in Schedule A hereto] [issue and deliver to the Dealer] the Series CP-2 Notes described in Schedule A hereto (the "Series CP-2 Notes") in such principal amounts, having such issue dates, bearing interest at such rates and maturing on such dates as are set forth in such Schedule A.

2. This Request constitutes a representation as set forth in Section 3.01(d) of the Series CP-2 Notes Resolution.

3. Unless otherwise defined herein, the terms used in this Request have the respective meanings given to such terms in the Series CP-2 Notes Resolution.

IN WITNESS WHEREOF the undersigned has hereunto set his/her hand this _____ day of _____, _____.

METROPOLITAN TRANSPORTATION AUTHORITY

By _____
(Authorized Officer)

EXHIBIT E-1

13033164.6

SCHEDULE A

Terms of Series CP-2 Notes

Note Number	DTC Participant	Principal Amount	Date of Issuance	Interest Rate (if any)	Discount (if any)	Maturity Date

METROPOLITAN TRANSPORTATION AUTHORITY

SERIES CP-2
TRANSPORTATION REVENUE BOND
SUPPLEMENTAL RESOLUTION

Adopted July 28, 2010

13033639.3

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SERIES CP-2
TRANSPORTATION REVENUE BOND
SUPPLEMENTAL RESOLUTION

BE IT RESOLVED by the Metropolitan Transportation Authority (the "Issuer"), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01. Supplemental Resolution. This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "General Resolution Authorizing Transportation Revenue Obligations", as heretofore amended and supplemented (the "Resolution").

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Series CP-2 Transportation Revenue Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean the members of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Nixon Peabody LLP, Hawkins, Delafield & Wood or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Commercial Paper Resolution" means the Series CP-2 Transportation Revenue Bond Anticipation Note and Related Parity Debt Supplemental Resolution adopted by the Authority on July 28, 2010.

"Series CP-2 Bonds" shall mean the Transportation Revenue Bonds, Series CP-2, authorized by Article II of this Supplemental Resolution.

Section 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II

AUTHORIZATION OF SERIES CP-2 BONDS

Section 2.01. Authorized Principal Amount, Designation and Series. Pursuant to the provisions of the Resolution, a Series of Transportation Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series CP-2 Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any original issue discount (exclusive of any premium) and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay capitalized interest or to pay any Costs of Issuance of the Series CP-2 Bonds payable from such Proceeds Account) shall not exceed $922,500,000 (plus such amount as is necessary to pay interest accrued and to accrue on all Series CP-2 Notes and Series CP-2 Bank Parity Debt to their stated maturity dates) or such lesser amount as shall be specified in the Certificate of Determination (such amount is hereinafter referred to as the "Series CP-2 Net Proceeds"). Such Series CP-2 Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title set forth in the related Certificate of Determination. All or any portion of the Series CP-2 Bonds may be combined with any other Series of Transportation Revenue Obligations now or hereafter authorized to be issued by the Issuer.

Section 2.02. Purposes. The purposes for which the Series CP-2 Bonds are issued shall be set forth in one or more Certificates of Determination and may include the payment of all or any part of the Capital Costs, directly by reimbursement or through the payment of the principal amount and interest accrued or to accrue on outstanding Series CP-2 Notes or through the reimbursement of amounts drawn under the Letter of Credit for such purpose and principal and interest accrued and to accrue on Series CP-2 Bank Parity Debt, all to the extent and in the manner provided in this Supplemental Resolution.

Section 2.03. Dates, Maturities, Principal Amounts and Interest. The Series CP-2 Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination and shall bear interest from such date or dates. The Series CP-2 Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, or in the manner determined in the related Certificate of Determination.

Section 2.04. Interest Payments. The Series CP-2 Bonds shall bear interest from their date or dates and payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of

Determination, interest on the Series CP-2 Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

Section 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series CP-2 Bonds shall be issued in fully registered form without coupons in the denomination of $5,000 or any integral multiple thereof

The Series CP-2 Bonds shall be lettered as provided in the related Certificate of Determination, and shall be numbered from one consecutively upwards.

Section 2.06. Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series CP-2 Bonds shall be payable to the registered owner of each Series CP-2 Bond when due upon presentation of such Series CP-2 Bond at the principal corporate trust office of The Bank of New York Mellon, New York, New York. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series CP-2 Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars ($1,000,000) in principal amount of the Series CP-2 Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07. Sinking Fund Installments. The Series CP-2 Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption in part, by lot, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series CP-2 Bonds.

Section 2.08. Redemption Prices and Terms. The Series CP-2 Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date.

Section 2.09. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series CP-2 Bonds:

(a) to determine the amount of the Series CP-2 Net Proceeds and the amount of the proceeds of the Series CP-2 Bonds estimated to be necessary to pay the Costs of Issuance of the Series CP-2 Bonds;

(b) to determine the principal amounts of the Series CP-2 Bonds to be issued for each of the purposes set forth in Section 2.02 of this Supplemental Resolution, and whether such principal amounts constitute a separate Series or a subseries of Series CP-2 Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values or Appreciated Values, if applicable;

(c) to determine the purpose or purposes for which the Series CP-2 Bonds are being issued; which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(d) to determine the amount of the Series CP-2 Net Proceeds to be invested in Authorized Investments or Defeasance Securities for the purposes described in Section 3.01 of this Supplemental Resolution and the maturities or portions thereof which are to be refunded with proceeds of the Series CP-2 Bonds;

(e) to determine the maturity date and principal amount of each maturity of the Series CP-2 Bonds and the amount and due date of each Sinking Fund Installment, if any;

(f) to determine the date or dates which the Series CP-2 Bonds shall be dated and the interest rate or rates of the Series CP-2 Bonds or the manner of determining such interest rate or rates; provided, however, that any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(g) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series CP-2 Bonds; provided, however, that if the Series CP-2 Bonds are to be redeemable at the election of the Issuer, the Redemption Price shall not be greater than one hundred three percent (103%) of the principal amount of the Series CP-2 Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(h) if applicable, to determine the purchase price for the Series CP-2 Bonds to be paid by the purchasers referred to in the Purchase Agreement described in Section 2.10 of this Supplemental Resolution which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such

purchase price shall not exceed $10.00 for each one thousand dollars ($1,000) principal amount of the Series CP-I Bonds;

(i) to take all actions required for the Series CP-2 Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series CP-2 Bonds issuable in fully registered form;

(j) to determine whether to issue all or any portion of the Series CP-2 Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, market agents, auction agents, dealers or any other agents or parties to ancillary arrangements and the terms of any such arrangements, (iii) the manner of determining specified matters relating to the defeasance of such Obligations and (iv) the methods for determining the accrual of Debt Service;

(k) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series CP-2 Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series CP-2 Bonds, and to make any changes in connection therewith;

(l) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in connection with obtaining a Credit Facility securing the Series CP-2 Credit Enhanced Notes or a rating with respect to the Series CP-2 Bonds or the Series CP-2 Credit Enhanced Notes or in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine such other matters specified in or permitted by (i) Section A-201 of the Resolution or (ii) this Supplemental Resolution.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to subsection 1 of this Section 2.09 and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be

delivered to the extent more than one Series or subseries of Series CP-2 Bonds are delivered from time to time, and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series CP-2 Bonds by the Trustee. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise authority delegated hereunder from time to time following issuance of any Series CP-2 Bonds, as appropriate, in order to change interest rate modes, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation.

Section 2.10. Sale or Exchange of Series CP-2 Bonds. Each Authorized Officer is hereby authorized to sell and award the Series CP-2 Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form of the Purchase Agreement executed by the Issuer in connection with the Transportation Revenue Bonds, Series 2010C, with such revisions to reflect the terms and provisions of the Series CP-2 Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering memorandum, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement or exchange of the Series CP-2 Bonds, in substantially the form of the Official Statement of the Issuer dated June 30, 2010 relating to the Issuer's Transportation Revenue Bonds, Series 2010C, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement (including a final Official Statement if no Preliminary Official Statement is delivered), together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Series CP-2 Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be

necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Series CP-2 Bonds under the terms of the related Purchase Agreement may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series CP-2 Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute and deliver any and all documents and instruments (including any remarketing agreements, dealer agreements, broker-dealer agreements, market agreements, auction agency agreements or reimbursement agreements deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement, each Continuing Disclosure Agreement, the terms of any Credit Facility, and the issuance, sale and delivery of each issue of the Series CP-2 Bonds and for implementing the terms of each issue of the Series CP-2 Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

Section 2.11. Forms of Series CP-2 Bonds and Trustee's Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Series CP-2 Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

Section 2.12. Appointment of Trustee and Paying Agent. Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon shall be the Trustee under the Resolution and the Paying Agent for the Series CP-2 Bonds.

ARTICLE III

DISPOSITION OF SERIES CP-2 BOND PROCEEDS

Section 3.01. Disposition of Series CP-2 Bond Proceeds. Any proceeds of the sale of the Series CP-2 Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Series CP-2 Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is hereby established in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the payment of all or any part of the Capital Costs, including through the payment of the principal amount and interest accrued or accruing on outstanding Series CP-2 Notes or through the reimbursement of amounts drawn under the Letter of Credit for such purpose and principal and interest accrued and to accrue on Series CP-2 Bank Parity Debt; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the Costs of Issuance Account and applied to the payment of Costs of Issuance.

The accrued interest, if any, received on the sale of the Series CP-2 Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANTS AND DEFEASANCE

Section 4.01. Tax Covenants Relating to the Series CP-2 Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series CP-2 Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" to be executed by the Issuer in connection with the execution and delivery of any Series CP-2 Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Series CP-2 Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Series CP-2 Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section, shall not apply to any Series CP-2 Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

Section 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series CP-2 Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series CP-2

Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series CP-2 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series CP-2 Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

Staff Summary

Metropolitan Transportation Authority

Subject Board Authorization to File for and Accept Federal Grants	**Date** July 28, 2010
Department Administration	**Vendor Name**
Department Head Name Linda Kleinbaum	**Contract Number**
Department Head Signature Linda Kleinbaum	**Contract Manager Name**
Project Manager Name Marc Albrecht	**Table of Contents Ref #**

Board Action

Order	To	Date	Approval	Info	Other
1	Finance Comm.	7/26/10	X		
2	Board	7/28/10	X		

Internal Approvals

Order	Approval	Order	Approval
1	Administration		
2	Corporate Affairs		
3	Budget and Finance		
4	Legal		

Narrative

Purpose
To secure MTA Board approval to file for and accept Federal grants for Federal Fiscal Year (FFY) 2010 and 2011.

Discussion
Enclosed is a resolution for Board action prepared in conformance with past practices to:

1) Authorize filing of applications in request of Federal capital assistance for the balance of FFY 2010 and FFY 2011.

2) Authorize the Chairman/Chief Executive Officer or any of his designees to make required certifications.

3) Authorize acceptance of grants.

Projects authorized to be submitted for Federal funding are those referenced in the published Notice of Public Hearing and described in the MTA Description of Projects for FFY 2011. A copy of the resolution requesting MTA Board approval and the list of the projects are attached to this staff summary.

A Public Hearing was held in accordance with FTA regulations on June 22, 2010 at the MTA. The Director of Grant Management read into the record the amounts of Federal funds and dollar amounts of work covered by the Notice.

The federal law requires that grantees consider all substantive public comments. It has been MTA practice to take substantive comments under consideration, fulfilling the federal requirement. Twenty-three members of the public spoke at the public hearing. There were comments from the speakers about the recent service changes and some comments about the proposed capital projects. MTA and agency staff have reviewed the public comments and considered these comments on the proposed program of projects for federal funding.

A transcript of the hearing and written statements submitted in conjunction with the hearing are attached under separate cover.

Recommendation
It is recommended that the MTA Board approve the attached resolution in order to permit the filing and acceptance of Federal capital assistance for FFY 2010 and 2011.

P:\GRANTS\Public Hearings\Public Hearing 10\Staff Summary 2010.doc

RESOLUTION ADOPTED AT A MEETING OF
METROPOLITAN TRANSPORTATION AUTHORITY
July 28, 2010

WHEREAS, on and after June 1, 2010, a Notice of Public Hearing on the projects to be considered for inclusion in applications to the United States Department of Transportation (USDOT) for Federal financial assistance under Section 5309 and/or Section 5307 and/or Section 5314 of Title 49, Chapter 53, United States Code, as well as funds available for transit use under successor legislation to Title I of the Safe Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) was published in newspapers of general circulation (including newspapers oriented to minority communities) in the geographic area to be served thereby, which Notice contained a summary of the capital improvement program for the balance of federal fiscal year 2010 and federal fiscal year 2011 for the New York City Transit Authority, Manhattan and Bronx Surface Transit Operating Authority, Long Island Rail Road, Metro-North Commuter Railroad, Capital Construction Company, MTA Bus Company and Metropolitan Suburban Bus Authority; and

WHEREAS, the full program of projects, including descriptions of individual projects, for the balance of federal fiscal year 2010 and federal fiscal year 2011, was available to the public, as indicated in the notices published in newspapers, either by request or at public offices in the area served by the Authority; and

WHEREAS, all of the principal elected officials of each general purpose unit of government within the service areas of the mass transportation operators for whom assistance is being sought under the said project application were notified by mail of such application; and

WHEREAS, on June 22, 2010 the Public Hearing was conducted by the Authority affording to all concerned the opportunity to present their views, and to submit written statements concerning the projects, including consideration of the economic and social effects of the projects, their impact on the environment and their consistency with the goals and objectives of such urban planning as has been promulgated by the affected communities; and

WHEREAS, the members of the Authority have had an opportunity to review the testimony given at the said Public Hearing, and the statements submitted in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY METROPOLITAN TRANSPORTATION AUTHORITY:

1. The Chairman and Chief Executive Officer, or any of his designees, be and each of them hereby is, with respect to applications for grants for projects under Section 5309 and/or Section 5307 of Title 49, Chapter 53, United States Code, as well as funds available for transit under Title I of SAFETEA-LU, authorized to certify to the United States Department of Transportation that the Authority has (a) afforded an adequate opportunity for a Public Hearing on the projects pursuant to adequate prior notice, and

has held such Hearing; (b) considered the economic and social effects of the projects and their impact on the environment, including requirements under the Clean Air Act, the Federal Water Pollution Control Act and other applicable federal environmental statutes, and their consistency with goals and objectives of such urban planning as has been promulgated by the affected communities; (c) found that the projects are consistent with the official plans for the comprehensive development of the urban area to be affected; and (d) found that the projects are in the best overall public interest taking into consideration the need for fast, safe and efficient public transportation services, and conservation of environment, historic sites and natural resources and the cost of eliminating or minimizing any adverse effects.

2. The Chairman and Chief Executive Officer, or any of his designees be, and each of them hereby is, authorized to deliver to the said department a copy of the published notices of and transcript of the said Hearing, including those written statements submitted in connection therewith, and to advise the said department (a) that it may consider the applications as the Authority's final applications, subject to such revisions as the Chairman and Chief Executive Officer or his designees may deem acceptable; (b) that the views, if any, concerning the projects of those principal elected officials of each general purpose unit of government within the service areas of the mass transportation operators for whom assistance is being sought under the said applications, are as set forth in the transcript of the said Public Hearing and those written statements submitted in connection therewith.

3. The Chairman and Chief Executive Officer, or any of his designees be and each of them hereby is, authorized to execute and file applications and accept from the United States of America, on behalf of the Authority, grants of financial assistance under successor legislation to Section 5309 and/or Section 5307 of Title 49, Chapter 53, United States Code, as well as funds available for transit use under Title I of SAFETEA-LU (in such amounts as may become available) in connection with the projects upon such terms and conditions as the Chairman and Chief Executive Officer, or any of their designees shall deem acceptable.

Staff Summary

Metropolitan Transportation Authority

Subject Request for Authorization to Award Various Procurements	**Date** July 6, 2010
Department Administration	**Vendor Name** Various
Department Head Name Linda Kleinbaum	**Contract Number** Various
Department Head Signature Linda Kleinbaum	**Contract Manager Name** Various
Division Head Name Clifford Shockley	**Table of Contents Ref #**

Board Action

Order	To	Date	Approval	Info	Other
1	Finance	7/26/10			
2	Board	7/28/10			

Internal Approvals

Order	Approval	Order	Approval
			Office of Civil Rights
	Executive Director		Legal
3	Financial Management		EITG
1	Procurement CB	2	Administration RK

PURPOSE:

To obtain approval of the Board to award various contracts/contract modifications and purchase orders, as reviewed by the MTA Finance Committee.

DISCUSSION:		**# of Actions**	**$ Amount**
MTAHQ proposes to award Non-competitive procurements in the following categories:		None	$ -0-
MTAHQ proposes to award Competitive procurements in the following categories:			
Schedules Requiring Majority Vote			
Schedule F: Personal Service Contracts		11	$ 1,577,300
Schedule G: Miscellaneous Service Contracts		1	$ 5,473,214
	SUBTOTAL	12	$ 7,050,514
MTAHQ presents the following procurement actions for Ratification:		None	$ -0-
	TOTAL	12	$ 7,050,514

BUDGET IMPACT: The purchases/contracts will result in obligating MTAHQ operating and capital funds in the amount listed. Funds are available in the current MTAHQ operating/capital budgets for this purpose.

RECOMMENDATION: That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)

BOARD RESOLUTION

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, 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 authorization to solicit proposals is requested, for the reasons specified therein the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals and authorizes the solicitation of such proposals.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. 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.

7. The Board authorizes the budget adjustments to estimated quantity contracts set forth in Schedule L.

LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 2010
COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Majority Vote:

F. Personal Service Contracts

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

1. Carver Federal Savings Bank **$600,000**
Small Business Loan Program **(not-to-exceed)**
Contract No. 10074-0100

Competitively negotiated – 1 proposal – 48 months

Contractor to administer the Small Business Loan Program ("SBLP") to provide access to loans to small businesses, subject to the enactment into law of the MTA mentoring program bill. In June 2010, the Board approved a contract with TDX Construction Corporation, (contract award subject to the enactment into law of the MTA mentoring program bill), to provide mentoring and construction management services for the MTA's Small Business Mentoring Program (SBMP). The goal of the SBMP is to address the major impediments small businesses face in competing for MTA capital construction projects, and to expand the pool of qualified and diverse contractors who compete for MTA business. MTA plans to admit approximately 100 small construction industry businesses into the SBMP. These firms will receive training and mentoring assistance from TDX on how to compete for and manage MTA construction contracts. These firms will then have the opportunity to compete for selected MTA agency construction contracts under $1M each.

A major impediment for small businesses who wish to compete as prime contractors is the lack of access to capital. In order to alleviate this impediment, MTA decided to establish the SBLP with the objective to provide access to loans for small businesses. TDX will work together with Carver Bank to ensure that access to capital so that projects within the Small Business Mentoring Program are completed safely, timely and within budget. Availability of loans will provide financial support for project mobilization, such as purchase of materials and equipment. MTA estimates that approximately 25-50 loans will be administered by the bank on an annual basis with loans ranging from $50,000 to $150,000.

In order to obtain this service, a Request for Proposals (RFP) was conducted to acquire banking loan services ranging from $50,000 to $150,000. One proposal was received from Carver Federal Savings Bank. MTA inquired as to why only one proposal was received. Inquiries revealed that other potential proposers: i) did not want to dedicate resources for the administration of this program; ii) did not want to take the risk of participating in a small business loan program; and iii) did not think it would be profitable for them to participate in this program given the small amount of the individual loans.

Carver Federal Savings Bank is the largest African-and Caribbean-American operated bank in the United States with approximately $800 million in assets with over 45,000 retail and commercial accounts. Carver has years of experience in successfully administrating and managing similar programs and is currently administering the NYC School Construction Authority Mentor Loan Program and the US Department of Transportation Short Term Loan Program. MTA has conducted a responsibility review and other due diligence on Carver Federal Savings Bank and has deemed them to be responsible for award.

METROPOLITAN TRANSPORTATION AUTHORITY
COMPETITIVE PROCUREMENTS

The annual fee that the MTA will remit to the bank for the administration of these services is a not-to-exceed amount of $150,000. This annual fee of $150,000 is $25,000 or 14.3% lower than the annual not-to-exceed fee of $175,000 that is currently being paid by the New York City School Construction Authority. In addition, the annual cost of $150,000 is the lowest price that Carver charges for these services to any of its customers. Since the MTA is receiving the lowest annual fee from Carver for these services the annual not-to-exceed fee of $150,000 is deemed reasonable.

2-11. **AFT Rehabilitation Projects at Ten Subway Stations on the West End Line.** AFT to provide technical design, fabrication, crating, storage, delivery and oversight of installation of materials at the stations specified below:

Competitively negotiated – 130 proposals – 24 months. West End Line, D Train
Christopher Russell, 9th Avenue - NYCT (Contract No. 10121-0100 - $197,800);
Portia Munson, Fort Hamilton - NYCT (Contract No. 10122-0100 - $78,000);
Andrea Dezsö, 62nd Street - NYCT (Contract No. 10123-0100 - $197,500);
Joan Linder, 71st Street - NYCT (Contract No. 10124-0100 - $78,000);
Susanna Starr, 79th Streeet - NYCT (Contract No.10125-0100 - $78,000);
Francesco Simeti, 18th Avenue - NYCT (Contract No.10126-0100 - $95,000);
Donald Odili Odita, 20th Avenue - NYCT (Contract No. 10127-0100 - $95,000);
Xin Song, Bay Parkway - NYCT (Contract No. 10128-0100 - $38,000);
Amy Cheng, 25th Avenue - NYCT (Contract No. 10129-0100 - $60,000);
Daniel Zeller, Bay 50th Street - NYCT (Contract No. 10130 - $60,000)

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)

12. **Spectrum Water Coolers Inc.** — **$5,473,214 (Total)** — ***Staff Summary Attached***
All-Agency Supply, Delivery & Installation Of Bottleless Water Coolers
Contract No. 09137-0100

Competitively negotiated – 7 proposals – 120 months
Contractor to provide bottleless, piped, filtered Hot/Cold Water Coolers in accordance with NYS Executive Order 18, (to eliminate the purchase and use of bottled water). Under this contract, MTA and its agencies will purchase 2,608 units as follows: MTAHQ: 61, MTAPD: 31, BSC: 4, ESA: 6, LIRR: 102, MNR: 138, MTA Bus: 60, B&T: 15, LI Bus: 12, SIR: 6 and NYCT: 2,173. As a result of negotiations, the total cost for the purchase of 2,608 units, plus a 3% contingency is $5,473,214. The proposed contract is $5,291,716 or 49.2% lower than the current total estimated ten year cost of $10,764,930 that the MTA and its Agencies spend to purchase/lease bottled water. Based on the above, the negotiated total cost is deemed to be fair and reasonable.

Staff Summary

Metropolitan Transportation Authority

Schedule G: Miscellaneous Service Contracts

Item Number:

Vendor Name (& Location): Spectrum Water Coolers, Inc.	**Contract Number:** 09137-0100 / **Renewal?** ☐ Yes ☒ No
Description: Supply, Delivery & Installation of Bottleless Water Coolers	**Total Amount:** $5,473,214
Contract Term (including Options, if any): August 1, 2010 thru July 31, 2020	**Funding Source:** ☒ Operating ☐ Capital ☐ Federal ☐ Other:
Option(s) included in Total Amount? ☐ Yes ☒ No	**Requesting Dept/Div & Dept/Div Head Name:** Administration/Facilities; L. Kleinbaum/P. DeCapua
Procurement Type: ☒ Competitive ☐ Non-competitive	**Contract Manager:** Scott Mayclim
Solicitation Type: ☒ RFP ☐ Bid ☐ Other:	

DISCUSSION:

To recommend that the Board approve the award of a competitively negotiated, All-agency miscellaneous services contract with Spectrum Water Coolers, Inc. to provide hot/cold, filtered tap water coolers (bottleless) in accordance with Executive Order 18, for a period of ten (10) years from August 1, 2010 to July 31, 2020. The total amount of the contract is $5,473,214 which includes ten years of maintenance and a contingency of $159,414 to cover additional purchases of new units (for added locations), additional filter changes, etc.

MTA and its operating agencies currently use bottled water as its main drinking source. Bottled water requires large amounts of energy to bottle, transport, and store and has a negative impact on the environment. Under the current agreement, MTA buys/leases coolers and purchases water as needed. Under the new agreement MTA will purchase bottleless coolers and use tap water supplied by the City of NY. To reduce cost and comply with New York State Executive Order (EO) 18 (to eliminate the purchase and use of bottled water), a Request for Proposals (RFP) was publicly advertised and letters advising potential proposers of the RFP's availability were mailed to forty-five (45) firms, nine (9) of which were W/MBE firms provided by the MTA Department of Diversity and Civil Rights. Seven (7) proposals were received. Of the seven firms, three were found technically unqualified. The Selection Committee, consisting of representatives from MTA Headquarters, Metro-North Railroad, New York City Transit, Long Island Rail Road, and MTA Bus, deemed that the remaining four (4) firms were equally qualified and directed Procurement to enter into negotiations with each of the four (4) firms. After negotiations, a decision was made to purchase the bottleless water cooler units from Spectrum Water Coolers, Inc. based on its lower total cost. Under this contract, MTA and its agencies will purchase 2,608 units as follows: MTAHQ: 61, MTAPD: 31, BSC: 4, ESA: 6, LIRR: 102, MNR: 138, MTA Bus: 60, B&T: 15, LI Bus: 12, SIR: 6 and NYCT: 2,173. MTA has conducted a responsibility review and other due diligence on Spectrum Water Coolers, Inc. and has deemed them to be responsible for award.

Spectrum Water Coolers is a 20 year old nationwide filtered drinking water cooler company. Spectrum Water Coolers was chosen by a major financial institution to deliver and install nearly 7,200 coolers in forty US states. This was the largest bottleless water cooler contract and nationwide roll-out in the history of the point of use water cooler industry. Additionally, Spectrum currently services clients in 49 states with many of them being Fortune 500 companies including banking, manufacturing, distribution and retail businesses.

Spectrum's original proposal in the amount of $5,494,482.24 was negotiated down to $5,313,800 representing a savings of $180,682.24 or 3.3%. As a result of negotiations, the total cost for the purchase of 2,608 units, plus a 3% contingency is $5,473,214. The proposed contract is $5,291,716 or 49.2% lower than the current total estimated ten year cost of $10,764,930 that the MTA and its Agencies spend to purchase/lease coolers ($269,123) and bottled water ($10,495,807). Further, MTA Procurement requested that MTA Treasury conduct a Net Present Value (NPV) as to whether it's more economical to purchase or lease the new bottleless water coolers. The analysis showed that leasing the water cooler units would cost $8,302,828.80 vs. $5,473,214 to purchase the water units. Therefore, the MTA will purchase the water units. Based on the above, the negotiated total cost is deemed to be fair and reasonable.

JULY 2010
MTA REAL ESTATE
LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ACTION ITEMS

MTA NEW YORK CITY TRANSIT

Extension of License Agreement with John Ruesch (dba Backwoods), relating to Retail Unit 3 on the mezzanine level of the 42nd Street Subway Station, 8th Avenue Line, Manhattan

MTA METRO-NORTH RAILROAD

Approval of compensation for the acquisition of portions of the properties known as 401 and 441 East Fordham Road (Block 3273, portion of Lots 1 and 102), Bronx, New York, from Fordham University in support of MTA Metro-North's expansion of the outbound station platform and access thereto at Fordham Station

Lease modification agreement with Via Vanti! MKNY, Inc. for use of former ticket office space for storage at Mt. Kisco Station, Mt. Kisco, New York

Extension of License Agreement with Rosetta Stone, Ltd. d/b/a Rosetta Stone, relating to the Graybar Passage in Grand Central Terminal, New York

MTA LONG ISLAND RAIL ROAD

License Agreement with North Atlantic Construction LP for construction staging and storage on vacant LIRR property off Hempstead Avenue, between 130 Hempstead Avenue and 95 Woodfield Road, West Hempstead, New York

License Agreement with The Cupcake Corner to operate a portable coffee concession at the Stewart Manor Station, Garden City, New York

Amendment of License Agreement with Amtrak for placement of a prefabricated Mechanical Equipment Room (MER) facility, LIRR's Main Line right of way near Skillman Avenue and Hunterspoint Avenue, Long Island City, New York

MTA

License Agreement with S311 Tunnel Constructors for construction staging and storage on a parcel within the Eastern Rail Yard portion of the West Side Yards

Staff Summary

Metropolitan Transportation Authority

Subject **EXTENSION OF LICENSE AGREEMENT**	Date **July 26, 2010**
Department **REAL ESTATE**	Vendor Name
Department Head Name **JEFFREY B. ROSEN**	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name **PETER LYONS**	Table of Contents Ref #

Board Action

Order	To	Date	Approval	Info	Other
1	Finance Committee	7/26/10	X		
2	Board	7/28/10	X		

Internal Approvals

Order	Approval	Order	Approval
	Executive Director	1	Legal
3	Chief of Staff		
2	Dep Exec Dir of Admin		
	Civil Rights		

Narrative

AGENCY: MTA New York City Transit ("NYCT")

LICENSEE: John Ruesch (dba Backwoods)

LOCATION: Retail Unit 3 on the mezzanine level of the 42nd Street Subway Station, 8th Avenue Line, Manhattan

ACTIVITY: Retail sale of clothes and accessories

ACTION REQUESTED: Approval to extend the term of the existing license for Unit 3 by twenty-two months to make such license co-terminus with the license of the adjacent Unit 9, which is also licensed to Mr. Ruesch.

TERM: Extended from October 1, 2018 to July 31, 2020

SPACE: Unit 3 (t0008930), approximately 485 square feet

COMPENSATION:

License Year	Monthly Base Compensation	Annual Base Compensation	PSF	Annual Escalation
Current Term				
1st License Year	$2,250.00	$27,000.00	$55.67	---
2nd License Year	$2,362.50	$28,350.00	$58.45	5%
3rd License Year	$2,480.58	$29,767.00	$61.38	5%
4th License Year	$2,604.58	$31,255.00	$64.44	5%
5th License Year	$2,734.75	$32,817.00	$67.66	5%
6th License Year	$2,867.25	$34,407.00	$70.94	5%
7th License Year	$3,010.58	$36,127.00	$74.49	5%
8th License Year	$3,161.08	$37,933.00	$78.21	5%
9th License Year	$3,319.08	$39,829.00	$82.12	5%
10th License Year	$3,485.00	$41,820.00	$86.23	5%
Extended Term				
11th License Year	$3,659.25	$43,911.00	$90.54	5%
12th License Year *	$3,842.21	$38,422.21	$95.07	5%

* For 10 months only

FINANCE COMMITTEE MEETING
John Ruesch (dba Backwoods) (Cont'd)

COMMENTS:

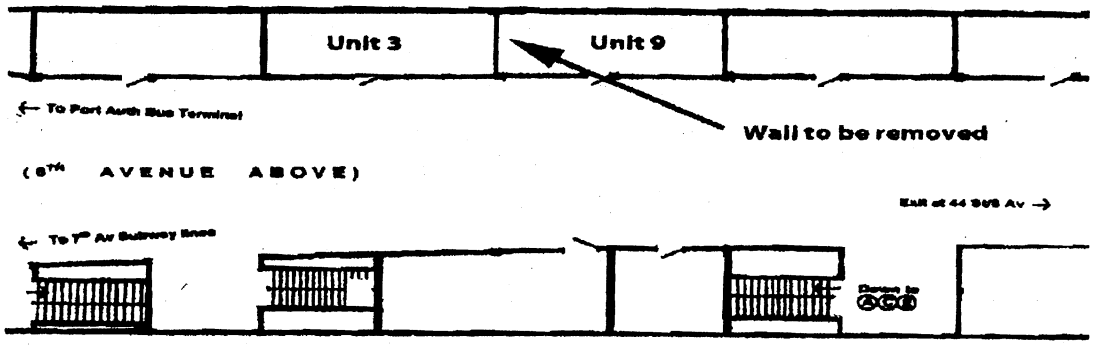
Mr. Ruesch, a licensee in good standing, occupies adjoining units 3 and 9 on the west side of the mezzanine of the 42nd Street and 8th Avenue subway station. In order to lower his expenses and operate his stores more efficiently, Mr. Ruesch has requested approval to remove the non-structural wall separating the two units. (See plan, below).

Mr. Ruesch's Backwoods stores have been a welcome addition to the NYCT system. He currently operates three stores at this station, in Units 3, 5 and 9. His stores have helped bring about the gradual transformation of this mezzanine into a successful shopping concourse. The stores offer stylish but affordable clothes, jewelry and accessories and are often busy. In addition to his stores at 42nd and 8th, he has also been awarded a concession via an RFP at the 74th Street /Roosevelt Avenue station mezzanine level, which he will be building out in the near future.

A 10-year license for Unit 3 was awarded to Mr. Ruesch in 2008 via an RFP. Mr. Ruesch is nearing the end of the second year of such license, which expires September 30, 2018. Mr. Ruesch is currently occupying Unit 9 on a month-to-month basis. MTA Real Estate has negotiated a 10-year agreement with Mr. Ruesch for Unit 9 in accordance with the attached April 24, 2007 Board policy that allows MTA Real Estate to directly enter into license agreements with existing licensees in good standing when the total value of the term of the 10-year agreement is less than $300,000. Under such new agreement for Unit 9, the income the MTA receives from such unit will increase by 40%.

In order to efficiently combine the two units, MTA RED proposes to make the license terms co-terminus. To extend the term for Unit 3 for twenty-two months, Mr. Ruesch has agreed to a 5% per annum increase, which is consistent with the increases under the previously approved agreement for Unit 3. Upon expiration of the licenses, NYCT will have the benefit of a larger and more desirable retail space. However, should NYCT deem it preferable to restore the wall, the licensee will be obligated to restore it. As a condition of the license extension, the licensee will be required to increase the security deposit for Units 3 and 9 to cover the cost of restoring the wall. The proposed removal of the wall has been approved by NYCT Maintenance of Way.

Both licenses will be subject to termination by NYCT for any reason on 60 days' notice.



Based on the foregoing, MTA Real Estate requests authorization to enter into a license modification with John Ruesch (dba Backwoods) on the above-described terms and conditions.

Staff Summary

Metropolitan Transportation Authority

Subject REAL ESTATE POLICY MODIFICATION	Date APRIL 24, 2007
Department REAL ESTATE	Vendor Name
Department Head Name ROCO KRSULIC	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name PETER A. LYONS	Table of Contents Ref. #

FOR REFERENCE PURPOSES ONLY

Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	P/RE Committee	4/24/07	X				Chief Procurement Officer	2	Civil Rights
2	Board	4/26/07	X				Chief of Staff	1	Legal
							Director of S&PM Exec Dir of Admin		

Narrative

AGENCY: All Agencies

PURPOSE: Modification of Existing Policy

COMMENTS:

In July of 1995, the Board approved a policy pursuant to which the Real Estate Department could directly enter into certain types of Lease and License Agreements, without preparing a full staff summary for the Real Estate Committee and the Board. This was adopted following certain management recommendations from an outside consultant which aimed to speed up Department processes and cut down on unnecessary paperwork. This change was designed to apply only to relatively modest concessions, and a rental cap was established of $100,000 for a five year term and $200,000 for ten year terms (i.e. $20,000 per year). All of these transactions are reported to the Committee in chart form after execution.

Due to the normal course of inflation this policy is now more restrictive than it was originally intended to be. The $20,000 limit this year would only be $14,565 in 1995 dollars, the $100,000 would only be $72,775, and the $200,000 limit would only be $145,550.

MTA Real Estate Department would like to bring those monetary limits up to current levels. Applying the Consumer Price Index would bring the $20,000 in 1995 dollars to $27,481.00 in current dollars. MTA RED therefore proposes changing the limits to $150,000 for a five year agreement, $300,000 for a ten year agreements, and for other license or lease terms the limit would be $30,000 per year. This policy would only apply to Agreements with terms of 10 years or less.

The Real Estate Department recommends adoption of this modification to Real Estate Department procedures.

Metropolitan Transportation Authority

Staff Summary Sheet

P/REC. Item No. 25
Board Item No. 12

Routing	To	By Date

	For
	Approval
	Signature
	Vote
	Concurrence
	Information
	Other

Department Head	Real Estate Department
Date	7/19/95
Prepared By	Roco Krsulic
Telephone	878-7090
Subject	Real Estate Agenda
Reference(s)	

Implications (The implications checked below are involved in this action, are discussed below or provided as separate enclosures, and have been considered in the attached recommendation.)

- ☐ Capital Budget/Program
- ☐ Operating Budget
- ☐ Financing
- ☐ Affirmative Action
- ☐ MTA Board
- ☐ Press
- ☐ Policy and Planning
- ☐ Administration
- ☐ Labor Relations
- ☐ Real Estate
- ☐ Legal
- ☐ Information Systems, Tech & Planning
- ☐ Inspector General
- ☐ Audit
- ☐ Other MTA Agencies _____

FOR REFERENCE PURPOSES ONLY

Narrative

PLANNING/
REAL ESTATE COMMITTEE MEETING: July 19, 1995

BOARD MEETING: August 10, 1995

PURPOSE:

For the Board to adopt a policy delegating to the Chairman, the Executive Director, and the Director of Real Estate, the power to (A) in certain cases, lease agency property on behalf of the MTA and its agencies without Board approval; and (B) renew agreements with existing tenants in good standing, without offering those expiring lease and license opportunities publicly.

For both cases, such agreements: (i) would be limited to a term of ten (10) years or less; and (ii) would be limited to an absolute dollar value[1] of $200,000 or less, over the term (or $100,000 or less for a five year term).

DISCUSSION:

(A) Removal of Board Approval in Certain Instances

Currently, the Real Estate Department presents to the Planning and Real Estate Committee and the Board for approval, all real estate agreements

1. Absolute, meaning "actual" dollars, as opposed to the discounted net present value of the revenue stream over the term of the given agreement.

Chairman

Coordination (Signature)

- 5 Executive Director/CEO
- 2 Chief of Staff
- Affirmative Action
- Policy and Planning
- 1 General Counsel
- Audit
- Press Secretary
- Administration
- Labor Relations
- Real Estate
- IST&P
- Procurement
- Other _____

Enclosure(s)

Signature of Requester

PLANNING/REAL ESTATE COMMITTEE MEETING
Policy Governing Real Estate Department Leasing Activity

which it has negotiated on behalf of MTA and its operating agencies. The only exceptions (established by Board approved policies) have been leases, licenses, and concessions such as garden agreements with adjacent homeowners for unused right-of-way; agreements with local store owners for the use of their wash-rooms by bus drivers; and month to month tenancies.

In March of 1994, Arthur Anderson & Co. (AA&Co.) conducted a business process analysis of [illegible] functions as part of a wider effort to up[illegible] computer operations. One of AA&Co.'s recommendations [illegible]ing of the process by which Real Estate conducts its leasing activities. AA&Co. determined that greater use of direct [illegible] with the removal of Board approval in certain instances [illegible] the leasing process and, consequently the revenue to the agencies, by 4 to 6 months.

More recently, Price Waterhouse, [illegible]A's external auditor, has been drafting new policies and procedures for the Real Estate Department. As part of this effort, it too has strongly recommended the delegation of authority contemplated by this policy.

Specifically, Price Waterhouse cites greater operating efficiencies which will be realized by the Real Estate Department, which will result in the MTA agencies achieving real benefits through (i) time savings and revenue acceleration by more quickly consummating real estate transactions; and (ii) Real Estate staff marketing additional properties, and accelerating other of the agencies' real estate needs instead of spending time on internal processes.

Price Waterhouse, in its capacity as the external auditor, has recommended the delegation contemplated in this Staff Summary in its Management Letter to the Audit Committee in June of this year:

<u>Recommendation #24</u>:

> <u>"Review for Improvement the Present Levels of Approval Authorities and Reporting Relating to Real Estate Transactions"</u>
>
> "We noted that individual real estate transactions, regardless of size, are presented to MTA Senior Management as well as the MTA Board for approval. We recommend that formal procedures be implemented to delegate approval to the real estate department based upon some predetermined amount so as to only seek Board approval for more significant transactions."

Under this policy the Real Estate Department will continue to report on all transactions effectuated pursuant to this policy as an information item in each month's report to the Planning and Real Estate Committee subsequent to the completion of any agreement. This reporting process

FOR REFERENCE PURPOSES ONLY

PLANNING/REAL ESTATE COMMITTEE MEETING
Policy Governing Real Estate Department Leasing Activity

is presently used for month to month agreements entered into by the Department, and for office space leasing in 341 and 345 Madison Avenue.

We note that in 1994, Real Estate submitted a total of 122 action items to the Committee and Board. Of this amount, 67 were leases of agency property. Were this policy in effect then, 39 items would have been exempted from Board approval.

(B) Renewal of [illegible] in good standing

One of the primary means by which the Real Estate Department leases agency property is via the request for proposals (RFP) process. During the course of a given year, [illegible] issues 10 to 12 RFPs. These RFPs are packages containing a [illegible] prospectus for each of 8 to 10 locations (newsstands, vacant land, space in commuter rail stations, etc.) the leasing or licensing of which have been approved by the given agency.

The locations are selected based on expired agreements, new spaces created as part of commuter rail or subway station renovations, terminated occupancies, ad-hoc inquiries, and new locations identified by Real Estate staff. The RFPs are issued to an active mailing list which Real Estate maintains and updates by agency and geography. The RFPs are also advertised in regional and community newspapers.

The Arthur Anderson & Co. study referenced earlier observed that "the RFP process may not be the most effective means of identifying potential tenants, from both a cost and quality standpoint." The report suggested amending the policies and procedures governing the direct marketing of certain lease/license opportunities, stating such a policy has the potential to reap greater benefits. Specifically identified was lease renewals for tenants in good standing.

Currently, Real Estate directly markets property and concessions under the following conditions:

- The property has been unsuccessfully marketed in an RFP within the last 24 months
- The property is located in a geographic area where the most likely use is by an adjacent land owner
- The use is severely restricted by the operating agency
- Month to month occupancies
- Where it is desirable to provide specific amenities to ridership and the property is located in an area where demand does not appear to economically support the proposed amenity

PLANNING/REAL ESTATE COMMITTEE MEETING
Policy Governing Real Estate Department Leasing Activity

- Beautification (gardening) uses.
- Non-exclusive fiber optic cable or other utility or telecommunications occupancies

The intent of this amendment to the policies and procedures is add an additional category to the foregoing and enable Real Estate to directly market to tenants in good standing.

The example of this policy amendment's application to lease renewals are station concessions whose licenses have expired and are on month to month status awaiting [illegible] under this policy, rather than issuing an RFP [illegible] Real Estate would directly negotiate renewals with those tenants in good standing.

Such a measure would (i) [illegible] directly market or develop RFPs for new, and unoccupied [illegible] lease revenue and effect concession improvements immediately, rather than wait for an RFP process to conclude; and (iii) eliminate transitional periods when one tenant takes over from another - which adversely impacts the access to passenger amenities such as subway bus stands.

In addition, the ability to renew agreements gives the MTA the ability to reward exceptionally compliant tenants (thereby setting an example); as well as afford us greater leverage to insure tenant compliance with concession appearance, rent payment and other lease/license provisions.

IMPLEMENTATION

Real Estate has retained the MTA's external auditor, Price Waterhouse, to draft new policy and procedures governing leasing-out, leasing-in, and property acquisition activities. These new policies and procedures will build on the business process recommendations already adopted by Real Estate and, if approved, those contemplated by this policy.

In implementing this policy, Real Estate will build on its existing standard operating procedures to insure accountability. These involve the following:

1) A Real Estate Manager formally documents and justifies in a term sheet, the terms and conditions of a proposed agreement to his/her Deputy Director;

2) The Deputy Director comments and submits the term sheet to the Director of Real Estate Operations;

3) Subject to his/her review, the Director of Real Estate Operations recommends the term sheet to the Director of Real Estate for written approval.

FOR REFERENCE PURPOSES ONLY

PLANNING/REAL ESTATE COMMITTEE MEETING
Policy Governing Real Estate Department Leasing Activity

4) For all agreements, the appropriate agency's legal department reviews and approves the lease or license agreement as to form, and insures that the agreement contains terms and conditions which will protect the respective agency and the MTA.

Real Estate will work closely with the Audit Department, and the General Counsel to insure that the procedures promulgated are consistent and verifiable, and provide maximum accountability.

RECOMMENDATION:

The staff recommends that the board adopt the aforestated policy delegating authority to the Chairman, Executive Director, and Director of Real Estate, subject to the limitations stipulated herein.

FOR REFERENCE PURPOSES ONLY

Staff Summary

Metropolitan Transportation Authority

Subject ACQUISITION	Date JULY 26, 2010
Department REAL ESTATE	Vendor Name
Department Head Name JEFFREY B. ROSEN	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name BENSON GOODWYN	Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	7/28/10	X		
2	Board	7/28/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal
3	Chief of Staff		
2	Dep Exec Dir of Admin		
	Civil Rights		

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")

GRANTEE: Fordham University ("Fordham")

PROPERTY: 7,128 sq. ft. of land (6,520 sq. ft. in Lot 1, 608 sq. ft. in lot 102) at 401 and 441 East Fordham Road, Block 3273, Lots 1 and 102, Bronx, New York (the "Property")

ACTIVITY: Acquisition of fee simple interests by uncontested condemnation

ACTION REQUESTED: Approval of terms

COMPENSATION: Three hundred ninety-two thousand and forty dollars ($392,040.00)

COMMENTS:

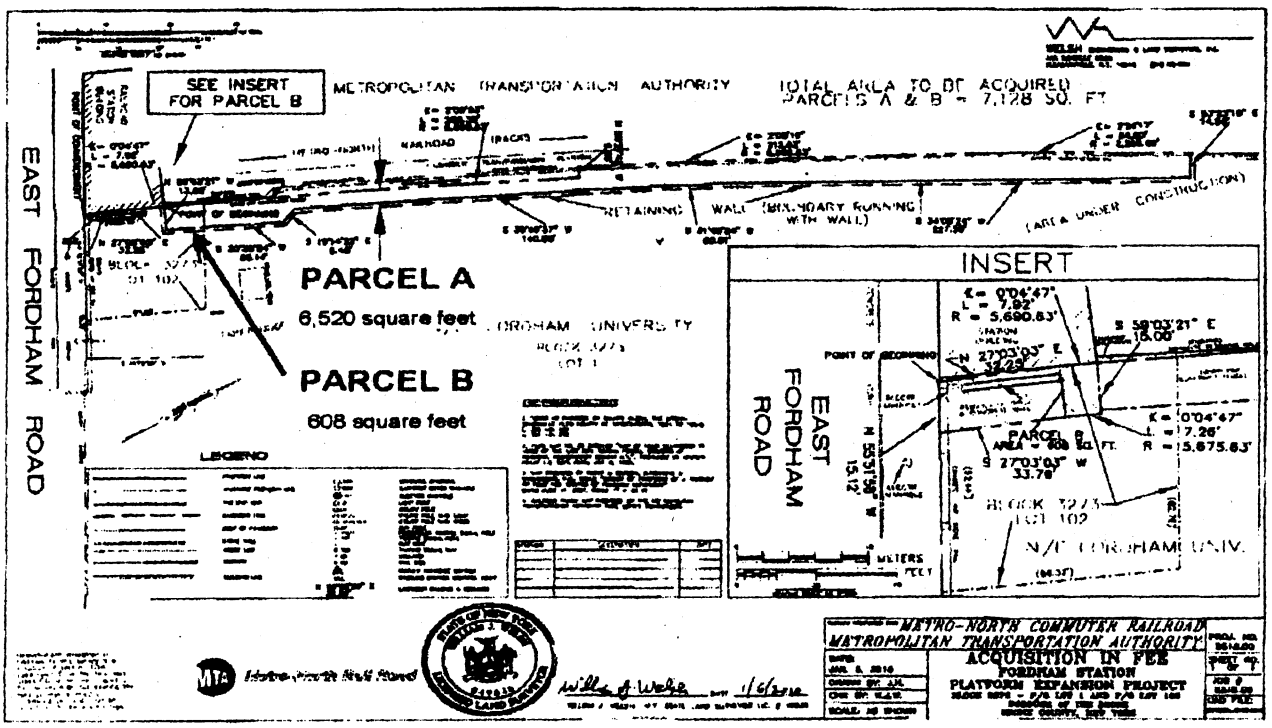
As described in the attached staff summaries approved by the Board at its July and October 2009 meetings, Metro-North seeks to expand its Fordham Station outbound platform to alleviate crowding during the morning rush caused by heavy reverse-peak ridership. The expanded platform will include new canopies and related platform amenities (shelters, lighting, etc.). The Property will be acquired from Fordham by an uncontested condemnation proceeding as described in the attached staff summaries. It became available due to Fordham's construction of new dormitories and a retaining wall near the platform, which resulted in the creation of a strip of underutilized property in Lot 1 (Parcel A) at the platform grade, below street level. The portion of the Property in Lot 102 (Parcel B) is at street level grade, and will allow for future platform access improvements from the street to the expanded platform.

Pursuant to the authorizations contained in the attached staff summaries, MTA Real Estate has negotiated terms and conditions of payment to Fordham for the Property. After appraising the value of the fee interests in the Property and conducting negotiations with Fordham, a final negotiated compensation of $392,040.00 was reached. This amount is approximately equal to MTA's appraised value for the property, but slightly lower than Fordham's asking price. In addition, MTA Real Estate and Fordham have negotiated an agreement setting forth responsibilities for access to and maintenance of the property prior to and after construction of the platform project.

Based on the foregoing, Real Estate requests authorization to enter into the above-referenced agreement for acquisition of the aforementioned interests in support of the Fordham Station platform expansion project.

CAPITAL CONSTRUCTION/PLANNING/REAL ESTATE COMMITTEE MEETING
Subject (Cont'd)

COMMENTS: (Cont'd)



Staff Summary

Metropolitan Transportation Authority

Subject ACQUISITION	Date OCTOBER 21, 2009
Department REAL ESTATE	Vendor Name
Department Head Name JEFFREY B. ROSEN	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name BENSON GOODWYN	Table of Contents Ref #

FOR REFERENCE PURPOSES ONLY

Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	CC/P/RE Committee	10/21/09	X				Executive Director	2	Civil Rights
2	Board	10/28/09	X				Chief of Staff	1	Legal
							Director of B&FM		
							Dep Exec Dir of Admin		

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")

LOCATION: 401 East Fordham Road, Block 3273, Lot 102, Bronx, New York

ACTIVITY: Acquisition of fee simple interest by negotiated purchase and/or condemnation

ACTION REQUESTED: Authorization to commence steps for acquisition

SPACE: 608 sq. ft.

COMMENTS: In connection with its project to expand the Fordham Station outbound platform and to build a new canopy in order to reduce overcrowding and congestion and improve access for MTA Metro-North customers to and from the neighborhood and Fordham University ("Fordham"), MTA Metro-North seeks to construct a new access route from Fordham Road to the outbound platform, which is to consist of a new stairway and elevator on the east side of the station building. In July 2009, the Board approved a staff summary and resolution (copies of which are attached) authorizing MTA to acquire the fee interest in 6,520 sq. ft. of Fordham's property via an uncontested or "friendly" condemnation at a price to be negotiated.

Upon further review, Metro-North has identified an additional 608 square feet of Fordham property, contiguous to the 6,520 square feet, that should be acquired for the project.

By the annexed resolution, approval by the Board is requested to proceed with acquisition of the fee interest in the additional 608 square feet by negotiated purchase or an uncontested condemnation. MTA Legal has advised that any such condemnation would be a *de minimis* taking and, therefore, exempt from a public hearing under the Eminent Domain Procedure Law. The acquisition of the property interests will be subject to satisfactory completion of any necessary environmental reviews.

BOARD RESOLUTION

WHEREAS, MTA Metro-North, in conjunction with its project to expand the Fordham Station outbound platform in order to reduce overcrowding and congestion and to improve access for MTA Metro-North customers to and from the neighborhood and Fordham University ("Fordham"), seeks to construct a new access route from Fordham Road to the outbound platform consisting of a new stairway and a new elevator on the ease side of the station building,

WHEREAS, Fordham [illegible] which cover 608 square feet (in addition to the 6,520 previously authorized to be acquired by Board Resolution on July 29, 2009), needed for [illegible] has expressed a preference for a negotiated sale of the fee ti[illegible] permanent easements, due to insurance-related issues, and has agreed to the concept of an uncontested condemnation upon successful negotiation of other terms and conditions; and

WHEREAS, MTA Real Estate has appraised the value of the interests and will negotiate the terms and conditions with Fordham in the coming months and a proposed final agreement will be brought to the Board for it approval;

NOW THEREFORE, BE IT

RESOLVED, that pursuant to Section 1267 of the Public Authorities Law, the chairman and chief executive officer of the MTA or such staff of the MTA as is designated by such chairman and chief executive officer, is authorized to proceed with the acquisition of portions of property interests known as 401 East Fordham Road, Bronx, New York (Block 3237, Lot 102), and to schedule and undertake such preliminary actions as may be required in accordance with the New York Eminent Domain Procedure Law in connection with the acquisition.

FOR REFERENCE ONLY

Staff Summary

Metropolitan Transportation Authority

Subject ACQUISITION	Date JULY 22, 2009
Department REAL ESTATE	Vendor Name
Department Head Name LINDA KLEINBAUM / MICHAEL BADER	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name BENSON GOODWYN / DAVID BOSCH	Table of Contents Ref #

Board Action

Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	07/22/09	X		
2	Board	07/29/09	X		

Internal Approvals

Order	Approval	Order	Approval
	Executive Director	2	Civil Rights
		1	Legal
3	Dep Exec Dir of Admin		

FOR REFERENCE PURPOSES ONLY

Narrative

AGENCY: MTA Metro-North

LOCATION: 401 and 441 East Fordham Road, Block 3273, Lots 1 and 102, Bronx, New York

ACTIVITY: Acquisition of Fee Simple Interests by Negotiated Purchase and/or Condemnation

ACTION REQUESTED: Authorization to Commence Steps for Acquisition

SPACE: 6,520 sq. ft.

COMMENTS: MTA Metro-North seeks to expand the Fordham Station outbound platform and to build a new canopy in order to reduce overcrowding and congestion and to improve access for MTA Metro-North customers to and from the neighborhood and to Fordham University ("Fordham").

MTA Real Estate initially requested permanent easements from Fordham for the required property interests which cover 6,520 square feet. Fordham expressed a preference for a negotiated sale of the fee title interests in the property, rather than permanent easements, due to insurance issues. Since the Harlem Line is leased to MTA Metro-North, a tax lot merger of the requested property interests with the right-of-way does not appear to be feasible. After conducting research, MTA Real Estate and MTA Legal determined that an uncontested ("friendly") condemnation of the fee title for a negotiated price would be the best method for MTA to acquire the fee interests. Fordham has agreed to the concept of an uncontested condemnation upon successful negotiation of other terms and conditions. MTA Real Estate has appraised the value of the interests and will negotiate the terms and conditions with Fordham in the coming months. The final agreement will be brought to the Board for approval.

By the annexed resolution, approval by the Board is requested to proceed with acquisition of these interests by negotiated purchase or an uncontested condemnation. MTA Legal has advised that any such condemnation would be a *de minimis* taking and, therefore, exempt from a public hearing under the Eminent Domain Procedure Law. The acquisition of the property interests will be subject to satisfactory completion of any necessary environmental reviews.

BOARD RESOLUTION

WHEREAS, MTA Metro-North seeks to expand the Fordham Station outbound platform and to build a new canopy in order to reduce overcrowding and congestion and to improve access for MTA Metro-North customers to and from the neighborhood and to Fordham University ("Fordham");

WHEREAS, Fordham owns the required property interests, which cover 6,520 square feet, needed for such expansion and has expressed a preference for a negotiated sale of the fee title interests in the property, rather than permanent easements, due to insurance issues, and has agreed to the concept of an uncontested condemnation upon successful negotiation of other terms and conditions; and

WHEREAS, MTA [illegible] the interests and will negotiate the terms and conditions with Fordham in the coming months and a proposed final agreement will be brought to the Board for it approval;

NOW THEREFORE, [illegible]

RESOLVED, that pursuant to Section [illegible] of the Public Authorities Law, the chief executive officer of the MTA or [illegible] the MTA as is designated by the chief executive officer, is authorized to proceed with the acquisition of portions of property interests known as 401 and 444 East Fordham Road, Bronx, New York (Block 3237, Lots 1 and 102), and to schedule and undertake such preliminary actions as may be required in accordance with the New York Eminent Domain Procedure Law in connection with the acquisition.

FOR REFERENCE ONLY
PURPOSES

Staff Summary

Metropolitan Transportation Authority

Subject **MODIFICATION OF LEASE AGREEMENT**	Date **JULY 26, 2010**
Department **REAL ESTATE**	Vendor Name
Department Head Name **JEFFREY B. ROSEN**	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name **BENSON GOODWYN**	Table of Contents Ref #

Board Action

Order	To	Date	Approval	Info	Other
1	Finance Committee	7/26/10	X		
2	Board	7/28/10	X		

Internal Approvals

Order	Approval	Order	Approval
	Executive Director	1	Legal
3	Chief of Staff		
2	Dep Exec Dir of Admin		
	Civil Rights		

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")

LESSEE: Via Vanti! MKNY, Inc. ("Via Vanti")

LOCATION: Mt. Kisco Station

ACTIVITY: Ancillary uses

ACTION REQUESTED: Approval of terms

TERM: Remainder of the initial term (expires 8/31/2010) plus one 5-year option

SPACE: Approximately 90 sq. ft.

COMPENSATION: $20.86 per sq. ft.

COMMENTS:

Via Vanti net leases the entire Mt. Kisco Station building. When the lease was executed, the ticket office space was still in use by Metro-North, and the lease reserves to Metro-North the exclusive right to the use of such space. However, the ticket agent has been removed from the Mt. Kisco Station and the ticket office is now vacant. Via Vanti has requested permission to use the vacant space for ancillary uses including storage and Metro-North has agreed to authorize such uses on the condition that it be able to recapture the space for its own use upon 60 days notice. The rental rate for the storage space will be $20.86 per square foot, which is the same as the rate Via Vanti is currently paying for the rest of the building. The annual compensation will increase by $1,877.40. The original staff summary approving assignment of the net lease of the station building to Via Vanti is attached for reference.

Based on the foregoing, MTA Real Estate requests authorization to modify the lease agreement on the above-described terms and conditions.

Staff Summary

Metropolitan Transportation Authority

Subject ASSIGNMENT OF LEASE AGREEMENT	Date NOVEMBER 26, 2007
Department REAL ESTATE	Vendor Name
Department Head Name ROCO KRSULIC	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name TIMOTHY F. STAFFORD	Table of Contents Ref #

FOR REFERENCE PURPOSES ONLY

Board Action

Order	To	Date	Approval	Info	File
1	CCP/RE Committee	11/28/07	X		
2	Board	11/28/07	X		

Internal Approvals

Order	Approval	Order	Approval
	Executive Director	2	Civil Rights
	Chief of Staff	1	Legal
	Director of B&FM		
3	Dep Exec Dir of Admin		

Narrative

AGENCY:	MTA Metro-North Railroad ("Metro-North")
TENANT/ASSIGNOR:	The Flying Pig, Inc. ("Flying Pig")
ASSIGNEE:	Via Vantil MKNY, Inc. ("Via Vanti")
LOCATION:	Mt. Kisco Station
SPACE:	The Mt. Kisco Station building. Landlord reserves the right to use the ticket office and the waiting area
ACTIVITY:	Assignment of lease
ACTION REQUESTED:	Approval of terms
TERM:	Remainder of the initial term (expires 8/31/2010) plus one (1) five (5) year option

COMMENTS:

Flying Pig took over the maintenance and operation of Mt. Kisco Station pursuant to a net lease agreement approved by the MTA Board in February, 2000. After taking possession of the space, Flying Pig dramatically improved the look and operation of the station building, and maintained the waiting room and bathrooms under the terms of the net lease. Unfortunately, Flying Pig advises it is not able to continue to operate the business at the station, citing personnel and financial issues as factors.

Flying Pig has reached an agreement with Via Vanti, a corporation owned by James Yacyshyn and Carla Gambescia, who are prepared to assume control of the station building through an assignment of lease. James Yacyshyn, an experienced chef, purchasing manager and beverage director for various restaurants, is proposing to offer a new menu which will include an array of Italian baked goods, espresso and coffee drinks to serve morning commuters, lunch items including panini, wraps, gelato, soups and salads, and late afternoon and evening fare including Italian cheeses, foccacia, bruschetta and antipasta, Italian beers and wine, fresh baked pies and other desserts. The proposers have sufficient capital to renovate and commence operations of the business. MTA Real Estate has met with the proposers and finds that their hands-on food industry experience, enthusiasm, and financial capability will provide a service that will be an asset to the Mt. Kisco Station. They have committed to keep open and maintain the waiting room Monday through Friday from 6 A.M. until 2 P.M., one of the operational benefits provided by the net lease. The Flying Pig will continue to guarantee the performance of the assignee.

For the above stated reasons, Real Estate recommends consenting to the assignment of the Mt. Kisco Station building lease from Flying Pig to Via Vanti.

Staff Summary

Metropolitan Transportation Authority

Subject LICENSE AGREEMENT	Date JULY 26, 2010
Department REAL ESTATE	Vendor Name
Department Head Name JEFFREY B. ROSEN	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name NANCY MARSHALL	Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/26/10	X		
2	Board	7/26/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal
3	Chief of Staff		
2	Dep Exec Dir of Admin		
	Civil Rights		

Narrative

AGENCY:	MTA Metro-North Railroad ("Metro-North")
LICENSEE:	Rosetta Stone, Ltd. d/b/a Rosetta Stone ("Rosetta Stone")
LOCATION:	Graybar Passage, Grand Central Terminal
ACTIVITY:	The retail sale of language software
ACTION REQUESTED:	Approval of terms
TERM:	Month-to-month, up to a maximum of 24 months
SPACE:	One kiosk located in the Graybar Passage
COMPENSATION:	Seven Thousand Five Hundred dollars ($7,500) per month plus ten percent (10%) of gross sales over Sixty Thousand Dollars ($60,000) per month except in December and fifteen percent (15%) of gross sales over Sixty Thousand Dollars ($60,000) in December
SECURITY:	Seven Thousand Five Hundreds Dollars ($7,500)
INSURANCE:	Standard

COMMENTS:

Rosetta Stone has occupied a Graybar Passage kiosk for the past several years. Initially, the kiosk was licensed to Rosetta Stone on a month-to-month basis, per the attached January 23, 2006 Board policy (the "Graybar Kiosk Policy"); subsequently, Rosetta Stone was awarded a license agreement for a full year starting on October 1, 2008, per the Board's approval of the attached September 22, 2008 staff summary; and more recently such license agreement has been extended on a month-to-month basis per the Graybar Kiosk Policy. Rosetta Stone wishes to remain in the Graybar Passage, and MTA Real Estate would like to continue to extend the term of the current license. However, MTA Real Estate presumes that it requires Board approval to extend such term beyond the second anniversary of its commencement, given the two-year limitation that is embodied in the attached Board policy dated April 27, 2009, which governs licensing at Grand Central Terminal generally.

Rosetta Stone continues to be a licensee in good standing – it routinely pays its license fees in full and in-time and its kiosk is fully-staffed and well-maintained – and it continues to be the highest grossing Graybar Passage kiosk licensee, averaging $54,300 per month (excluding the holiday season, when sales are even higher).

Based on the foregoing, the Real Estate Department requests authorization to enter into a new license agreement with Rosetta Stone effective as of October 1, 2010 on the above-described terms and conditions.

Staff Summary

Metropolitan Transportation Authority

Subject **PERMIT AGREEMENT**	Date **SEPTEMBER 22, 2008**
Department **REAL ESTATE**	Vendor Name
Department Head Name **ROCO KRSULIC**	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name **NANCY MARSHALL**	Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	09/22/08	X		
2	Board	09/24/08	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	2	Civil Rights
	Chief of Staff	1	Legal
	[illegible]		
3	Dep Exec Dir of Admin		

FOR REFERENCE PURPOSES ONLY

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")

PERMITTEE : Rosetta Stone, Ltd. d/b/a Rosetta Stone

LOCATION: Graybar Passage, Grand Central Terminal

ACTIVITY: The retail sale of language software

ACTION REQUESTED: Approval of Terms

TERM: One (1) year

SPACE: One (1) Kiosk located in the Graybar Passage

COMPENSATION: Six-Thousand Dollars ($6,000.00) per month plus ten percent (10%) of gross sales over Sixty-Thousand Dollars ($60,000) per month

SECURITY: Six-Thousand Dollars ($6,000)

COMMENTS:

Rosetta Stone, Ltd. d/b/a *Rosetta Stone* is a current Permittee in the Graybar Passage. Due to excellent sales, *Rosetta Stone* continually expresses interest in returning to and occupying a Kiosk in the Graybar Passage. *Rosetta Stone* offers a unique product that is not presently available in any other location on Manhattan's East Side. *Rosetta* Stone is the highest grossing Graybar Passage Kiosk Permittee averaging $45,000 per month (excluding Holiday Season, when sales are even higher). Customers have expressed frustration and disappointment when *Rosetta Stone* is not present in the Graybar Passage. *Rosetta Stone* has been a Permittee in good standing – rent is fully paid on-time, kiosk is fully-staffed and well-maintained.

In terms of rental revenue, minimum rent under a one year Permit Agreement would yield $72,000 compared to only $30,000 under a standard month-to-month Permit Agreement. The opportunity under the terms of this transaction would permit MTA to receive additional percentage rent of approximately $5,000, when based upon historical sales levels that *Rosetta Stone* has achieved.

Based on the above, the Real Estate Department recommends entering into a Permit Agreement with *Rosetta Stone, Ltd.* d/b/a *Rosetta Stone* under the above-described terms and conditions.

CC/P/REC ITEM NO. 14
BOARD ITEM NO. 10

Memorandum

Metropolitan Transportation Authority
State of New York

Date January 23, 2006

To Members of the Capital Construction, Planning and Real Estate Committee

From Rocco Krsulic

Re Proposed policy for Graybar Retail Kiosk Permits

FOR REFERENCE PURPOSES ONLY

Pursuant to a request from the Metro-North Committee for additional revenue generating opportunities in Grand Central Terminal, GCT Development launched the Graybar Retail Kiosk Program in May 2005. The Kiosk Program is intended to increase retail opportunities in this area of the Terminal, as well as to bring more customers into the in-line retail stores in the Graybar Passage. The kiosks provide another passenger amenity and add to the commuters' overall sense of safety within the building.

We have had six months to evaluate the Program and would like to simplify the process by which the Kiosk Program will move forward. We expect to engage eighteen or more tenants per year, based upon the length of each Permit. Monthly rental rates will vary based upon anticipated sales volume and time of year. Rents would begin at a minimum of $1,500 per month, and may increase to a maximum of $10,000 during prime holiday months.

The Real Estate Department is requesting authorization to negotiate and enter into month-to-month retail permits with tenants for the Graybar Retail Kiosk Program as described hereinabove without further notification to or approval from the Committee and Board.

Any permit entered into pursuant to this policy will be reported to the Committee the following month as an information item.

Memorandum

Metropolitan Transportation Authority
State of New York

Date April 27, 2009

To Members of the Capital Construction, Planning and Real Estate Committee

From Roco Krsulic

Re **Proposed Policy for Short Term Retail Licenses at Grand Central Terminal**

FOR REFERENCE PURPOSES ONLY

A number of existing lease agreements at Grand Central Terminal, which were initially entered into in 1998-2000, are now expiring, and as Real Estate Department previously advised the Committee and Board, the Department is engaged in an aggressive releasing effort. Recently Real Estate Department has encountered circumstances where the newly designated lessees who were selected pursuant to a Request for Proposal process opted to withdraw from further consideration once they have been recommended for award, other lessees chose to vacate their leased locations once their existing lease terms expired rather than await an opportunity to participate in a public solicitation process, and others chose to vacate their leased locations immediately upon learning that they were not being considered for an award of a new lease, and all of the above often results in a dark storefront and a loss of rental revenue to the MTA Metro North.

In an effort to keep retail spaces occupied, continue to generate revenue for the MTA Metro North, and provide passenger amenities in Grand Central Terminal that our commuters and local residents have become accustomed to, the Real Estate Department proposes to institute a policy enabling it to enter into short term License Agreements in certain circumstances as noted above with retail tenants at the Terminal. These License Agreements will be no longer than two (2) years in duration, and will be cancellable by the MTA on short term notice, generally thirty (30) or sixty (60) days. It is anticipated that Licensees will not be required to perform major improvement work within the space. Selection criteria for Licensees will mirror, as closely as possible, those used in the Request for Proposal process. Efforts will be made to solicit, or identify, three (3) or more potential past or current occupants in good standing in Grand Central Terminal or other MTA location for each space where this policy may be applicable. Real Estate will consider the following criteria in evaluating prospective Licensees:

* Proposed Compensation
* Record as a prior MTA Agency Tenant
* Proposed Concept and Use (and the compatibility of the use within the overall tenant mix at GCT)
* Business Experience
* Financial Qualifications

The Real Estate Department is requesting authorization to negotiate and enter into short term License Agreements with retail tenants in certain circumstances at Grand Central Terminal as described hereinabove without prior approval from the Committee and Board.

Any License Agreement entered into pursuant to this policy will be reported to the Committee the following month as an Information Item, identifying the Licensee, use and compensation paid.

FOR REFERENCE
PURPOSES
ONLY

Staff Summary

Metropolitan Transportation Authority

Subject GCT RETAIL LICENSING POLICY	Date APRIL 27, 2009
Department REAL ESTATE	Vendor Name
Department Head Name ROCO KRSULIC	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name NANCY MARSHALL	Table of Contents Ref #

FOR REFERENCE PURPOSES ONLY

Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	CC/FRE Committee	4/27/09	X				Executive Director	2	Civil Rights
2	Board	4/29/09	X				Internal Staff	1	Legal
							Director of B&FM		
							Dep Exec Dir of Admin		

BE IT RESOLVED that the Board hereby authorizes the MTA Director of Real Estate to negotiate and enter into License Agreements on behalf of the MTA Metro-North Railroad for the purpose of retaining retail revenues and high occupancy levels, while providing passenger amenities in Grand Central Terminal.

Each License Agreement shall:

- be in a form approved by the MTA Legal Department
- have no significant impact on operations
- provide appropriate indemnification and insurance protections
- provide for fair compensation to the MTA Metro North
- provide for no longer than 2 year duration, cancellable on short term notice by Licensor

This resolution shall take effect immediately upon its adoption.

Staff Summary

Metropolitan Transportation Authority

Subject LICENSE AGREEMENT	Date JULY 26, 2010
Department REAL ESTATE	Vendor Name
Department Head Name JEFFREY B. ROSEN	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name JOHN COYNE	Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/26/10	X		
2	Board	7/28/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal
3	Chief of Staff		
2	Dep Exec Dir of Admin		
	Civil Rights		

Narrative

AGENCY: Long Island Rail Road ("LIRR")

LICENSEE: North Atlantic Construction LP

LOCATION: Vacant LIRR property off Hempstead Avenue, located between 130 Hempstead Avenue and 95 Woodfield Road, West Hempstead, New York (the "Property")

ACTIVITY: Construction staging and storage

ACTION REQUESTED: Approval of terms

TERM: Two years (subject to termination on 60 days notice)

COMPENSATION: $3,000 per month, $36,000 per year

COMMENTS:

The Property consists of approximately 26,900 square feet of vacant, unimproved land bounded to the north by Hempstead Avenue, to the south by the LIRR West Hempstead line right-of-way and to the east and west by private property. The private property located at 130 Hempstead Avenue, immediately to the east of the Property, is being developed by Trammell Crow Residential ("TCR") into a multi-family transit oriented development called the "Alexan at West Hempstead Station". The LIRR West Hempstead Station borders TCR's property to the south.

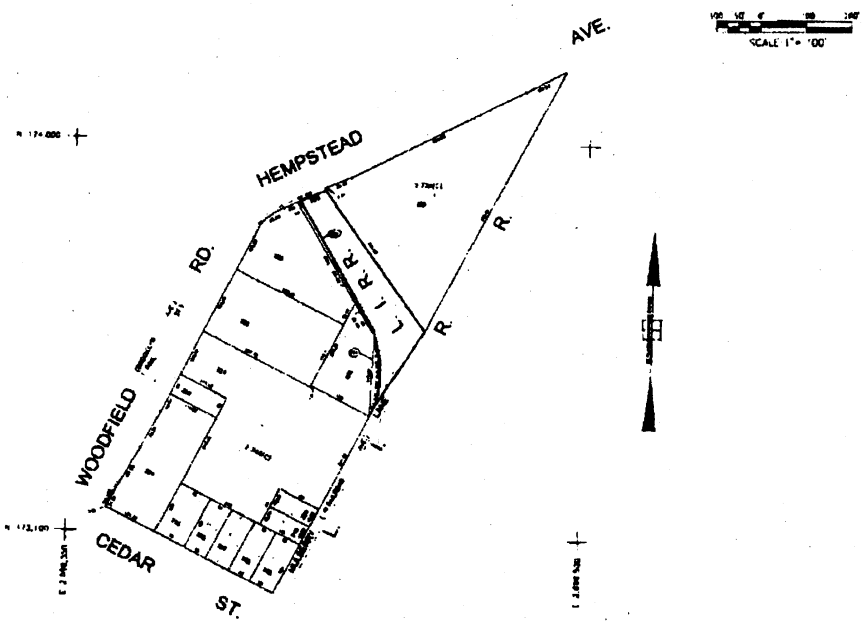
In May 2010, TCR approached the LIRR and expressed interest in using the Property for temporary construction staging. Upon receiving such request, MTA Real Estate consulted with one of its on-call property valuation firms, which had prepared an appraisal report for the Property earlier this year, to determine the market rental value for the subject property. The level of compensation that resulted from subsequent negotiations with TCR, $36,000.00 per year, or $3,000.00 per month, was greater than the rental value assigned by MTA's appraiser.

The entity entering into the license agreement will be North Atlantic Construction LP, TCR's general contractor and subsidiary. The agreement will reserve a fifteen-foot perimeter from the LIRR West Hempstead line tracks that border the Property to the south and will restrict or prohibit the use of various materials and equipment that could potentially endanger public health, safety or LIRR property.

FINANCE COMMITTEE MEETING
North Atlantic Construction LP (Cont'd)

COMMENTS: (Cont'd)

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with North Atlantic Construction LP on the above-described terms and conditions.



Staff Summary

Metropolitan Transportation Authority

Subject **LICENSE AGREEMENT**	Date **July 26, 2010**
Department **REAL ESTATE**	Vendor Name
Department Head Name **JEFFREY B. ROSEN**	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name **ROBERT GOLDBERG**	Table of Contents Ref #

Board Action

Order	To	Date	Approval	Info	Other
1	Finance Committee	07/26/10	X		
2	Board	07/28/109	X		

Internal Approvals

Order	Approval	Order	Approval
	Executive Director	1	Legal
3	Chief of Staff		
2	Dep Exec Dir of Admin		
	Civil Rights		

Narrative

AGENCY: MTA Long Island Rail Road ("LIRR")

LICENSEE: The Cupcake Corner

LOCATION: LIRR's Stewart Manor Station, Garden City, New York

ACTIVITY: Portable concession selling coffee and prepackaged baked goods during the morning peak hours

ACTION REQUESTED: Approval of terms

TERM: Month-to-month

COMPENSATION: $200 per month

COMMENTS:

Laura and John Graney, the owners of "The Cupcake Corner", a bakery/café in New Hyde Park, expressed interest in operating a portable coffee concession at the LIRR's Stewart Manor Station. The concession would be manned at all times and stored off site when not in use. The LIRR's Transportation Services Department favors approving the Graneys' request. The operating hours of the concession would be approximately 6am to 9am (morning peak hours), in an area of the station building designated by LIRR where the operation would not interfere with passenger ingress and egress. MTA/LIRR would have the right to terminate the license agreement at will.

Should this pilot program prove successful, MTA Real Estate expects to solicit competitive proposals to continue the service within approximately one year of the commencement date. The Cupcake Corner may be permitted to continue to operate beyond the one year period on a month-to-month basis prior to the culmination of any such future offering process.

Based on the foregoing, MTA Real Estate requests authorization to enter into a month-to-month license agreement with The Cupcake Corner on the above-described terms and conditions.

Staff Summary

Metropolitan Transportation Authority

Subject LICENSE AMENDMENT	Date JULY 26, 2010
Department REAL ESTATE	Vendor Name
Department Head Name JEFFREY B. ROSEN	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name STEPHEN BROWN	Table of Contents Ref #

Board Action

Order	To	Date	Approval	Info	Other
1	Finance Committee	7/26/10	X		
2	Board	7/28/10	X		

Internal Approvals

Order	Approval	Order	Approval
	Executive Director	1	Legal
3	Chief of Staff		
2	Dep Exec Dir of Admin		
	Civil Rights		

Narrative

AGENCY: Long Island Rail Road ("LIRR")

LICENSEE: National Railroad Passenger Corporation, d/b/a/ Amtrak ("Amtrak")

LOCATION: LIRR's Main Line (Milepost 0.9) in the vicinity of Skillman Ave and Hunterspoint Ave Long Island City, NY (Queens Block 72, Lot 200)

ACTIVITY: Amendment of License Agreement for placement of an approximately 880 square foot prefabricated Mechanical Equipment Room (MER).

ACTION REQUESTED: Approval of terms

COMPENSATION: One dollar, payment waived

COMMENTS:

Amtrak currently licenses LIRR property under a 2003 agreement covering underground utilities in support of a Dry Fire Standpipe System ("FSP") associated with the East River Tunnel ("ERT") 1 & 3 portals in Long Island City. In conjunction with LIRR Capital Program Management, Amtrak is currently augmenting the existing FSP to provide for continuous compressed air leak monitoring and a rapid fill standpipe deluge system. The system allows for remote pre-filling of the standpipe prior to the arrival of the responding fire department(s) to an emergency tunnel incident. A component of the project requires that a prefabricated mechanical equipment room ("MER") be installed over the improvements which Amtrak made in connection with the 2003 license. LIRR has reviewed the proposed plans and has no objection to the proposed installations.

Based on the foregoing, MTA Real Estate requests authorization to amend the subject agreement to include the MER. All other terms and conditions of the agreement will remain the same.

Staff Summary

Metropolitan Transportation Authority

Subject LICENSE AGREEMENT	Date JULY 26, 2010
Department REAL ESTATE	Vendor Name
Department Head Name JEFFREY B. ROSEN	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name ROBERT PALEY	Table of Contents Ref #

Board Action

Order	To	Date	Approval	Info	Other
1	Finance Committee	7/26/2010	X		
2	Board	7/28/2010	x		

Internal Approvals

Order	Approval	Order	Approval
	Executive Director	1	Legal
3	Chief of Staff		
2	Dep Exec Dir of Admin		
	Civil Rights		

Narrative

AGENCY: Metropolitan Transportation Authority ("MTA")

PERMITTEE: S3II Tunnel Constructors ("S311")

LOCATION: Manhattan Block 702, part of lot 1 (NW corner of 10th Avenue and 30th Street)

ACTIVITY: Construction staging and materials storage

ACTION REQUESTED: Ratification of terms

TERM: Six months (terminable at will by MTA on 30 days notice), subject to possible month-to-month extension thereafter

SPACE: 13,000 square feet

COMPENSATION: $20,000.00 (twenty thousand dollars) per month.

COMMENTS:

S3II is one of the contractors constructing the extension of the #7 Line under contract to MTA Capital Construction. In connection with this work, S3II had an immediate need for approximately 13,000 square feet of space for construction staging and storage of materials for the project. It is anticipated that this need will last for six months.

The property was previously licensed to the New York City Department of Environmental Conservation in connection with its construction of City Water Tunnel No. 3. The City has completed the portion of its work requiring use of the property and has vacated the site, which is unimproved. The property is part of the Eastern Rail Yard portion of the West Side Yards development site; however, occupancy of the parcel by S3II will not impact the West Side Yards project because it is terminable on short notice and will be so located as to make it possible to demolish the so-called Metals Purchasing Building at the same time that S3II is using the site.

The compensation of $20,000 per month is fair given current market conditions, and would not have been available to the MTA in the short-run from any other source. The license is terminable by MTA upon thirty days notice, and may also be extended on a month-to-month basis after the six-month term by mutual consent.

In order to avoid a negative impact on the #7 Line project schedule, MTA Real Estate entered into a license agreement with S3II effective July 19, 2010. MTA Real Estate requests ratification by the Board of the terms as described above.

Staff Summary

Capital Construction

Subject Design Services for 250 E. 87th Street (Block 1532, Lot 22)	**Date** July 2010
Department Second Avenue Subway Project	**Vendor Name** 250 E 87th Street Owners Corp.
Department Head Name William E. Goodrich	**Contract Number** N/A
Department Head Signature	**Contract Manager Name**
Program Manager / Project Manager Name Anil Parikh/Sant Singh	**Table of Contents Ref #**

Board Action

Order	To	Date	Approval	Info	Other
1	MTACC Committee				
2	Finance Committee				
3	MTA Board				

Internal Approvals

Order	Approval	Order	Approval
	President MTACC		
	General Counsel		
	Chief Financial Officer		
	Human Resources		

BACKGROUND:

The Second Avenue Subway (SAS) project will require permanent and temporary easements for entrances, ventilation facilities and other support functions to be built partially or entirely within privately owned buildings. Agreements will, therefore, be required with building owners to cover engineering services and construction. It is anticipated that MTACC will be coming to the Board for a number of these types of agreements for SAS as they are negotiated as design and construction proceeds.

Board Authorization was obtained in September 2009 to enter into a design services agreement for a not-to-exceed amount of $1,300,000 (which includes construction administration) to advance the design to make changes to 250 E. 87th Street which is needed to accommodate this ancillary facility.

PURPOSE:

To seek Board Authorization for an additional sum of $ 277,200 to ensure completion of the design to make changes to 250 E. 87th Street needed to accommodate the ancillary facility.

DISCUSSION:

SAS will be building an ancillary facility at 250 E. 87th Street on 2nd Avenue between 87th St. & 86th Streets. This ancillary will impact one privately owned building. The work that must be done includes, but is not limited to, the following items:

- Complete building survey of existing conditions: architectural, mechanical, electrical, plumbing, fire protection and structural member sizing. Perform additional surveying within the permanent easement area and to the extent required to trace building utility systems outside the permanent easement area.
- Planning and design for Structural/ Mechanical/Electrical/Plumbing/Fire Protection impacted by the SAS facility.

During the preliminary design phase, the potential construction costs for relocating significant building utilities and services was excessively high. Thus, additional design was performed with a revised approach to minimize construction costs and impacts. These additional funds will be used to reimburse the building for this new design review.

ALTERNATIVES:

The alternative is for the MTA to contract directly for this work. This is not recommended so that the MTA does not become responsible for any problems or issues that arise as a result of the construction within the private buildings.

Staff Summary

Capital Construction

FUNDING IMPACT:

The work is funded from the MTA's 2005 - 2009 Capital Plan.

RECOMMENDATIONS:

MTA Board Approval of additional funding for a not-to-exceed amount of $277,200 for the design services agreement with 250 E. 87th Street, to ensure timely completion of the design for the required work.

New York City Transit

ACTION ITEM: LEGAL SERVICES TO ADD THE LAW FIRM OF JOHN E. McCORMACK, P.C.

To obtain Board approval to add the law firm of John E. McCormack, P.C. to the panel of attorneys representing MTA NYCT and its subsidiary, MaBSTOA (the "Authorities") in Workers' Compensation matters and related litigation.

Staff Summary

New York City Transit

Subject Legal Services	**Date** June 28, 2010
Department Law Dept	**Vendor name** John E. McCormack, P.C.
Department Head Name Martin Schnabel	**Contract Number** NA
Department Head Signature M.B. Schnabel	**Contract Manager Name** Florence Dean
	Table of Contents Ref #

Board Action

Order	To	Date	Approval	Info	Other
1	NYCT Committee				
2	Board				

Internal Approvals

Order	Approval	Order	Approval
3	President		Labor Relations
2	Executive VP		Subways
	Capital Prog Management		Buses
1	Law		

Internal Approvals (cont.)

Order	Approval	Order	Approval	Order	Approval	Order	Approval

Purpose

To obtain Board Approval to add the law firm of John E. McCormack, P.C. to the panel of attorneys representing MTA NYCT and its subsidiary, MaBSTOA (the "Authorities") in Workers' Compensation matters and related litigation.

Discussion

The MTA agencies maintain a panel of outside counsel to represent their interests in personal injury, FELA and Workers' Compensation litigation and proceedings. Currently, there are three law firms representing the Authority on Workers' Compensation matters, such as Workers' Compensation hearings, related depositions, and similar processing of Workers' Compensation contested claims and proceedings. Workers' Compensation proceedings can be heard in any county where the injured worker resides.

It is deemed necessary by NYCT's Law Department to supplement the panel by adding one additional firm to appear in connection with selected Workers' Compensation proceedings. The firm of John E. McCormack, P.C., (McCormack) has a well-recognized reputation in the area of insurance fraud (principally in the no-fault arena) and one of its partners has substantial experience in Workers' Compensation matters as well. It is anticipated that this firm would be utilized principally in connection with handling selected Workers' Compensation matters, including those of demonstrated or potential fraudulent practices. The firm has committed to represent the Authorities in Workers' Compensation proceedings at the established rates of the other Workers' Compensation panel attorneys. In addition, if ancillary court litigation should arise in connection with the pursuit of fraudulent medical providers, the firm will be charging an hourly rate of $150 an hour for partner services. No funds will be expended under this agreement unless McCormack actually provides services.

Alternatives

None recommended.

Impact on Funding

Funds are available in the Law Department Budget Account # GLA 250.03

Staff Summary

Recommendation

It is recommended that the outside counsel panel be expanded to include the law firm of John E. McCormack, P.C. in order to handle selected Workers' Compensation proceeding matters and ancillary litigation.

Approved:

Date: 7/7/10

Thomas F. Prendergast, President

New York City Transit

ACTION ITEM: ELEVATOR/ESCALATOR MAINTENANCE TRAINING – PROGRAM DEVELOPMENT

The purpose of the staff summary is to obtain Board approval to enter into an agreement with, among others, the American Public Transit Association (APTA) and a not-for-profit organization, the Transportation Learning Center (TLC), to develop through a cooperative agreement among several transit properties a complete instructional program for Transit Elevator/Escalator (E&E) maintenance.

Staff Summary

New York City Transit

Subject Elevator/Escalator Maintenance Training – Program Development	**Date** June 30, 2010
Department Subways/Operations Training	**Vendor name** Transportation Learning Center
Department Head Name Carmen Bianco	**Contract Number**
Department Head Signature	**Contract Manager Name** Mark Hellman
	Table of Contents Ref #

Board Action

Order	To	Date	Approval	Info	Other
1	NYCT Committee				
2	Board				

Internal Approvals

Order	Approval	Order	Approval
5	President	3	Labor Relations
4	Executive VP		Subways
	Capital Prog Management		Buses
2	Law		

Internal Approvals (cont.)

Order	Approval	Order	Approval	Order	Approval	Order	Approval

Purpose

To obtain Board approval to enter into an agreement with, among others, the American Public Transit Association (APTA) and a not-for-profit organization, the Transportation Learning Center (TLC), to develop through a cooperative agreement among several transit properties a complete instructional program for Transit Elevator/Escalator (E&E) maintenance. Working through APTA and an ad hoc committee known as the Transit Elevator/Escalator Training Consortium (established in 2005, consisting of six major transit agencies), the TLC will develop comprehensive courseware for E&E maintenance. It is anticipated that this will be accomplished through contributions of funds from each transportation agency, as well as by the allocation of personnel resources from each agency, in a joint effort to accomplish the creation of a comprehensive maintenance training program that could be used by various transit entities. Existing courseware suitable for transit and transportation environments is very minimal and insufficient across each participating agency. Accordingly, the Training Consortium has been pursuing the concept of pooling resources in order to reduce the initial development costs (otherwise absorbed by agencies on an individual basis) with the anticipated result of producing a better product. In addition to establishing a defined E&E training program for NYCT maintainers, it is expected that this would be the first step ~~in the~~ creation of national standards and/or part of a nationally accredited program to be used within the transit industry. The goal is to provide E&E maintainers with a rigorous, comprehensive curriculum in a specialized maintenance field.

Discussion

The maintenance of elevators and escalators within transit poses a number of challenges: first, the elevator and escalator industry is incorporating digital control technologies into their designs faster than the incumbent workforce can learn these new systems. Second, every agency has experienced difficulty recruiting qualified E&E maintainers. In fact, the US Department of Labor projects nine percent growth in the number of elevator/escalator positions through 2016, leaving transit agencies to compete with private sector employers. Additionally, regulatory and legislative changes have required transit agencies in some states to meet state occupational certification requirements for recently hired elevator and escalator maintainers. While New York has not yet adopted such requirements, this regulatory and occupational certification is expected to become more common.

Participants in the E&E Consortium consist of management and union representatives from MTA NYCT, MARTA, SEPTA, WMATA, BART and CTA. APTA has sponsored this effort, and the Transportation Learning Center has supported and facilitated this program with funding provided by the US Department of Labor, the Federal Transit Administration and the Transportation Research Board. It is expected that this partnership will make developing a standardized, comprehensive E&E training program, along with the corresponding courseware, far more manageable for the group as a whole than for any single agency. Next steps include a formal Consortium agreement among participating parties, a detailed work plan based on a contemplated budget, and the collection and development of specialized courseware. We have recently received a draft agreement, statement of work and related material to be executed by APTA and the participating agencies which is expected to be finalized shortly and which outlines these concepts in greater detail.

Impact on Funds

NYCT's share of the project cost is $225,000. Total cost of the project is $2.7 million, of which half ($1.35 million) will be provided by the FTA to APTA for release to TLC. Each of the six participating agencies would provide the remaining amount to APTA, for transmittal to the TLC, in six semiannual payments of $37,500 over the next three years. Based on an informal survey of outside vendors, if NYCT were to work with private vendors to develop the courses as outlined in the scope on its own, the cost would likely exceed $4 million. Funding for the project is included in Operations Training's OTPS budget, GLA 80802. In addition, since the concept presumes allocation of personnel resources from each agency to develop the training, NYCT personnel would be assigned to review course content and contribute subject matter expertise. It is anticipated that existing personnel would be used to fulfill this commitment without significant budget impact.

Alternatives

1) Award the curriculum development tasks to an outside vendor and solely bear the total cost. 2) Develop the curriculum in-house by hiring curriculum developers and bear the total cost. 3) Forestall the development of the curriculum and risk increases in failure rates resulting from an inadequately trained maintenance force. The Department of Subways believes that active participation in this consortium arrangement offers the best opportunity for obtaining targeted training materials for elevator and escalator maintenance in the transit industry at a favorable cost.

Recommendation

NYCT should participate in the project and bear its appropriate share of the costs involved. The allocation of resources and expenditure associated with this project would be a good investment towards improved elevator and escalator safety and reliability.

Approved:

Date: 7/18/03

Thomas F. Prendergast, President

Subject	Request for Authorization to Award Various Procurements	July 13, 2010	
Department	Materiel Division - NYCT	**Department**	Law and Procurement - MTACC
Department Head Name	Stephen M. Plochochi	**Department Head Name**	Veronique Hakim
Department Head Signature		**Department Head Signature**	VHakim
Project Manager Name	Rose Davis	**Table of Contents Ref #**	

Board Action

Order	To	Date	Approval	Info	Other
1	Committee	7/26/10			
2	Board	7/28/10			

Internal Approvals

	Approval		Approval
	President NYCT		President MTACC.
	Executive VP	X	Subways
X	Capital Prog. Management	X	Buses
	Law	X	Diversity/Civil Rights

Internal Approvals (cont.)

Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE:

To obtain approval of the Board to award various contracts and purchase orders, and to inform the NYC Transit Committee of these procurement actions.

DISCUSSION:

NYC Transit proposes to award Non-Competitive procurements in the following categories:

Procurements Requiring Two Thirds Vote:		# of Actions	$ Amount
Schedule A:	Non-Competitive Purchases and Public Work Contracts • **Universal Machine Company $ .05 M**	1	$ .05 M
Schedules Requiring Majority Vote			
Schedule E:	Miscellaneous Procurement Contracts • **Transdyn, Inc. $ .2 M**	1	.2 M
Schedule G:	Miscellaneous Service Contracts • **Siemens Industry, Inc. $ 2.0 M**	1	$ 2.0 M
	SUBTOTAL	3	$ 2.3 M

MTACC proposes to award Non-Competitive procurements in the following categories: NONE

NYC Transit proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule F:	Personal Service Contracts		1	$	6.7 M
Schedule G:	Miscellaneous Service Contracts		2	$	49.3 M
		SUBTOTAL	3	$	56.0 M

MTA Capital Construction proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule I:	Modifications to Purchase and Public Works Contracts		1	$	.2 M
		SUBTOTAL	1	$	.2 M

NYC Transit proposes to award Ratifications in the following categories: NONE

MTA Capital Construction proposes to award Ratifications in the following categories:

Schedules Requiring Majority Vote:

Schedule K:	Ratification of Completed Procurement Actions		5	$	10.5 M
		SUBTOTAL	5	$	10.5 M
		TOTAL	12	$	69.0 M

BUDGET IMPACT: The purchases/contracts will result in obligating NYC Transit and MTA Capital Construction Co. funds in the amounts listed. Funds are available in the current operating/capital budgets for this purpose.

RECOMMENDATION: That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)

BOARD RESOLUTION

WHEREAS, in accordance with Section 1265-a and 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 service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and certain budget adjustments to estimated quantity 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, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.
2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.
3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.
4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein, and ratifies each action for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.
6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.
7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.

JULY 2010

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive.) Note – in the following solicitations, NYC Transit attempted to secure a price reduction. No other substantive negotiations were held except as indicated for individual solicitations.

1. Universal Machine Company $54,105.00 (NTE)
Sole Source
Req. #U-A183714

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law §1209, subsection 9(b) due to the existence of a single responsible source and approve the purchase of three Universal Model 360 coin counters to count presorted coins received from NYC Transit, MTA Bus and Long Island Bus depot collections. The Department of the Executive Vice-President – Division of Revenue Control (Revenue Control) has requested a sole source purchase of three Universal Model 360 coin counters to serve during periods of high volume collection and be used as spares when a unit requires a major repair and while preventive maintenance is being performed on coin counter(s) without affecting production. Revenue Control has 10 Universal Model 360 coin counters that were acquired in 2006 under Contract C-34564 for the Central Revenue Facility and are used to count pre-sorted coins collected from bus depots. These 10 units are in daily production and process approximately 44 million coins per month or 2 million coins per day. Revenue also makes up 80 bags with approximately 400-600 one-dollar coins/bag on a daily basis for distribution to Metrocard Vending Machines and 196 bags of 1,000 one-dollar coins/bag on a weekly basis for the Long Island Rail Road ticketing machines to provide coin change. The purchase of these units from the manufacturer, Universal Machine Company (UMC) provides for a consistency of operation, which minimizes training requirements and standardizes maintenance due to consistent training of the Revenue Control personnel. UMC is the sole manufacturer and distributor of their equipment and components. UMC's price of $54,105 or $18,035/unit (including shipping) is equal to the in-house estimate of $54,105 and is $2,205 or 4.1% less than the full list price of $18,785. To substantiate their price, UMC furnished pricing certification along with copies of invoices that showed prices of Universal Model 360 coin counters sold to other customers that ranged from $18,900 - $29,732 per unit, depending on the accessories. Based on the documents provided, Procurement finds UMC's total price of $54,105 to be fair and reasonable.

JULY 2010

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

E. Miscellaneous Procurement Contracts
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive; $1M Competitive.)

2. Transdyn, Inc. $192,408.00 (Estimated price includes options)
Non-Competitive – Four-year contract, with 2 one-year options
Contract #09F0102

NYC Transit's Technology and Information Services Division (TIS) requested this contract to provide software maintenance and support services for their DYNAC Supervisory Control and Acquisition (SCADA) system. The DYNAC SCADA system, installed under Capital Contract No. P-36224, is used at the Power Control Center (PCC) to control and monitor field equipment that distribute power to AC/DC substations, signals, circuit breaker houses, the third rail and ventilations fans in four IND Division zones. Under Contract No. P-36224, Transdyn, as a subcontractor, developed and commissioned a new SCADA system platform to allow PCC personnel to monitor and control substations by using DYNAC SCADA software, which is now the standard for all subsequent substation SCADA upgrades. DYNAC Software is proprietary software developed by Transdyn and only Transdyn can provide upgrades and support of the software.

Pricing for this contract was originally requested from Transdyn with a base term of two years and 2 one-year options for years 3 and 4. The contract has two components, monthly software support and Emergency On-site Support. Through negotiations, a price reduction was obtained by extending the contract term to four years plus a two year option, for a total of 6 years and $10,824 (8%) was saved. Transdyn's price is considered to be fair and reasonable.

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.)

3. Siemens Industry, Inc. $2,000,000.00 (NTE) ***Staff Summary Attached***
Non-Competitive – Five-year contract
Contract #08B9830

Post-Warranty repair of Communication Based Train Control electronic modules, including the purchase of spare parts.

JULY 2010

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

F. Personal Service Contracts
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive; $1M Competitive.)

1. Battelle Memorial Institute $6,738,202.00 (NTE) ***Staff Summary Attached***
Two Proposals/Low Proposer – Seventy-Eight Month Contract
Contract # CM-1345

Independent Safety Assessor (ISA) services for CBTC Signal System Modernization for the Flushing Line and Culver Test Track.

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.)

2. Bay Crane Service, Inc. $48,829,625.34 (Est.)
Four Bids/Lowest Responsive Bidder – Five-year contract
Contract # 10A0227

This contract is an estimated quantity contract for the leasing, operation and maintenance of 15 cranes. The cranes range in size from a 28-ton hydraulic rough terrain crane to a 200-ton truck mounted crane. The cranes are used at various locations and are used to assist in the removal and movement of heavy materials and parts such as: track panels, rails, ties, 3rd rail protection boards and fiberglass walkways. The supplier of the cranes also provides operators who will be under the direction of NYC Transit personnel. Due to aggressive efforts by Procurement to generate competition, four bids were received for this procurement. The lowest bidder was deemed non-responsive for refusing to provide the required bid security. The price schedule provides for fixed pricing for years 1 and 2, years 3 and 4 and for year 5. This renewal contract contains slightly different payment provisions, as well as a few different crane sizes, compared to the prior contract. However, for those items that are the same (which represents the majority of the price schedule items) the overall price for this new contract is 2.5% lower than the current contract. Bay Crane's price is considered to be fair and reasonable.

3. Integrated Power Services $548,875.00 (Est.)
Three Bids/Low Bidder – Four-year contract
Contract # 09D0073

This contract will provide for the repair and refurbishment of a/c and d/c electric motors ranging in size from ½ horsepower to 350 horsepower used in various Department of Subways' elevator, escalator and exhaust fan units. The prior contract was premised on repairing motors on time and material, based on prior approval of estimates by the project manager. The focus of the new contract is predetermined pricing for rebuilding a motor which affords a more uniform outcome at a predictable cost. A comparison in pricing between the two contracts utilizing a sampling of invoices from the prior contract indicates that the cost per motor for a complete rebuild under the new contract is approximately 18% lower than under the prior contract. The old contract was premised on a labor rate associated with an estimated number of labor hours, while the new contract is premised on the fixed cost to rebuild different types of motors. Three bids were received and Integrated Power's price is considered to be fair and reasonable based on adequate price competition.

Capital Construction

JULY 2010

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

I. Modifications to Purchase and Public Work Contracts
(Staff Summaries required for individual change orders greater than $250K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least $50K.)

1. Henry Brothers Electronics **$219,000.00** *Staff Summary Attached*
Contract #10-0461.1
Modification to the contract for IESS/C3 Contract Wrap-Up Support Services.

JULY 2010

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

K. Ratification of Completed Procurement Actions (Involving Schedule E-J)

(Staff Summaries required for items requiring Board approval.)

	DMJM + Harris*ARUP, JV		*Staff Summary Attached*
1.	**Contract #CM-1188.49**	**$3,093,323.00**	↓
2.	**Contract #CM-1188.57**	**$5,718,142.00**	↓

Modification to the contract for engineering services for the Second Avenue Subway construction project, in order to perform miscellaneous changes to the final design and to perform preliminary engineering and final design for the construction of a building at the 86th Street Station.

3.	**Judlau Contracting, Inc.** **Contract #A-36006.218**	**$486,245.00**	*Staff Summary Attached*

Modification to the contract for the South Ferry Terminal finishes and system for the settlement of the various claims to facilitate contract closeout.

	S3 Tunnel Constructors, JV		*Staff Summary Attached*
4.	**Contract #C-26002.80**	**$800,000.00**	↓
5.	**Contract #C-26002.97**	**$450,000.00**	↓

Modification to the contract for the construction of the Second Avenue Subway Tunnel from 92nd to 63rd Streets in order to furnish and install basement tie rods for eight buildings and to furnish and install façade ties for five buildings.

Schedule G: Miscellaneous Service Contracts

New York City Transit

Item Number: 3

Vendor Name (& Location) Siemens Industry, Inc. (New York, NY)	**Contract Number** 08B9830
Renewal? ☐ Yes ☒ No	
Description Post-warranty repair and maintenance support of CBTC electronic modules	**Total Amount:** $2,000,000 (NTE)
Contract Term (including Options, if any) Five years	**Funding Source** ☒ Operating ☐ Capital ☐ Federal ☐ Other:
Option(s) included in Total Amount? ☐ Yes ☐ No ☒ n/a	**Requesting Dept/Div & Dept/Div Head Name:** Department of Subways, Carmen Bianco
Procurement Type ☐ Competitive ☒ Non-competitive	
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Non-competitive	

Discussion:

This contract is for post-warranty repair or replacement of Communications Based Train Control (CBTC) electronic modules, including the purchase of spare parts on an as-needed basis. In December 1999, Contract S-32701 was awarded to a joint venture of Siemens Transportation Systems, Inc, Union Switch and Signal, Inc., and RWKS/Comstock to design, furnish and install equipment and material required to implement a complete CBTC system on the Canarsie L Line. Substantial completion was achieved in November 2006. Since that time, the Board has approved several contract actions with Siemens Industry (SII) in order to expand the fleet of CBTC cars for Canarsie and to perform software modifications and enhancements. The Board was notified each time that it would be requested to approve this repair contract with Siemens Industry (SII), the only certified parts supplier for CBTC equipment for NYC Transit's CBTC system at this time.

Currently, NYC Transit's Electronics Maintenance Division performs Level 2 corrective maintenance and functional testing of CBTC Line Replaceable Units (LRU) whereby faulty subassemblies (electronic boards/modules) are detected and replaced with spares. Under this five-year contract for Level 3 maintenance support, the faulty subassemblies will be sent to SII for diagnosis, detection and replacement of faulty components (i.e., integrated circuit, resistor, capacitor, etc.). Level 3 maintenance cannot be performed by NYC Transit employees because they lack the specialized training and testing equipment needed for Level 3 work on this safety-sensitive and highly sophisticated technology. . New modules can also be purchased under this contract to be used as replacements or as spares, in the event repair is considered uneconomical by NYC Transit. Approximately 100 repairs/year are anticipated based upon 2008 and 2009 historical data. The contractor will also provide obsolescence surveillance to inform NYC Transit of any CBTC equipment that is in danger of becoming unavailable and will recommend actions to take to ensure the functionality of the CBTC systems. The cost of any modification plan to remedy obsolescence is not included.

The scope of this contract does not include repairs to the Optical Speed Measurement Sensor (OSMES). Warranty coverage of the OSMES units has been extended due to technical malfunctions that are being remedied in a retrofit effort. Once that retrofit is completed and determined to be successful, various options will be evaluated and provisions for OSMES maintenance will be addressed separately. With the exception of OSMES units, all other CBTC equipment warranty expired in November 2007. Despite the absence of warranty coverage, SII has performed Level 3 post warranty maintenance repairs on CBTC equipment at no charge to NYC Transit.

Three methods of pricing were considered, including fixed price lump sum maintenance, fixed unit price per repair, and cost reimbursable pricing. The cost reimbursable pricing methodology was chosen as the other alternatives would cost more than double, and the selected approach provides the best means of controlling overall costs.

Staff Summary

New York City Transit

Item Number 1					
Division & Division Head Name: Act. VP Materiel, Steve Plochochi					
Division Head Signature & Date					
Board Reviews					
Order	To	Date	Approval	Info	Other

Internal Approvals			
Order	Approval	Order	Approval
1	Materiel	5 X	Civil Rights
2 X	CPM	6 X	Budget
3 X	Subways	7	EVP
4 X	Law	8	President

SUMMARY INFORMATION	
Vendor Name: Battelle Memorial Institute	Contract Number: CM-1345
Description: Independent Safety Assessor (ISA) for CBTC Signal System Modernization for Flushing and Culver Lines	
Total Amount: $6,738,202	
Contract Term (including Options, if any): 78 months	
Option(s) included in Total Amount?	☐ Yes ☒ No
Renewal?	☐ Yes ☒ No
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☒ RFP ☐ Bid ☐ Other:
Funding Source	☐ Operating ☒ Capital ☐ Federal ☐ Other:

I. PURPOSE/RECOMMENDATION

To obtain Board approval to award Contract CM-1345 for an Independent Safety Assessor (ISA) for Communication Based Train Control (CBTC) Signal System Modernization for the Flushing Line and Culver Line CBTC Test Track to Battelle Memorial Institute (Battelle) in the not to exceed amount of $6,738,202 with a duration of 78 months. The Flushing Line CBTC costs $3,780,160 and the Culver Test Track CBTC costs $2,958,042. Although total funding is available, the Culver project is to begin several months after the Flushing project begins. Hence, separate Notices to Proceed will be issued for each project.

II. DISCUSSION

This contract is to engage the services of a consultant to provide Independent Safety Assessment in the implementation of the new CBTC systems for the Flushing Line and Culver Test Track. The ISA will provide an independent review of all system safety activities during the design, development, manufacture, installation, testing, integration and commissioning of the CBTC systems for these projects. The ISA's primary service is to verify that all safety related requirements for the systems have been met. Other services shall include providing recommendations and safety assessments to NYCT and its contractors as applicable to each project. The New York City Transit System Safety Certification Board will issue Safety Certifications based on joint recommendations by the ISA, NYCT System Safety Working Group and the CBTC contractor's Safety Program Officer. CBTC uses carborne and wayside computers which communicate via extremely high radio frequency to automatically and continuously enforce safe speed limits and maintain safe distances between trains. The Flushing Line work is similar to the current Canarsie CBTC project in that there is a single supplier of carborne and wayside equipment. The Culver Project requires installation of equipment on a two and a half mile track with a goal to test inter-operability between suppliers of various CBTC systems. Eventually, this portion of Culver will become a test track that will be used as a baseline to certify new CBTC contractors and equipment as the need arises. The ISA's work shall consist of phase-dependent and phase-independent tasks. Phase-dependent tasks are to be performed during specific contract development phases. An example would be test and design reviews. Phase-independent activities are required throughout the system development lifecycle. Examples of these tasks include safety progress reports and safety assessments.

An RFP was issued on April 7, 2008. A proposal from the Battelle Group was the only response received. A market survey revealed that there was a constraint in the Scope of Work regarding a proprietary software issue that deterred competition. This restriction was removed through a scope modification and the proposal due date was extended by a Post Proposal Addendum issued on June 18. As a result of this addendum, a second response was received from Systra Engineering.

Both teams were found to be technically acceptable and were invited for oral presentations in support of their written proposals. At the presentations, both firms demonstrated comprehensive knowledge and experience with CBTC and transit signaling systems. Systra demonstrated an in-depth knowledge of multi-vendor CBTC systems acquired through its extensive experience in Europe. Battelle is the incumbent ISA on the Canarsie Line, which is considered similar to the Flushing Line. Negotiations took place in December 2009 with BAFOs due on January 21, 2010. The cost proposals were structured to reflect three separate award scenarios: one price for the Flushing and Culver Test Track combined, one price for the Flushing Line only and one price for the Culver Test Track only. The NYCT in-house estimate for both lines was $13,972,265. The initial BAFOs are as shown in the following Table:

	Flushing	Culver Test Track	Both Flushing & Culver
Battelle	$6,354,171	$7,725,255	$10,918,701
Systra	$6,706,546	$6,471,624	$10,818,613

During the review of pricing and technical ability, the RFP was suspended due to funding issues and uncertainty regarding award of both CBTC projects. This RFP was recently restarted as the Flushing Line CBTC was awarded in June 2010. The SOW was revised to incorporate design changes and a revised RFP was issued to the two proposers in May requesting proposals for a single award for both Flushing and Culver Test Track. The contract was not readvertised as this is a specialized field with limited competition. Scope changes included interoperability clarifications, use of reusable codes, reduced role of the working group and data management responsibility changes. These changes resulted in a significantly reduced scope of work with NYCT setting a NTE cap of 36,130 total hours covering 37 work tasks. The NYCT revised estimate was $8,605,512 combined. Both firms proposed on the revised RFP and the Selection Committee (SC) deemed them equal in technical ability. Battelle proposed $3,879,928 for Flushing and $2,906,260 for Culver for a total cost of $6,786,188. Systra proposed $4,649,333 for Flushing and $2,333,010 for Culver, plus $581,680 for other direct costs for a total cost of $7,564,023. Both firms were lower than the NYCT estimate. Negotiations were conducted on June 8, 2010 and centered on the scope, total hours, distribution of hours among tasks, labor titles, overhead rates, profit and other direct costs. Best and Final Offers (BAFO) from both firms were submitted on June 11, 2010.

	Flushing	Culver Test Track	Total
Battelle	$3,780,160	$2,958,042	$6,738,202
Systra	$4,588,231	$2,290,593	$7,300,524*

* Systra showed Other Direct Costs (ODC) as a separate item rather than distribute $421,700 across the two segments of work.

In addition to not distributing ODCs, Systra did not allocate sufficient hours to some tasks that clearly needed to have hours despite their claim that the work under those tasks would be sufficiently performed. The Technical and Selection Committee believed that these omitted hours would increase the Systra price by as much as $500,000. Systra's proposal also included assumptions placing unreasonable restrictions on the proposed effort related to Quality Assurance Requirements which would likely result in an additional cost modification. Systra's fully loaded average hourly rate is $190.39 and Battelle's is $171.41. Overall, Battelle's price is $562,322 or 8% lower than Systra's. Both firms' pricing was below the NYCT estimate of $8,604,612. The SC reconvened on June 14, 2010 to make a final selection. In addition to its overall lower price and prior experience with NYCT's Canarsie Line CBTC, the SC recommended award to Battelle for its clear understanding of the SOW and its technical expertise as evidenced by its experience with several domestic and international transit and rail agencies in railroad signaling and software safety, including analysis and testing of trainborne and wayside systems. Battelle is a nonprofit corporation that was formed in 1925 for the purpose of using technology to deliver practical solutions to the problems of government and industry. Battelle's final proposal is considered fair and reasonable by Procurement and CPM based upon all of the information reviewed and the competitive nature of the RFP award process.

A background investigation and review of the documents submitted by Battelle disclosed no "significant adverse information" within the meaning of the All-Agency Responsibility Guidelines. Having evaluated all of the available facts, Procurement finds Battelle to be fully responsible for award as demonstrated by its satisfactory performance as safety and software consultant for agencies including the Port Authority of NY & NJ, Con Edison, Alaska Railroad Corporation and Canadian Pacific Railway.

PREVIOUS WORK OF THE SELECTED CONSULTANTS FOR MTA OR AFFILIATES
Battelle – NYCT CM-1062 ISA for the CBTC System Installation on the Canarsie Line

III. D/M/WBE INFORMATION

The Department of Diversity and Civil Rights established goals of 5% MBE and 0% WBE. This contract will not be awarded until the requirements are satisfied.

IV. IMPACT ON FUNDING

This contract will be funded with 100% MTA funds. The contract will not be executed until a WAR Certificate has been issued.

V. ALTERNATIVES

Perform the work using in-house personnel. Currently, NYCT lacks available in-house technical personnel to perform the specific tasks required under the scope of work for this contract.

VI. CAPITAL PROGRAM REPORTING

This contract has been reviewed for compliance with the requirements of the 1986 legislation applicable to Capital Contract Awards and the necessary inputs have been secured from the responsible functional departments.

Schedule I: Modifications to Purchase and Public Work Contracts

MTA Capital Construction

Item Number: 1

Vendor Name (& Location) Henry Brothers Electronics (Fair Lawn, New Jersey)	
Description IESS/C3 Contract Wrap-Up Support Services	
Contract Term (including Options, if any) 3 Months	
Option(s) included in Total Amount?	☐ Yes ☒ No
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☐ RFP ☐ Bid ☒ Other: Modification
Funding Source ☐ Operating ☒ Capital ☒ Federal ☐ Other:	
Requesting Dept/Div & Dept/Div Head Name: Security Program , Richard Miras	

Contract Number 10-0461	**AWO/Modification #** 1	
Original Amount:	$	182,000
Prior Modifications:	$	0
Prior Budgetary Increases:	$	0
Current Amount:	$	182,000
This Request	$	219,000
% of This Request to Current Amount:		120.3%
% of Modifications (including This Request) to Original Amount:		120.3%

Discussion:

This agreement is for various IESS/C3 Contract Wrap-Up Support Services. The work includes installation of a LAN System (with associated CAT6 cable and equipment), access control and electrical punch-list work and installation of badging stations at two locations. Board approval is requested to modify the agreement for the purchase of McAfee software licenses and support; furnish and install a communication cabinet; and furnish, install and terminate additional CAT6 cable and communication equipment at various locations.

Henry Brothers Electronics submitted a cost proposal of $233,044. MTACC's estimate was $205,945. Negotiations were held and the parties agreed to a cost of $219,000, which is considered fair and reasonable as it falls within 10% of the in-house estimate.

Schedule K: Ratification of Completed Procurement Actions

MTA Capital Construction

Item Number: 1,2

Vendor Name (& Location) DMJM + Harris*Arup (New York, NY)	
Description Preliminary and Final Engineering Services for Second Avenue Subway	
Contract Term (including Options, if any) December 20, 2001 – December 19, 2013	
Option(s) included in Total Amount?	☐ Yes ☒ No ☐ n/a
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☐ RFP ☐ Bid ☒ Other: Modification
Funding Source ☐ Operating ☒ Capital ☒ Federal ☐ Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Michael Horodniceanu, President	

Contract Number	**AWO/Modification #**	
CM-1188	49 & 57	
Original Amount:	$	200,478,227
Prior Modifications:	$	170,030,447
Prior Budgetary Increases:	$	0
Current Amount:	$	370,508,674
This Request: **MOD #49** **MOD #57**	 $ $	 3,093,323 5,718,142
% of This Request to Current Amount:		2.4%
% of Modifications (including This Request) to Original Amount:		89.2%

Discussion:

This contract is for design services for the Second Avenue Subway. The base contract provided for preliminary engineering (PE) of the segment running from 125th Street to Midtown, PE of the segment running from Midtown to Lower Manhattan, and support services during the construction phase for tunnel boring machine (TBM) tunneling activities. The contract also included three options—one each for final design and construction support services for (1) civil/structural elements, (2) systems, and (3) stations for the full-length.

Retroactive Modification No. 49: During the Final Design of the Project through September 2009, there were cost-saving initiatives (that will save the project $10M in construction cost) initiated by the joint efforts of MTACC, MTA's Office of Construction Oversight and the Independent Engineer, whose implementation necessitated modifications to the design. In addition, there were criteria and operational changes noted by NYC Transit users and CPM Engineering which also required that certain revisions be made to the design of all three new stations in Phase I as well as to the rehabilitated Lexington Avenue/63rd Street Station. Because some elements of the design had been completed, a contract modification is required to make such changes. Items to be addressed under this modification include: changes to the fire suppression system in the Station Service Centers; changes to the size of granite floor tile in the station public areas; changes to the Communication Transformer Backbone System from Asynchronous Transmission Mode Technology (ATM) to Synchronous Optical Network Technology (SONET); deletion of the Supervisory Control and Data Acquisition Systems (SCADA) for the Station Ejectors, Station Electric and Station and Tunnel Lighting; change five escalators to stairs; inclusion of an Inergen fire suppression system in the CBTC Control Rooms and Cable Termination Rooms; rerouting of Con Edison Electrical Service feeder cables; and provision of auxiliary electrical power to the Traction Power Substation. The work includes revisions to drawings, specifications and functional requirement documents. This modification also includes a 2 month extension of the Final Design milestone date from April 1, 2010 to May 31, 2010. Following negotiations, DMJM+Harris*Arup (DHA) submitted a BAFO in the amount of $3,093,323 and 20,750 hours. MTACC's revised estimate was $3,021,516 and 20,750 hours. DHA's BAFO is 2.3 percent more than the revised in-house estimate. The final price is considered fair and reasonable.

Retroactive Modification No. 57: Due to an inability to reach agreement with a building owner regarding building utility relocation required for the construction of Ancillary 2 Building (a service building containing mechanical, electrical and plumbing systems such as pump rooms, fan plants and mechanical rooms) at the 86th St. Station, DHA was previously directed to perform a feasibility study and conceptual design to potentially relocate and/or modify Ancillary 2 Building to minimize impacts on major utilities where permanent and temporary easements are required for the construction. This Modification includes Preliminary Engineering and Final Design for Construction of Ancillary 2 Building at the 86th Street Station necessitating the preparation of new drawings and revision of Ancillary 2 building drawings affecting four separate contract packages. This modification also includes a 4 month extension of the Final Design milestone date from June 1, 2010 to September 30, 2010. Following negotiations, DHA submitted its BAFO of $5,718,142 and 36,000 hours. MTACC's revised in-house estimate is $5,344,839 and 33,400 hours. DHA's BAFO is 7 percent greater than MTACC's revised estimate. The final price is considered fair and reasonable.

In order to institute these revisions immediately for contracts ready for solicitation, it was necessary to direct the Consultant to immediately proceed with the work of both modifications so as not to adversely affect the overall project schedule. A retroactive waiver was approved by the President of MTACC for each modification.

Schedule K: Ratification of Completed Procurement Actions

Capital Construction

Item Number: 3

Vendor Name (& Location) Judlau Contracting, Inc. (College Point, NY)	
Description Furnishing and installation of station finishes at South Ferry Terminal	
Contract Term (including Options, if any) August 8, 2006 – August 8, 2008	
Option(s) included in Total Amount?	☐ Yes ☐ No ☒ n/a
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☐ RFP ☐ Bid ☒ Other: Modification
Funding Source ☐ Operating ☒ Capital ☒ Federal ☐ Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Michael Horodniceanu	

Contract Number A-36006	**AWO/Modification #** 218	
Original Amount:	$	120,000,000
Prior Modifications:	$	16,519,398
Prior Budgetary Increases:	$	0
Current Amount:	$	136,519,398
This Request:	$	486,245
% of This Request to Current Amount:		0.4%
% of Modifications (including This Request) to Original Amount:		14.2%

Discussion:

This retroactive modification is for the settlement of additional costs associated with acceleration of the work; credit for deletion of tensile street level station canopies; and the contractor's impact costs claim associated with extension of time. The contract is for the furnishing and installing of architectural station finishes and railroad systems including tracks, signals, communications, elevators and escalators, lighting, power and other miscellaneous work for the South Ferry Terminal. The following three items have been combined into one final wrap-up AWO:

The first item is for the settlement relating to an acceleration of the work. MTACC issued a request for proposal to the contractor to accelerate the work to meet the scheduled opening date of the new South Ferry Station on December 19, 2008. Most of the work to be accelerated was electrical work, primarily conduit and wiring installation. The contractor's proposal was $475,000; MTACC's estimate was $311,078. No agreement could be reached on the amount required for the acceleration. Due to the time sensitive nature of the work, the President, MTACC issued a retroactive approval on November 21, 2008. The contractor was directed to proceed on the same day at the not to exceed amount of MTACC's estimate. The contractor did the work as required by the scope of the acceleration AWO, including working multiple shifts (overtime), weekends, along with providing additional staffing. The new South Ferry Station did not open on December 19, 2008, despite the contractor's best efforts. The station opened on March 16, 2009. If not for the acceleration, the station would have opened later than March 16, 2009. Following negotiations, the contractor agreed to accept $311,078 for this item. The final price is considered to be fair and reasonable.

The second item is for a credit for the deletion of three temporary, tensile street level station entrance canopies. At the time of contract award, the permanent station entry canopy design was not available. The canopy design was being coordinated with other NYC Transit station projects because it was envisioned to become the standard for all new station construction projects. As a result, the contract contained an allocation of $500,000 for three temporary canopies to avoid delaying the project schedule. The September 2008 Board approved AWO #85 for the new permanent canopies. Therefore, the temporary canopies were not needed and will be deleted by this item. The contractor submitted a credit proposal for $482,686. MTACC's estimate was $500,000. Negotiations resulted in the agreed upon credit of $489,000 which reflects the contractor's costs to prepare and submit shop drawings for the deleted canopies before the design for the permanent canopies was finalized. The final price is considered to be fair and reasonable.

The third item is for impact costs. The contractor was awarded an extension of time for a total of 283 days, of which 44 days are impactable and compensable, extending the Substantial Completion date from August, 8, 2008 to September 21, 2009. The contractor's initial impact claim was for $4,584,016 for 119 impactable days. Subsequently, when the number of impactable days was agreed at 44, the contractor's initial claim was pro-rated to $1,694,930. MTA Audit reviewed the claim and initially recommended allowable costs of $543,546. However, after reviewing additional documentation, Audit revised its recommendation to $664,167. Negotiations resulted in the agreed upon lump sum of $664,167. The final price is considered to be fair and reasonable.

Schedule K: Ratification of Completed Procurement Actions

MTA Capital Construction

Item Number: 4, 5

Vendor Name (& Location) S3 Tunnel Constructors (Queens, NY)	
Description Second Avenue Subway: Tunnels from 92nd Street to 63rd Street	
Contract Term (including Options, if any) March 20, 2007- January 24, 2011	
Option(s) included in Total Amount?	☐ Yes ☐ No ☒ n/a
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☐ RFP ☐ Bid ☒ Other: Modification
Funding Source ☐ Operating ☒ Capital ☒ Federal ☐ Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Michael Horodniceanu, President	

Contract Number	**AWO/Modification #**	
C-26002	80 & 97	
Original Amount:	$	337,025,000
Prior Modifications:	$	12,040,652
Prior Budgetary Increases:	$	0
Current Amount:	$	349,065,652
This Request:		
AWO #80	$	800,000
AWO #97	$	450,000
% of This Request to Current Amount:		0.4%
% of Modifications (including This Request) to Original Amount:		3.9%

Discussion:

These retroactive modifications are for the furnishing and installing of basement tie rods for eight buildings (AWO. No. 80) and Phase II façade ties for five buildings on Second Avenue (AWO. No. 97). The contract is for the construction of two bored tunnels from 92nd Street to 63rd Street, including construction of a tunnel boring machine (TBM) launch box structure from 95th Street to 91st Street and construction of access shafts at 69th Street and 72nd Street.

During inspections of buildings adjoining the work site, it was discovered that there were deficiencies in the connections between the building façades and the structures. The buildings and their façades were settling at different rates, which potentially could have led to a separation of the façades from the buildings. The work provided under these AWOs is to ensure the structural integrity of these buildings during utility relocation, excavation and construction of the TBM launch box and tunnel boring.

AWO No. 80: This AWO addresses the installation of basement tie rods which consist of a steel channel beam across the exterior of the basement walls, two-feet below grade, anchored to the interior load bearing walls by means of a tie rod and anchor plate system. These ties must be provided to improve the connections between the bearing walls and the façade foundation walls. To avoid further delays to the overall project, MTACC decided to perform this work immediately during the mass excavation in the Launch Box. This modification was initiated as two separate AWOs; however, as both items pertained to the same work, they were later consolidated into one AWO. Item 80-S-1-1: The contractor's initial proposal was $455,285. MTACC's revised estimate was $247,677. Negotiations resulted in the agreed upon lump sum of $264,000. Item 80-S-2-1: The contractor's initial proposal was $662,661; MTACC's revised estimate was $516,389. Negotiations resulted in the agreed upon lump sum of $536,000. The final combined price of $800,000 was found to be fair and reasonable. Savings of $317,946 were achieved.

AWO No. 97: This AWO is Phase II of the façade ties which involves the construction of a new truss system which includes installing additional wooden joists, tension and compression cords, truss shear connectors, timber blocking and tie rods anchoring cast iron stars to the exterior of the building, thereby reinforcing the connection of the façade. The cast iron stars were installed under Phase I (AWO 93) as a preliminary repair performed from outside the building. The work under this AWO requires the work to be performed from inside the building. This requires the temporary relocation of the tenants of the affected apartments.

In late December 2009, it was noted that the buildings located on the west side of Second Avenue between 94th and 95th Streets had continued settlement trends and were approaching the revised limiting values recommended by the contractor. Based on that information, it was agreed that tie rods and trusses must be provided to ensure the connections between the bearing walls and the façades. Because of the time necessary to complete all the work, a decision was made to complete the work in two phases. Phase I work was awarded as AWO #93 to allow the contractor to resume excavation of the north end of the Launch Box. This AWO includes the Phase II work that will continue concurrently with the tunnel excavation.

The contractor's initial proposal was $519,763.60; MTACC's revised estimate was $416,966.00. Negotiations resulted in the agreed upon lump sum price of $450,000.00. Savings of $69,763 were achieved. The final price is considered be fair and reasonable. In order to avoid impacting the project schedule, the President of MTACC approved a retroactive waiver dated June 4, 2010.

Staff Summary

Subject	Date
Requests for Authorization to Award Various Procurements	July 8, 2010
Department	**Vendor Name**
MTA Bus Company/Long Island Bus/NYCT Department of Buses	N/A
Department Head Name	**Contract Number**
Thomas Del Sorbo	N/A
Department Head Signature	**Contract Manager Name**
Thomas Del Sorbo	N/A
Project Manager Name	**Table of Contents Ref #**
James P. Curry	

Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	7/26/10	X		
2	Board	7/28/10	X		

Internal Approvals			
Order	Approval	Order	Approval
3	President		
2	Executive VP		
1	General Counsel		

PURPOSE:
To obtain (i) approval of the Board to award various contracts/contract modifications and purchase orders, as reviewed by the MTA Bus Operations Committee, and (ii) ratification of the procurements listed below.

DISCUSSION:

MTA Bus Company proposes to award Non-Competitive procurements in the following categories:

None

Long Island Bus proposes to award Non-Competitive procurements in the following categories:

Schedules Requiring Two Thirds Vote	# of Actions	$ Amount
Schedule A: Non-Competitive Purchases and Public Work Contracts	1	$0.08M
Schedules Requiring Majority Vote		
Schedule G: Miscellaneous Service Contracts	1	$0.06M

NYC Transit Department of Buses proposes to award Non-Competitive procurements in the following categories:

None

	# of Actions	$ Amount
Total Non-Competitive Procurements	2	$0.13M

MTA Bus Company proposes to award Competitive procurements in the following categories:

None

Long Island Bus proposes to award Competitive procurements in the following categories:

None

NYC Transit Department of Buses proposes to award Competitive procurements in the following categories:

Schedules Requiring Two Thirds Vote	# of Actions	$ Amount
Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	1	$61.42M
Schedules Requiring Majority Vote		
Schedule G: Miscellaneous Service Contracts	1	$0.74M
Schedule L: Budget Adjustments to Estimated Quantity Contracts	4	**$4.52M**
Total Competitive Procurements	6	**$66.69M**

MTA Bus Company seeks Ratifications in the following categories:

None

Long Island Bus seeks Ratifications in the following categories:

None

NYC Transit Department of Buses seeks Ratifications in the following categories:

None

	# of Actions	$ Amount
Total Ratifications	0	$0.00M

	# of Actions	$ Amount
Total All Procurements	8	$66.82M

BOARD RESOLUTION

WHEREAS, in accordance with Section § 1265-a and § 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 requests 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 service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and certain budget adjustments to estimated quantity 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, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein, and ratifies each action for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.

JULY 2010

LIST OF NON COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

***Procurements Requiring Two-Thirds Vote*:**

A. Non-Competitive Purchases and Public Work Contracts

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

1. Cubic Transportation Systems $75,000 (NTE)
Farebox Parts and Repairs
Contract No. TBD, Sole Source, Renewal

LIB requests MTA Board approval to award a sole source, non-competitive purchase contract to Cubic Transportation Systems (Cubic) for a one year contract term (8/1/10 - 7/31/11), in the not-to-exceed amount of $75,000 for non-inventory parts and repair services used to repair Cubic fareboxes on fixed-route buses. Cubic is the incumbent for this renewal contract and is identified as the sole supplier of certain parts, components and assemblies for its farebox equipment identified as integral to the LIB fare collection system. Selected parts are identified as obtainable only from Cubic for one of the following reasons: sole manufacturer, proprietary to Cubic, not available from other sources, publicly advertised and/or bid within the past twelve months without an acceptable alternate supplier producing a bid or expressing an interest. Prices charged to LIB will be at or below prices listed in Cubic's "Spare Parts and Repair Price Catalog" dated 2009 and/or dated 2011. If Cubic produces a 2011 Catalog, it informs the majority of prices for the LIB account will be consistent with its 2009 prices. And for those prices that may rise above 2009 levels, or for those parts that have since become obsolete and are no longer described in the Price Catalog, LIB will undertake a price/cost analysis to ascertain price reasonableness. For the period mid-2009 thru mid-2010, Cubic held its prices firm in accordance with prices at or below those posted in its 2009 Catalog. In July 2010, LIB offered to convert this non-competitive procurement into a competitively bid solicitation if other providers could offer the required parts or services; to date, no replies were received in response to the publicly advertised notices. Cubic informs it will offer LIB its most favored parts and repair service prices, and these will remain fixed throughout contract term. Thus, pricing is deemed fair and reasonable. LIB will explore the availability of surplus farebox parts that may become available as a result of the June 2010 bus service reductions. Where feasible, LIB will also seek to participate in the future in any joint Omnibus Agreements with Cubic originating in 2011 or beyond. The LIB operating budget will fund this procurement.

JULY 2010

LIST OF NON COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

***Procurements Requiring Majority Vote*:**

G. Miscellaneous Service Contracts

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

1. Eastern Communications, Ltd. $56,700 (NTE)
CML Hardware and Software Maintenance
Contract No. E-3951, Single Source, Renewal

LIB requests MTA Board approval to award a sole-source, non-competitive, miscellaneous service contract to Eastern Communications, Ltd. (Eastern) for a one year contract term (9/1/10 – 8/31/11), with two 1-year options, in the not-to-exceed amount of $56,700, to maintain customized hardware and software products for LIB's Command Center CAD Console System. The CML Console System consists of a two-position dispatcher radio control device, an electronic central control equipment rack and two sets of operator electronics. This equipment interfaces to five (5) radio base stations that allow dispatchers in the LIB Command Center to communicate as a group, or individually, with the fixed-route bus fleet and other vehicles. Eastern is the incumbent for this renewal contract and is identified as the sole, local, authorized provider for these required parts and technical services. In June 2010, LIB offered to convert this no-competitive procurement into a competitively bid solicitation if other providers could offer the required parts or services; to date, no expression of interest has been received from any third-party contractor. A renewal contract will assure continuous operation and appropriate service of this critical communication system. All prices will remain the same as those contained in the existing contract for the 3-year period: 6/1/07 - 8/31/10. Eastern informs these negotiated prices are the lowest prices it would offer to any governmental agency. Thus, pricing is deemed fair and reasonable. The LIB operating budget will fund this procurement.

JULY 2010

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)
(Staff Summaries required for items requiring Board approval.)

1. New Flyer of America, Inc. **$61,424,152.00** ***Staff Summary Attached***
Two Proposals – low proposer
Contract # B-40641
Furnish and Deliver 135 forty-foot, low-floor CNG powered buses.

Procurements Requiring Majority Vote:

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.)

1. Scaturro Brothers, Inc. **$740,200.00 (Est.)**
t/a Alpine Painting & Sandblasting Contractors
Three Bids/Low Bidder – two-year contract
Contract # 09K0206

This contract is for the sandblasting and painting of the rear structural frame and bulkheads of the 1999 Nova RTS bus fleet. This work is part of the upgrade program for the subject fleet in order to properly maintain the structural integrity of the bus frame and preserve the corrosion protection of structural members and extend the bus' service life. The fleet consists of 350 buses; originally the contract was solicited for only 250 buses, however DOB has determined all 350 buses will receive a base level of sandblasting and painting while an estimated 94 of the 350 buses will need additional touch-up work as well. Scaturro's bid for 250 buses was $550,200 while the bids from the second and third low bidders were $900,120 and $1,429,000 respectively. When contacted all bidders indicated that the increase in quantity would not yield lower pricing. Therefore rather than rebid and risk the possibility of the low bidder increasing its price, the quantity of buses for the award to Scaturro will be increased to 350, making the adjusted award value $740,200. The final price is found to be fair and reasonable.

JULY 2010

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

L. Budget Adjustments to Estimated Quantity Contracts

(Expenditures which are anticipated to exceed the lesser of $250,000 or $50,000 in the event such expenditures exceed 15% of the adjusted contract budget, including any contract modifications.)

1. Charge & Ride, Inc.	**Original Amount:**	$	1,529,266.11
Contract # 08L0026C	**Prior Modifications:**	$	0
August 5, 2009 – August 4, 2011	**Prior Budgetary Increases:**	$	0
	Current Amount:	$	1,529,266.11
	This Request:	$	314,268.94
	% of This Request to Current Amount:		20.6%
	% of Modifications (including This Request) to Original Amount:		20.6%
	Discussion Below		
2. Concord Limousine, Inc.	**Original Amount:**	$	1,421,639.80
Contract # 08L0026D	**Prior Modifications:**	$	0
August 5, 2009 – August 4, 2011	**Prior Budgetary Increases:**	$	0
	Current Amount:	$	1,421,639.80
	This Request:	$	1,970,740.63
	% of This Request to Current Amount:		138.6%
	% of Modifications (including This Request) to Original Amount:		138.6%
	Discussion Below		
3. Executive Charge, Inc.	**Original Amount:**	$	1,484,708.96
Contract # 08L0026E	**Prior Modifications:**	$	0
August 5, 2009 – August 4, 2011	**Prior Budgetary Increases:**	$	0
	Current Amount:	$	1,484,708.96
	This Request:	$	1,104,597.35
	% of This Request to Current Amount:		74.4%
	% of Modifications (including This Request) to Original Amount:		74.4%
	Discussion Below		

JULY 2010

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

L. Budget Adjustments to Estimated Quantity Contracts Cont'd

(Expenditures which are anticipated to exceed the lesser of $250,000 or $50,000 in the event such expenditures exceed 15% of the adjusted contract budget, including any contract modifications.)

4. Skyline Credit Ride, Inc.	**Original Amount:**	$	1,560,900.73
Contract # 08L0026G	**Prior Modifications:**	$	0
August 5, 2009 – August 4, 2011	**Prior Budgetary Increases:**	$	0
	Current Amount:	$	1,560,900.73
	This Request:	$	1,134,780.80
	% of This Request to Current Amount:		72.7%
	% of Modifications (including This Request) to Original Amount:		72.7%

Discussion

These budget adjustments will add funding to four estimated quantity contracts providing miscellaneous/recurring trips for existing Access-A-Ride customers through voucher-based car service. Voucher-based car service plays a major role in Paratransit's strategy to utilize a more cost effective approach to transporting ambulatory customers and increase service capacity during peak times, rather than utilizing more costly primary carriers. Contractors provide service utilizing their own vehicles (black car and livery) dispatched from their existing operating facilities, in concert with their normal commercial business. Pricing is based on a per-trip rate. As part of a cost saving initiative, Paratransit continues to increase the utilization of voucher car service. In the past, industry capacity prevented growth in this program; however current economic conditions have freed up capacity formerly utilized by private industry, and thus current voucher-based car service providers have offered more capacity for Paratransit service. As such, more trips that would typically be allocated to Primary carriers will now be provided by voucher-based car service providers. Due to the increase in the voucher-based car service the following four firms' contracts require additional funding: Charge & Ride, Inc., Contract No. 08L0026C; Concord Limousine, Inc., 08L0026D; Executive Charge, Inc., 08L0026E; and Skyline Credit Ride, Inc., 08L0026G. Procurement attempted to secure price concessions but the contractors believed their rates, competitively awarded in 2009, were as low as acceptable and felt they could not offer lower pricing without adversely impacting service. The pricing for these contracts are considered fair and reasonable based on competition at the time of solicitation.

Staff Summary

New York City Transit

Item Number	
Division & Division Head Name: Acting VP Materiel, Stephen M. Plochochi	
Division Head Signature & Date	

Board Reviews

Order	To	Date	Approval	Info	Other

Internal Approvals

Order	Approval	Order	Approval
1	Materiel	5	Executive VP
2 X	Law	6	President
3 X	Budget	7	
4 X	Buses	8	

SUMMARY INFORMATION	
Vendor Name: New Flyer of America, Inc.	Contract Number: B-40641
Description: Furnish and Deliver 135 CNG 40' Low Floor Buses, with an option to purchase up to 340 additional buses.	
Total Amount: $61,424,152.00	
Contract Term (Including Options, if any): Through December 31, 2012	
Option(s) Included in Total Amount?	☐ Yes ☒ No
Renewal?	☐ Yes ☒ No
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☒ RFP ☐ Bid ☐ Other:
Funding Source	☐ Operating ☒ Capital ☐ Federal ☐ Other:

PURPOSE/RECOMMENDATION:

To request that the Board approve the purchase, pursuant to subdivision 9 (g) of Section 1209 of the Public Authorities Law, of 135 Compressed Natural Gas (CNG) 40' Low Floor Buses in the total amount of $61,424,152.00 from New Flyer of America, Inc. (New Flyer), distributed as follows: 90 buses for New York City Transit – Department of Buses (NYCT) in the amount of $40,949,434.67 and 45 buses for MTA Bus Company (MTABC) in the amount of $20,474,717.33 which includes training for each agency. The proposed Contract includes a provision to execute options for the purchase of up to 340 additional CNG 40' Low Floor Buses which can be exercised by December 31, 2012.

DISCUSSION:

On July 29, 2009, the Board adopted a resolution authorizing the use of a competitive Request for Proposal (RFP) in lieu of competitive bidding to award a contract for the purchase of up to 135 CNG 40' Low Floor Buses (90 buses for NYCT and 45 buses for MTABC) with an option to purchase up to 475 additional CNG 40' Low Floor Buses. Subsequent to the authorizing resolution, NYCT and MTABC reviewed their requirements and reduced the option to 400 buses in the request for Best and Final Offers (BAFOs). The most recent bus plan has further reduced the option requirements to 340 buses (183 buses for NYCT and 157 buses for MTABC). The contract option has been revised to reflect the most recent bus plan.

The solicitation was advertised on September 7, 2009 and initial proposals were received on November 6, 2009. Pursuant to the statutory framework, the selection criteria, listed in descending order, were as follows: Overall Project Cost, New York State Content, and Overall Quality of Proposer and Product. Delivery time, while not part of the selection criteria, was requested to be completed 90 weeks from Notice of Award (NOA). Selection Committee members were drawn from Procurement, NYCT Department of Buses, MTA Bus Company, and the Office of the Controller.

The initial proposals received from Daimler Buses North America (DBNA) of $475,920.00 per bus and New Flyer of $475,565.00 per bus were reviewed by the Selection Committee and considered to be in the competitive range. Negotiations were conducted with DBNA on January 14 and January 22, 2010 and with New Flyer on January 20 and January 21, 2010. Negotiations with both DBNA and New Flyer centered on the current performance of each of their respective CNG fleets, alternate proposals, structural testing, exceptions to the technical specifications and the terms & conditions, and pricing.

BAFOs were received on June 7, 2010. The final evaluated per bus price calculations are as follows:

	Qty	DBNA	NYSC %	New Flyer	NYSC %	Difference
Bus Price (including training)	135	$ 461,453.99		$ 454,993.72		$ (6,460.27)
Credit for Selected Alternatives		$ (2,645.00)		-		$ 2,645.00
* Net Evaluative Credits		-		$ (2,238.98)		$ (2,238.98)
Bus Price in Evaluative Dollars		$ 458,808.99		$452,754.74		$ (6,054.25)
New York State Content		$ (45,499.37)	18.13%	$ (34,540.31)	13.76%	$ 10,959.06
Overall Quality of Proposer and Product		$ (6,300.00)		$ (15,750.00)		$ (9,450.00)
Total Evaluative Price		$ 407,009.62		$ 402,464.43		$ (4,545.19)

* This represents the net value of credits and debits utilized to valuate the differences between the proposers' BAFOs.

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The Selection Committee reviewed BAFOs from both DBNA and New Flyer and unanimously recommended award of this contract for 135 CNG 40' Low Floor Buses to New Flyer. This recommendation is consistent with the evaluation criteria.

New Flyer's two pilot buses are scheduled to be delivered April 2011. One of the pilot buses will be used for in-service testing for a 90 day period while the second pilot bus will be used for configuration audit and qualification testing. The delivery of the production buses is scheduled to begin December 2011 and to be completed April 2012. There are no advance payments for this contract, payments will me made as follows; 1% upon receipt of approved manuals, 1% upon acceptance of training deliverables, 98% upon acceptance of buses.

In comparing the BAFOs of DBNA and New Flyer, it should be noted that New Flyer's unevaluated per bus price of $454,993.72 is $6,460.27 (1.4%) less than DBNA's unevaluated per bus price of $461,453.99; New Flyer's evaluative price of $402,464.43 is $4,545.19 (1.1%) lower than DBNA's of $407,009.62. The negotiated price of $454,993.72 for New Flyer is $4,006.28 (0.9%) below the NYCT's estimate of $459,000.00 per bus and $20,830.54 (4.4%) per bus below their initial proposal of $475,824.26 (including training) per bus resulting in an overall savings of $2,812,122.80.

NYCT and MTABC have one year from Notice of Award of the base contract to exercise the option at the BAFO price. If the options are exercised after one year, the contract includes a pre-established escalation formula for the pricing of the option buses. In the event options are exercised, they will be brought to the Board for approval.

Procurement, NYCT, MTABC and the Cost/Price Analysis Unit have determined the final price to be fair and reasonable. There is reasonable assurance that New Flyer is financially qualified to perform this contract provided that New Flyer submit a Letter of Guarantee from its parent, New Flyer Industries, Inc. guaranteeing New Flyer's delivery of the buses under this contract. No award will be made until receipt of said letter. A background search and review of the documents submitted by New Flyer has disclosed no "significant adverse information" within the meaning of the Responsibility Guidelines.

In an effort to achieve additional operating savings over the life of these buses, Procurement introduced a "Long Term Parts and Provisioning" clause into the contract requiring each proposer to provide with its BAFO more favorable pricing for sole source materials that may be purchased in the future by NYCT or MTABC. Proposers were requested to provide reductions in one (1) or more of the cost elements that make up their unit pricing. In response to this clause, New Flyer offered the following auditable cost reductions: (1) a 1% reduction in freight expense allocation for all products; and (2) a 2% reduction in markup on sole source items as compared with prior quotations for the same or similar products. New Flyer also offered additional savings in the form of a 3% annual rebate on incremental sales growth as compared with the preceding year. This 3% rebate offer applies to all parts purchased from New Flyer, not just those purchased in support of this CNG fleet. The rebate will be issued in the form of a parts credit or check, the first of which will be received in January 2014. These savings will be in effect for twelve (12) years from the date of acceptance of the last bus under this contract.

MBE/WBE:
Based on the unique manufacturing requirements and lack of subcontracting opportunities for this purchase, a MBE/WBE goal was not established.

CAPITAL PROGRAM REPORTING:
This contract has been reviewed for compliance with the 1986 legislation applicable to Capital Contract Awards and necessary inputs have been secured from responsible functional departments.

IMPACT ON FUNDING:
This contract will be funded with 100% MTA funds. Funds for this procurement have been approved in the MTA 2005-2009 Capital Program. A WAR certificate will be requested and the contract will not be executed until a WAR Certificate has been issued. Options, if exercised, will be funded through the 2010-2014 Capital Program.

ALTERNATIVES:
Conduct another solicitation. Not recommended. There is no reason to believe that conducting another solicitation will result in lower pricing or better contract terms.

Staff Summary

Subject: Parking Fee Modifications for MTA Metro North Railroad & MTA Long Island Rail Road	**Date** July 26, 2010
Department MNR: Business Development, Facilities & Marketing LIRR: Management and Finance	**Vendor Name**
Department Head Name Randall J. Fleischer/ MNR Mark Young/LIRR	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name Philip Petillo, MNR Scott Howell, LIRR	**Table of Contents Ref#**

Board Action

Order	To	Date	Approval	Info	Other
	MN/LIRR Comm. Mtg.	7/26	X		
	MN/LIRR Finance	7/26	X		
	MTA Board Mtg	7/28	X		

Internal Approvals

Order	Approval	Order	Approval
3	President, MNR	2	President, LIRR
	VP Operations		
1	VP Financial Admin MNR	1	VP Financial Admin LIRR
	Controller		

Internal Approvals (cont.)

Order	Approval	Order	Approval	Order	Approval	Order	Approval
	VP Planning & Development		Government Relations		Labor Relations	2	General Counsel MNR
	Press		VP Human Resources		Personnel		Other

Narrative

I. Purpose

To seek MTA Board approval to modify or increase parking fees at station parking facilities that are owned or controlled by MTA Metro-North Railroad (MNR) and MTA Long Island Rail Road (LIRR) to take effect on December 1, 2010.

II. Discussion

In September 2008 the MTA Board authorized the commuter railroads to increase parking fees up to the rate of consumer price index (CPI) growth without MTA Board approval. Any increase over the CPI would require Board approval.

The parking fee increases proposed in this staff summary, which exceed the rate of CPI growth, are intended to: (1) raise revenue; (2) cover the rising operating and maintenance costs experienced at these facilities; (3) continue the process of establishing standardized parking rates and remain competitive with neighboring facilities; (4) maximize parking availability by maintaining a fee structure that provides an incentive for customers to park in certain facilities and during under-utilized times and (5) maintain a high quality of customer service.

Metro-North Facilities: MNR's last parking fee modification was approved by the MTA Board in September 2008. This fee modification being proposed here exceeds the current CPI since the last increase was implemented in November 2008, and approval is now being requested as outlined.

Staff Summary

MNR is requesting Board approval to modify current parking fees at 34 MNR-owned/controlled facilities operated by its system-wide private parking operator. The overall 14.5% fee modification will increase annual permits by an average of 12.3% and increase daily meters by 50 cents, (16 hrs). The exceptions are stations at Port Chester (Garage) and Patterson (South Lot), where permits will rise 5% and meters by 25 cents, in order to induce additional customer utilization. No adverse impact on ridership is anticipated. The overall action will increase MNR non-fare revenues by approximately $505,000 /yr.

For MNR customers, the overall impact on customers of these increases will be as follows:

1) The 66% of customers who are permit holders (16 hr., Day/Night and Long Term permit holders) will pay an average of $35.61 more annually. Permit increases range from $.92 - $9.75 per month.

2) The 34% of customers who currently use daily meters will pay an average of $10.22 more monthly.

MNR owns/controls approximately 40% of system parking and the proposed fee levels will keep rates at MNR owned facilities generally consistent with fees at proximate stations with municipal-controlled parking. The proposed MNR rates will generally be competitive with resident parking fees charged by localities and lower than those charged to non-residents by localities and some privately operated facilities, who set higher differentials.

In conjunction with the fee modification, it is proposed that MNR also increase the fees charged for customer elected upgrade options. The cost per month for the option of having a second vehicle on a parking permit will increase from $5 to $6 per month, the 24 hour option for parking permits (where available) will increase by $3.00 per month at applicable stations (East of Hudson from $18 to $21.00/month and West of Hudson from $16 to $19/month). The meter upgrade option to 24 hour parking will increase by $.50 per 24 hour period, (East of Hudson from $2 to $2.50 and West of Hudson from $1.25 to $1.75).

In addition, MNR is requesting Board approval to modify permit parking rate increases at three locations to maximize utilization. The locations are Port Chester Garage and Patterson South Lot, which are relatively underutilized and have excess capacity. A 5% increase would be imposed in lieu of a 12 to 14% increase (as proposed at all other stations), to create a lower rate and induce more use of these lots. These modified rates would be instituted in conjunction with this fee action, and after application over time, MNR may elect eliminate same to the extent they are no longer needed to achieve corporate goals noted above.

Attachment I. shows proposed sample fees at the affected MNR station parking facilities.

MNR is also requesting Board approval for a new program (at stations to be determined), where a "Special" parking permit would guarantee customers a specific reserved parking space for an additional fee of up to $50 per month over the current permit fee at select MNR owned station facilities. At select stations, this "Special" parking permit will be offered in very limited quantity to current permit holders first, then to all customers on a first-come, first -serve basis at an additive rate that is $50 per month (plus tax) additional to the current permit rate, (MNR share will be less our Parking Operator costs/share). A pilot would test of the Program would occur prior any system or select expansion. A similar program was successfully implemented in Metro-North's service area at the Croton-Harmon Station, whose parking is owned and operated by the Village of Croton-on Hudson.

Long Island Rail Road Facilities: LIRR is also requesting Board approval to modify current parking fees at two LIRR owned/privately operated parking facilities: the Mineola Intermodal Center (MIC) located at LIRR's Mineola Station, and the Ronkonkoma Parking Garage located at LIRR's Ronkonkoma Station. The LIRR is proposing a 20% increase at the MIC, where rates have not increased since its opening in October 2006, and a 25% increase at the Ronkonkoma Parking Garage, where rates have not increased since February 2005.

This action would increase LIRR non-fare revenues (in 2011) by approximately $200,000 at the MIC and approximately $140,000 at the Ronkonkoma Parking Garage.

For LIRR customers, the overall impact on customers of these increases will be as follows:

Mineola Intermodal Center

- Short-term (up to 20 hours) weekday parking rates would be increased from $5.00/day to $6.00/day, a 20% increase
- Long-term (24 hrs; 10-day max.) weekday parking rates would be increased from $10.00/24 hrs to $12.00/24 hrs, a 20% increase

Staff Summary

- Weekend parking rates would not be increased.

The Village of Mineola charges $6.00/12 hrs in its operated commuter lots. As such, the proposed parking rate increases at the MIC will be consistent with parking fees charged by the Village. In addition, the proposed $6.00 fee will provide commuters with a safe, covered location in which to park and will continue to provide an additional 8 hours of parking (i.e., 20 hrs) as compared to the Village- controlled lots at the Station (which only allow 12 hours of parking at the same $6.00 rate that would be charged at the MIC).

It is expected that these increases would not have an adverse impact on existing or future ridership. The proposed parking rates at the Mineola Intermodal Center would be consistent with parking fees charged at neighboring commuter-parking facilities and therefore would not adversely affect parking demand at the MIC or future ridership levels at the Mineola Station.

Ronkonkoma Parking Garage

- Daily parking rates would increase from $4.00/day to $5.00/day, a 25% increase
- Monthly parking rates would increase from $43.25/month to $54.00/month, a 25% increase
- Weekend parking rates would not be increased.

Ridership at the Ronkonkoma Station has steadily increased since the electrification of the Branch in 1987 and is expected to grow in the future when East Side Access is complete. As a result, it is expected that demand for parking in the Ronkonkoma Parking Garage will increase above its current levels, especially since it is conveniently situated near the Station and provides customers a secure location for their parked cars. The Station does contain a large number of free parking spaces; however most available spaces within these free lots require a significant walking distance to the Station as opposed to the conveniently located spaces in the parking garage. The proposed parking rates in the Garage are considered reasonable and, although slightly higher than the adjoining private lot, provide the added benefit of a covered and secure parking facility for LIRR customers. In addition, customers who wish to continue to park for free would still have the option to do so at the more remote parking locations at the Station.

II. Alternatives

There are no alternatives that meet the objectives of this action. .

IV. Budget Impact

This action will increase MNR's non-fare revenues by approximately $505,000 annually and the LIRR's non-fare revenues by $340,000 annually. In each case, anticipated revenue is built into the proposed July 2010 Financial Plan.

V. Recommendation

That the MTA Board approves the above actions to modify/increase parking fees at both MNR and LIRR station parking facilities owned/controlled by those Railroad's.

Approved for Submission to the Board

Howard Permut
President, MNR

Helena E. Williams
President, LIRR

ATTACHMENT I: PROPOSED PARKING FEE LEVELS – EAST & WEST OF HUDSON

Line	Execution Date	Station Facility	Daily Meter Rates		Sample Permit Rates, (16hr.)*		
			Current (16 hour)	Proposed (16 hour)	Current (Annual)	% Increase	Proposed (Annual)
NEW HAVEN	Dec. 1, 2010	Port Chester (Station lot only)	$4.00	$4.50	$500	12.0%	$560
	Dec. 1, 2010	Port Chester (Garage only)	$4.00	$4.25	$500	5.0%	$525
	Dec. 1, 2010	Harrison	$4.00	$4.50	n/a	n/a	n/a
	Dec. 1, 2010	Mamaroneck	$3.50	$4.00	$493	13.6%	$560
	Dec. 1, 2010	Pelham	$3.50	$4.00	$493	13.6%	$560
	Dec. 1, 2010	Mount Vernon	$3.50	$4.00	$493	13.6%	$560
HARLEM	Dec. 1, 2010	Wassaic	$3.00	$3.50	$231	12.0%	$259
	Dec. 1, 2010	Tenmile River	$3.00	$3.50	$231	12.0%	$259
	Dec. 1, 2010	Dover Plains	$2.50	$3.00	$221	12.0%	$248
	Dec. 1, 2010	Harlem Valley - Wingdale	$2.50	$3.00	$221	12.0%	$248
	Dec. 1, 2010	Patterson (Station lot only)	$2.50	$3.00	$221	12.0%	$248
	Dec. 1, 2010	Patterson (South lot only)	$2.50	$2.75	$221	5.0%	$232
	Dec. 1, 2010	Southeast	$3.25	$3.75	n/a	n/a	n/a
	Dec. 1, 2010	Brewster	$5.00	$5.50	$400	12.0%	$448
	Dec. 1, 2010	Purdy's/Res	$3.25	$3.75	$217	14.0%	$247
	Dec. 1, 2010	Purdy's/Non-Res	$3.25	$3.75	$348	14.0%	$397
	Dec. 1, 2010	Goldens Bridge	$3.25	$3.75	$348	14.0%	$397
	Dec. 1, 2010	North White Plains	$6.50	$7.00	$975	12.0%	$1,092
	Dec. 1, 2010	Woodlawn	$3.25	$3.75	$294	12.0%	$329
HUDSON	Dec. 1, 2010	Poughkeepsie	$3.00	$3.50	$307	12.0%	$344
	Dec. 1, 2010	New Hamburg	$2.75	$3.25	$303	13.5%	$344
	Dec. 1, 2010	Beacon/Res	$2.75	$3.25	$252	13.5%	$286
	Dec. 1, 2010	Beacon/Non-Res	$2.75	$3.25	$303	13.5%	$344
	Dec. 1, 2010	Cold Spring	$2.75	$3.25	$303	13.5%	$344
	Dec. 1, 2010	Garrison/Res	$2.75	$3.25	$303	13.5%	$344
	Dec. 1, 2010	Garrison/Non-Res	$2.75	$3.25	$412	13.6%	$468
	Dec. 1, 2010	Cortlandt	$3.25	$3.75	$329	12.0%	$368
	Dec. 1, 2010	Ossining	$4.00	$4.50	n/a	n/a	n/a
	Dec. 1, 2010	Irvington	$4.00	$4.50	$456	12.0%	$511
	Dec. 1, 2010	Riverdale	$3.25	$3.75	$294	12.0%	$329
PASCACK	Dec. 1, 2010	Spring Valley	$2.25	$2.75	$202	12.0%	$226
	Dec. 1, 2010	Nanuet	$2.25	$2.75	$202	12.0%	$226
	Dec. 1, 2010	Pearl River	$2.25	$2.75	$202	12.0%	$226
PORT JERVIS	Dec. 1, 2010	Port Jervis	$2.25	$2.75	$202	12.0%	$226
	Dec. 1, 2010	Otisville	$2.25	$2.75	$202	12.0%	$226
	Dec. 1, 2010	Middletown	$2.25	$2.75	$202	12.0%	$226
	Dec. 1, 2010	Campbell Hall	$2.25	$2.75	$202	12.0%	$226
	Dec. 1, 2010	Salisbury Mills	$2.25	$2.75	$202	12.0%	$226
	Dec. 1, 2010	Harriman	$2.25	$2.75	$202	12.0%	$226

Additional Product Fee Changes:

- 24 hr meter at E of H Stations- $2.50 per 24 hr period in addition to 16 hr base fee ($.50 increase)
- 24 hr meter at W of H Stations - $1.75 per 24 hr period in addition to 16 hr base fee ($.50 increase)
- 24 hr permit upgrade for non-terminal stations - $21 per month ($3 increase) at E of H stations and $19 per month ($3 increase) at W of H stations
- $6 additional per month for second vehicle added to permit ($1 increase)

* *ADDITIONAL PERMIT PRODUCTS (i.e. 1 MONTH, 3 MONTH, 6 MONTH, LONG TERM PERMIT) TO INCREASE PROPORTIONATELY.*

Note: Permit rates exclude applicable sales tax.

MTA Metro-North Railroad

Metro-North Railroad

Staff Summary

Subject Croton-Harmon/Peekskill Station Improvement	Date July 13, 2010
Department Capital Planning & Programming	Vendor Name N/A
Department Head Name John E. Kennard	Contract Number N/A
Department Head Signature	Contract Manager Name N/A
Project Manager Name	Table of Contents Ref#

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

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

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
x	VP Planning & Development		Government Relations		Labor Relations	x	General Counsel
	Press		VP Human Resources		Personnel		Other

PURPOSE/RECOMMENDATION:

To obtain approval of the Board to allocate $15.5 million within the 2005-2009 Capital Program to the Croton-Harmon/Peekskill project (M502-02-02) to fund construction of critical station rehabilitation work at these two stations.

DISCUSSION:

Construction of this project will provide for critical station rehabilitation at the Croton-Harmon and Peekskill stations on the Hudson Line. Investment at these stations will have positive long-term service and safety impacts for Metro-North customers.

The improvements at Croton-Harmon Station consist of complete roof replacement of the north overpass, and staircases, including roof drainage modifications, installation of a fall protection system, bird deterrent installation, replacement of the overpass support column covers and exterior painting (to be completed under the Small Business Mentoring Program). Also included is the exterior painting of the south overpass and staircases and bird deterrent installation. Platform improvements include 2 car lengths of platform replacement between Tracks 2 and 4, including canopies on this platform providing coverage consistent with Metro-North Station Standards and the other two platforms at the station, new lighting, public address improvements and VMS signage.

The improvements at Peekskill Station consist of complete renovation of the overpass and staircases to include operable windows, lighting, heating, elevator upgrades, installation of a fall protection system, bird deterrent installation, and painting. Platform improvements consist of renovation of both inbound and outbound platforms including canopy rehabilitation, platform edge repairs and installation of tactile warning strips, platform guardrail, lighting, public address and VMS signage.

In 2008, funding constraints forced Metro-North to defer construction of this project from the 2005-2009 Capital Program. Thus this project was included in the initial 2010-2014 Capital Program as it was a priority. With the receipt of federal stimulus dollars in 2009, funds were made available to progress construction under the 2005-2009 Capital Program and the approved 2010-2014 Capital Program did not include this project. At this time, Board approval to put construction funding back into the 2005-2009 program is being requested as Metro-North is completing the procurement process and is ready to advance construction.

BUDGET IMPACT:

The $15.5 million needed for construction will be funded from available funding in Metro-North's 2005-2009 Capital Program.

ALTERNATIVES:

There are no alternatives to this critical project.

Staff Summary

Long Island Rail Road

Subject Stony Brook and Kew Gardens stations Parking Rehabilitation Improvements	**Date** July 26, 2010
Department Strategic Investments	**Vendor Name**
Department Head Name Elisa C. Picca, Chief Planning Officer	**Contract Number**
Department Head Signature Elisa Picca	**Contract Manager Name**
Project Manager Name Scott Howell	**Table of Contents Ref #**

Board Action

Order	To	Date	Approval	Info	Other
3	Finance Committee	7/26	X		
2	LI Committee	7/26	X		
4	MTA Board	7/28	X		
1	RE Committee	7/26		X	

Internal Approvals

Order	Approval	Order	Approval
5	President		
4	Exec Vice President	3	VP Mkt Dev & Public Affairs
	Sr VP Operations		General Counsel
	VP Labor Relations		VP & CFO

Internal Approvals (cont.)

Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	CE-DPM						
2	ED-Mgt & Budget						

Narrative

Purpose: The MTA Long Island Rail Road (LIRR) seeks MTA Board approval to utilize $385,000 ($117,000 for Stony Brook; $268,000 Kew Gardens) from the MTA LIRR 2005-2009 Capital Program for Parking and State of Good Repair (SGR) work at LIRR's Stony Brook and Kew Gardens stations. It should be noted that funding for parking projects in the 2005-09 Capital Program were made available through the NY State Transportation Bond Act of 2005. In accordance with this Bond Act, parking funds must be used for parking purposes only. It should be further noted that these projects have been included in the MTA's Mentoring Program, which was authorized by legislation passed by both houses and awaiting signature by the Governor.

Discussion: As part of MTA's New Mentoring Program initiative (which was passed by both houses of the Legislature and delivered to the Governor for his approval on July 9, 2010), the LIRR has identified two parking rehabilitation projects at two LIRR stations – Stony Brook and Kew Gardens. Specifically, one (1) existing parking lot at the Stony Brook Station (i.e., the Station building lot located North of the tracks) and the only two (2) parking lots (located north and south of LIRR's right-of-way) at the Kew Gardens Station, which are owned and operated by the MTA LIRR, have reached the end of their useful life, are currently in a state of disrepair and require rehabilitation. Pending gubernatorial approval of the New Mentoring Program, these rehabilitation projects will transform currently deficient/deteriorated parking lots into modernized, aesthetically pleasing and safe lots for current and future LIRR customers. A total of 21 parking spaces will be rehabilitated at Stony Brook Station and 51 spaces (32 spaces in the north lot and 17 spaces in the south lot) will be rehabilitated at Kew Gardens Station. The Stony Brook parking project will also complement station building and platform upgrades currently underway at the Station. The parking project work at Kew Gardens will complement the Station building's "Distinctive" status and will completely renovate the Station's only parking lots.

Project Description (Stony Brook)

The following capital improvements are included in this parking rehabilitation project:

- Rehabilitate (re-pave/re-stripe) 21 spaces within the existing footprint of the Station building lot (18,000 sq. ft.);
- Furnish and apply parking and directional striping and ground symbols;
- Provide ADA compliant spaces and relevant signs.

Project Description (Kew Gardens)

- Rehabilitate (re-pave/re-stripe) 34 spaces within the existing footprint of the north lot (10,680 sq. ft.).
- Rehabilitate (re-pave/re-stripe) 17 spaces within the existing footprint of the south lot (8,580 sq. ft).
- Apply parking and directional striping and ground symbols; provide ADA compliant spaces and relevant signs.
- In conjunction with paving, and in order to minimize customer inconvenience, a concrete pad will be installed on the eastern boundary of the south side lot to accommodate a future TVM installation.

Impact on Funding

This is a rehabilitation project of existing parking facilities. Any capacity increase will be the result of reconfiguration/re-striping within the existing footprints.

The MTA Parking Policy states that "financial analysis are required for SGR projects for existing parking on land currently owned or controlled by MTA or one of its agencies; however, such projects are not necessarily expected to have a Capital Investment Ratio (CIR) of 1.0 or greater." Since parking in these lots will remain free of charge for LIRR customers, the CIR will be less than 1.0. However, once the benefits to society are included (e.g., diverted riders from cars to rail, thus reducing road congestion and air pollution; and improvements to the Station, including improved parking spaces), the Stony Brook project will provide a 0.70:1 benefit to cost ratio. The benefit to cost ratio for Kew Gardens will be 0.74:1.

Project Benefits

These two parking rehabilitation projects will bring the existing parking lots into a state of good repair and will improve the overall convenience, safety and condition of the existing lots. This, in turn, will ensure greater customer satisfaction at the Stony Brook and Kew Gardens stations.

Alternatives

There are no alternatives to the rehabilitation of these parking lots. Absent this project, the parking lots will fall into further disrepair. Rehabilitation of these lots supports current and future parking needs and enhances customer safety at these two stations.

Recommendation

The MTA LIRR recommends that the MTA Board approve this request to utilize $385,000 from the MTA LIRR 2005-2009 Capital Program for Parking and State of Good Repair (SGR) work at the Stony Brook and Kew Gardens stations.

Long Island Rail Road
Metro-North Railroad
Capital Construction

Subject	Date
Request for Authorization to Award Various Procurements	July 28, 2010
Department	**Department**
Procurement & Logistics - LIRR	Law and Procurement - MTACC
Department Head Name	**Department Head Name**
Dennis L. Mahon, Chief Procurement & Logistics Officer	Veronique Hakim, Sr Vice President Genl Counsel & Secy
Department Head Signature	**Department Head Signature**
Department	
Procurement & Material Management - MNR	
Department Head Name	
Anthony J. Bombace Jr., Director-Procurement & Material Management	
Department Head Signature	

Board Action

Order	To	Date	Approval	Info	Other
1	LIRR/MNR Committee	7.26.10			
2	MTA Board	7.28.10			

Internal Approvals

Order	Approval	Order	Approval
X	President, LIRR		
X	President, MNR		
X	President, MTACC		

PURPOSE:

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

DISCUSSION:

LIRR proposes to award Non-Competitive procurements in the following categories:

Schedules Requiring Two-Thirds Vote

Schedule A:	Non-Competitive Purchase and Public Works Contracts	1	$152,000

Schedules Requiring Majority Vote

Schedule F:	Personal Service Contracts	1	$37,980
Schedule I:	Modifications to Purchase and Public Work Contracts	1	$211,931
	SUBTOTAL:	3	$401,911

MNR proposes to award Non-Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule F:	Personal Service Contracts	1	$4,696,973
Schedule J:	Modifications to Miscellaneous Procurement Contracts	1	$230,000
	SUBTOTAL:	2	$4,926,973

MTACC proposes to award Non-Competitive procurements in the following categories: NONE

LIRR proposes to award Competitive procurements in the following categories:			
Schedule H:	Modifications to Personal/Miscellaneous Service Contracts	1	$0.00
	SUBTOTAL:	1	$0.00
MNR proposes to award Competitive Procurements in the following categories:			
Schedules Requiring Majority Vote			
Schedule G:	Miscellaneous Service Contracts	1	$2,000,000
Schedule H:	Modifications to Personal/Miscellaneous Service Contracts	1	$4,500,000
Schedule I:	Modifications to Purchase and Public Work Contracts	1	$550,000
	SUBTOTAL:	3	$7,050,000
MTACC proposes to award Competitive Procurements in the following categories:			
Schedules Requiring Two-Thirds Vote			
Schedule C:	Competitive Request for Proposal(Award of Purchase and Public Work Contracts)	1	$70,199,432
Schedules Requiring Majority Vote			
Schedule I:	Modifications to Purchase and Public Work Contracts:	2	$11,598,573
	SUBTOTAL:	3	$81,798,005
LIRR proposes to award Ratifications in the following categories: NONE			
MNR proposes to award Ratifications in the following categories:			
Schedules Requiring Two-Third Vote (or more, where noted)			
Schedule D:	Ratification of Completed Procurement Actions	1	$52,500
Schedules Requiring Majority Vote			
Schedule K:	Ratification of Completed Procurement Actions	1	$33,593
	SUBTOTAL:	2	$86,093
MTACC proposes to award Ratifications in the following categories: NONE			
	TOTAL:	14	$94,261,982

BUDGET IMPACT:

The purchases/contracts will result in obligating MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Capital Construction operating and capital funds in the amount listed. Funds are available in the current operating/capital budgets for this purpose.

RECOMMENDATION:

That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)

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, 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.

JULY 2010

MTA LONG ISLAND RAIL ROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

Schedule A: Non-Competitive Purchase and Public Works Contracts
(Staff Summaries required for all items greater than: $100K Sole Source: $250K Other Non-Competitive)

1. Texas A&M Research
Sole Source — **$152,000**
Contract No. TBD — **Not-to-Exceed** — *Staff Summary Attached*

LIRR requests MTA Board approval to award a nineteen month, sole source contract to Texas A&M University (TAMU) Research Foundation in an amount not-to-exceed $152,000, to develop and implement a passenger rail Crew Resource Management (CRM) safety training program for the LIRR. This program will apply concepts and practices originally developed by TAMU, based on programs developed for the U.S. Department of Transportation and Federal Railroad Administration (FRA). The FRA has utilized TAMU's Research Foundation for all railroad related CRM research and initiatives. TAMU is the only recognized railroad CRM expert in the industry.

Procurements Requiring Majority Vote

Schedule F: Personal Service Contracts
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive; $1M Competitive)

2. Cummins Allison Corporation
Sole Source — **$37,980**
Contract No. BP03696 — **Not-to-Exceed**

LIRR requests MTA Board approval to award a sole source, miscellaneous service, renewal contract to the Cummins Allison Corporation (Cummins) in the not-to-exceed amount of $37,980 for the maintenance and repair of thirty-two Cummins currency counters and sorters, located at various facilities throughout the Railroad. As the original equipment manufacturer, Cummins is the sole provider of parts and service for their equipment. The currency counters, which are located at various facilities throughout the Railroad, are used solely by the Transportation Department to (i) process revenue picked-up daily from up to 272 Ticket Vending Machines and (ii) confirm coin purchases made from NYCT that are used to make change in the Ticket Vending Machines. Pursuant to the Joint Procurement Initiative, this renewal contract will be issued for sixteen months in order to be co-terminus with the current Metro-North Railroad (MNR) contract with Cummins, allowing LIRR and MNR to issue a joint solicitation for the next multi-year procurement. The not-to-exceed amount includes fixed rates for scheduled maintenance of twenty-three pieces of equipment, and nine pieces on a time and material basis. This contract will include as-needed, coin-pad replacement ($65/ea), previously procured separately. All pricing is based on Cummins published rates with no additional discount. The average price increase for the counters and sorters with the addition of the coin pads is 2.6% over the previous 2007-2010 contract and is determined to be fair and reasonable. LIRR's operating budget will fund this contract.

Procurements Requiring Majority Vote

Schedule I: Modifications to Purchase and Public Work Contracts
(Staff Summaries required for individual change orders greater than $250K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least $50K)

3. **Ansaldo STS USA**
Sole Source — **$211,931**
Contract No. 5974 — **Not-to-Exceed** — *Staff Summary Attached*

At its April 2007 meeting, the MTA Board approved a sole source contract with (then) Union Switch and Signal, Inc. (now Ansaldo STS USA) to provide Construction Phase Services (CPS) during the implementation of the new signal system at Jamaica Interlocking. US&S/Ansaldo, the designer and manufacturer of the new signal system, was in a unique position to provide the required follow-on support services during construction/implementation of the system. Of the Board approved amount of $1,148,000, $403,837 was authorized for Contract No. 5974, to cover initial CPS during the pre-cutover phase, and one month of troubleshooting thereafter. This contract is an "on-call," "as-needed" support services contract with pre-established rates per title of staff used for each assignment, and payment is made only for work requested by LIRR and rendered by US&S/Ansaldo.

Schedule A: Non-Competitive Purchases and Public Works

Staff Summary

Long Island Rail Road

Item Number: 1

Vendor Name (& Location) Texas A&M Research Foundation	**Contact Number** TBD **Renewal?** ☐ Yes ☒ No
Description Development and implementation of a passenger rail Crew Resource Management (CRM) safety training program.	**Total Amount:** $152,000 NTE
Contract Term (including Options, if any) September 2010 through March 2012	**Funding Source** ☐ Operating ☐ Capital ☒ Federal ☐ Other:
Option(s) included in Total Amount? ☐ Yes ☒ No	**Requesting Dept/Div & Dept/Div Head Name:** Employee Training & Corporate Development, Lori Ebbighausen
Procurement Type ☐ Competitive ☒ Non-Competitive	**Contract Manager:** Jane A. Smith
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Sole Source	

Discussion:

LIRR requests MTA Board approval to award a nineteen-month, Sole Source Contract to Texas A&M University (TAMU) Research Foundation, in an amount not to exceed $152,000, to develop and implement a passenger rail Crew Resource Management (CRM) safety training program for the LIRR. This program will apply concepts and practices originally developed by TAMU, based on programs developed for the U.S. Department of Transportation (US DOT) and Federal Railroad Administration (FRA). The FRA has utilized TAMU's Research Foundation for all railroad related CRM research and initiatives, and TAMU is the only recognized railroad CRM expert in the industry. LIRR's Employee Training and Corporate Development Department, and senior management recognize this training as a proven approach and vital opportunity to enhance the safety culture at the LIRR.

CRM is a training process that has been used in the aviation and rail industries to reduce accidents related to human factors. The introduction of CRM programs have been linked to reduction in the number and types of accidents and incidents associated with human error. The primary goal of CRM programs is improving safety; however, it is also accepted that the improvement in crew performance that results from CRM programs can also lead to more efficient and less costly operations. LIRR's Engineering, Maintenance of Equipment, Safety, Training and Transportation Departments conducted an internal, cross-functional study to determine: (i) if the LIRR should formally implement a CRM safety-training program; and (ii) if so, how it should be carried out. As a result of that study, the LIRR determined that it should implement a CRM program . The LIRR's CRM program will be largely based on the US DOT/FRA "CRM For Railroads" program developed by Texas Transportation Institute, a research division of TAMU.

The internal LIRR study also recommended that a new name be given to this training program, so as to set it apart from existing programs. The name "TACTICS" was proposed, incorporating the principles of Training, Situational Awareness, Communication, Teamwork, Intelligence, Coordination and Safety. Objectives of implementing TACTICS will be four-fold:

- Institutionalize CRM concepts and practices within LIRR executive management and employees.
- Provide training and support, stressing team values and utilizing resources for performing safely as a team.
- Reduce/eliminate human error that leads to accidents/incidents.
- Reduce operational costs and service interruptions resulting from human error.

LIRR recognizes that in order for TACTICS to be successful, all employees in the operating departments must be trained in CRM concepts and subsequently incorporate those concepts to the full extent in the performance of their jobs. While elements of CRM are currently provided to both current employees and new hires in the Operating departments at LIRR, this initiative will develop a cohesive, comprehensive strategy for implementation across all levels of the Railroad. Implementation of TACTICS will focus this effort.

Staff Summary

Long Island Rail Road

In order to integrate TACTICS into the LIRR, a new program will be developed and will utilize the FRA "CRM For Railroads" program as its basis. In addition to the existing three tracts – Train and Engine Service, Maintenance of Way and Mechanical – a new fourth tract will be developed that is specifically designed for railroad management, and its role in managing for the safety of crews. Each tract will require classroom training. Upon completion, it is anticipated that TACTICS will be a showcase program within the railroad industry.

The effectiveness of the program will be continually reviewed and evaluated and lessons learned, and modifications to the program will be incorporated as accidents, and incidents are quantified and measured subsequent to training. Accident and incident occurrence, injuries attributed to human error, on-time performance, and mean distance between failures will all be reviewed in relation to this program.

Because training is vital to the principles of railroad safety, management must understand and incorporate these CRM practices into every aspect of the industry. TAMU's Research Foundation is the sole originator of these FRA principles, having developed the prior three training tracts for railroad management. Their consultation and development of this training program is critical for the success of safety initiatives here at the LIRR.

The FRA has issued $152,000 to the LIRR in direct grant funding for the purpose of retaining a consultant to develop and implement a CRM program. LIRR's Employee Training and Corporate Development department, along with the assistance of MTA Audit, is working to most effectively utilize the allocated funding in structuring this development program. Accordingly, the not-to-exceed value for this contract is deemed to be fair and reasonable.

There are no D/M/WBE Goals for this solicitation.

Funding of $152,000 has been provided through a direct grant from the FRA.

No other alternatives for this service exist. Texas A&M Research Foundation is the only recognized railroad industry expert on Crew Resource Management, developing all phases of the CRM training for the FRA.

Schedule I: Modifications to Purchase and Public Works Contracts

Staff Summary

Long Island Rail Road

Item Number: 3

Vendor Name (& Location) Ansaldo STS USA	**Contract Number** 5974 / **AWO/Modificaiton #** 1
Description Construction Phase Services for Jay, Hall & Dunton Microprocessors (Jamaica Interlocking)	
Contract Term (including Options, if any) May 7, 2008 – December 31, 2010	**Original Authorization:** $1,148,000
Option(s) included in Total Amount? ☐ Yes ☒ No	**Prior Modifications:** $0
Procurement Type ☐ Competitive ☒ Non-Competitive	**Prior Budgetary Increases:** $0
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Sole Source	**Current Amount:** $403,837
Funding Source ☐ Operating ☒ Capital ☐ Federal ☐ Other:	**This Request:** $211,931
Requesting Dept/Div & Dept/Div Head Name: Department of Program Management/Kevin Tomlinson	**% of This Request to Current Amount:** 52%
	% of Modifications (including This Request) to Original Authorization: 0%

Discussion:

At its April 2007 meeting, the MTA Board approved a sole source contract with (then) Union Switch and Signal, Inc. (now Ansaldo STS USA) to provide Construction Phase Services (CPS) during the implementation of the new signal system at Jamaica Interlocking. US&S/Ansaldo, the designer and manufacturer of the new signal system, was in a unique position to provide the required follow-on support services during construction/implementation of the system. Of the Board approved amount of $1,148,000, $403,837 was authorized for Contract No. 5974, to cover initial CPS during the pre-cutover phase, and one month of troubleshooting thereafter. This contract is an "on-call," "as-needed" support services contract with pre-established rates per title of staff used for each assignment, and payment is made only for work requested by LIRR and rendered by US&S/Ansaldo. The scope of services to be covered under the base contract include the following:

- responding to inquiries on deliverables
- preparing field changes
- evaluating substitute materials
- assessing compliance of work with deliverables
- reviewing vendor bid offerings
- developing FRA test documents
- participating in field inspections and pre-testing
- participating in system cutover
- preparing as-built plans
- providing post-cutover support (total of 3 weeks).

At this time LIRR requests authorization to add three new items to the scope of work of this contract. They are:

- 48 hours of training for 12 LIRR personnel, for a total not-to-exceed amount of $7,400. This scope is required to train the block operators on the new microprocessor software application that they will utilize in their daily job assignments in directing train movement through Jamaica.

- The development of an advanced playback simulation feature for the Office Control System, for a not-to-exceed amount of $84,794. This feature will significantly improve the ability of the LIRR to efficiently analyze system vs. operator errors, and provide additional diagnostic capabilities to effectively trouble-shoot the new system. It is imperative that this system be installed prior to the cutover due to the high risk level of service disruption associated with the installation after cutover.

- 1 year of post-cutover Office System Technical Support, for a total not-to-exceed of $119,737. Work under this item will be issued on an "as-needed" basis and only inquiries initiated by LIRR and

answered by Ansaldo will be compensated, at a pre-established hourly rate. The contract will be extended until November 2011 to accommodate this.

The need for these items was identified only after the initial award of the CPS contract, and are deemed to be of significant value and importance to the optimal implementation of the Jamaica Interlocking Signal project. The Jamaica Interlocking is the Railroad's most complex interlocking consisting of over 150 interlocked switches which allow trains access to eight station tracks. This project's construction phase began in 2005 and the cutovers are the final milestone in achieving Beneficial Use. Two signal cutovers are scheduled to begin in late October, 2010.

These changes, in the amount of $211,931, will increase the overall not-to-exceed contract amount to $615,768, which still remains within the original Board authorization for this contract. However, as these requested changes represent changes to the scope of work of the original CPS contract, MTA Board approval, nonetheless, is required for the work itself.

The rates used to establish the above pricing for all CPS tasks, exclusive of post-cutover Office System Technical Support, are the same pre-established rates of the base #5974 CPS contract. Rates for the Office System Technical Support will be escalated by no more than 3% during the one-year extension period, and are therefore fair and reasonable. LIRR's Department of Program Management's Estimating group has reviewed the hours for the above work items and finds them fair and reasonable. The LIRR benefits from incorporating these additional scope items into the current CPS contract #5974 for two reasons: firstly, because they can be more easily coordinated and scheduled with the remaining work items in conjunction with the project's planned cutover in October; and secondly, because LIRR will receive the benefits of the already-established fair and reasonable rate structure of that contract, without the possibility of rate increases and the need for further rate negotiations.

Funding for this contract, inclusive of the above requested change orders, is covered under PN-SL of the Capital Program.

JULY 2010

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

F. Personal Service Contracts
(Staff Summaries required for all items greater than: $100K Sole Source; $250K Other Non-Competitive; $1M Competitive)

1. Simmons Machine Tool Corp. (SMTC) $4,696,973 ***Staff Summary Attached***
Design, Furnish, Install & Commission a Tandem Under Floor Wheel Lathe & Ancillary Supporting Systems

Non-competitive, negotiated contract with the firm, Simmons Machine Tool Corp. (Simmons or SMTC), to provide for the engineering, design, manufacture and installation of the Underfloor Wheel Lathe for the New Haven Maintenance Facility. In addition to the wheel lathe, MNR will be receiving employee training on the system, maintenance and field support during installation of the equipment, a support/vacuum system, a chip crusher and remover, viewing decks and a Data Acquisition System which transfers wheel trueing data to a MNR database.

Simmons has unique qualifications and capabilities particularly suited to perform the required specialized design and manufacture: (1) they previously designed and installed the only tandem wheel lathe installed in North America at the Harmon Shop Complex, and (2) no other supplier of any wheel truing machines in North America can provide the unit as specified by MNR and CDOT. Some of the benefits realized from acquiring an identical lathe for the New Haven Maint. Facility include: common purchase and stocking of spare parts for the lathes, common training and operator expertise, and consistent wheel profiles for the entire rail fleet.

The Engineer's estimate of $4.95M was based on the price Metro-North paid in 2005 escalated to the current year. The current negotiated price of $4,696,973 is 5.4% less than the estimate, and includes an extended warranty for $245K and additional tooling for $40K. Pricing is deemed fair and reasonable. This procurement is 100% funded by the State of Connecticut Department of Transportation (CDOT) with CT State funds.

J. Modifications to Miscellaneous Procurement Contracts
(Approvals/Staff Summaries required for individual change orders greater than $250K. Approvals without Staff Summaries required for change orders greater than 15% of previously approved amount which are also at least $50K)

2. Monogram Systems $230,000 (not-to-exceed)
Modification of MNR EMU/Coach Fleet Toilets

In September 2009, MNR, on behalf of itself and LIRR, awarded a competitively solicited, 3-yr. miscellaneous procurement contract for the on-going purchase of rolling stock toilet replacement parts for MNR's M-2, M-3, M-4 and Coach Car fleets, and LIRR's M-3 Railcar fleet, to the firm, Monogram Systems (Monogram).

MNR is requesting additional funds to purchase twenty-five (25) new Vacuum Toilets used on MNR's center door Coach Car fleet. Monogram discontinued the older model toilet and will no longer be supporting the older design with parts. The EVAC toilet is the direct replacement offered by Monogram. This will allow MNR to use pre-existing holding tank assemblies and avoid major redesign to the car body structure. This modification request is to be funded by the MNR Operating Budget.

Staff Summary

Metro-North Railroad

Item Number F	
Dept & Dept Head Name: Procurement & Material Management, Anthony J. B[illegible]ece, Jr.	
Division & Division Head Name: Administration – Sr. VP - Admin. – R. Burney	

Board Reviews

Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	7-26-10	X		
2	MTA Board Mtg.	7-28-10	X		

Internal Approvals

Order	Approval	Order	Approval
X	President	X	Sr. V.P. Operations
X	Sr. VP Administration	X	V.P. Finance & IT
	Sr. VP Planning		
X	General Counsel		Capital Programs

SUMMARY INFORMATION

Vendor Name: Simmons Machine Tool Corp.	Contract Number: 69532
Description: Designing, Furnishing, Installing & Commissioning a Tandem Under Floor Wheel Lathe & Ancillary Supporting Systems	
Total Amount: $4,696,973	
Contract Term (including Options, if any): Twenty (20) months	
Option(s) Included in Total Amount?	☐ Yes ☒ No
Renewal?	☐ Yes ☒ No
Procurement Type: ☐ Competitive ☒ Non-competitive	
Solicitation Type: ☒ RFP ☐ Bid ☐ Other:	
Funding Source: ☐ Operating ☐ Capital ☐ Federal ☒ Other: CDOT	

Narrative

I. **PURPOSE/RECOMMENDATION:** To obtain MTA Board approval to make an award to Simmons Machine Tool Corporation to Design, Fabricate and Install a new Tandem Under Floor Wheel Lathe & Ancillary Supporting Systems (UWFL).

II. **DISCUSSION:** MNR agreed to procure the Under Floor Wheel Lathe for the Connecticut Department of Transportation (CTDOT) for the New Haven Yard, New Haven CT. The solicitation was a non-competitive procurement to Simmons Machine Tool Corp. (SMTC). Simmons has unique qualifications and capabilities particularly suited to perform the required specialized design and manufacture: 1) they previously designed and installed the only tandem lathe installed in North America at the Harmon Shop Complex, and 2) no other supplier of any wheel truing machines in North America can provide the unit as specified by MNR and CDOT. Some of the benefits realized from acquiring an identical lathe for the New Haven Maint. Facility include: 1) common purchase and stocking of spare parts for the lathes, common training and operator expertise, as the MNR personnel that operate these machines have to be able to move from machine to machine without having an effect upon wheel production rates, and 2) consistent wheel profiles for the entire rail fleet.

Along with the machine itself, MNR will be receiving employee training on the system, maintenance and field support during installation of the equipment, a support/vacuum system, a chip crusher and remover, viewing decks and a Data Acquisition System which transfers wheel truing data to a MNR database.

On February 23, 2010, intent to award a non-competitive procurement was advertised in the New York State Contract Reporter and on February 25, 2010 was advertised in the New York Post, El Diario and the Daily Challenge. On March 22, 2010, SMTC submitted their Proposal to MNR.

A technical evaluation of the proposal was performed by MNR's Capital Engineering, P&MM and Mechanical Department and a representative from CDOT. A meeting with the SMTC representative was held on April 5 to discuss some items which were raised by the Mechanical Department such as alignment of the embedded and posted shop rails, useful life and material of the guide ways for the UWFL, template holders, motor phasing protection, and alarm for fluid temperatures. One major item that was not fully addressed in the SMTC Proposal was the truing of the M-2, M-4 and M-6 equipment. Additional information was provided to SMTC and reviewed by their engineers. It was determined that some additional tooling equipment would be required to true the wheels on this equipment.

This item and all other items raised by MNR were fully addressed by SMTC.

Further, SMTC has demonstrated their professional capability by providing the desired quality services required based upon prior work performed under the previous MNR contracts. The Engineer's estimate of $4.95M was based on the price Metro-North paid in 2005 escalated to the current year. The current negotiated price of $4,696,973 is 5.4% less than the estimate, and includes an extended warranty for $245K and additional tooling for $40K that was not included in the engineer's estimate. Pricing is deemed fair and reasonable. This procurement is 100% funded by the State of Connecticut Department of Transportation (CDOT) with CT State funds.

III. **D/M/WBE INFORMATION:** The MTA Office of Civil Rights did not establish minority participation goals for the contract.

IV. **IMPACT ON FUNDING:** The total cost for this effort is $4,696,973. The period of performance is twenty (20) months. This procurement is 100% funded by the State of Connecticut Department of Transportation (CDOT) with State funds.

V. **ALTERNATIVES:** None. MNR and CDOT do not have the manufacturing capability to fabricate Tandem Under Floor Wheel Lathe & Ancillary Supporting Systems.

Long Island Rail Road

JULY 2010

MTA LONG ISLAND RAIL ROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

Schedule H: Mods. To Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services.

(Approvals/Staff Summaries required for substantial change orders and change orders that cause original contract to equal or exceed monetary or durational threshold required for Board approval.)

4. Herold Meter Service **$0.00** *Staff Summary Attached*
Competitive Bid
Contract No. BP02376

LIRR requests MTA Board approval to extend the term of the current five year Herold Meter Services contract for on-site fuel meter calibration maintenance and repairs, for an additional three years, from September 30, 2010 through September 3, 2013, with no increase in contract funding. LIRR requests this extension so that this contract will be co-terminus with Metro-North's contract for these same services, which will allow both agencies to undertake a competitive joint procurement at that time.

Schedule H – Modifications to Personal Service Contracts and Miscellaneous Service Contracts

Staff Summary

Long Island Rail Road

Item Number: 4

Vendor Name (& Location) Herold Meter Service (Port Jefferson Station, NY)	**Contract Number** BP02376 / **AWO/Modification #** 3
Description On-Site Fuel Meter Calibration and Repair	
Contract Term (including Options, if any) March 1, 2005 – August 31, 2010	**Original Amount:** $114,000
Option(s) included in Total Amount? ☐ Yes ☒ No	**Prior Modifications:** $ 0
Procurement Type ☒ Competitive ☐ Non-competitive	**Prior Budgetary Increases:** $ 0
Solicitation Type ☐ RFP ☒ Bid ☐ Other:	**Current Amount:** $ 0
Funding Source ☒ Operating ☐ Capital ☐ Federal ☐ Other:	**This Request:** $ 0
Requesting Dept/Div & Dept/Div Head Name: MofE Engineering – Mike Gelormino	**% of This Request to Current Amount:** 0.00%
	% of Modifications (including This Request) to Original Amount: 0.00%

Discussion:

LIRR requests MTA Board approval to extend the term of the current five year Herold Meter Services contract for on-site fuel meter calibration maintenance and repairs, for an additional three years, from September 30, 2010 through September 3, 2013, with no increase in contract funding. 1. LIRR requests this extension so that this contract will be co-terminus with Metro-North's contract for these same services, which will allow both agencies to undertake a competitive joint procurement at that time.

In February 2005, pursuant to MTA Board approval, LIRR awarded a five-year, Miscellaneous Service Contract to Herold Meter Service in the not-to-exceed amount of $114,000 to perform on-site fuel meter calibration, maintenance and repair services from March 1, 2005 through February 28, 2010. Modification No. 2 extended the contract seven months through September 30, 2010, with no increase to contract funds. Under this contract Herold performs on-site testing, inspection and calibration, of fuel metering, and regulating systems in support of LIRR Diesel Fleet operations at Long Island City, Morris Park, Port Jefferson and Richmond Hill Yards. These monitoring systems record and control the quantity of fuel delivered and dispensed at each yard. Annual calibration of the meters is performed to OEM specifications by the use of a specialized proving truck, certified by the NYS Department of Agriculture Bureau of Weights and Measures. On-site services, including on-call maintenance and repair, are provided in accordance with fixed hourly rates for a 2-man team, a certified prover truck and van, and a fixed rate for travel. This contract was awarded pursuant to a publicly advertised, competitive solicitation, to which Herold Meter Service was the sole bidder. Although LIRR originally estimated calibration and repair cost of approximately $22,000/Yr, actual costs have been significantly less, approximately $10,000/Yr, resulting in over 50% of the original funding remaining available under this current contract.

In accordance with Joint-Agency Procurement initiatives, LIRR issued a new competitive solicitation, including Metro-North Railroad (MNR) requirements. This solicitation was publicly advertised and sent to six (6) service providers. No bids were received. When contacted, the service providers offered various reasons for not bidding, including the technical nature of the work, magnitude of scope, compliance with the TSOW, and capacity to perform the work. The incumbent, Herold Meter Services, did not submit a bid due to an administrative error, but has agreed to continue services while keeping all rates unchanged for an additional three-year contract extension. MNR will continue to service fuel meters in-house where possible, and issue repair and return contracts where service requirements are beyond in-house capabilities. Based on the fact that the five-year competitively bid fixed rates will remain unchanged for an additional three years, the prices are determined to be fair and reasonable. LIRR's operating budget will fund this contract.

JULY 2010

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

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.)

1. ETS Contracting, Inc. 2,000,000 (not-to-exceed) ***Staff Summary Attached***
Trio Asbestos Removal Corp.
Indefinite Quantity Contract- Asbestos Removal & Other Environmental Remediation Services

Forty-four (44) - month miscellaneous service contracts where MNR will utilize NYCT's competitively solicited, MTA Board-approved contracts with ETS Contracting, Inc (ETS) and Trio Asbestos Removal Corp. (Trio) to perform on-call system-wide asbestos, lead, and hazardous material abatement services on an as-needed, task order basis. MNR currently has Seasons Industrial Contracting, Inc. (Seasons) under contract to perform the subject service. MNR seeks to ride the NYCT contracts to: 1) ensure the continuation of abatement services in the event of Seasons' potential contract default and 2) utilize NYCT's simplified task costing and invoicing methodology.

Seasons has forwarded its notice to MNR stating its challenges financing its day-to-day operations, which are impeding their ability to fund the initial work effort for larger projects. As the work Seasons performs must be completed in a timely basis once remediation services are identified, MNR is supplementing the IQ Contract by adding two additional contractors, (ETS & Trio) in the event Seasons cannot perform the work. Additionally, a recent MTA audit of the Seasons contract recommended that MNR utilize NYCT's contract and pricing methodology as it could potentially reduce MNR's present administrative burden of validating numerous units of work invoiced and increase the accuracy and timeliness of work performed that is subsequently invoiced. NYCT's contract and pricing methodology predominantly utilizes a single unit price that is inclusive of all components of work (labor, material, equipment, overhead, and profit) for each task of the workscope; whereas MNR obtained a unit price for each individual component of work that generates a larger number of units and requires extensive time to verify upon receipt of an invoice

MNR estimates a total not-to-exceed cost of $2M for the required services with ETS and Trio for the remaining duration of the base contract period (32 months) and the one year extension option. Services are anticipated to begin in August 2010. Tasks to be performed by ETS and Trio will be funded by the MNR Operating Budget and by the approved Capital Project Budgets, on an as-needed basis.

H. Modifications to Personal/Miscellaneous Service Contracts

(Approvals/Staff Summaries required for substantial change orders and change orders that cause the original contract to equal or exceed monetary or durational threshold required for Board approval)

2. GE Capital Fleet Services **$4,500,000 (not-to-exceed)** ***Staff Summary Attached***

Contract Extension- Multi-Agency Procurement

In September 2003, as a result of a competitive RFP process, MTA HQ awarded a multi-agency (HQ, MNR, LIRR, NYCT Paratransit and LI Bus) miscellaneous service contract to the firm, GE Capital Fleet Services, to provide non-revenue highway vehicle maintenance and repair services for up to a 7-year period (5-year base plus 2-year option, through August 2010). Each agency issued its own purchase order/contract governed by the MTA HQ Master Agreement. In 2008, MTA HQ removed the police vehicle fleet from the overall maintenance agreement, primarily due to the geographic breath of their territory; and at the same time, MNR agreed to become the lead agency for the MTA Master Agreement, and MTA Board approval was received during the June 2008 session to exercise the two (2) year option.

At this time, Metro-North, on behalf of all participating agencies requests approval for an eight (8) month contract extension (from September 2010-April 2011), with funding totaling a not-to-exceed amount of $4.5M. During the extension period, the overall MTA non-revenue fleet maintenance strategy will be reviewed and possibly restructured as part of the MTA Procurement Directors' Strategic Sourcing Procurement initiative. Tasks and/or Goals to be performed during the Strategic Sourcing Initiative include: possible standardization of vehicle specifications across agencies, evaluation of maintenance and repair practices, fuel and parts management, and leverage of long-term needs. All original terms, conditions and unit pricing will remain firm for the eight (8)-month extension period. This contract change is to be funded by each Agency's Operating Budget.

I. Modifications to Purchase and Public Work Contracts

(Approvals/Staff Summaries required for individual change orders greater than $250K. Approvals without Staff Summaries required for change orders greater than 15% of previously approved amount which are also at least $50K)

3. St. Francis Construction Co. **$550,000 (not-to-exceed)** ***Staff Summary Attached***

New Haven Line (NYS) Station Improvements – Rye and Port Chester Stations

In June 2009 a public work construction contract was competitively solicited and awarded to the firm, St. Francis Construction Co., to provide construction services for the rehabilitation of the Rye and Port Chester Stations. The scope of work included rehabilitation of platform canopies, repair of the platform surfaces, piers, footings and T-stems, installation of new stairs, ramps and railings, overpass improvements at Rye and various station enhancements at both stations including new lighting, benches, shelters, electrical power and communication upgrades.

At this time, MNR is requesting MTA Board approval for a contract change to the St. Francis contract for additional canopy work at the Rye Station. At Rye, a gap of approximately 75 feet on the inbound platform and 170 ft. (2 car lengths) gap on the outbound platform exposes customers to the elements near the elevator and base of the overpass. MNR proposes closing these gaps and providing a continuous covered path from the station building to the platform, protecting customers using the west overpass stairway and elevator, and covering the ADA route for customers on both platforms.

Negotiations with St. Francis were recently completed and a total amount not-to-exceed $550,000 was agreed to for this work. The proposal was reviewed and determined to be fair and reasonable and

provides the most cost-effective approach for constructing these improvements. The cost is within the project budget. At this time MNR requests MTA Board approval of a contract change in the total amount not-to-exceed $550,000 for installation of the platform canopy extensions on both the inbound and outbound platforms at Rye Station. The contract change is funded by the MNR Capital Program.

Schedule G: Miscellaneous Service Contracts

Metro-North Railroad

Item Number: G

Vendor Name (& Location) ETS Contracting, Inc., 160 Clay Street, Brooklyn, NY 11222 Trio Asbestos Removal Corp., 15-06 129th St, College Point, NY 11356	**Contract Number** 74339 74874 — **AWO/Modification #**
Description Indefinite Quantity Asbestos Removal & Other Environmental Remediation Services	**Renewal?** ☐ Yes ☒ No
Contract Term (Including Options, if any) 32 Months + 1 Year Option	**Total Amount:** $ 2,000,000 Not-to-Exceed (Each)
Option(s) Included in Total Amount? ☒ Yes ☐ No	**Funding Source** ☒ Operating ☒ Capital ☐ Federal ☐ Other:
Procurement Type ☐ Competitive ☒ Non-competitive	**Requesting Dept/Div & Dept/Div Head Name:** Procurement & Material Management, Anthony J. Bombace, Jr.
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Ride of NYCT Contract Nos. C-31668 and C-31669	

Discussion:

Forty-four (44) - month miscellaneous service contracts where MNR will utilize NYCT's competitively solicited, MTA Board-approved contracts with ETS Contracting, Inc (ETS) and Trio Asbestos Removal Corp. (Trio) to perform on-call system-wide asbestos, lead, and hazardous material abatement services on an as-needed, task order basis. MNR currently has Seasons Industrial Contracting, Inc (Seasons) under contract to perform the subject service. MNR seeks to ride the NYCT contracts to: 1) ensure the continuation of abatement services in the event of Seasons' potential contract default; and 2) utilize NYCT's simplified task costing and invoicing methodology.

Seasons has forwarded its notice to MNR stating its challenges financing its day-to-day operations, which are impeding their ability to fund the initial work effort for larger projects. As the work Seasons performs must be completed in a timely basis once remediation services are identified, MNR is supplementing the IQ Contract by adding two additional Contractors,(ETS & Trio) in the event Seasons cannot perform the work. Additionally, a recent MTA audit of the Seasons contract recommended that MNR utilize NYCT's contract and pricing methodology as it could potentially reduce MNR's present administrative burden of validating numerous units of work invoiced and increase the accuracy and timeliness of work performed that is subsequently invoiced. NYCT's contract and pricing methodology predominantly utilizes a single unit price that is inclusive of all components of work (labor, material, equipment, overhead, and profit) for each task of the workscope; whereas MNR obtained a unit price for each individual component of work that generates a larger number of units and requires extensive time to verify upon receipt of an invoice.

MNR estimates a total not-to-exceed cost of $2M for the required services with ETS and Trio for the remaining duration of the base contract period (32 months) and the one year extension option. Services are anticipated to begin in August 2010. Tasks to be performed by ETS and Trio will be funded by the MNR Operating Budget and by the approved Capital Project Budgets, on an as-needed basis.

Schedule H: Modifications to Personal Service and Miscellaneous Service Contracts

Metro-North Railroad

Item Number: H

Vendor Name (& Location)	GE Capital Fleet Services
Description	Highway Vehicle Maintenance Services
Contract Term (including Options, if any)	5 year with two (1) year options
Option(s) included in Total Amount?	☒ Yes ☐ No
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☒ RFP ☐ Bid ☐ Other:
Funding Source	☒ Operating ☐ Capital ☐ Federal ☐ Other:
Requesting Dept/Div & Dept/Div Head Name:	Procurement & Material Management, Anthony J. B[illegible]ce, Jr.

Contract Number	AWO/Modification #
53084	
Original Amount:	$34,062,781
Prior Modifications:	$15,231,327
Prior Budgetary Increases:	$0
Current Amount:	$49,294,108
This Request:	$4,500,000 (not-to-exceed)
% of This Request to Current Amount:	9%
% of Modifications (including This Request) to Original Amount:	58%

Discussion:

In September 2003, as a result of a competitive RFP process, MTA HQ awarded a multi-agency (HQ, MNR, LIRR, NYCT Paratransit and LI Bus) miscellaneous service contract to the firm, GE Capital Fleet Services, to provide non-revenue highway vehicle maintenance and repair services for up to a 7-year period (5-year base plus 2-year option, through August 2010). Each agency issued its own purchase order/contract governed by the MTA HQ Master Agreement. In 2008, MTA HQ removed the police vehicle fleet from the overall maintenance agreement, primarily due to the geographic breath of their territory; and at the same time, MNR agreed to become the lead agency for the MTA Master Agreement, and MTA Board approval was received during the June 2008 session to exercise the two (2) year option.

At this time, Metro-North, on behalf of all participating agencies requests approval for an eight (8) month contract extension (from September 2010-April 2011), with funding totaling a not-to-exceed amount of $4.5M. During the extension period, the overall MTA non-revenue fleet maintenance strategy will be reviewed and possibly restructured as part of the MTA Procurement Directors' Strategic Sourcing Procurement initiative. Tasks and/or Goals to be performed during the Strategic Sourcing Initiative include: possible standardization of vehicle specifications across agencies, evaluation of maintenance and repair practices, fuel and parts management, and leverage of long-term needs. All original terms, conditions and unit pricing will remain firm for the eight (8)-month extension period. This contract change is to be funded by each Agency's Operating Budget.

Schedule I: Modifications to Purchase and Public Works Contracts

Metro-North Railroad

Item Number: 1

Vendor Name (& Location)	St. Francis Construction Co., Larchmont, NY 10538
Description	Construction Services – New Haven Line (NYS) Station Improvements
Contract Term (including Options, if any)	Eighteen (18) months
Option(s) included in Total Amount?	☒ Yes ☐ No
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☐ RFP ☒ Bid ☐ Other:
Funding Source	☐ Operating ☒ Capital ☐ Federal ☐ Other:
Requesting Dept/Div & Dept/Div Head Name:	Procurement & Material Management, Anthony J. B[illegible]ce, Jr.

Contract Number 58104	AWO/Modification # 4
Original Amount:	$9,452,300
Prior Modifications:	$28,122
Prior Budgetary Increases:	$0.00
Current Amount:	$9,480,422
This Request:	$550,000 (not to exceed)
% of This Request to Current Amount:	5.80 %
% of Modifications (including This Request) to Original Amount:	6.12 %

Discussion and Background:

In June 2009 a construction contract was competitively solicited and awarded to the firm St. Francis Construction Co. to provide construction services for the rehabilitation of the Rye and Port Chester Stations. The scope of work included rehabilitation of platform canopies, repair of the platform surfaces, piers, footings and T-stems, installation of new stairs, and ramps and railings, overpass improvements at Rye and various station enhancements at both stations including new lighting, benches, shelters, electrical power and communication upgrades.

At this time, Metro-North is requesting board approval for a Change Order to the St. Francis contract for additional canopy work at the Rye Station. At Rye, a gap of approximately 75 feet on the inbound platform and a 170 foot (2 car lengths) gap on the outbound platform expose customers to the elements near the elevator and base of the overpass. Metro-North proposes closing these gaps and providing a continuous covered path from the station building to the platform, protecting customers using the west overpass stairway and elevator, and covering the ADA route for customers on both platforms.

Justification:

Canopies are provided at stations for reasons of safety, customer comfort and platform longevity. A program of targeted canopy and stairway enclosure improvements (including canopy gap closures and extensions) during a planned station project with similar work is the most cost effective way to provide these customer safety improvements while also limiting the unpredictable and potentially significant impact of claims resulting from injuries. Metro-North works to provide canopy coverage at approaches to/from stairways and elevators to maximize benefits for the highest customer usage areas. As an example of the benefits of these safety improvements, since 2005 when the majority of the lower and mid Hudson stations were improved and canopy lengths doubled, reported customer injuries related to wet or icy conditions at these Hudson stations have declined on average by over 50%, while ridership has increased by 7%. In addition to the safety benefits from these improvements, the canopies provide coverage from elements for customers, and reduce the necessity for salting the platform to limit ice build-up, increasing the expected useful life of the station platforms.

Conclusion:

Negotiations with St. Francis were recently completed and an amount not to exceed $550,000 was agreed to for this work. The proposal was reviewed and determined to be fair and reasonable and provides the most cost effective approach for constructing these improvements. The cost is within the project budget. At this time Metro-North requests MTA Board approval of a contract modification in the amount not-to-exceed $550,000 for installation of the platform canopy extensions on both the inbound and outbound platforms at Rye Station. The contract change is funded by the Metro-North Capital Program.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2010

MTA CAPITAL CONSTRUCTION

Procurements Requiring Majority Vote

Schedule I: Modifications to Purchase Contracts and Public Work Contracts
(Staff Summaries required for individual change orders greater than $250K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least $50K)

1. GTF, JV **$3,853,000** *Staff Summary Attached*
Competitive
Contract No. CQ031
MTA Capital Construction
This contract is for the construction of four soft-ground bored tunnels, shafts, miscellaneous structures, underpinning and ground pre-treatment to support structures close to or over the tunnels and excavations; and miscellaneous demolition of surface structures for the East Side Access project. MTACC request MTA Board approval for two modifications for work associated with: the installation of sewer pipe and manhole; and revisions to the TBM launch area.

2. Perini Corporation **$7,745,573** *Staff Summary Attached*
Competitive
Contract No. CH053
MTA Capital Construction
This Contract is for the construction of various civil infrastructure elements in Harold Interlocking and to expand the existing LIRR/Amtrak Right of Way for the future Tunnel Boring Machine tunnels and mainline track diversions for work on the East Side Access Project. MTACC request MTA Board approval for three modifications for work associated with: labor and equipment cost for installation of a 12kV ductbank; the relocation of communications cables; and civil and site work for the relocation of trailers utilized by LIRR forces to a permanent location.

Procurements Requiring Two-Thirds Vote

C. Competitive Request for Proposal (Award of Purchase and Public Work Contracts)
(Staff Summaries required for items requiring Board Approval)

Schindler Elevator Corporation $70,199,432 *Staff Summary Attached*
Competitive
Contract No. VM014
MTA Capital Construction
This Contract is for the furnishing, installation, interim and long-term maintenance of escalators and elevators within Grand Central Terminal for the East Side Access Project

Schedule I: Modifications to Purchase or Public Work Contracts

Capital Construction

Item

Vendor Name (& Location)	Granite-Traylor-Frontier Joint Venture (Tarrytown, NY)
Description	Queens Bored Tunnels and Structures
Contract Term (including Options, if any)	9/28/09 – 4/30/12
Option(s) included in Total	☒ Yes ☐ No ☐ n/a
Procurement	☒ Competitive ☐ Non-competitive
Solicitation	☒ RFP ☐ Bid ☒ Other: Modification
Funding Source	☐ Operating ☒ Capital ☒ Federal ☐ Other:
Requesting Dept/Div & Dept/Div Head Name:	East Side Access, A. Paskoff, P.E.

Contract Number	**AWO/Modification #**
CQ031	11, and 13

Original Amount:	$	659,200,700.00
Prior Modifications:	$	64,091,112.38
Prior Budgetary Increases:	$	0
Current Amount:	$	723,291,812.38
This Request	$	$3,853,000.00
% of This Request to Current Amount:		.53%
% of Modifications (including This Request) to Original Amount:		10.31%

Discussion:

This contract is for the construction of four soft-ground bored tunnels totaling about 10,500 feet, three shafts designed for the combined purpose of tunnel ventilation and emergency egress, miscellaneous structures, underpinning and ground pre-treatment to support structures close to or over the tunnels and excavations; and miscellaneous demolition of surface structures for the East Side Access project. Board approval is requested for the following Modifications:

Modification No. 11

At the request of Amtrak, a modification to Contract CH053 relocated the 68 Spur track in Sunnyside Yard near the Three Tunnel Emergency Exit being constructed under CQ031. The relocated track prevents access to an existing sewer manhole and the CQ031 Contractor must now furnish and install approximately 60 feet of 42-inch diameter fiber reinforced pipe sewer and one new manhole in the area to allow access to the sewer.

The Contractor submitted a cost proposal in the amount of $448,112 and the internal estimate is $418,511. Negotiations were held and the parties agreed to a cost of $443,000 for the work, which is considered fair and reasonable as it falls within ten percent of the estimate.

Modification No. 13

Because of final design calculations for the jet grout outside of the open-cut structure, this unit price item has the potential to overrun by approximately $6M. As a mitigation strategy, the Contractor has proposed a change to the TBM launch method that requires large concrete blocks to be cast within the open-cut structure. The blocks will completely enclose the TBM shields and will reduce the potential for groundwater to flow into the open cut structure when the wall is penetrated by the TBM's.

The Contractor submitted a cost proposal in the amount of $3,690,306 and the internal estimate is $3,300,000. Negotiations were held and the parties agreed to a cost of $3,410,000 for the work, which is considered to be fair and reasonable as it falls within ten percent of the estimate.

Schedule I: Modifications to Purchase or Public Work Contracts

Capital Construction

Item Number:

Vendor Name (& Location) Perini Corporation (Peekskill, New York)	
Description Construct Harold Structures Part I	
Contract Term (including Options, if any) Nine hundred and seventy-five days (975)	
Option(s) included in Total Amount?	☐ Yes ☐ No ☒ N/A
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☐ RFP ☒ Bid ☒ Other: Modification
Funding Source ☐ Operating ☒ Capital ☒ Federal ☐ Other:	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, A. Paskoff	

Contract Number CH053 Part 1	**AWO/Modification #** 35, 36 and 37
Original Amount:	$ 139,280,000.00
Prior Modifications:	$ 14,754,849.40
Prior Budgetary Increases:	$ 0
Current Amount:	$ 154,034,849.40
This Request	$ 7,763,820.00
% of This Request to Current Amount:	5.04%
% of Modifications (including This Request) to Original Amount:	16.17%

Discussion:

This Contract is for the construction of various civil infrastructure elements in Harold Interlocking and to expand the existing LIRR/Amtrak Right of Way for the future Tunnel Boring Machine tunnels and mainline track diversions for work on the East Side Access Project. Board approval is requested for the following Modifications:

Modification No. 35

The Contract requires the installation of a 12kV ductbank between Substation 44 and the Static Frequency Converter (SFC). As a result of revised Amtrak requirements, the entire 12kV ductbank layout was redesigned. The redesign increased the number of conduits, increased the size and arrangement and quantity of electrical manholes, and requires additional excavation and shoring to install ductbank. Due to the long lead time for the material and in order not to negatively impact the schedule, MTACC previously sought and obtained Board approval in the amount of $3,000,000 to purchase the material. We are now seeking Board approval for the labor and equipment costs required for the installation of these materials.

The Contractor submitted a cost proposal in the amount of $6,586,440 and the internal estimate is $6,801,821. Negotiations were held and the parties agreed to a cost of $6,060,442, which is considered as fair and reasonable as it compares favorably to the estimate.

Modification No. 36

The Contract requires the installation of a new structure over the Amtrak Yard Lead Tracks to provide power and communications from the north side of Harold and F Interlocking to Q-Tower. The relocation of 60 Cycle and communications cables is required to permanently relocate the 60 Cycle feed in support of the future construction of CH057, West Bound By-Pass Structure. The Work includes furnishing and installing galvanized steel double-column supports, a truss bridge, conduit, a concrete ductbank, a manhole, cable attachments and cables.

The Contractor submitted a cost proposal in the amount of $942,841 and the internal estimate is $848,000. Negotiations were held and the parties agreed to a cost of $928,000, which is considered as fair and reasonable as it falls within 10% of the estimate. A portion of this cost will be transferred from budgets of future contracts.

Modification No. 37

Under the Contract, Trailers that are utilized by LIRR forces for the day to day operation of Harold Interlocking were to be relocated along with the associated utilities. This relocation would require at least two moves. During the course of the Work, a permanent location was selected which would only necessitate one move.

Under this modification, the Contractor is to furnish, install and provide changes to the civil/site aspects of the work for permanent utilities provided to the trailers, including new water and sanitary sewer piping, installation of new modular retaining wall, new stairs and guard rails, widening and realigned of an access road and, site re-grading to support the installation of the trailers.

Perini submitted a cost proposal in the amount of $812,902 and the estimate is $821,072. Negotiations were held and the parties agreed to a cost of $775,378 which is considered as fair and reasonable as it compares favorably to the estimate.

Staff Summary

Capital Construction

Item Number	
Dept & Dept Head Name: East Side Access. A. Paskoff	
Division and Division Head Name:	

Board Reviews

Order	To	Date	Approval	Info	Other
1	MNR/LIRR Committee	7/26/10	X		
2	Finance	7/26/10	X		
3	Board	7/28/10	X		

Internal Approvals

Order	Approval	Order	Approval
3	Chief Financial Officer	5	President
2	VP Project Controls	4	Sr. VP & General Counsel
1	Director, Procurement		

SUMMARY INFORMATION	
Vendor Name Schindler Elevator Corporation	**Contract Number** VM014
Description Vertical Circulation Elements for the East Side Access Project	
Total Amount $70,199,432	
Contract Term 9 Years and 2 Months with 2 One-Year Options	
Option(s) included in Total Amount?	☒ Yes ☐ No
Renewal?	☐ Yes ☒ No
Procurement Type ☒ Competitive ☐ Non-competitive	
Solicitation Type ☒ RFP ☐ Bid ☐ Other:	
Funding Source ☐ Operating ☒ Capital ☒ Federal ☐ Other:	

I. PURPOSE/RECOMMENDATION:

To obtain Board approval to award Contract VM014, Vertical Circulation Elements for the East Side Access ("ESA") Project to Schindler Elevator Corporation in the amount of $70,199,432 and for a period of 9 years and 2 months which includes a 5 year maintenance period.

II. DISCUSSION:

On May 27, 2009, the Board adopted a resolution declaring that competitive bidding was impractical or inappropriate and that it was in the public interest to issue a competitive Request for Proposal ("RFP"), pursuant to Article IIIF of the All Agency Procurement Guidelines for Contract VM014, Vertical Circulation Elements for the East Side Access ("ESA") Project.

The scope of work includes the fabrication and installation of 47 escalators and 22 elevators for the GCT ESA concourse and caverns. The scope of services shall generally consist of 5 option phases. Phase I is for developing design and interface details for the equipment to a 30% design; Phase II is for the engineering and fabrication of the new elevators and escalators; Phase III is the delivery and installation of the equipment within the ESA Project; Phase IV is short term maintenance while the ESA Project is being completed; Phase V is for a 5 year maintenance period (3 years and two one-year options) once ESA opens for revenue service. In addition, there are 5 additional five-year option periods for extended long-term maintenance. The work under Phase III will be assigned as subcontract to future contracts CM014, GCT Concourse and to CM012 Manhattan Structure Part II & Cavern Mechanical, Electrical and Plumbing Finishes. The work under Phase V would be assigned to and exercised by the LIRR, as would the long term maintenance option periods.

This procurement began with an industry outreach effort where MTACC issued a Request For Qualifications for this work to which six firms responded. All six were invited to meet with MTACC to discuss various issues including how to package the contract, the project schedule, specifications, lead times for fabrication and coordination between contracts, contractors and the elevator/escalator firms. MTACC incorporated some of the suggestions into the Request for Proposal ("RFP") for this Work.

The Request for Proposals was advertised and issued in January 2010. A total of twelve (12) firms requested the RFP. Proposals were due on March 26, 2010 and proposals were submitted by Kone Inc. ("Kone"), Otis Elevator Company, Schindler Elevator Corporation ("Schindler") and ThyssenKrupp Elevator.

The Selection Committee evaluated the proposals based on the RFP evaluation criteria which included the proposer's project organization, project schedule, experience, detailed estimated manpower, other contractual commitments, plan of approach, safety approach, quality assurance approach, assumptions, willingness to agree to proposed terms and conditions, adherence to the RFP requirements and cost. Upon conclusion of the technical and cost evaluations, Schindler Elevator Corporation ("Schindler") and Kone Inc. ("Kone") were the two highest ranked firms and were determined to be in a competitive range. Therefore the selection committee recommended that negotiations be held with both firms.

Schindler's original cost proposal was $66,946,677 and Kone's proposal was $89,437,809. Numerous negotiation meetings were held with both firms. Expectations between MTACC and the Proposers were clarified, recorded and clear direction was given to the Proposers for the content of the BAFOs. Prior to the submittal of best and final offers ("BAFOs"), negotiation letters were issued to both firms that added an option for an additional two escalators and one elevator.

After the conclusion of negotiation, BAFOs were requested. Schindler's final BAFO was for $70,199,432 while Kone's was $79,473,427. The Selection Committee reviewed the BAFOs and unanimously selected the BAFO from Schindler as the best overall technical proposal and as offering the best value to the MTA. The negotiated price is considered to be fair and reasonable as it compares favorably to the MTACC's internal estimate of $110,515,142. MTACC attributes the difference in the cost between the estimate and the negotiated price due to favorable market conditions and both firms aggressiveness in providing a competitive price for this large Contract.

The breakdown of the Phases is as follows:

Phase I	$ 432,000
Phase II	$25,754,451
Phase III	$21,235,049
Phase IV	$ 3,568,549
Phase V	$19,209,383
Total	$70,199,432

MTACC is seeking Board approval for Phase I –V (including the two one year option periods), however, MTACC will only initially authorize the work under Phases I – II. Work under Phases III and IV will be authorized in the future by MTACC's Director of Procurement when additional funding becomes available and future Contracts CM012 and CM014 are awarded. The work under Phase V would be assigned to and authorized by the LIRR. In addition there are 5 additional five-year option periods for long term maintenance (at a total cost of $233,586,914) that the LIRR could choose to exercise for a total of 30 years of long term maintenance. The LIRR would seek Board approval to exercise these subsequent options.

Schindler submitted Responsibility Questionnaires and responsibility and integrity checks were performed by MTACC Procurement and NYCT Vendor Relations. No Significant adverse information ("SAI") within the meaning of the All Agency Responsibility Guidelines was found and they have been determined to be responsible and financial stable.

III. DBE/MBE/WBE INFORMATION:

The Contract has .46% DBE goals. This contract will not be awarded until the MTA's Department of Diversity and Civil Rights has approved Schindler's DBE participation submittals.

IV. IMPACT ON FUNDING:

Funding for Phase I and II of this Contract is available in the 2005 – 2009 and the 2010-2014 Capital Programs for the ESA Project.

V. ALTERNATIVES:

There are no viable alternatives as Schindler's BAFO provided MTACC with the best overall value at a fair and reasonable price.

JULY 2010

METRO-NORTH RAILROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions
(Ratifications are to be briefly summarized with Staff Summaries attached only for unusually large or especially significant items)

1. GM Pump Repair **$52,500 (not-to-exceed)**
Repair Services – Sewer Pumps in Grand Central Terminal

Non-competitive, negotiated procurement for the emergency repair of four (4) Yeoman-brand sewer pumps located in Grand Central Terminal (GCT). Metro-North's GCT-Ops. Department requested an emergency purchase of material with associated labor to repair the sewer pumps located in GCT. The pumps are an integral part of maintaining full operation of the Terminal's facilities as that they pump and eject all raw sewage from the Terminal into New York City's main sewer line. The pumps are between twelve (12) - fifteen (15) years old and operate by an air compressor. GCT has advised the pumps are scheduled to be replaced by 2015 during the next phase of GCT renovations; however abnormal failures and minor repairs and adjustments provided by GCT forces, have only been able to keep the pump system functioning at 50% capacity. At the present time, only two (2) of the six (6) pumps are fully functioning. Emergency repair of the pumps was essential to bring all six (6) pumps up to 100% capacity as additional equipment failures could result in significant stoppage and malfunction.

GM Pump Repair is the only certified Yeoman repair company in the NY metropolitan area to provide repair services to the pumps. GM Pump has also provided parts and repair work on an as-needed basis to NYCT, and their work has been satisfactory. The cost for the emergency repair services totaled $52,500. A market survey revealed hourly rates ranging from $95/hr to $125/hr compared to GM Pump's rate ($89/hr) which deemed GM Pump's rate fair and reasonable. MNR Procurement will also progress an on-call service agreement for maintenance of the pumps until their replacement. Funding for this procurement is included in MNR's Operating Budget.

Schedules Requiring Majority Vote:

K. Ratification of Completed Procurement Actions
(Staff Summaries required for unusually large or complex items which otherwise would require Board approval)

2. Atlantic Detroit Diesel -Allison **$33,593**
Emergency Purchase of twelve (12) Fuel Injectors for the Main Engine- BL-20GH Locomotives

An emergency miscellaneous procurement is required for twelve (12) fuel injectors for the main engine of the BL-20GH Locomotives. The emergency purchase was executed to return a Locomotive back to revenue service in the shortest possible time. Atlantic Detroit Diesel-Allison is the OEM (Original Equipment Manufacturer). In order to evaluate the proposed costs, Brookville Locomotive, the locomotive manufacturer, was requested to supply a quotation and it was found to be 48% higher than Atlantic Detroit Diesel-Allison. The total cost of this one-time purchase is $33,593. Funding for this procurement is included in MNR's Operating Budget.

Staff Summary

Bridges and Tunnels

Subject: Request for Authorization to Award Various Procurements	**Date** July 7, 2010
Department: Procurement & Materials	**Vendor Name**
Department Head Name Anthony W. Koestler	**Contract Number**
Department Head Signature Anthony W. Koestler	**Contract Manager Name**
Project Manager Name Various	**Table of Contents Ref #**

Board Action

Order	To	Date	Approval	Info	Other
1	President	7/7/10			
2	MTA B&T Committee	7/26/10			
3	MTA Board	7/28/10			

Internal Approvals

Order	Approval	Order	Approval
	President		VP Operations
	Executive Vice President		Chief Procurement Officer
	VP Staff Services/COS		VP & Chief Engineer
	General Counsel		VP Labor Relations

Internal Approvals (cont.)

Order	Approval	Order	Approval	Order	Approval	Order	Approval
	Chief Financial Officer		Chief Technology Officer		Chief Health & Safety Officer		Chief EEO Officer
	Chief Security Officer		Chief Maintenance Officer		MTA Office of Civil Rights		

PURPOSE:

To obtain approval of the Board to award various contracts and purchase orders, and to inform the MTA B&T Committee of these procurement actions.

DISCUSSION:

MTA B&T proposes to award Non-Competitive procurements in the following categories:

Schedules Requiring Majority Vote		# of Actions	$ Amount
Schedule H	Modifications to Personal/Miscellaneous Service Contracts	1	$ .0M
	SUBTOTAL	1	$ .0M

MTA B&T proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote		# of Actions	$ Amount
Schedule G	Miscellaneous Service Contracts	2	$7.429M
	SUBTOTAL	2	$7.429M

MTA B&T presents the following procurement actions for Ratification: None

TOTAL	3	$7.429M

BUDGET IMPACT:

The purchases/contracts will result in obligating MTA B&T and other agencies' operating funds in the amount listed. Funds are available in the current MTA B&T and other MTA agencies' operating 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.)

The legal name of MTA Bridges and Tunnels is Triborough Bridge and Tunnel Authority.

MTA BRIDGES & TUNNELS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

WHEREAS, in accordance with §559 and §2879 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 §2879 of the Public Authorities Law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain changes orders to procurement, public work, and miscellaneous procurement contracts; and

WHEREAS, in accordance with § 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; and

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals and authorizes the solicitation of such proposals.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. The Board ratifies each action 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; 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.

7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2010

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services

(Approvals/Staff Summaries required for substantial change orders and change orders that cause original contract to equal or exceed monetary or durational threshold required for Board approval)

1. **Total Safety Consulting, LLC** **$ 0.00** ***Staff Summary Attached***
Contract No. PSC-09-2862

Extend the period of performance beyond one year for an additional six months for the consultant to continue to provide site safety inspections and monitoring of ongoing construction projects so B&T can competitively solicit a joint procurement to select a qualified consultant and award a new contract.

Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts

Item Number: 1 **(Final)**

Vendor Name (& Location) Total Safety Consulting, LLC (Jersey City, NJ)	**Contract Number** PSC-09-2862 / **AWO/Modification #**
Description Independent Safety Monitor for Ongoing Authority Construction Projects	**Original Amount:** $809,182.00
Contract Term (including Options, if any) September 4, 2009 – September 3, 2010	**Prior Modifications:** $0.00 **Prior Budgetary Increases:** $0.00
Option(s) included in Total Amount? ☐ Yes ☒ No	**Current Amount:** $809,182.00
Procurement Type ☐ Competitive ☒ Non-competitive **Solicitation Type** ☒ RFP ☐ Bid ☐ Other:	**This Request:** $0.00
Funding Source ☒ Operating ☐ Capital ☐ Federal ☐ Other:	**% of This Request to Current Amount:** 0.00%
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction/Thomas Bach, P.E.	**% of Modifications (including This Request) to Original Amount:** 0.00%

Discussion:

B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to modify a non-competitive personal service contract with Total Safety Consultants, LLC (TSC) to extend the period of performance beyond one year from September 4, 2010 through March 3, 2011 at no additional cost.

On September 4, 2009 B&T awarded the Contract to TSC in the amount of $809,182 for a duration of one year in response to an increase in accidents on construction projects in 2009. Based on our communications with MTA Risk and Insurance Management and Marsh Risk Consulting, it was recommended that TSC (Marsh's safety consultant) perform an initial site safety assessment and report on B&T's active project construction sites. In view of TSC's quick and efficient completion and satisfactory performance of the initial assessment, it was considered in B&T's best interest to award this contract to TSC for the inspection and monitoring of ongoing construction projects. TSC provides the Engineer with a greater project site safety presence during ongoing construction. We do not possess the in-house resources required to administer and manage an independent safety monitoring program for ongoing construction projects.

B&T had anticipated awarding a new competitive contract for an independent safety monitor prior to the expiration of the current agreement. However, on our behalf the MTA Business Service Center reached out to other agencies to determine whether there was a need for these services. NYCT expressed an interest in participating with B&T in a joint procurement. Therefore, B&T is requesting Board approval for a six month extension in order to competitively solicit the agencies' requirements, select a qualified consultant and award a new contract. Funding is available in the Operating Budget under Project GES-180 to support the extension of time.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
JULY 2010

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

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

1. **AWL Industries, Inc.** **$ 6,451,380.48 (B&T)**
$ 7,244.80 (SIRT)
Ultimate Power, Inc. **$ 789,105.00 (NYCT-DOB)**
Contract No. 10-MNT-2860

3 yr. contracts – Competitive Bid – Low Bid/4 Bids (B&T) and 2 Bids (NYCT-DOB and SIRT)

On March 16, 2010 the Authority issued a solicitation for a contractor to provide maintenance and repair of heating, ventilation and air conditioning (HVAC) systems located at various Triborough Bridge and Tunnel Authority (B&T), New York City Transit-Department of Buses (NYCT-DOB) and Staten Island Rapid Transit (SIRT) facilities. The services are required in order to maintain peak performance of the heating and air conditioning units. The solicitation notice was sent to 168 firms. Fourteen firms requested copies of the solicitation. On April 21, 2010, four bidders submitted bids. Based on an evaluation of the bids, the lowest responsive bidder for each agency was determined to be AWL Industries, Inc. (B&T and SIRT) and Ultimate Power, Inc. (NYCT-DOB). Due to budgetary concerns, B&T requested that AWL reduce its price which resulted in reductions in two unit line items totaling $41,764.32 for a revised value of $6,451,380.48. The scope of services under this contract is similar to B&T's, NYCT-DOB's and SIRT's current contracts. AWL Industries, Inc.'s average price bid in this procurement compared to similar items in B&T's current contract represents a 29.2% increase and a 17% decrease for SIRT and Ultimate Power's average price bid for NYCT-DOB represents a .26% increase compared with the current contract. The prices are fixed for a three year period. The amounts under the prospective contracts with AWL Industries, Inc. and Ultimate Power, Inc. for (i) B&T is 8.5% higher than the user's estimate of $5,946,525; (ii) NYCT-DOB is 4.7% higher than the user's estimate of $753,947.25; and (iii) SIRT is 15.9% less than the user's estimate of $8,620. After evaluation of the bids, it was determined that AWL Industries, Inc. and Ultimate Power, Inc. are responsive, responsible bidders. Based on competition, the prices are considered fair and reasonable. Funding is available in each agency's Operating Budget.

2. **Corporate Courier New York, Inc.** **$ 130,538.00 (MTAHQ)**
Contract No. 09-STS-2845X **$ 30,260.00 (LIRR)**
$ 20,439.00 (NYCT)
$ 181,237.00

3 yr. contracts – Competitive Bid – Low Bids/8 Bids (MTAHQ and LIRR), 2nd Low Bid/7 Bids (NYCT)

On February 10, 2010, the Authority issued a joint solicitation to provide motor and messenger services for both on-call and scheduled pick up and delivery of letters, packages, and other related items, to and from the offices of MTA headquarters, 2 Broadway and the Business Service Center (collectively identified as MTAHQ), as well as Long Island Rail Road (LIRR) and New York City Transit Law Department (NYCT)

locations on an as-needed basis. The services are required to enable the participating agencies to send and receive Board information, packages, and computer equipment throughout New York, New Jersey and Connecticut, including express deliveries within two hours of the agency's request. The service requirements were publicly advertised. The solicitation notice was sent to 74 firms. Eighteen firms requested copies of the solicitation. On March 17, 2010 eight bids were submitted. Based on an evaluation of the bids, the lowest responsive bidder was determined under each price schedule in the solicitation to be Corporate Courier New York, Inc. for MTAHQ, LIRR, and NYCT. Both MNR and B&T rejected all bids on the basis that the scopes of work will be revised. Although Velocity Express (Velocity) submitted the lowest price for NYCT, Velocity was deemed non-responsive to the terms of the solicitation and Velocity's bid was rejected. The price schedules for the prospective contracts for MTAHQ and LIRR have been revised compared with those contained in the current contracts by including tolls and consolidating geographic delivery locations. As a result, a price comparison between the prospective and current contracts is not practical. Under NYCT's price schedule the bid prices for 33 of the 43 items are lower than the current contract, one item is the same, eight items are new or have been revised and one item increased. The bid prices are fixed for a three year period. The bid amount under the prospective contract with Corporate Courier New York, Inc. for: (i) MTAHQ is 73% less than the user's estimate of $488,696.25; (ii) LIRR is 11.5% less than the user's estimate of $34,181.64; and (iii) NYCT is 55% less than the user's estimate of $45,000. After evaluation of the bids, it was determined that Corporate Courier New York, Inc. is a responsive, responsible bidder. Based on competition, the prices are considered fair and reasonable. Funding is available in each Agency's Operating Budget. The MTA Office of Civil Rights has established goals of 5% MBE and 0% WBE for each of these contracts. The contracts will not be awarded until the M/WBE requirements are satisfied.

Staff Summary

Subject Authorization of Subway Station Actions	**Date** July 28, 2010
Department Chief Financial Officer	**Vendor Name**
Department Head Name Bob Foran	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager/Division Head Doug Johnson	**Table of Contents Ref #**

Board Action

Order	To	Date	Approval	Info	Other
1	Board	7/28	X		

Internal Approvals

Order	Approval	Order	Approval
			Civil Rights
3	Chief of Staff	2	Legal
1	Chief Financial Officer		Chief Operating Officer
	Procurement		Other

Purpose:

To obtain Board approval of the annexed resolution authorizing the permanent closure and/or reduction in hours of 42 subway station booths and the permanent elimination of 44 subway station customer assistance (SCA) locations and associated subway station kiosks, as shown in Attachment A (the "station actions").

Discussion:

The station actions in question are a subset of a broader subway station booth/kiosk closing cost-saving measure, involving 158 SCA locations/kiosks and 42 station booths, which received Board authorization in late March, 2009 following public hearings. In 2009 and early 2010, the cost-saving measure was partially implemented through a process of attrition, resulting in the elimination of over 100 of the SCA locations and closure of the associated kiosks. The remaining closures/reductions were scheduled for implementation in 2010, through layoffs, to achieve the required savings.

Litigation was commenced in May, 2010 in New York Supreme Court, New York County, seeking to enjoin MTA and New York City Transit from carrying out the cost-saving station actions. The lawsuit asserted that further public hearings were required pursuant to Section 1205(5) of the Public Authorities Law before the station actions could proceed. While most of the outstanding SCA location eliminations were implemented in May 2010, a temporary restraining order was issued that prevented the scheduled implementation of the 42 station booth closures/reductions that month. Thereafter, in early June, 2010, a justice of the Supreme Court, New York County issued a decision enjoining MTA and NYCT from carrying out the identified booth and kiosk closures as "mass closings" rather than by means of attrition, without first conducting further public hearings. MTA and NYCT have filed an appeal seeking to reverse the June decision. The appeal has stayed the court's ruling insofar as it required re-establishment of the SCA locations eliminated in May, 2010.

On June 9, 2010, the Board authorized proceeding with the scheduling of further public hearings on the station actions, enabling the public to comment further on the station actions (including on making the SCA location eliminations permanent) and enabling the Board, following consideration of the comments received through the public hearing process, to vote upon the proposed station actions expeditiously. Written notification of the station actions was provided to each of the affected community boards, advertisements were placed in newspapers, and public notices were posted at NYCT facilities, advising of public hearings to be conducted on July 13 and July 14, 2010, at locations in Brooklyn, the Bronx, Manhattan and Queens, inviting public comment at the hearings and submission of written comments for inclusion in the record concerning the proposed station actions.

Hearings were conducted on the station actions at The Cooper Union, 7 East 7th Street, Manhattan on July 13, 2010; at Queens College, 65-30 Kissena Boulevard, Flushing, on July 13, 2010; at Hostos Community College/CUNY, 450 Grand Concourse, Bronx, on July 14, 2010; and at NY Marriot located at 333 Adams Street, Brooklyn, on July 14, 2010, at which members of the public appeared and commented on the proposed station changes. Transcripts of the hearings and copies of written comments received have been distributed to members of the Board.

MTA and NYCT have continued to confront financial shortfalls since the station actions were first authorized by the Board in 2009. Regrettably, economic developments affecting MTA and NYCT in 2010 have magnified the need to secure the outstanding cost-savings associated with completion of the station actions. Anticipated savings of approximately $1.2 million a month are presently not being realized due to the non-implementation of the 42 station booth closings/reductions. Moreover, reversing the SCA location eliminations that were implemented in May 2010 would impose an additional monthly cost of approximately $1.5 million on NYCT operations. Accordingly, expeditious and permanent implementation of the station actions is necessary to help MTA and NYCT reduce operating costs and achieve balanced budgets.

Recommendation:

It is recommended that the Board approve the annexed resolution authorizing the Chairman and CEO and his designees permanently to close and/or reduce the hours of 42 subway station booths and permanently eliminate 44 subway station customer assistance (SCA) locations and associated subway station kiosks.

RESOLUTION

AUTHORIZING SUBWAY STATION ACTIONS

WHEREAS, on June 9, 2010, the Board of the MTA and NYCTA authorized the issuance of public and community board notices and the holding of further public hearings to elicit public comments concerning proposed permanent closure and/or reduction in hours of subway station booths and the permanent elimination of station customer assistance agent staffing and associated station kiosks;

WHEREAS, written notification of the proposed permanent closing or reduction in hours of 42 subway station booths and the proposed permanent elimination of 44 subway station customer assistance (SCA) locations and associated subway station kiosks, as shown in Attachment A (the "station actions"), was provided to each of the affected community boards, which notification specifically identified each of the proposed station actions;

WHEREAS, public notices were posted at NYCTA facilities advising of the public hearings to be conducted on July 13 and July 14, 2010, at locations in Brooklyn, the Bronx, Manhattan and Queens, which notices invited public comment at the hearings and submission of written comments for inclusion in the record concerning the proposed station actions, and individual schematics were posted at each of the station locations in question, specifically identifying the nature of the station action under consideration at such location;

WHEREAS, advertisements were placed in a number of newspapers (namely, The Daily News, Newsday, The New York Times, El Diario, and The Daily Challenge) on June 24, 2010, giving notice of the dates and times of the hearings scheduled concerning the proposed station actions, listing the affected stations, inviting the public to comment, and advising members of the public that more detailed information as to the proposals under consideration was available on the MTA website or upon request;

WHEREAS, hearings were conducted on the station actions at The Cooper Union, 7 East 7th Street, Manhattan on July 13, 2010; at Queens College, 65-30 Kissena Boulevard, Flushing, on July 13, 2010; at Hostos Community College/CUNY, 450 Grand Concourse, Bronx, on July 14, 2010; and at NY Marriot located at 333 Adams Street, Brooklyn, on July 14, 2010, at the times set forth in the aforesaid notices of public hearings, at which members of the public were able to appear and comment on the station actions,

WHEREAS, the Boards of MTA and NYCTA have considered the testimony received and written comments that were submitted regarding the station actions and, in connection therewith, have, among other things, considered the financial circumstances of the MTA and NYCT and the impacts of such station actions upon riders of mass transportation;

NOW, THEREFORE, upon motion duly made and seconded, the following resolution was adopted by the Boards of MTA and NYCTA:

RESOLVED, that the Chair and Chief Executive Officer and the President of NYCTA and their designees are authorized and directed to take such steps as necessary or desirable to implement the station actions, as further described in Attachment A hereto.

July 28, 2010
New York, New York

ATTACHMENT A

PROPOSED STATION CHANGES

New York City Transit

July, 2010

This booklet describes the proposed permanent closing or reduction in hours of 42 secondary full-time subway station booths. In addition, it describes the proposed permanent elimination of 44 Station Customer Assistance (SCA) locations and of the kiosks associated with those 44 locations.

Public hearings will be held in July on these station actions and your comments on these station actions are solicited.

Please note that the elimination of many of the noted SCA locations was implemented in mid-May. All the SCA location changes are encompassed within the public hearings being scheduled for July and comments on these as well as the proposed permanent closing or reduction in hours of 42 secondary full-time subway station booths are being solicited.

The booklet contains diagrams of the layout of each affected station, indicating the subway line(s), control area (booth or kiosk) number, the station staffing as of May 1, 2010 (immediately prior to the elimination of the SCA locations), and the proposed permanent change(s).

Because previously approved subway service and route changes are scheduled to take place effective in late June 2010, efforts have been made to include such information describing the subway lines servicing the station both before and after those subway service and route changes take place.

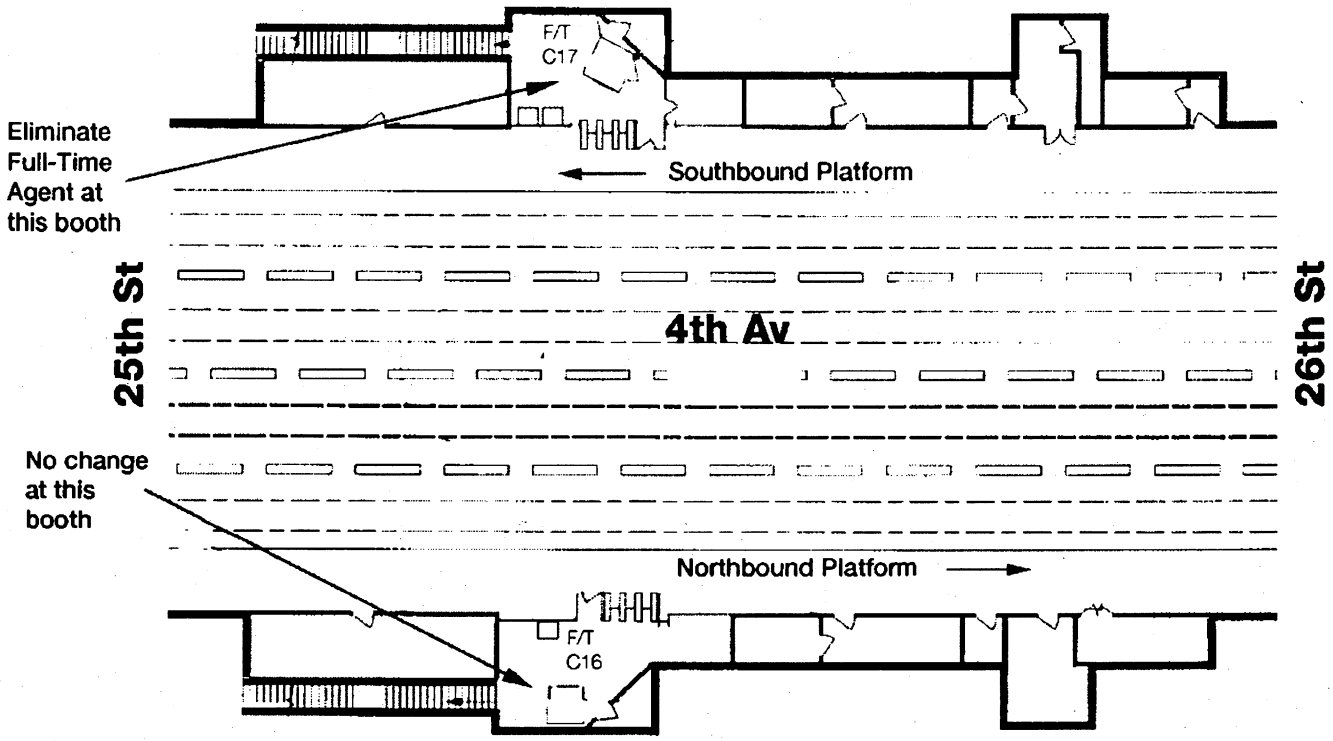
MTA New York City Transit

25 Street M R

New York City Transit

(Effective June 27, 2010: R only)

Borough: Brooklyn



Operation(s) as of May 1, 2010:

C16: Full-time booth agent

C17: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **C17**. Provide automated access 24 hours, all days.

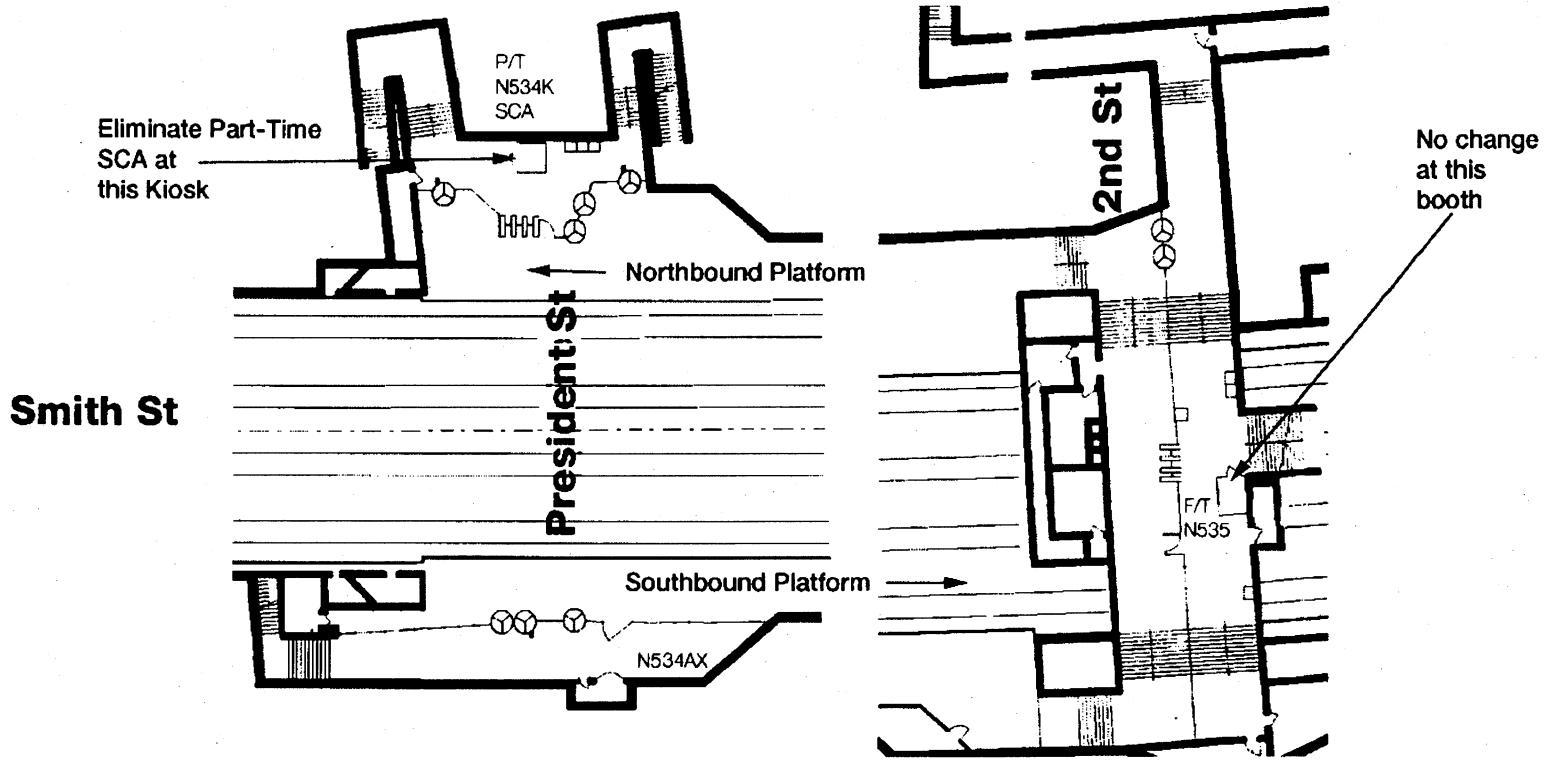
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

25 Street M R

Carroll Street F G

New York City Transit

Borough: Brooklyn



Operation(s) as of May 1, 2010:

N535: Full-time booth agent

N534K: Part-time SCA, 6am to 9:15pm, M-Sat. Automated access via HEETs at all other times.

N534AX: Full-time automated access via HEETs

Proposed Permanent Change(s):

Eliminate part-time SCA at **N534K**. Maintain automated access 24 hours, all days.

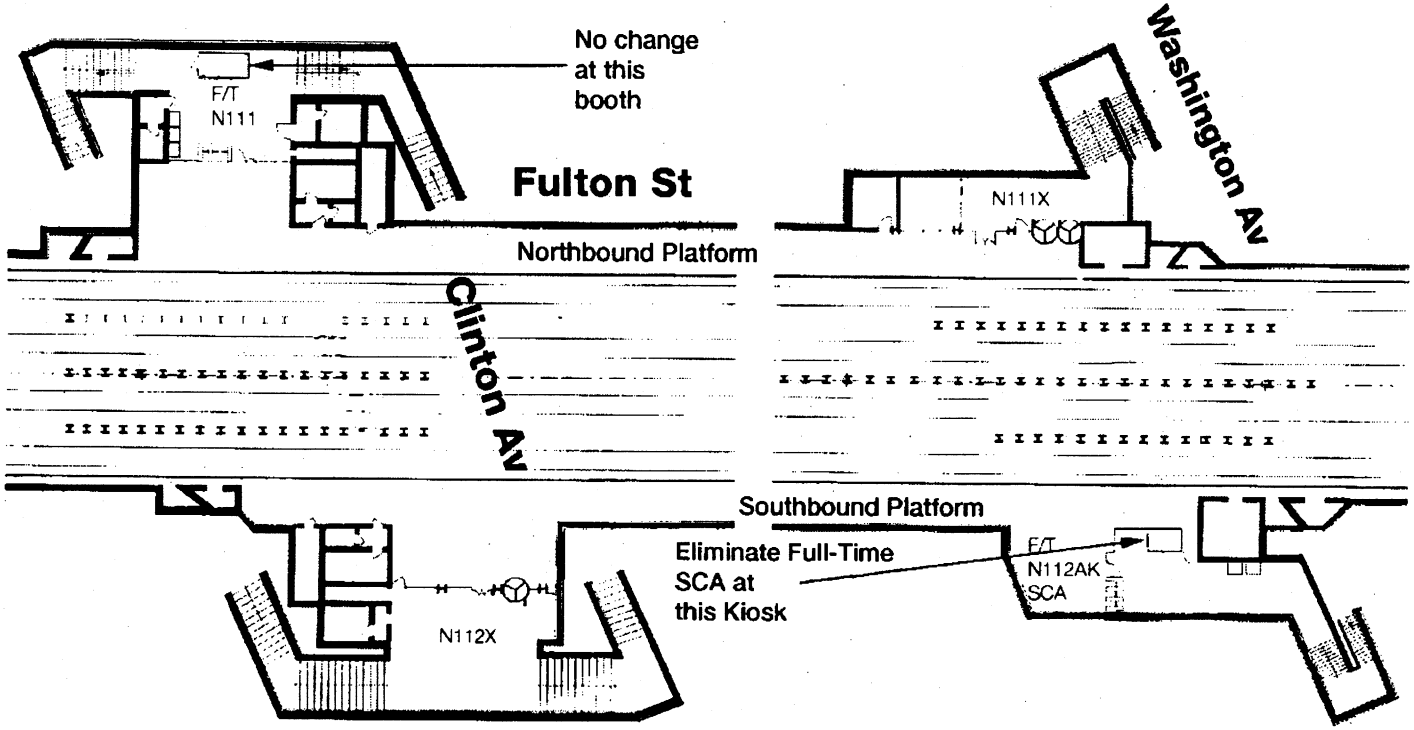
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Carroll Street F G

Clinton - Washington Avenues C

New York City Transit

Borough: Brooklyn



Operation(s) as of May 1, 2010:

N111: Full-time booth agent

N112AK: Full-time SCA

N111X : Full-time automated access via HEETs

N112X : Full-time automated access via HEET

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **N112AK.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

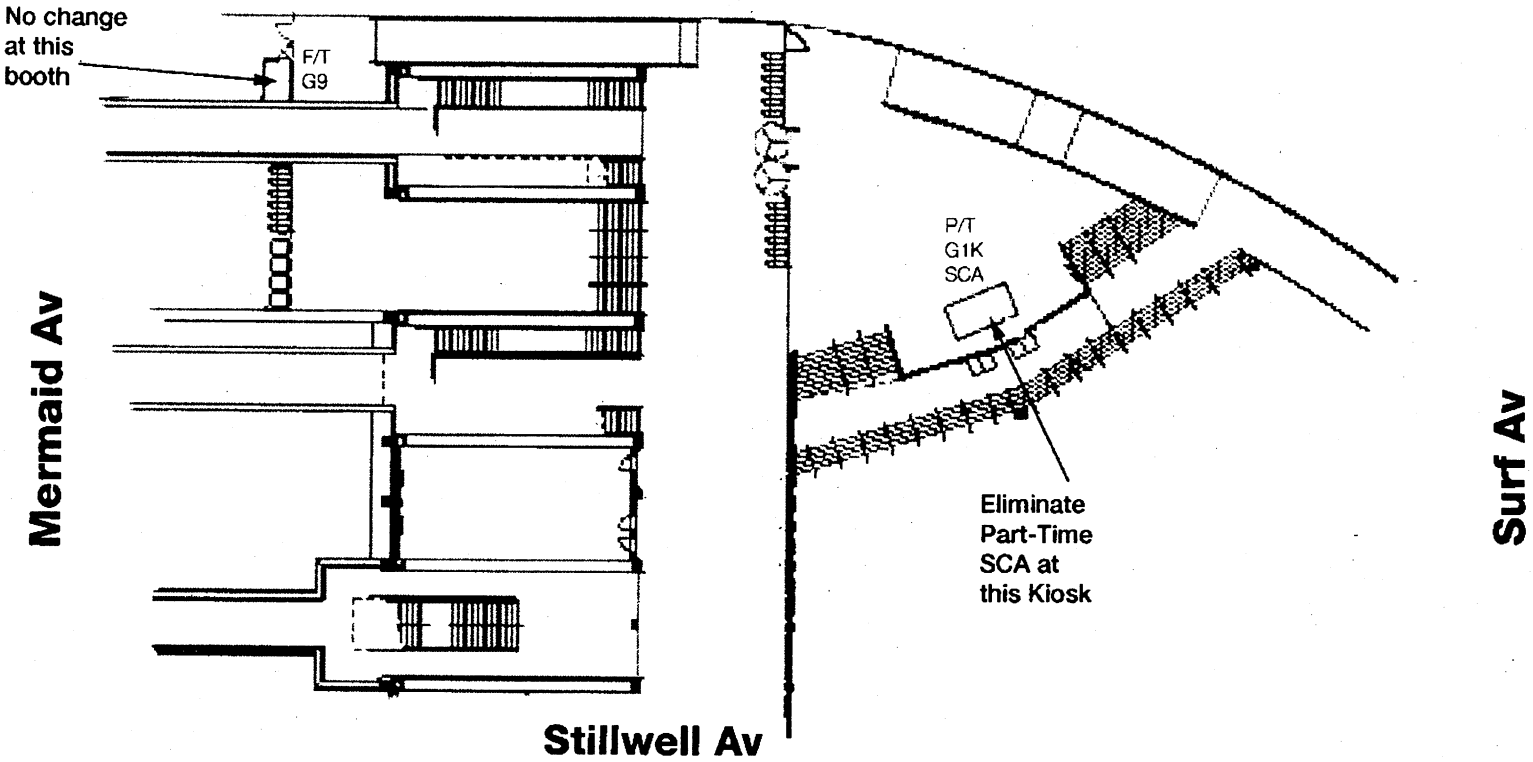
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Clinton - Washington Avenues C

Coney Island - Stillwell Avenue D F N Q

New York City Transit

Borough: Brooklyn



Operation(s) as of May 1, 2010:

G9: Full-time agent booth

G1K: Part-time SCA, 6:30am-12:45am M-Sat, 6:25am to 12:45am Sun.

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **G1K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in Mid-May 2010 and are now subject to a new public hearing.

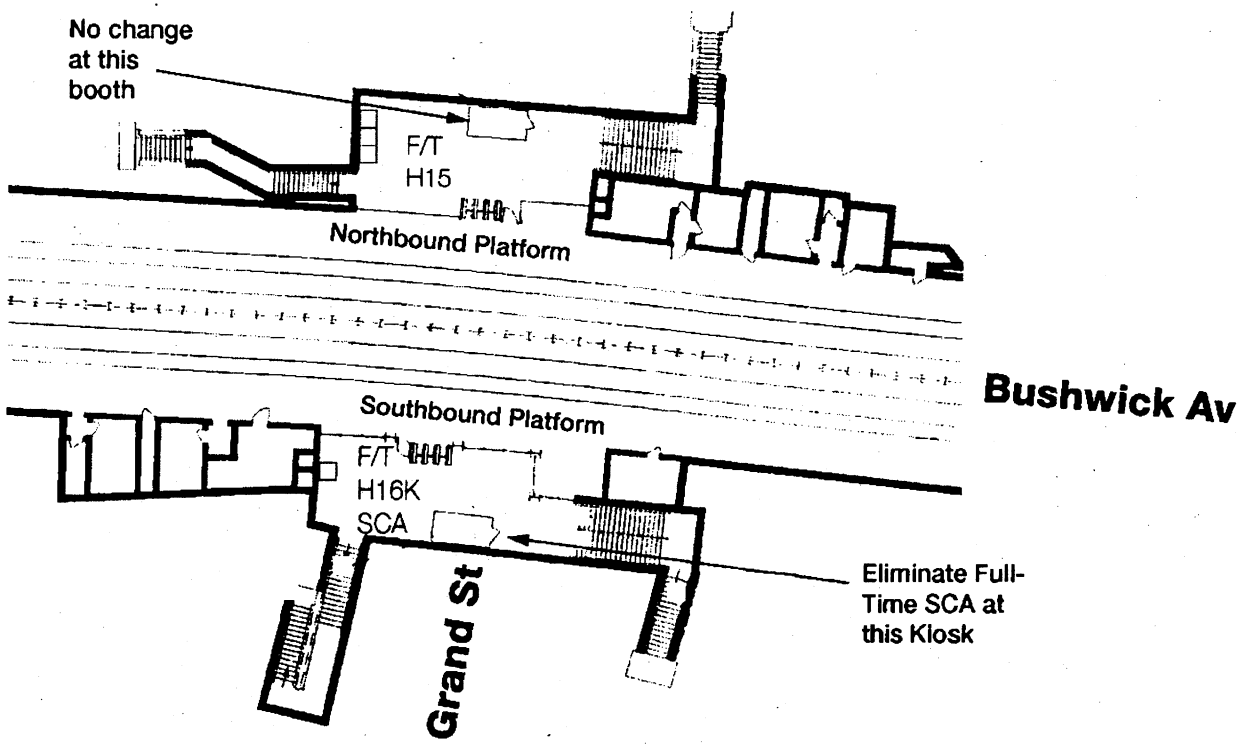
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Coney Island - Stillwell Avenue D F N Q

Grand Street L

New York City Transit

Borough: Brooklyn



Operation(s) as of May 1, 2010:

H15: Full-time booth agent

H16K: Full-time SCA.

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **H16K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in Mid-May 2010 and are now subject to a new public hearing.

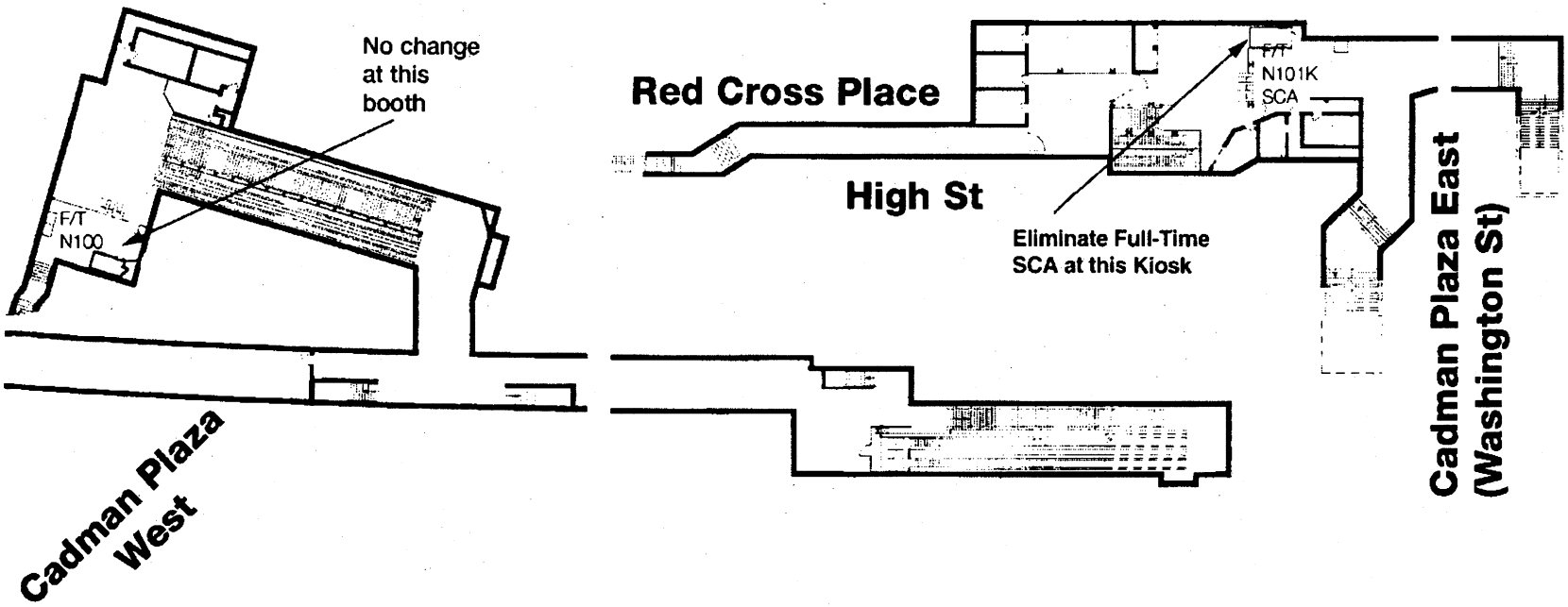
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Grand Street L

High Street - Brooklyn Bridge A C

New York City Transit

Borough: Brooklyn



Operation(s) as of May 1, 2010:

N100: Full-time booth agent

N101K: Full-time SCA

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **N101K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

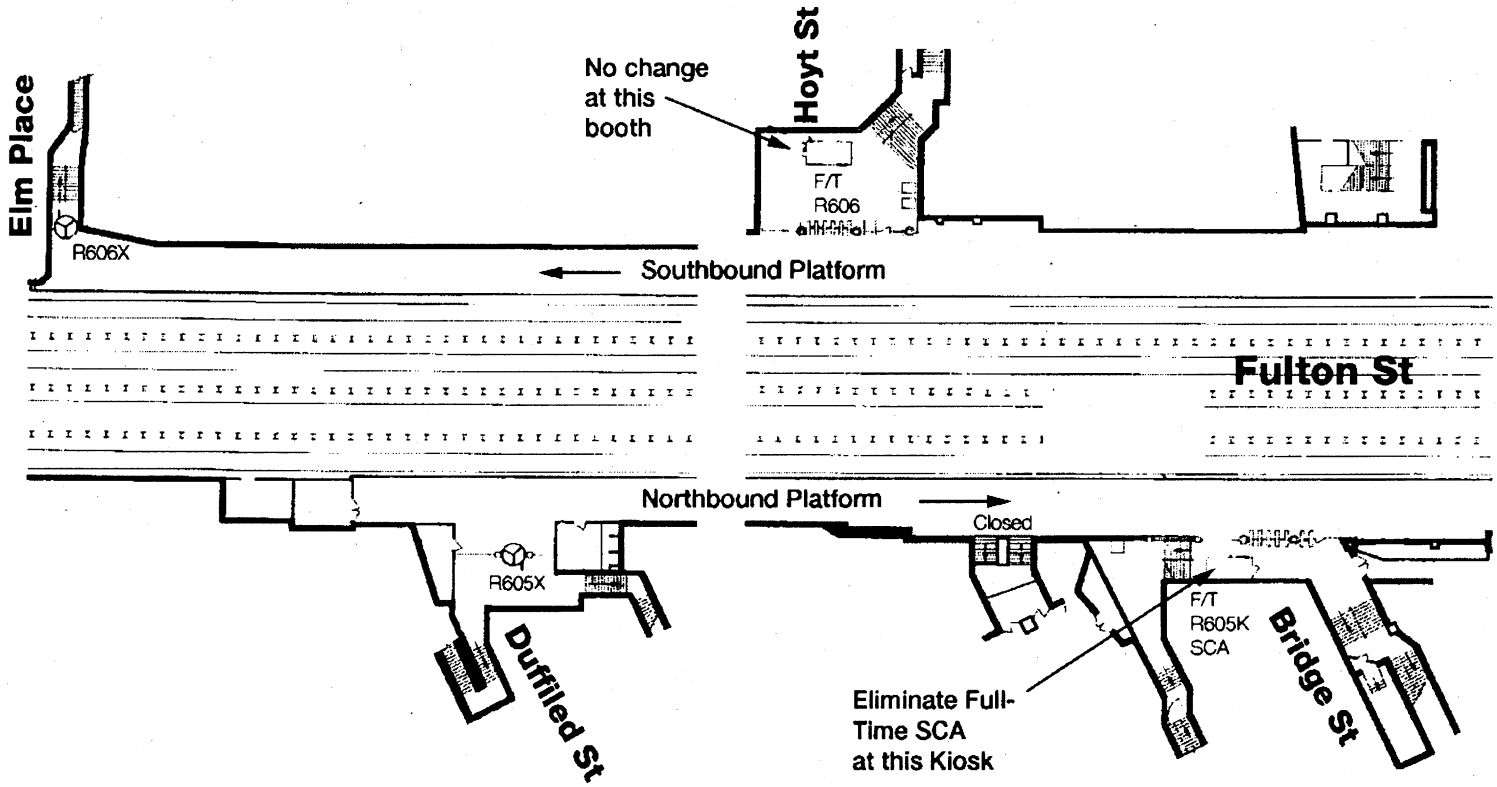
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

High Street - Brooklyn Bridge A C

Hoyt Street 2 3

New York City Transit

Borough: Brooklyn



Operation(s) as of May 1, 2010:

R606: Full-time booth agent

R605K: Full-time SCA

R605X: Full-time automated access via HEETs at all times.

R606X: Full-time Automated access via HEETs at all times.

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **R605K**. Maintain automated access 24 hours, all days.

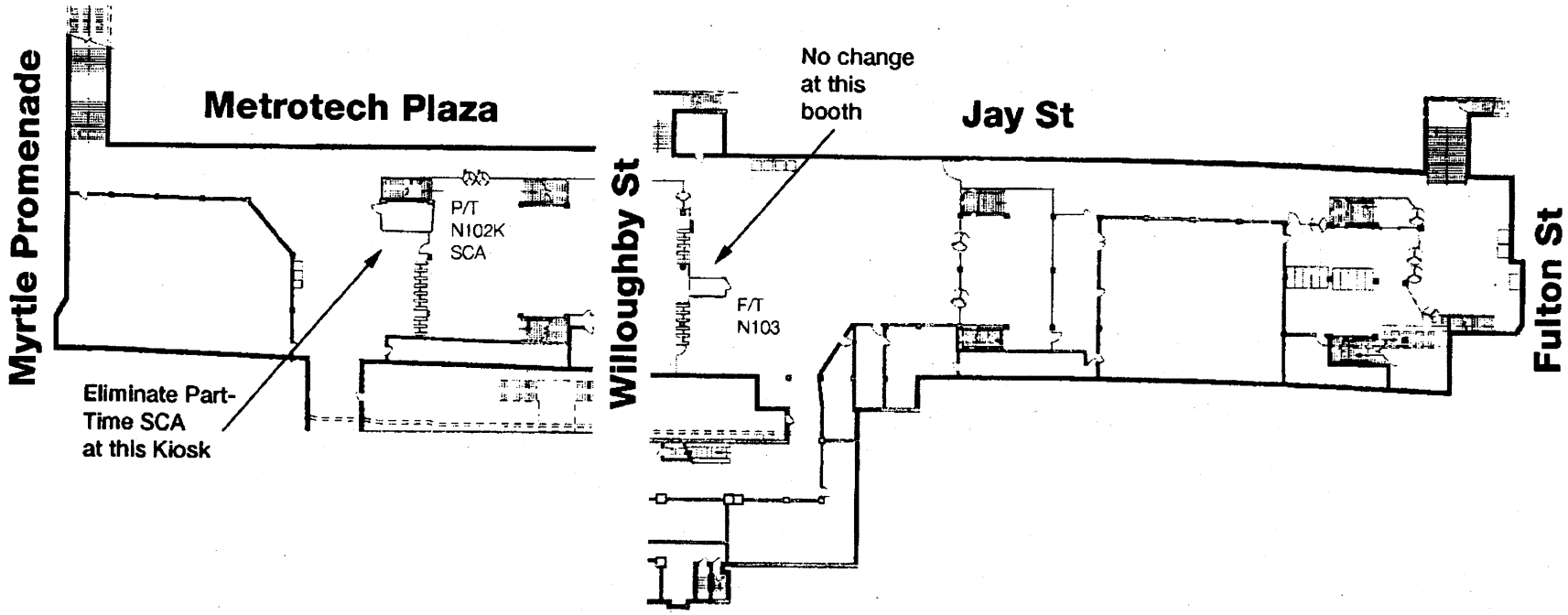
***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Jay Street - Borough Hall A C F

New York City Transit

Borough: Brooklyn



Operation(s) as of May 1, 2010:

N103: Full-time booth agent

N102K: Part-time SCA, 7:10am to 6:45pm, M-F. Automated access via HEETs at all other times.

N104X: Full-time automated access via HEETs

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **N102K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

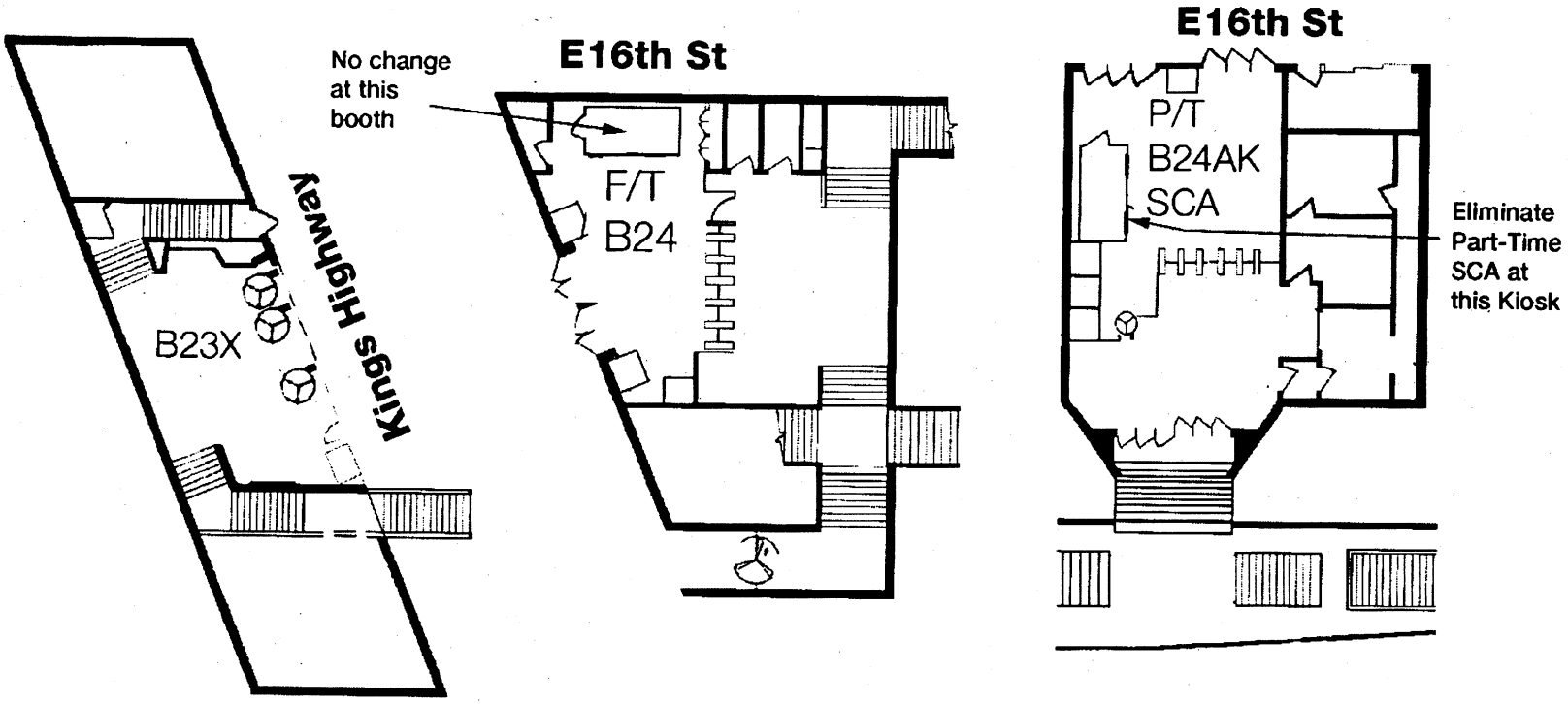
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Jay Street - Borough Hall A C F

Kings Highway B Q

New York City Transit

Borough: Brooklyn



Operation(s) as of May 1, 2010:

B24: Full-time booth agent (this station is currently under reconstruction)

B23X: North side of Kings Highway: Full-time automated access via HEETs

B24AK: Part-time SCA, 6am to 10pm, M-F. Automated access via HEETs at all other times (temporarily operating as the full-time booth due to reconstruction.)

9 - Brooklyn

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **B24AK**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

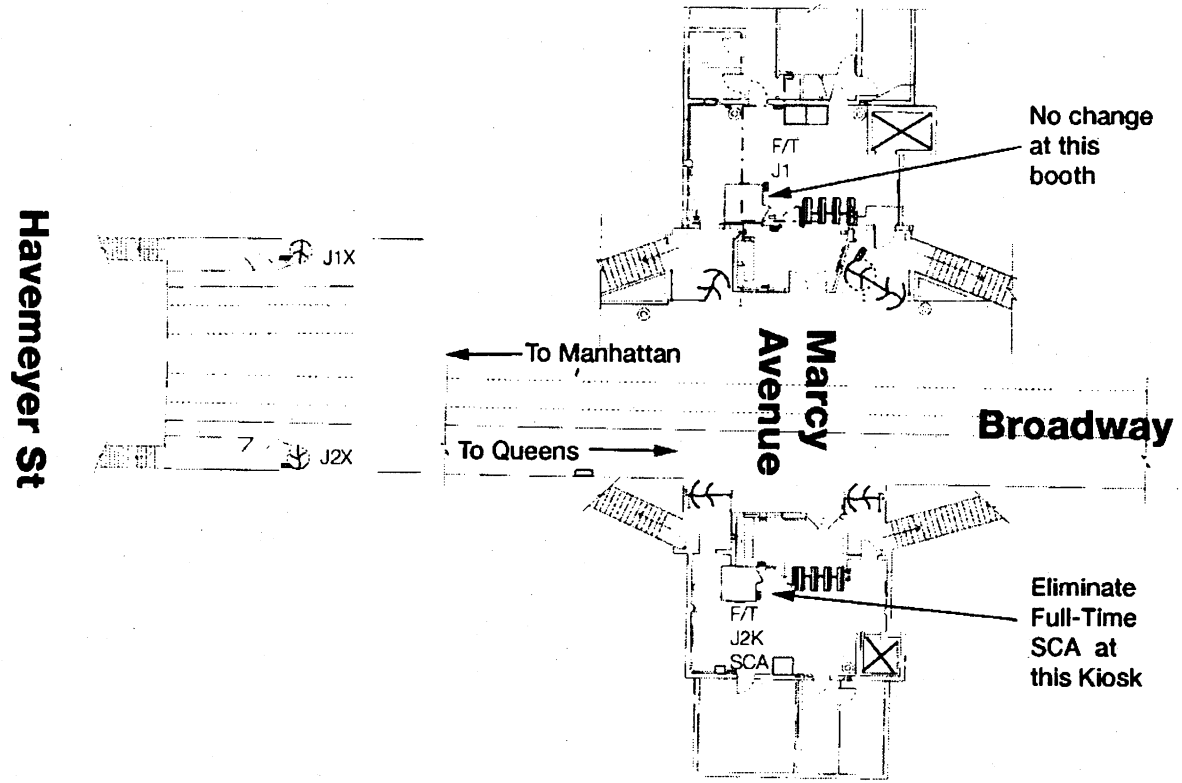
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Kings Highway B Q

Marcy Avenue J M Z

New York City Transit

Borough: Brooklyn



Operation(s) as of May 1, 2010:

J1: Full-time booth agent.

J2K: Full-time SCA.

J1X: Full-time automated access via HEET.

J2X: Full-time automated access via HEET.

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **J2K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

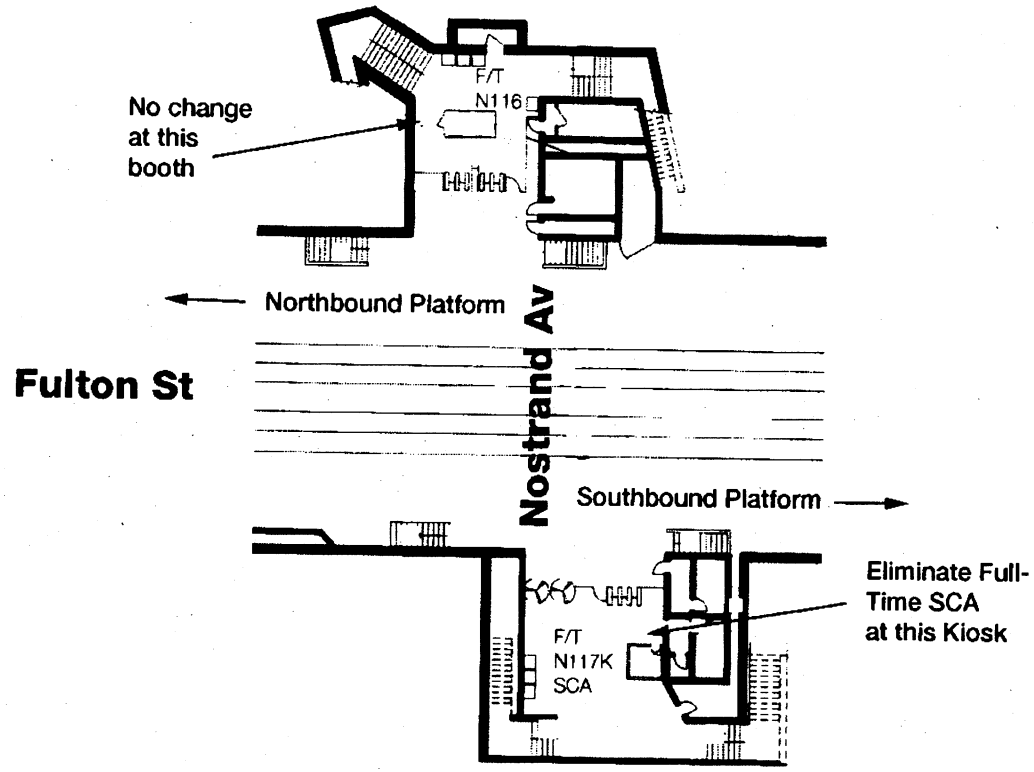
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Marcy Avenue J M Z

Nostrand Avenue A C

New York City Transit

Borough: Brooklyn



Operation(s) as of May 1, 2010:

N116: Full-time booth agent

N117K: Full-time SCA

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **N117K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

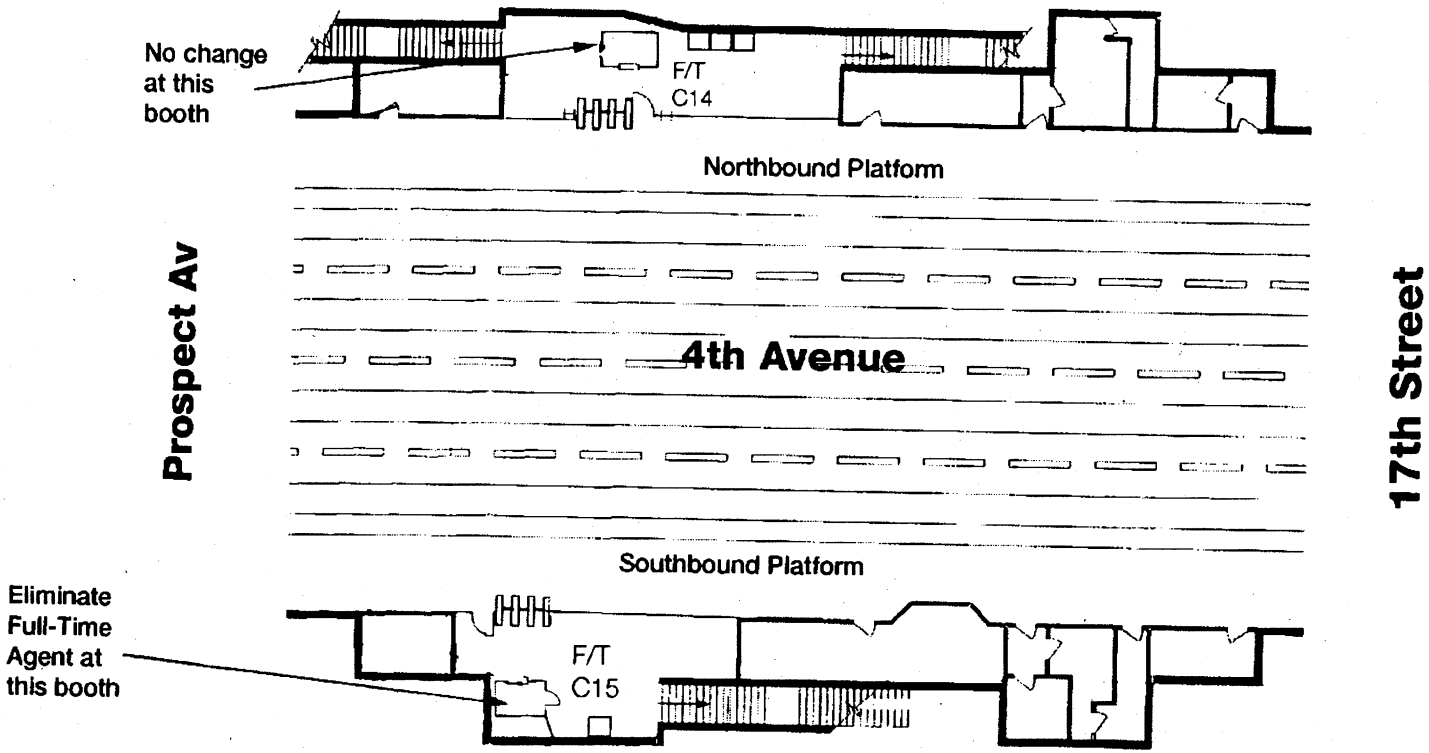
Nostrand Avenue A C

Prospect Avenue M R

New York City Transit

(Effective June 27, 2010: R only)

Borough: Brooklyn



Operation(s) as of May 1, 2010:

C14: Full-time booth agent

C15: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **C15.** Provide automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

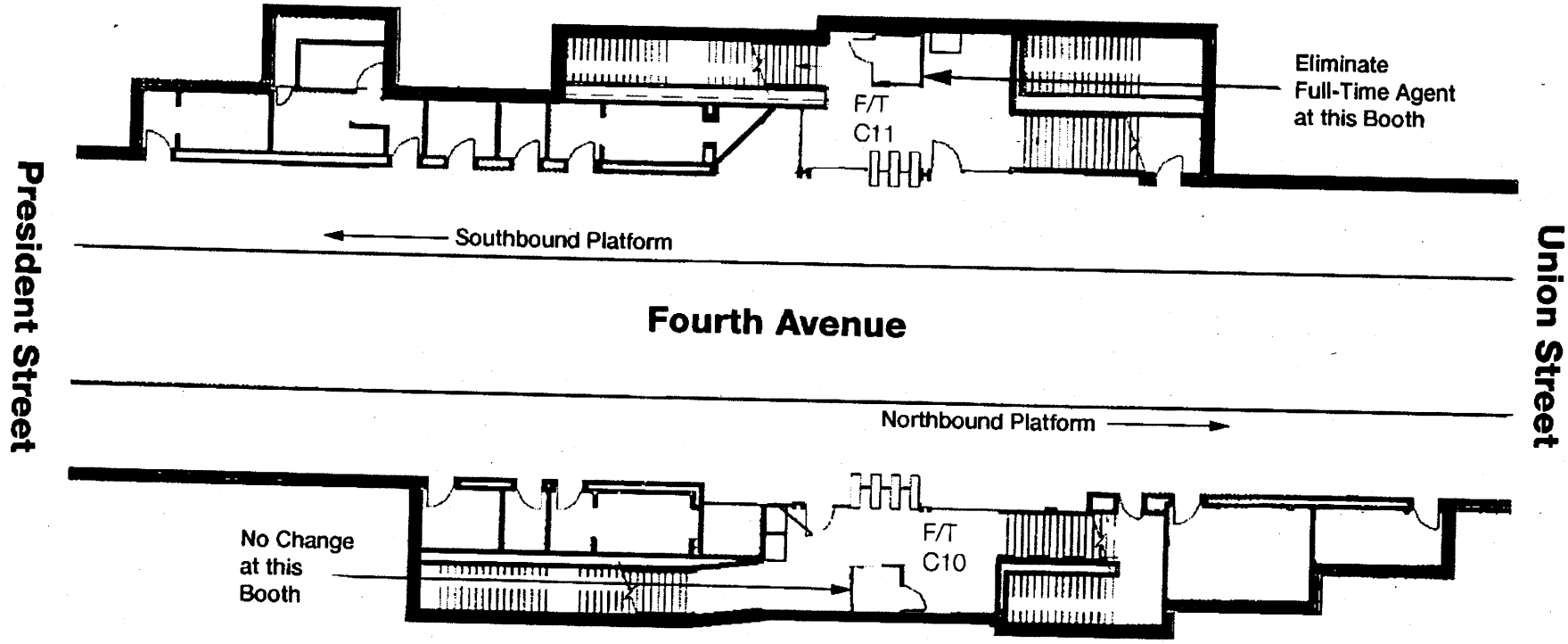
Prospect Avenue M R

Union Street M R

New York City Transit

(Effective June 27, 2010: R only)

Borough: Brooklyn



Operation(s) as of May 1, 2010:

C10: Full-time booth agent

C11: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **C11.** Provide automated access 24 hours, all days.

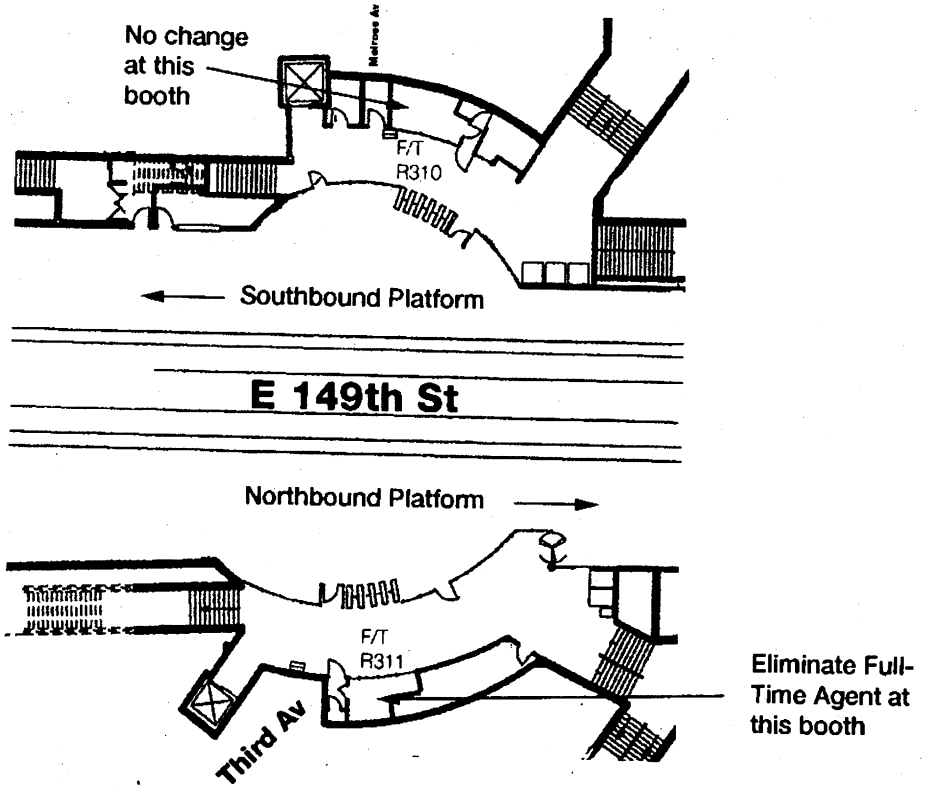
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Union Street M R

3 Avenue - 149 Street 2 5

New York City Transit

Borough: The Bronx



Operation(s) as of May 1, 2010:

R310: Full-time booth agent

R311: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **R311**. Provide automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

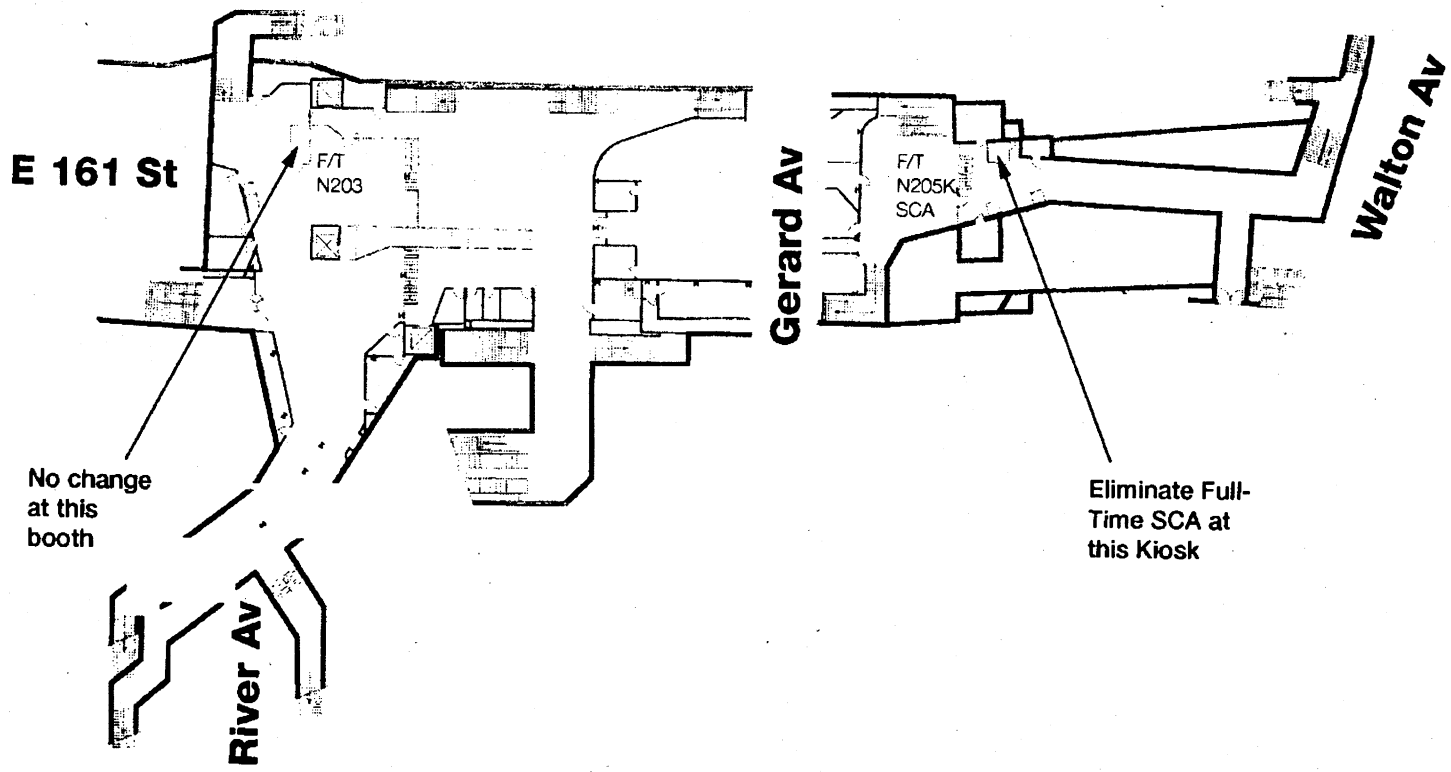
3 Avenue - 149 Street 2 5

161 Street - Yankee Stadium B D 4

161 Street - Yankee Stadium B D level

New York City Transit

Borough: The Bronx



Operation(s) as of May 1, 2010:

N203: Full-time booth agent.

N205K: Full-time SCA.

Proposed Permanent Change(s)*:
Eliminate full-time SCA at **N205K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

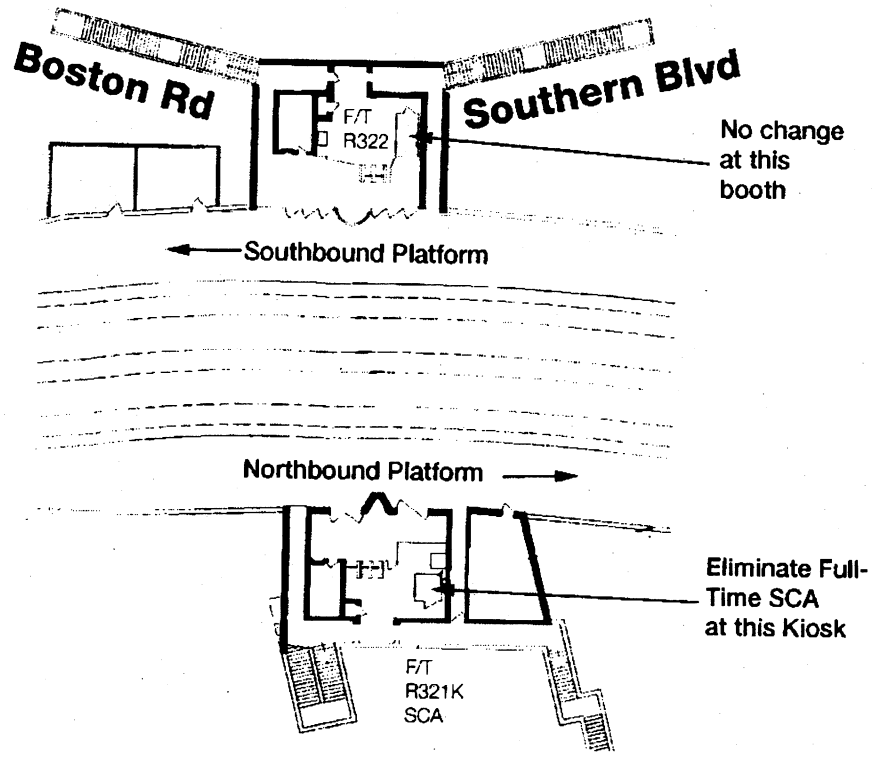
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

161 Street - Yankee Stadium B D

174 Street 2 5

New York City Transit

Borough: The Bronx



Operation(s) as of May 1, 2010:

R322: Full-time booth agent

R321K: Full-time SCA

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **R321K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

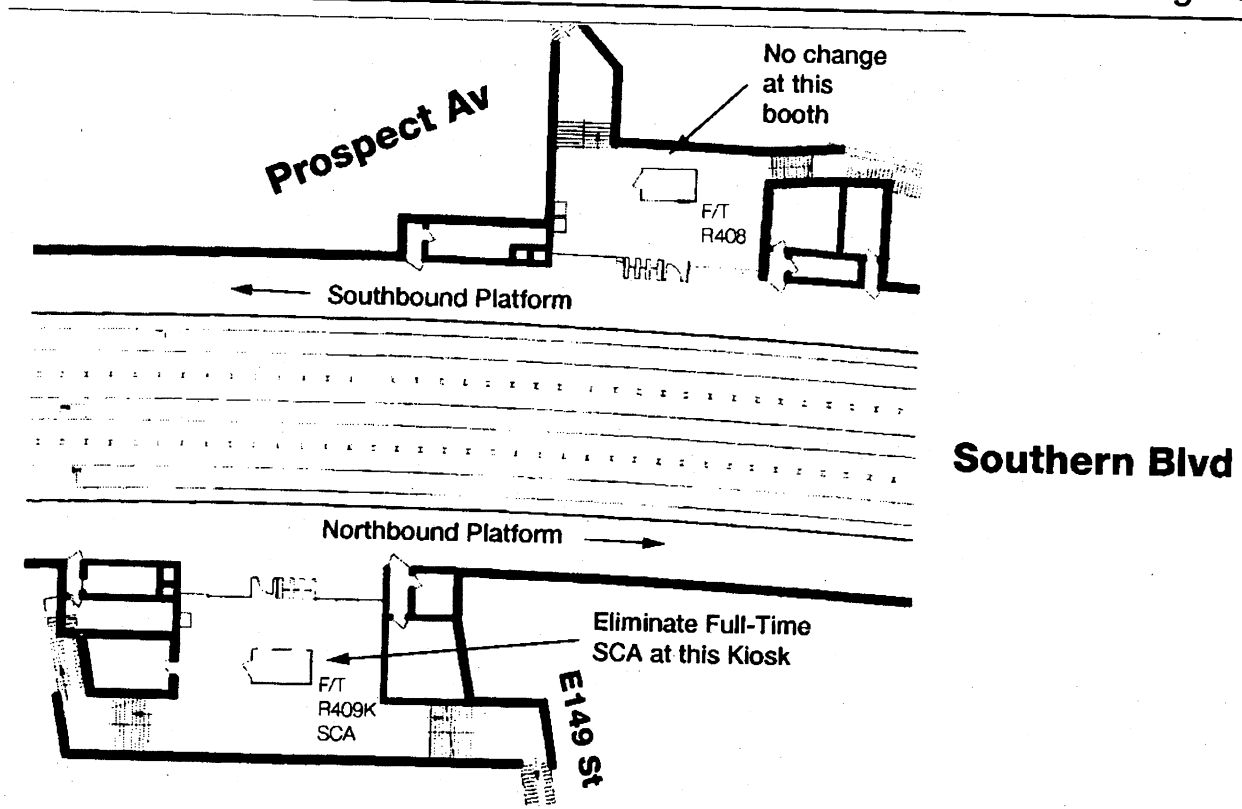
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

174 Street 2 5

East 149 Street 6

New York City Transit

Borough: The Bronx



Operation(s) as of May 1, 2010:

R408: Full-time booth agent

R409K: Full-time SCA

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **R409K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

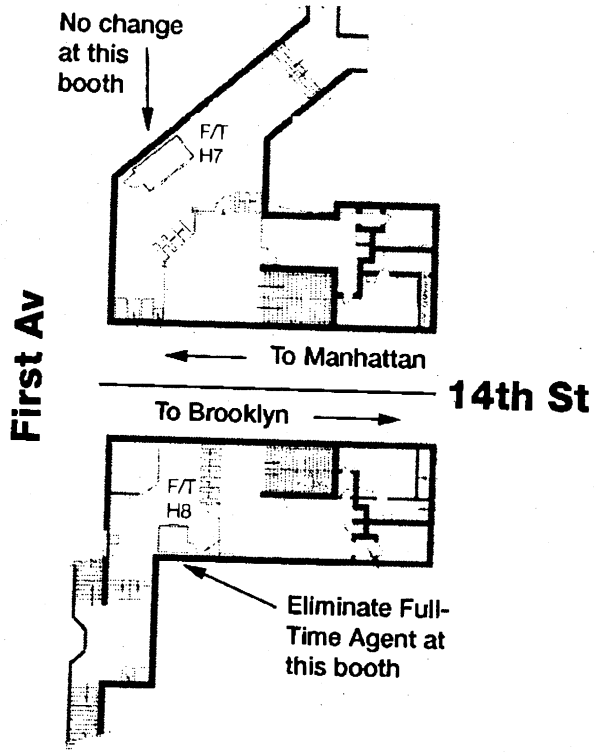
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

East 149 Street 6

1 Avenue L

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

H7: Full-time booth agent

H8: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **H8.** Maintain automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

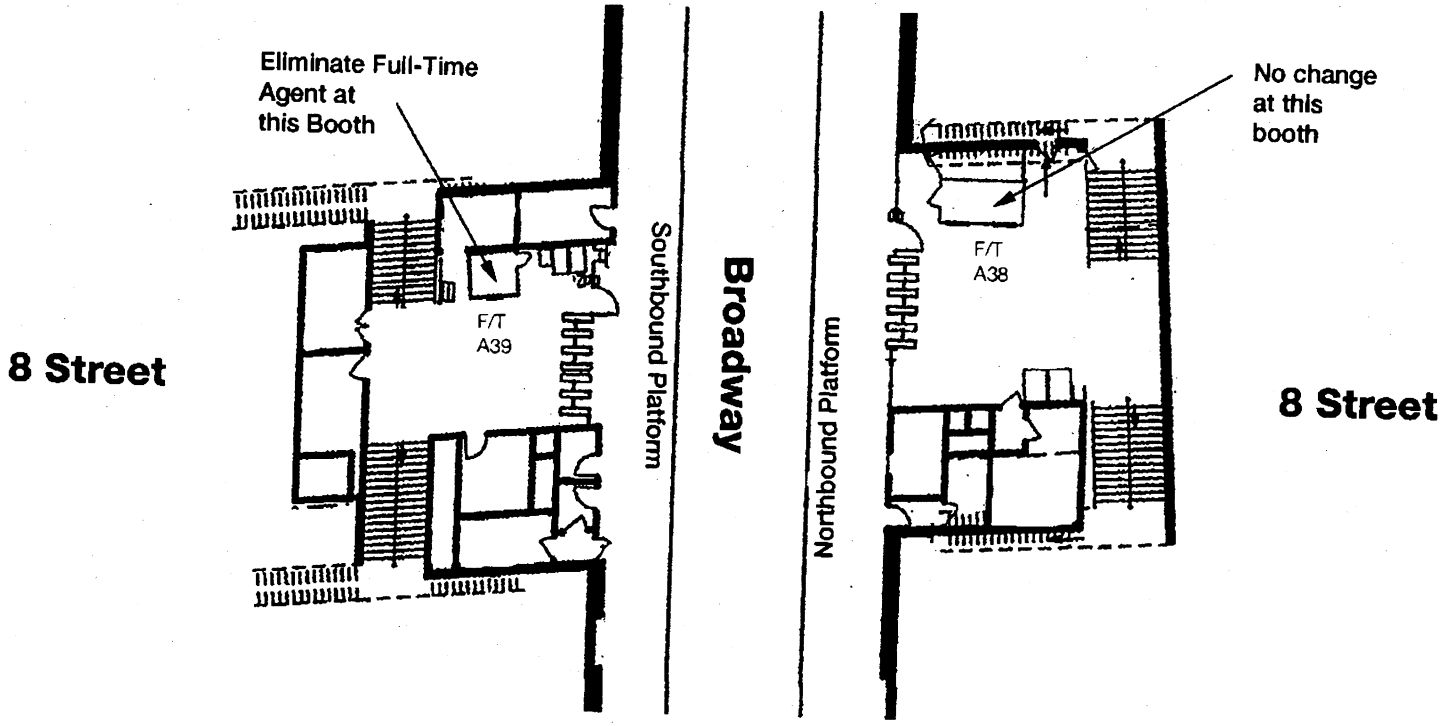
1 Avenue L

New York City Transit

8 Street N R W

(Effective June 27, 2010: N R)

Borough: Manhattan



Operation(s) as of May 1, 2010:

A38: Full-time booth agent

A39: Full-time booth agent

Also:

A38X: Full-time automated access via HEET (east side of Broadway at Waverly Pl. not shown on diagram)

A39X: Full-time automated access via HEET (west side of Broadway at Waverly Pl. not shown on diagram)

Proposed Permanent Change(s):

Eliminate full-time booth agent at **A39.** Maintain automated access 24 hours, all days.

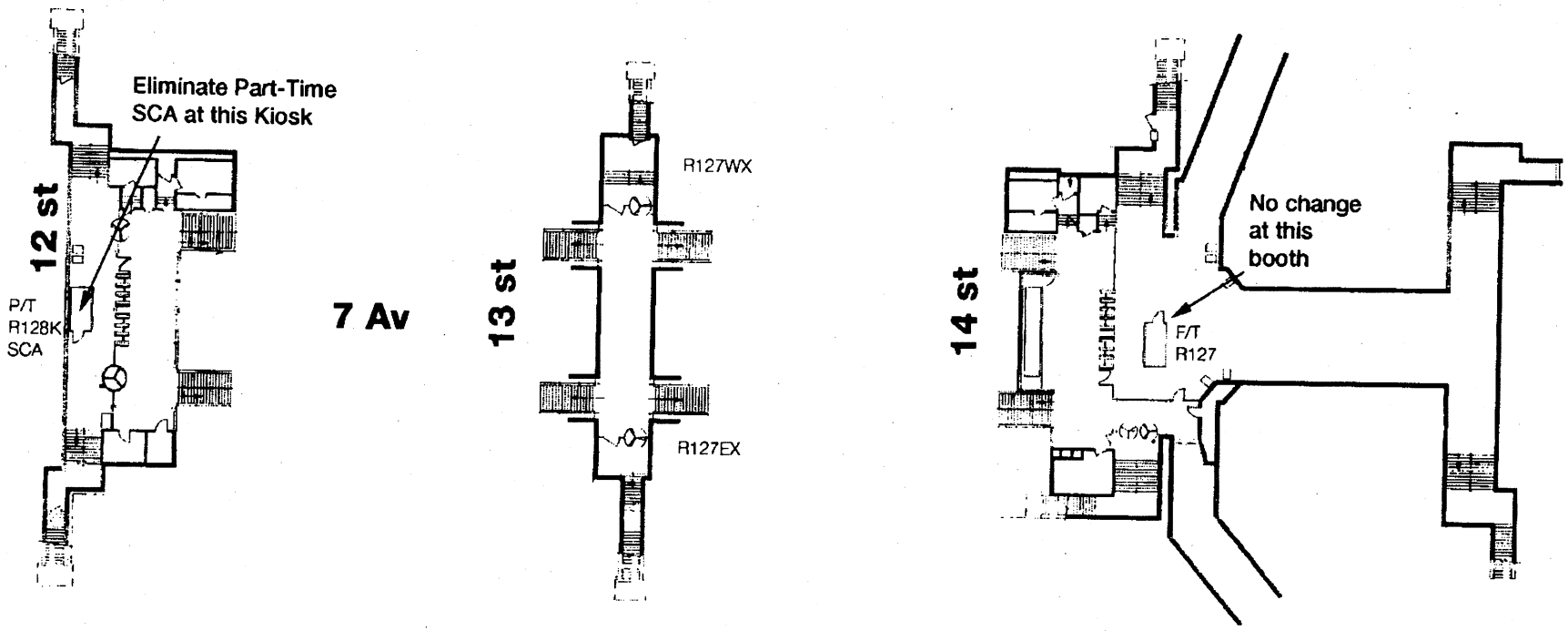
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

8 Street N R W

14 Street 1 2 3

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R127: Full-time booth agent

R128K: Part-time SCA, 6:00am to 1:00am, M-Sun.

R127EX: Exit only 24 hours, all days.

R127WX: Exit only 24 hours, all days.

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **R128K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

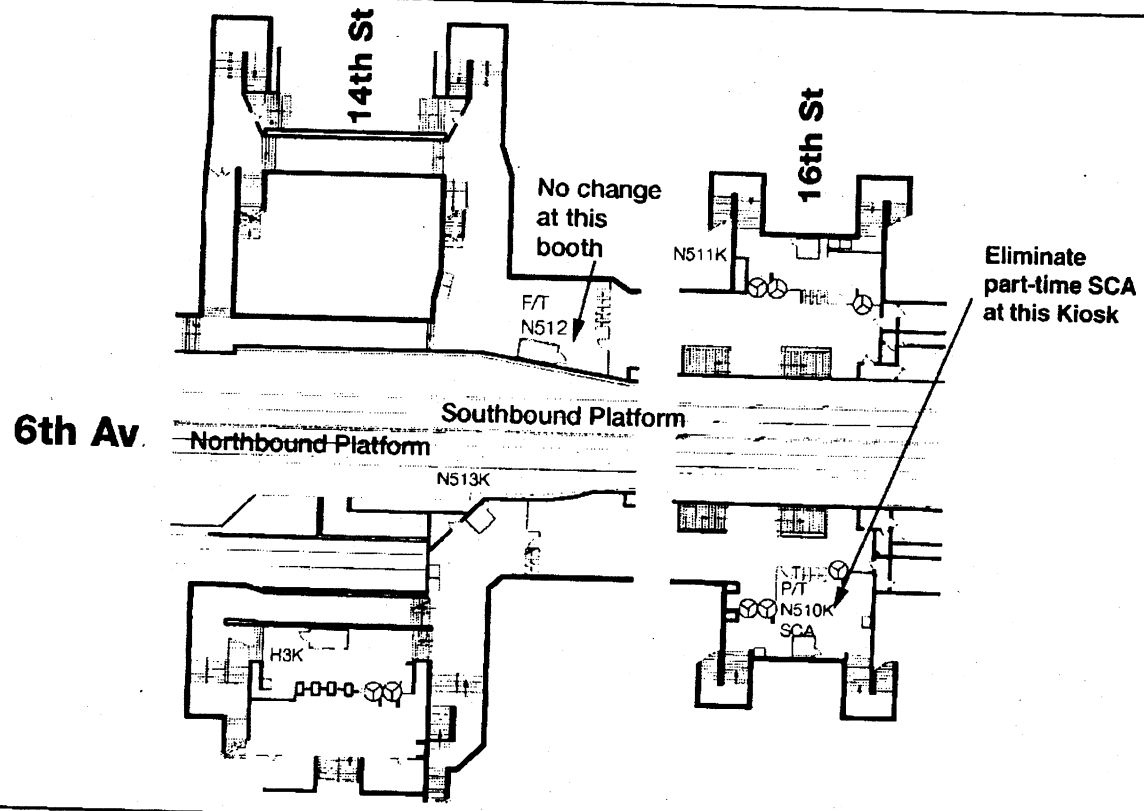
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

14 Street / 6th Avenue F V L

New York City Transit

(Effective June 27, 2010: M replaces V)

Borough: Manhattan



Operation(s) as of May 1, 2010:

N512: Full-time booth agent

N510K: Part-time SCA, 2:10pm to 9:40pm, M-F. Automated access via HEETs at all other times.

N511K: Full-time automated access.

N513K: Full-time automated access.

H3K: Full-time automated access.

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **N510K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

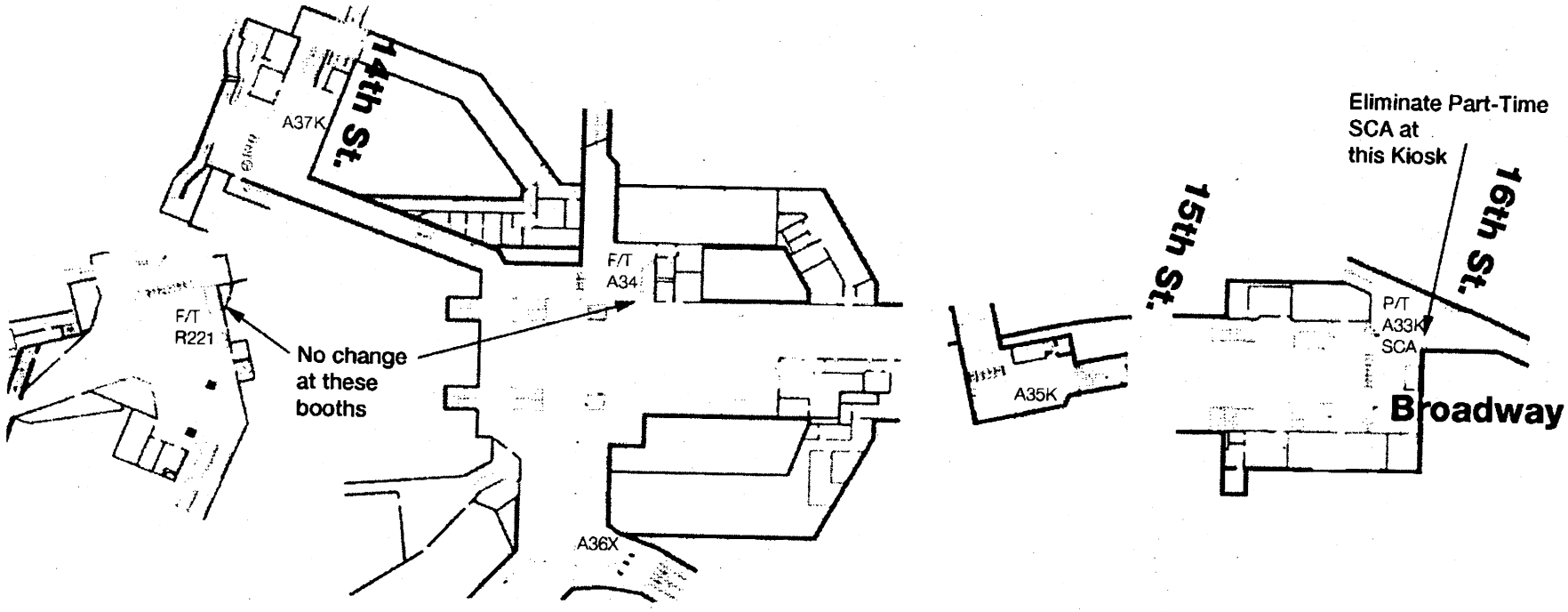
14 Street / 6th Avenue F V L

14 Street - Union Square N Q R W 4 5 6 L

New York City Transit

(Effective June 27, 2010: N Q R 4 5 6 L)

Borough: Manhattan



Operation(s) as of May 1, 2010:

A34: Full-time booth agent

R221: Full-time booth agent

A33K: Part-time SCA, 6am to 11:30pm, M-F, 6am to 9:15pm, Sat. Automated access via HEETs at all other times.

A35K: Full-time automated access.

A36X: Full-time automated access via HEETS.

A37K: Full-time automated access.

22 - Manhattan

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **A33K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

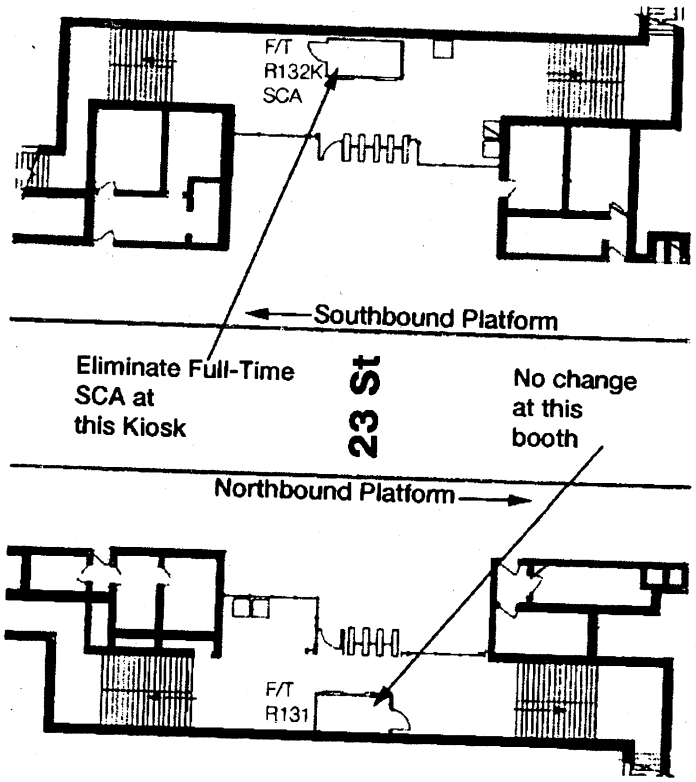
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

14 Street - Union Square N Q R W 4 5 6 L

New York City Transit

23 Street 1

Borough: Manhattan



Operation(s) as of May 1, 2010:

R132K: Full-time SCA agent

R131: Full-time booth agent

Proposed Permanent Change(s)*:

Eliminate full-time SCA agent at **R132K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

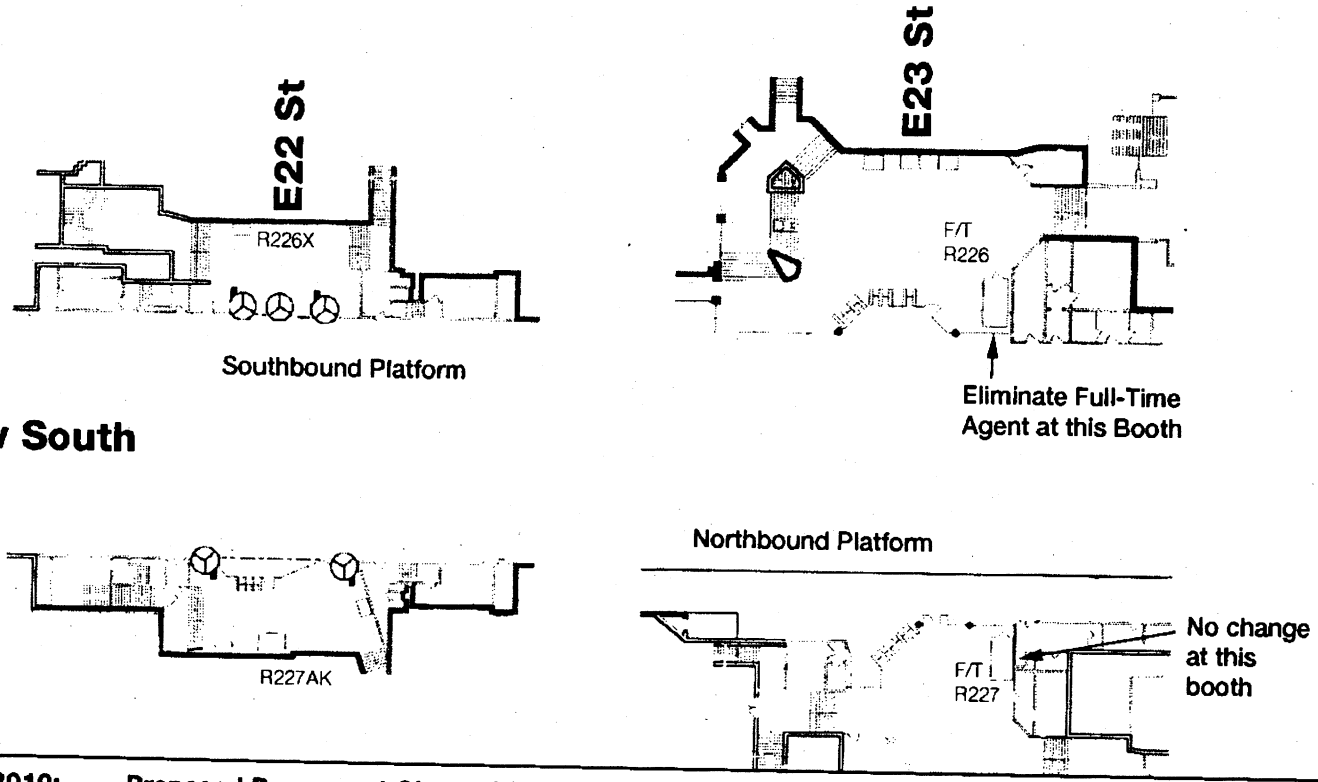
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

23 Street 1

23 Street 6

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R227: Full-time booth agent

R226: Full-time booth agent

R227AK: Full-time automated access.

R226X: Full-time automated access via HEETs

Proposed Permanent Change(s):

Eliminate full-time booth agent at **R226.** Provide automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

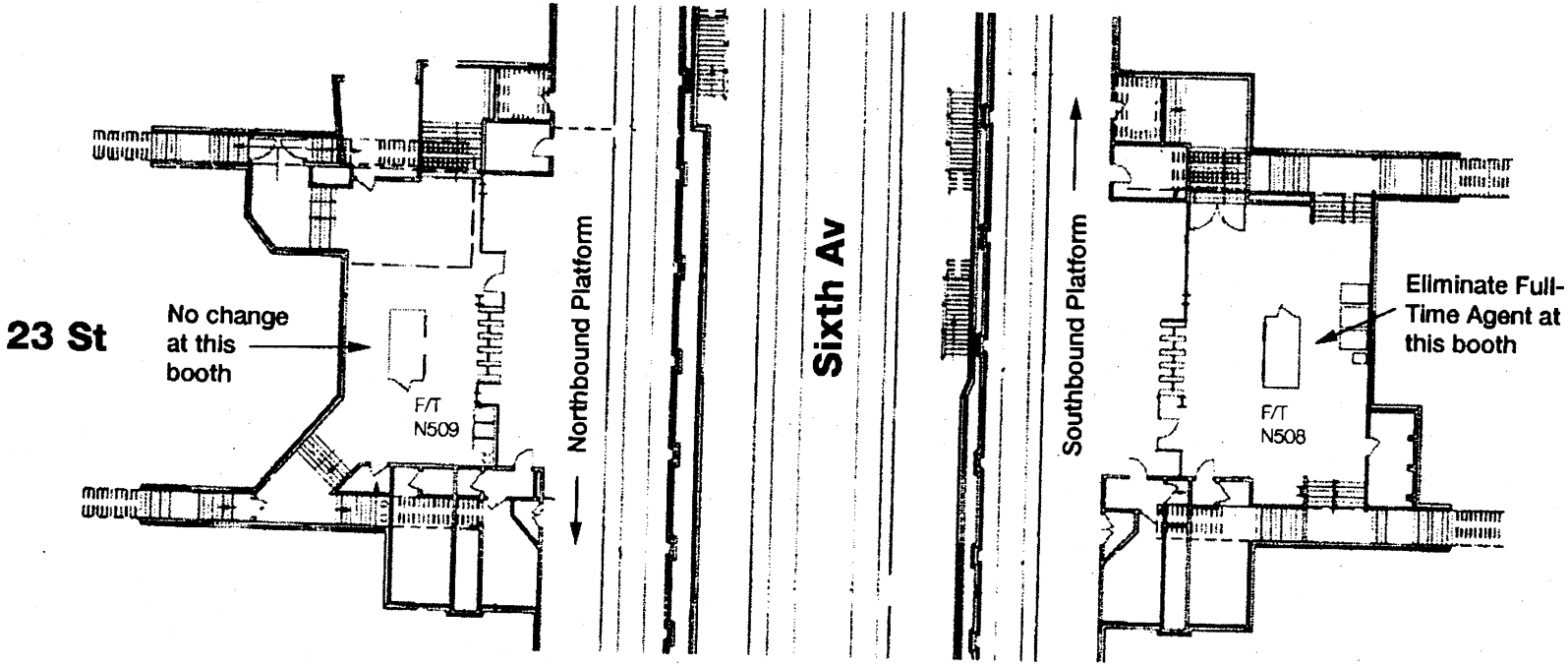
23 Street 6

New York City Transit

23 Street F V

(Effective June 27, 2010: M replaces V)

Borough: Manhattan



Operation(s) as of May 1, 2010:

N508: Full-time booth agent

N509: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **N508.** Maintain automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

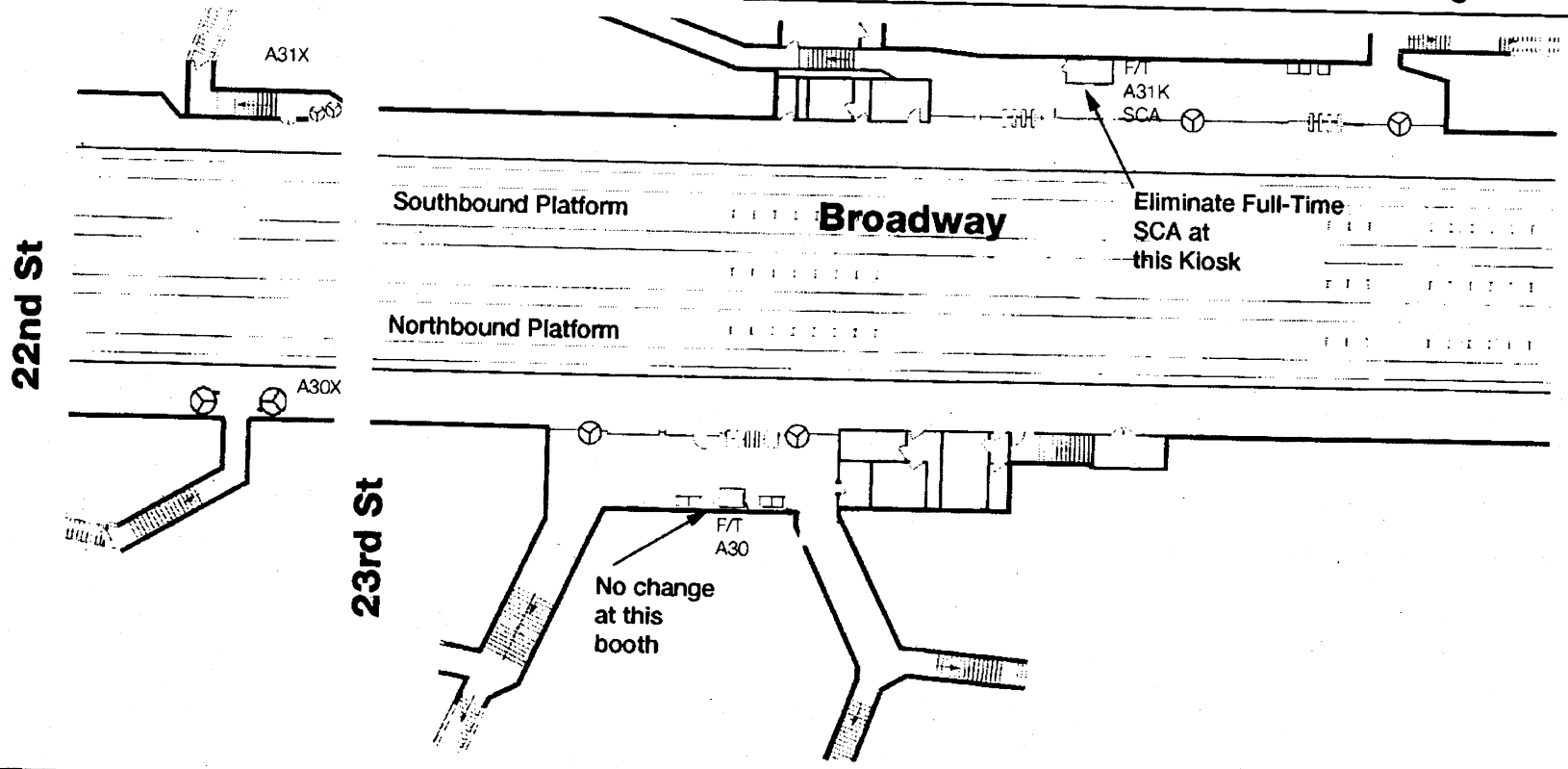
23 Street F V

23 Street N R W

New York City Transit

(Effective June 27, 2010: N R)

Borough: Manhattan



Operation(s) as of May 1, 2010:

A30: Full-time booth agent.

A31K: Full-time SCA.

A30X: Full-time automated accecss via HEETS.

A31X: Exit only 24 hours, all days.

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **A31K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

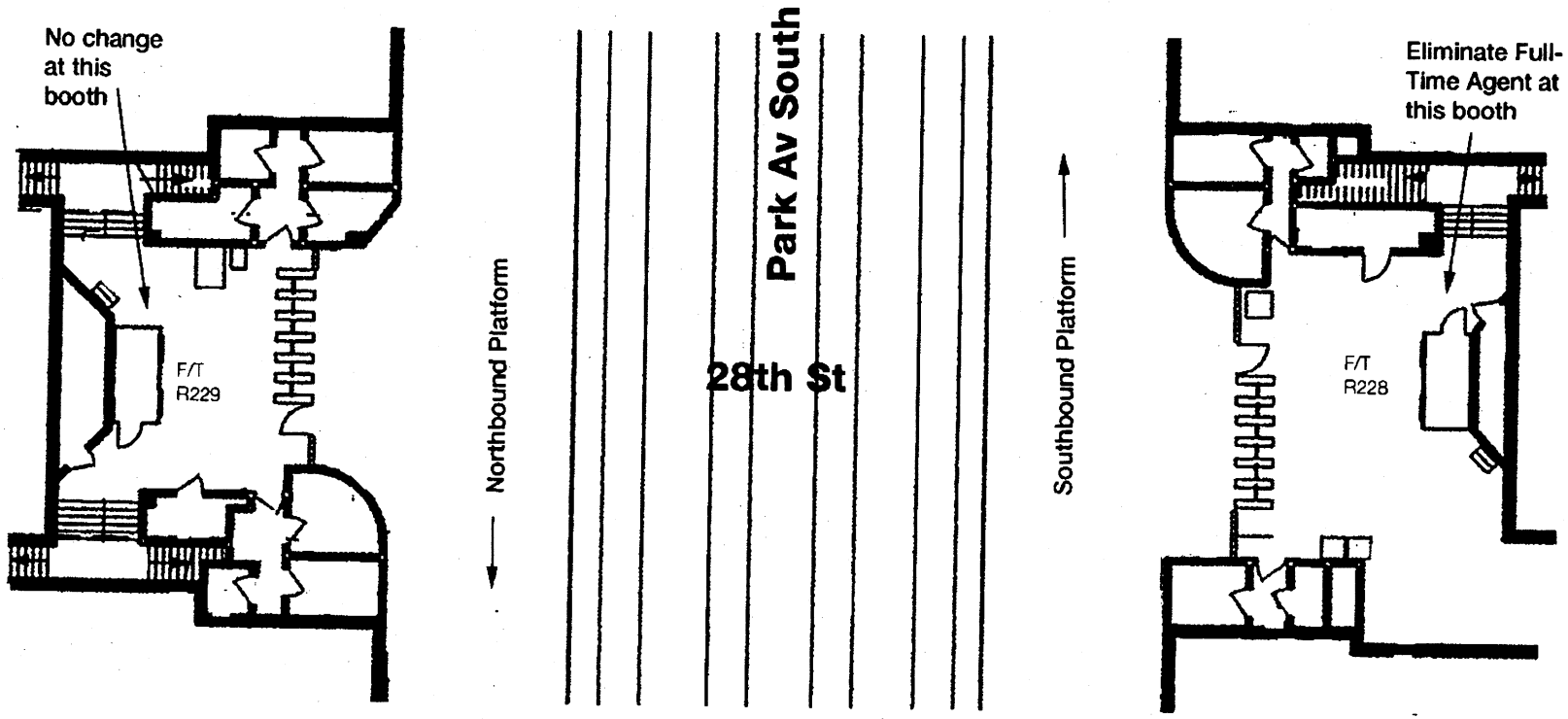
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

23 Street N R W

28 Street 6

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R228: Full-time booth agent

R229: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **R228**. Maintain automated access 24 hours, all days.

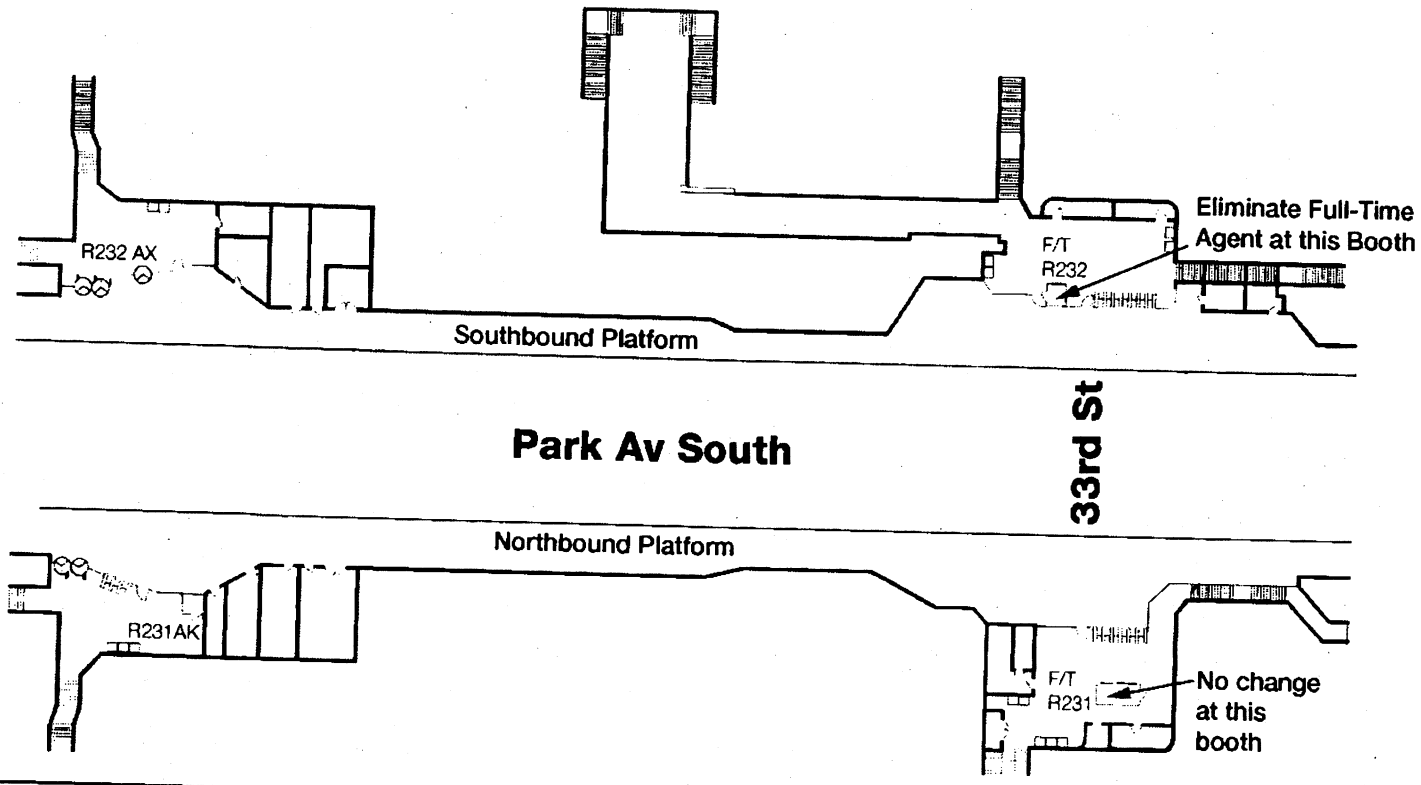
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

28 Street 6

33 Street 6

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R232: Full-time booth agent

R231: Full-time booth agent

R232AX: Full-time automated access via HEETs

R231AK: Full-time automated access.

Proposed Permanent Change(s):

Eliminate full-time booth agent at **R232**. Provide automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

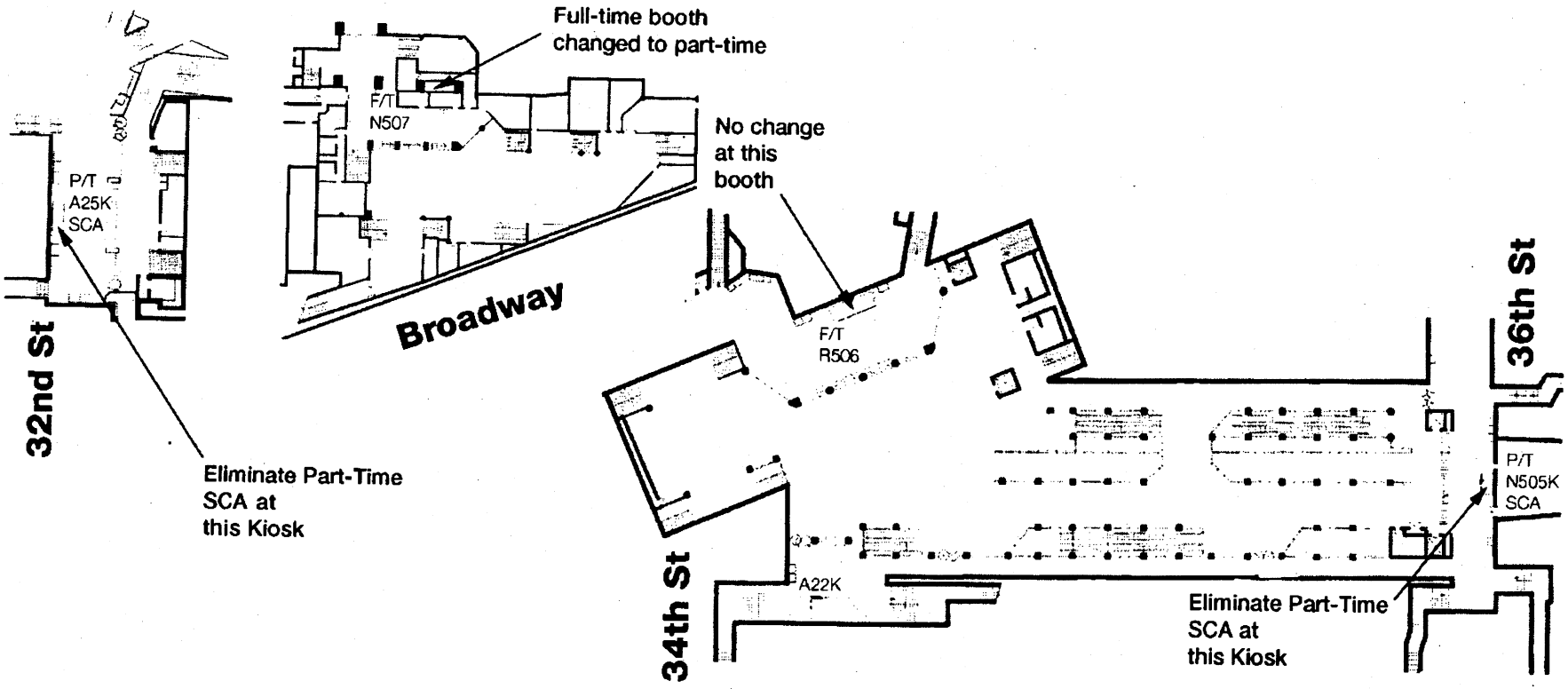
33 Street 6

34 Street - Herald Square B D F V N Q R W

New York City Transit

(Effective June 27, 2010: B D F M N Q R)

Borough: Manhattan



Operation(s) as of May 1, 2010:

N506: Full-time booth agent

N505K: Part-time SCA, 6:50am to 9:40pm, M-Sat. Automated access via HEETs at all other times.

A22K: Full-time automated access.

N507: Full-time booth agent.

A25K: Part-time SCA, 6am to 9pm, M-Sat, 1:45pm to 9pm, Sun/Hol. Automated access via HEETs at all other times.

Proposed Permanent Change(s)*:

Reduce full-time agent booth hours at **N507**. New hours would be 6:30am to 9:40pm. Provide automated access at all other times.

Eliminate part-time SCAs at **N505K**, and **A25K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

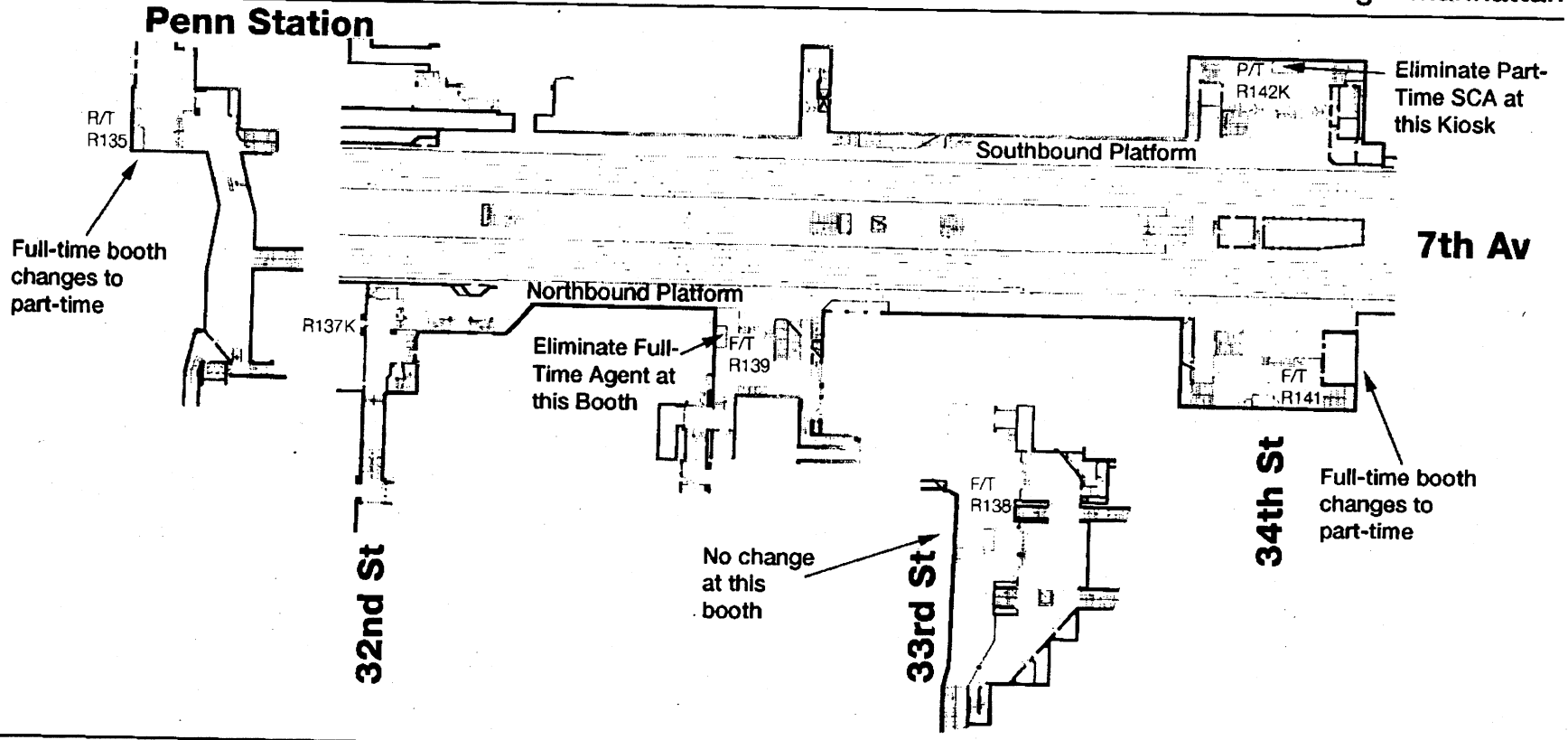
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

34 Street - Herald Square B D F V N Q R W

34 Street - Penn Station 1 2 3

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R138: Full-time booth agent

R139: Full-time booth agent

R142K: Part-time SCA, 6am to 9pm, M-Sat. Automated access via HEETs at all other times.

R141: Full-time booth agent

R135: Full-time booth agent

R137K: Part-time automated access, 6am to 9:30pm, M-F. Entrance closed at all other times.

Proposed Permanent Change(s)*:

Eliminate full-time booth agent at **R139**. Provide automated access 24 hours, all days.

Reduce full-time booth agent service hours at **R135** and **R141**. New service hours at **R135** would be 6am to 1pm, all days. New service hours at **R141** would be 3:30pm to 11pm, all days. Provide automated access at all other times.

Eliminate part-time SCA at **R142K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

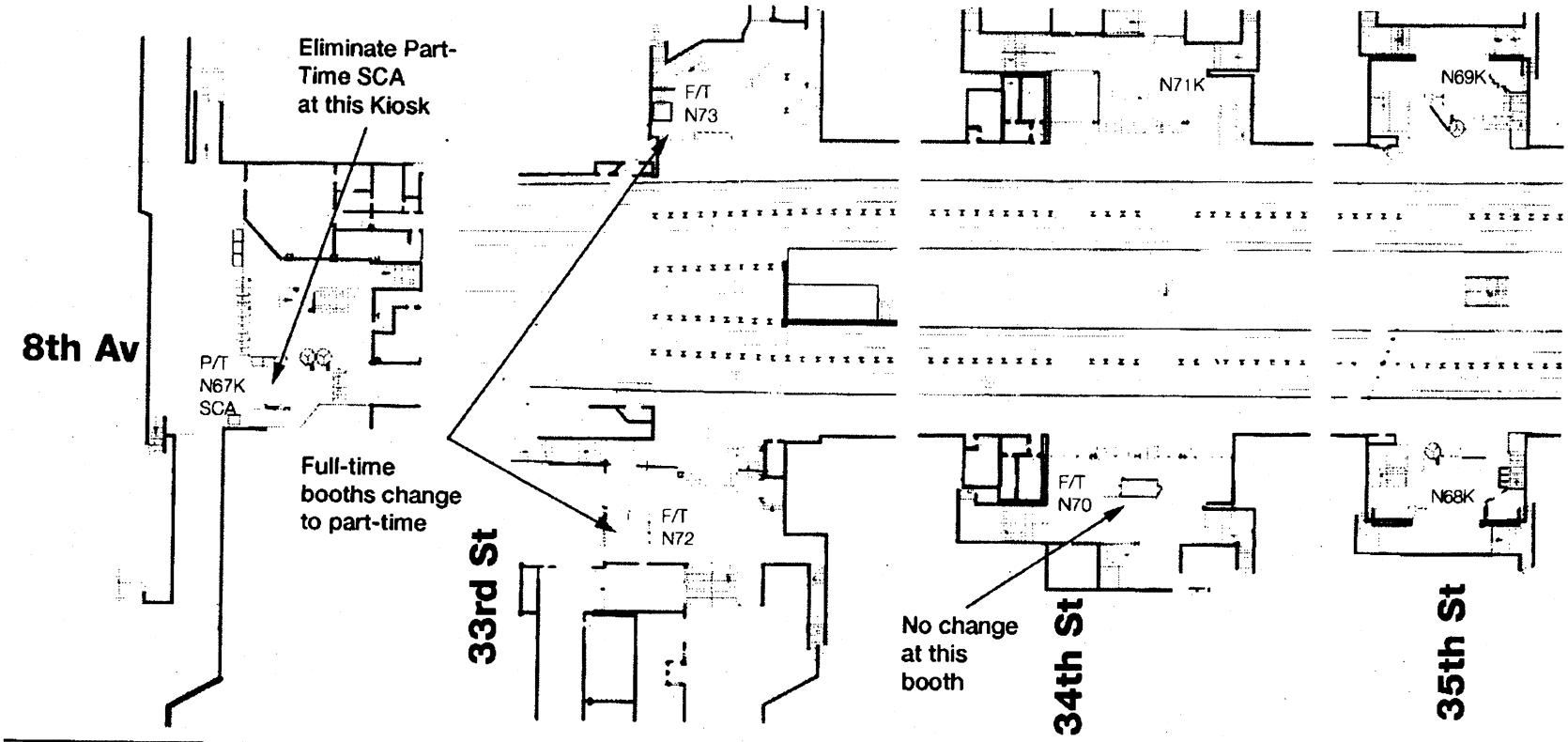
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

34 Street - Penn Station 1 2 3

34 Street - Penn Station A C E

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

N72: Full-time booth agent

N73: Full-time booth agent

N67K: Part-time SCA, 6am to 10pm, all days. Automated access all other times.

N70: Full-time booth agent

N71K: Full-time automated access.

N68K: Full-time automated access..

N69K: Full-time automated access.

Proposed Permanent Change(s)*:

Reduce full-time booth agent service hours at **N72** and **N73.** New hours at **N72** would be 6am to 9:40pm, all days. New hours at **N73** would be 6:30am to 10pm, all days. Provide automated access at all other times.

Eliminate part-time SCA at **N67K.** Maintain full-time automated access.

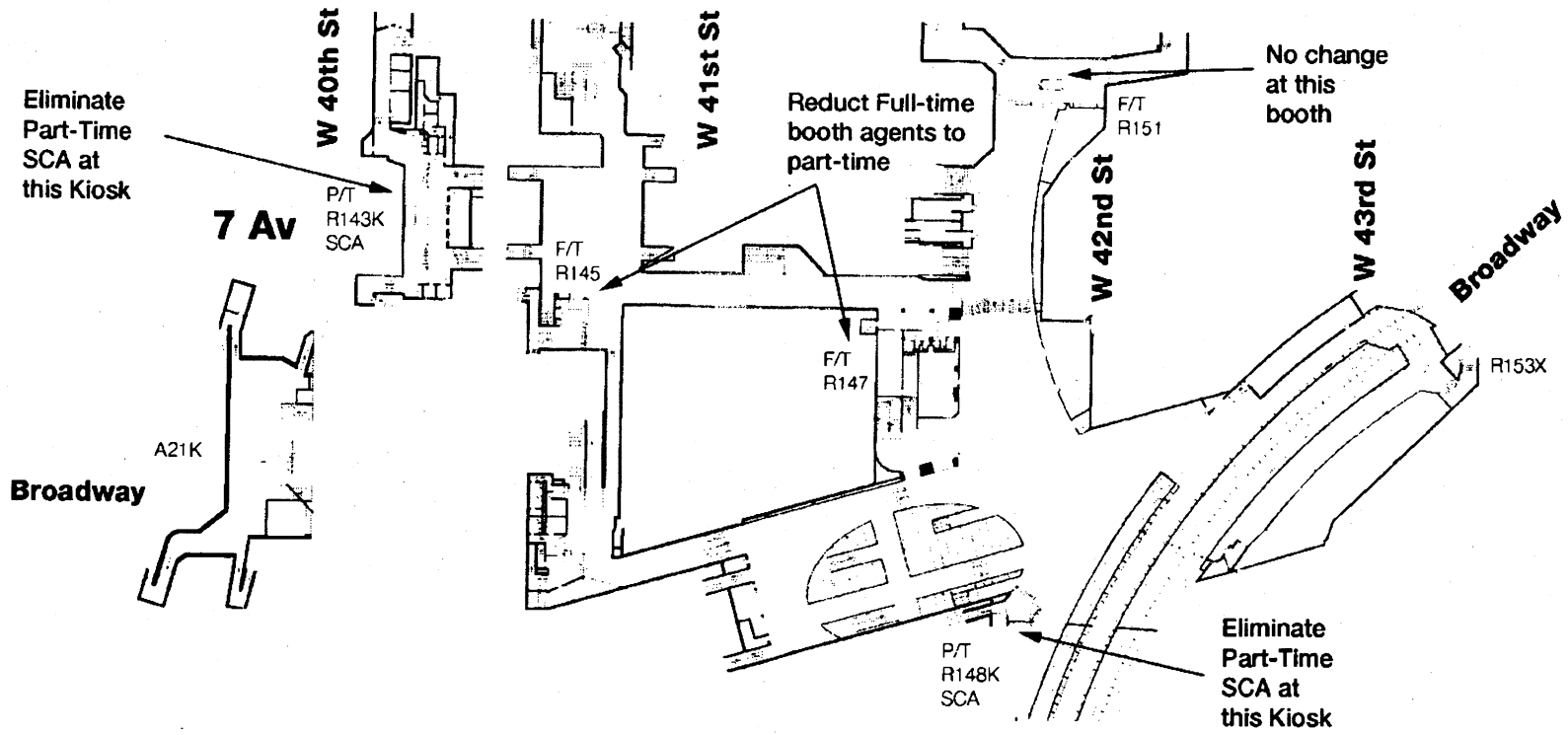
***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

34 Street - Penn Station A C E

42 Street - Times Square 1 2 3 7 S N Q R W

New York City Transit (Effective June 27, 2010: 1 2 3 7 S N Q R) Borough: Manhattan



Operation(s) as of May 1, 2010:

R151: Full-time booth agent

R147: Full-time booth agent

R148K: Part-time SCA, 6am to 9pm, M-Sat, 1:45pm to 9pm, Sun/Hol. Automated access via HEETs at all other times.

R153X: Automated access via HEETs 24 hours, all days.

R145: Full-time booth agent

R143K: Part-time SCA, 6:30am to 9:30pm, M-F. Exit only at all other times.

A21K: Full-time automated access.

Proposed Permanent Change(s)*: Reduce full-time booth agent service hours at **R147** and **R145**. New hours at **R147** would be 3pm to 10:40pm, all days. New hours at **R145** would be 7:30am to 11:20pm, all days. Provide automated access at all other times.

Eliminate part-time SCAs at **R148K** and **R143K**. Provide automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

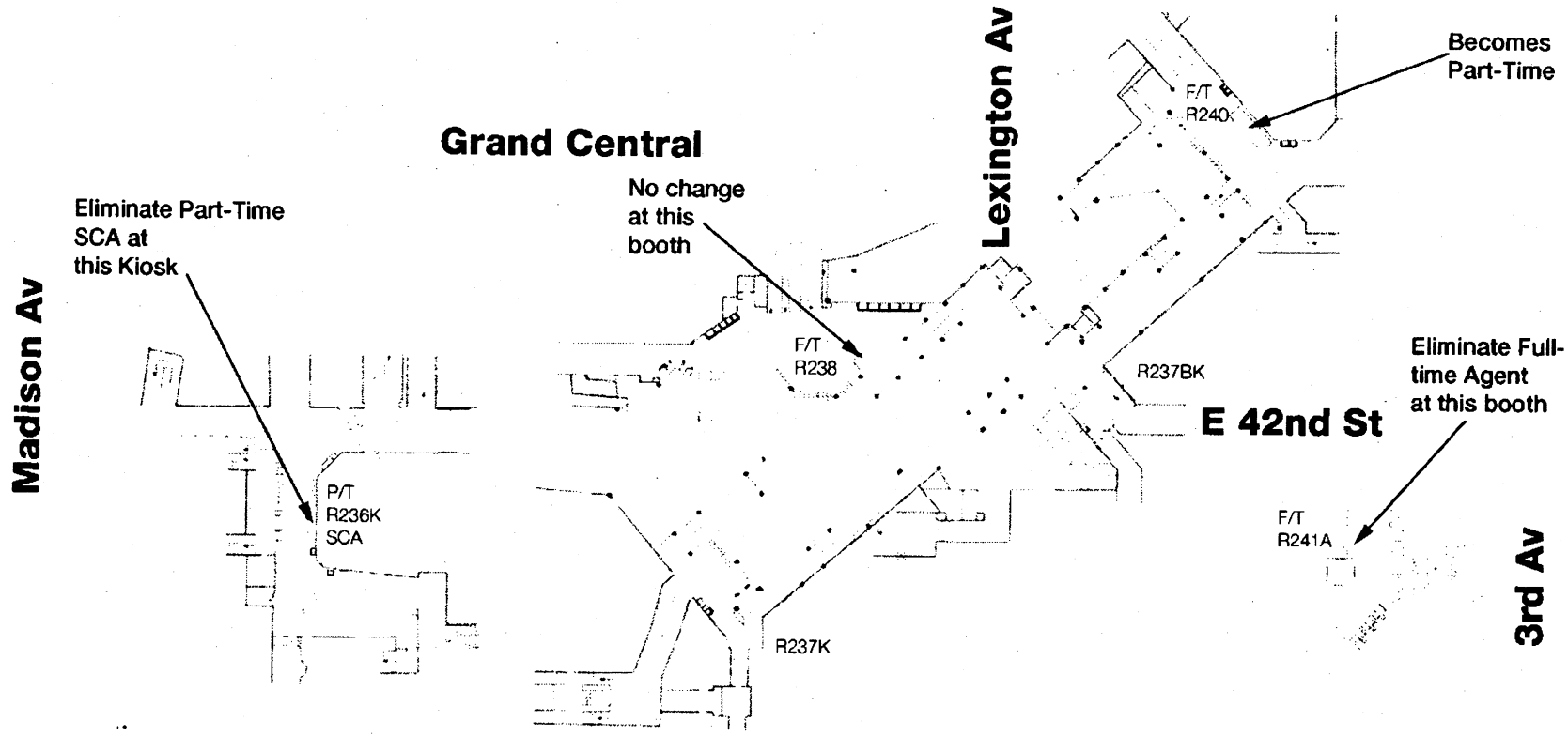
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

42 Street - Times Square 1 2 3 7 S N Q R W

42 Street - Grand Central 4 5 6

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R238: Full-time booth agent

R240: Full-time booth agent

R241A: Full-time booth agent

R237BK: Part-time automated access, 7:15am to 7pm, M-F. Closed at all other times.

R237K: Part-time automated access, 6am to 12 midnight, all days. Closed at all other times.

R236K: Part-time SCA, 6am to 12 midnight, all days. Closed at all other times.

Proposed Permanent Change(s)*:

Reduce full-time booth agent hours at **R240.** New hours would be 11am to 7pm, all days. Provide automated access at all other times.

Eliminate full-time booth agent at **R241A.** Provide automated access 24 hours, all days.

Eliminate part-time SCA at **R236K.** Provide part-time automated access 6am to 12 midnight, all days. Entrance closed at all other times.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

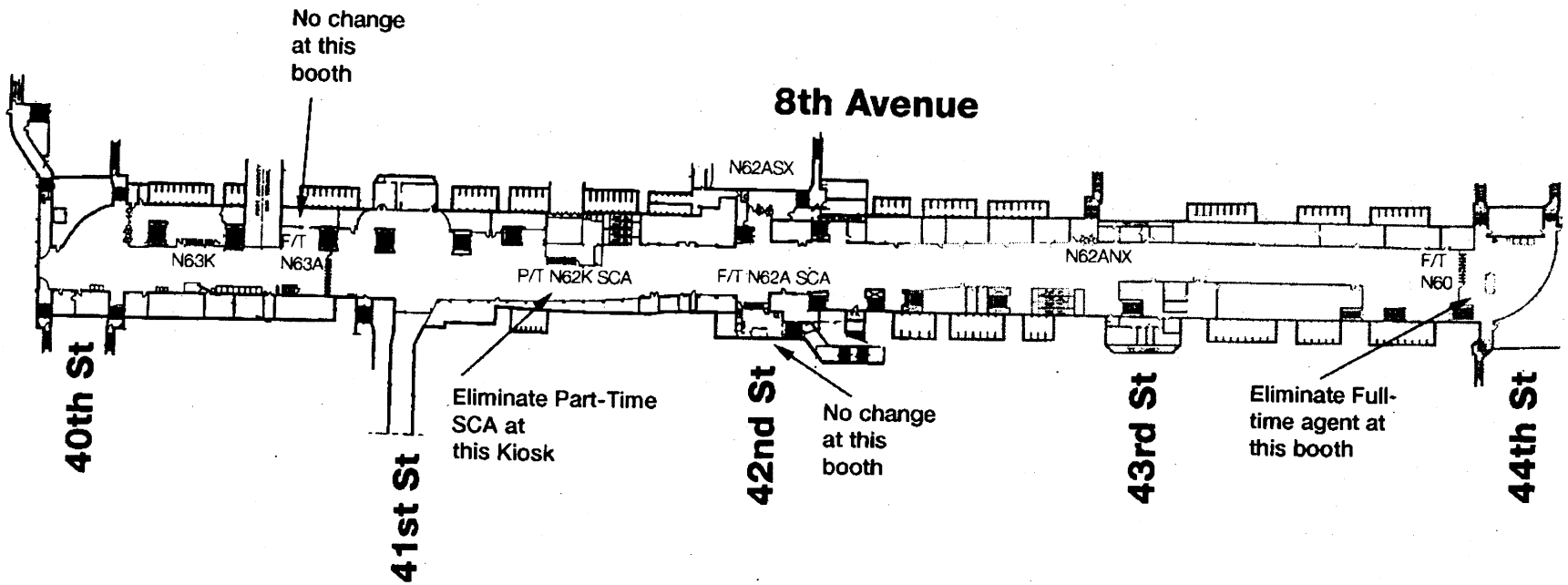
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

42 Street - Grand Central 4 5 6

42 Street - Port Authority Bus Terminal A C E

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

N63A: Full-time booth agent

N62A: Full-time booth agent

N60: Full-time booth agent

N63K: Full-time automated access.

N62K: Part-time SCA, 6am to 1am, all days. Closed all other times.

N62ASX: Full-time automated access via HEETs

N62ANX: Full-time automated access via HEETs

Proposed Permanent Change(s)*:

Eliminate full-time booth agent at **N60**. Provide automated access 24 hours, all days.

Eliminate part-time SCA at **N62K**. Maintain part-time automated access. Control area closes overnight along with the north wing of the Port Authority Bus Terminal.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

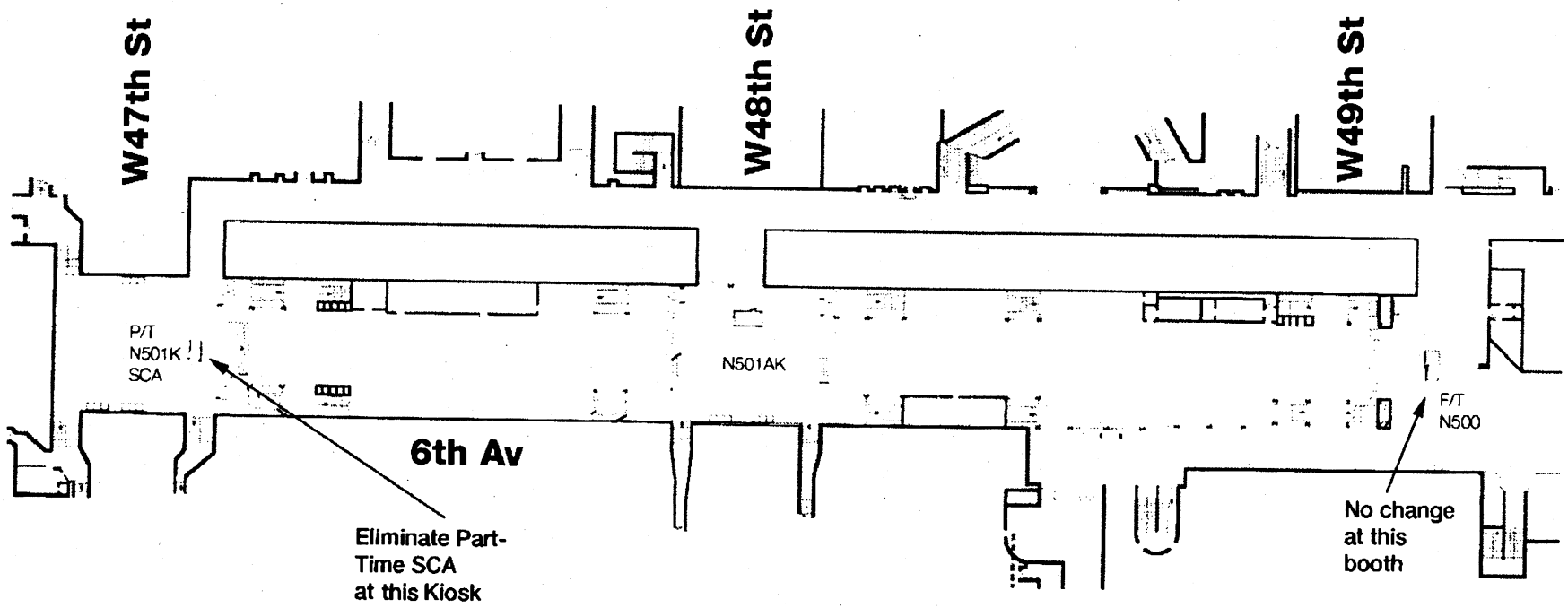
42 Street - Port Authority Bus Terminal A C E

47-50 Streets - Rockefeller Center B D F V

New York City Transit

(Effective June 27, 2010: M replaces V)

Borough: Manhattan



Note:
ADA Elevators opening soon

Operation(s) as of May 1, 2010:

N500: Full-time booth agent

N501AK: Full-time automated access.

N501K: Part-time SCA, 6am to 9pm, all days. Automated access via HEETs at all other times.

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **N501K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

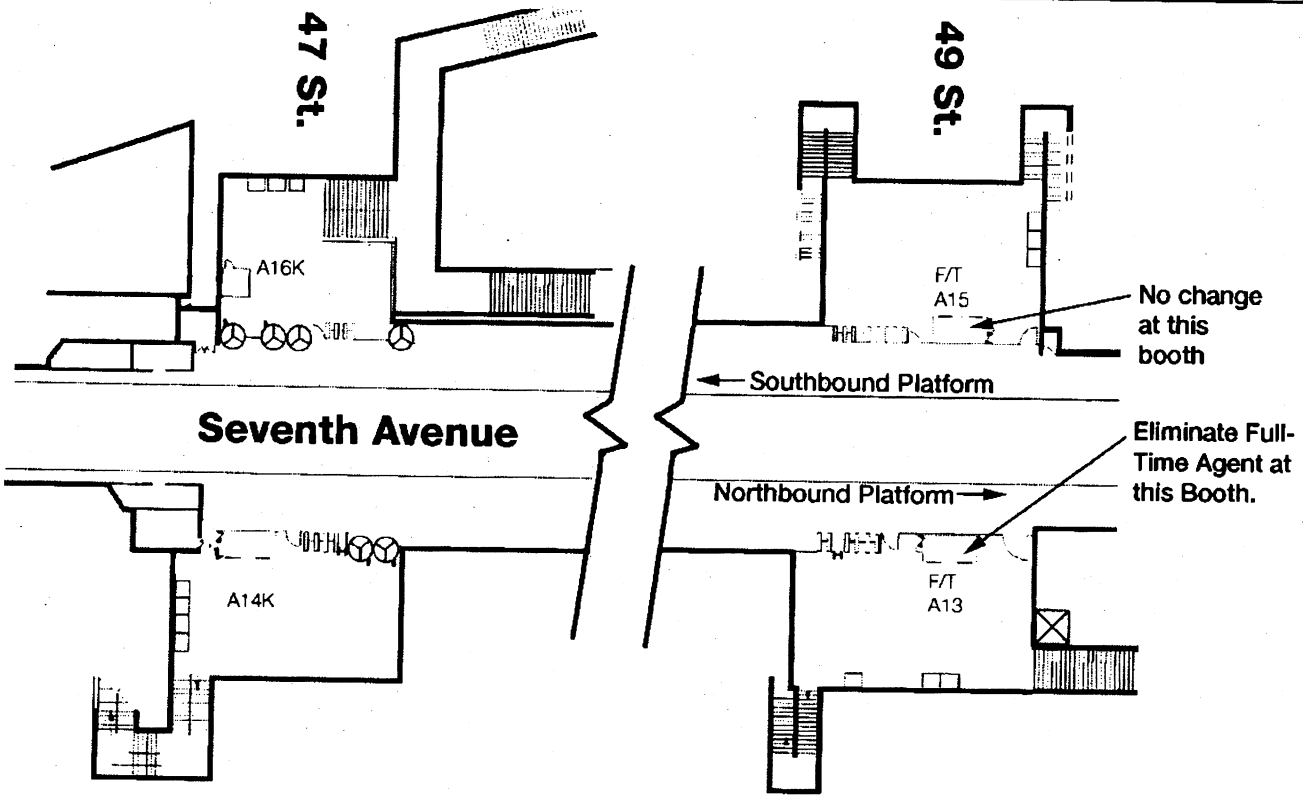
47-50 Streets - Rockefeller Center B D F V

49 Street N R W

New York City Transit

(Effective June 27, 2010: Q replaces W)

Borough: Manhattan



Operation(s) as of May 1, 2010:

A013: Full-time booth agent

A015: Full-time booth agent

A016K: Full-time automated access.

A014K: Full-time automated access.

Proposed Permanent Change(s):

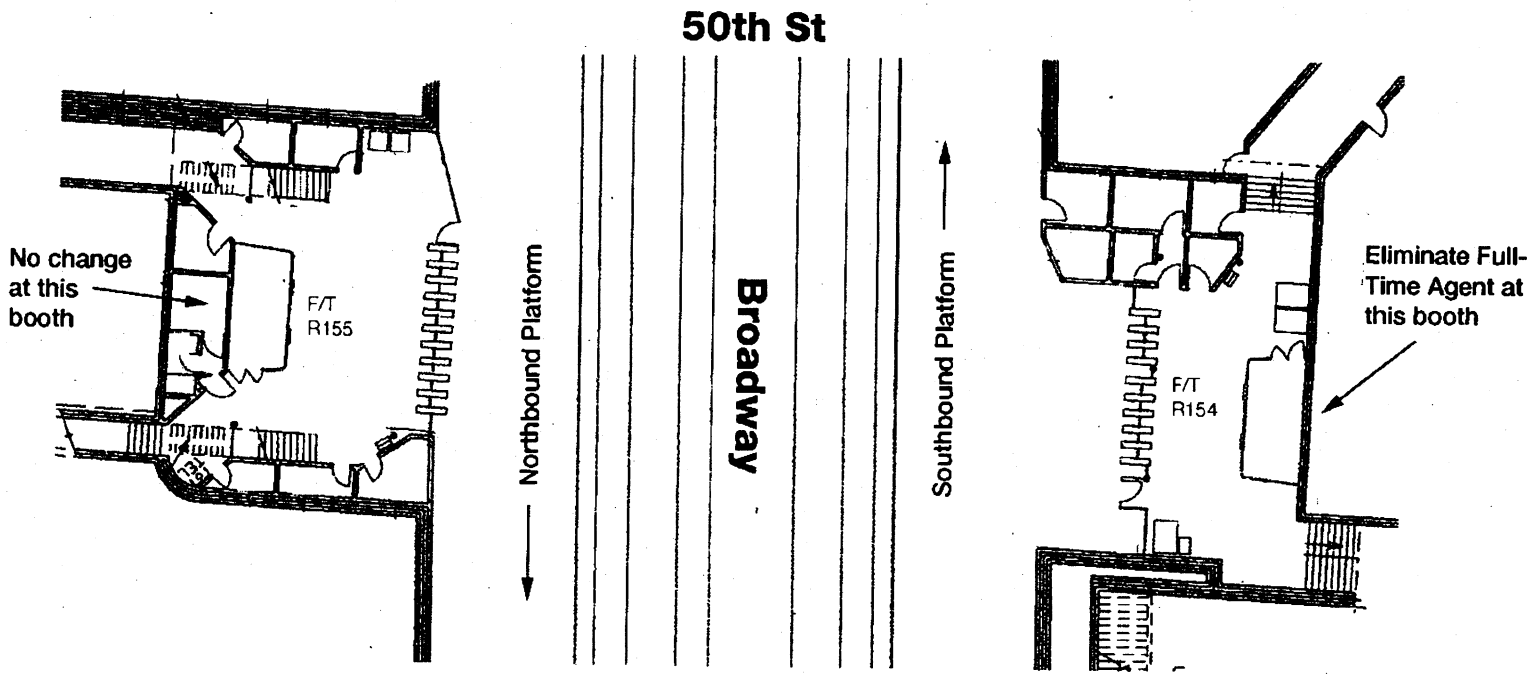
Eliminate full-time booth agent at **A013.** Maintain automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

50 Street 1

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R154: Full-time booth agent

R155: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **R154**. Maintain automated access 24 hours, all days.

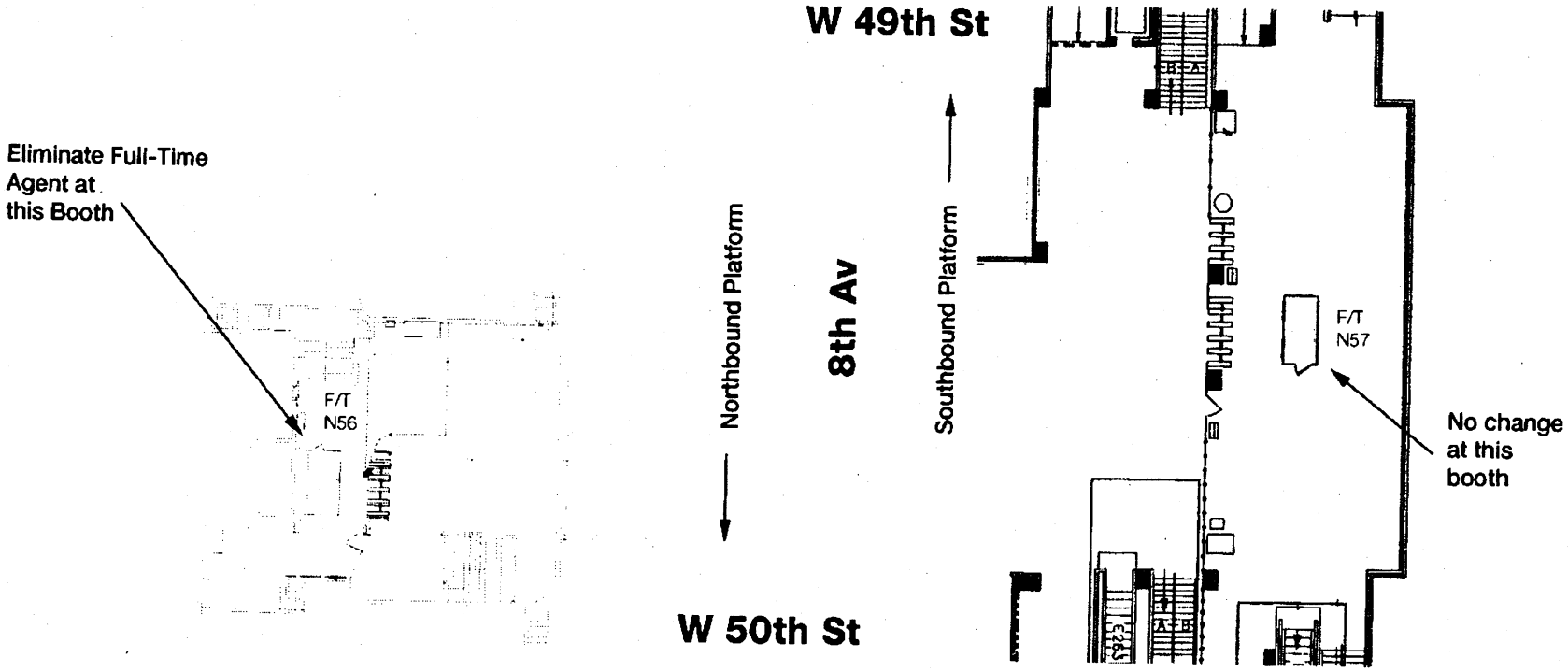
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

50 Street 1

50 Street C E

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

N56: Full-time booth agent

N57: Full-time booth agent

Also:

N56X: Full-time automated access via HEET (uptown platform at 51 Street, not shown on diagram.)

Proposed Permanent Change(s):

Eliminate full-time booth agent at **N56**. Provide automated access 24 hours, all days.

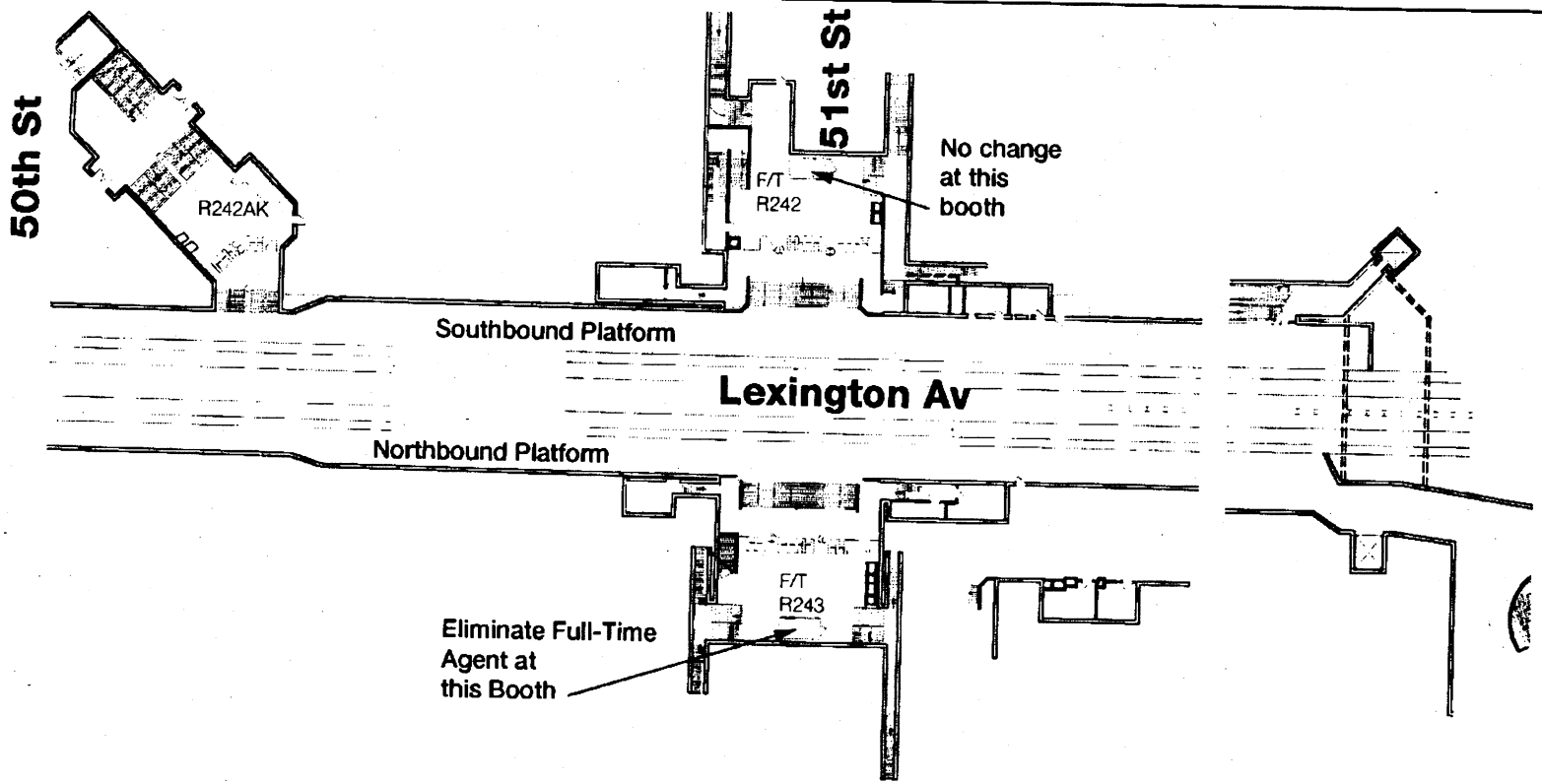
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

50 Street C E

51 Street 6

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R242: Full-time booth agent

R243: Full-time booth agent

R242AK: Part-time automated access, 7am to 7pm, M-F. Entrance closed at all other times.

Proposed Permanent Change(s):

Eliminate full-time booth agent at **R243**. Provide automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

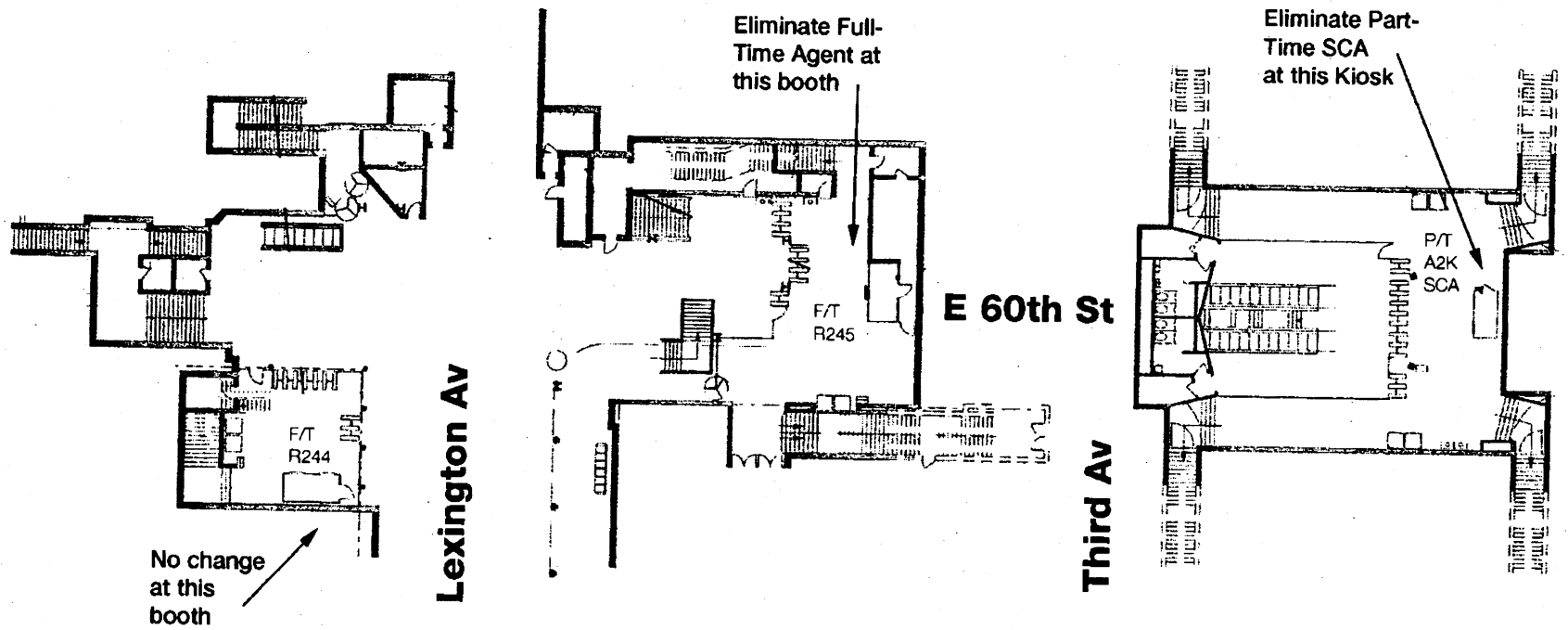
51 Street 6

Lexington Avenue - 59 Street N R W

New York City Transit

(Effective June 27, 2010: Q replaces W)

Borough: Manhattan



Operation(s) as of May 1, 2010:

R244: Full-time booth agent

R245: Full-time booth agent

A2K: Part-time SCA, 6am to 9pm, all days. Exit-only at all other times.

Proposed Permanent Change(s)*:

Eliminate full-time booth agent at **R245**. Provide automated access 24 hours, all days.

Eliminate part-time SCA at **A2K**. Provide automated access 24 hours, all days.

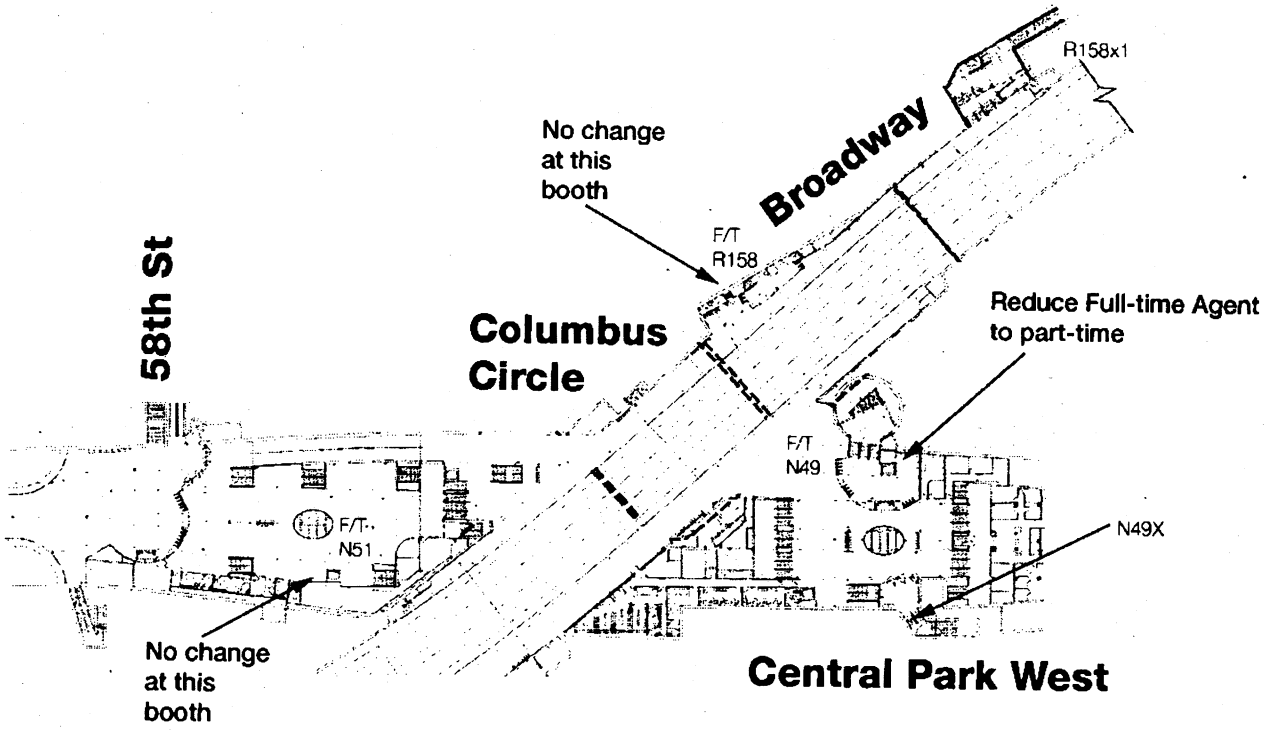
***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

59 Street - Columbus Circle A C B D

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

N49: Full-time booth agent

N51: Full-time booth agent

R158: Full-time booth agent

R158X1: Full-time automated access via HEETs

N49X: Full-time automated access via HEETs

Also:

R158X: Full-time automated access via HEETs (Southeast corner of CPS and Columbus Circle, not shown)

Proposed Permanent Change(s):

Reduce booth agent service hours at **N49.** New hours would be 3:20pm to 10:40pm, all days. Automated access at all other times.

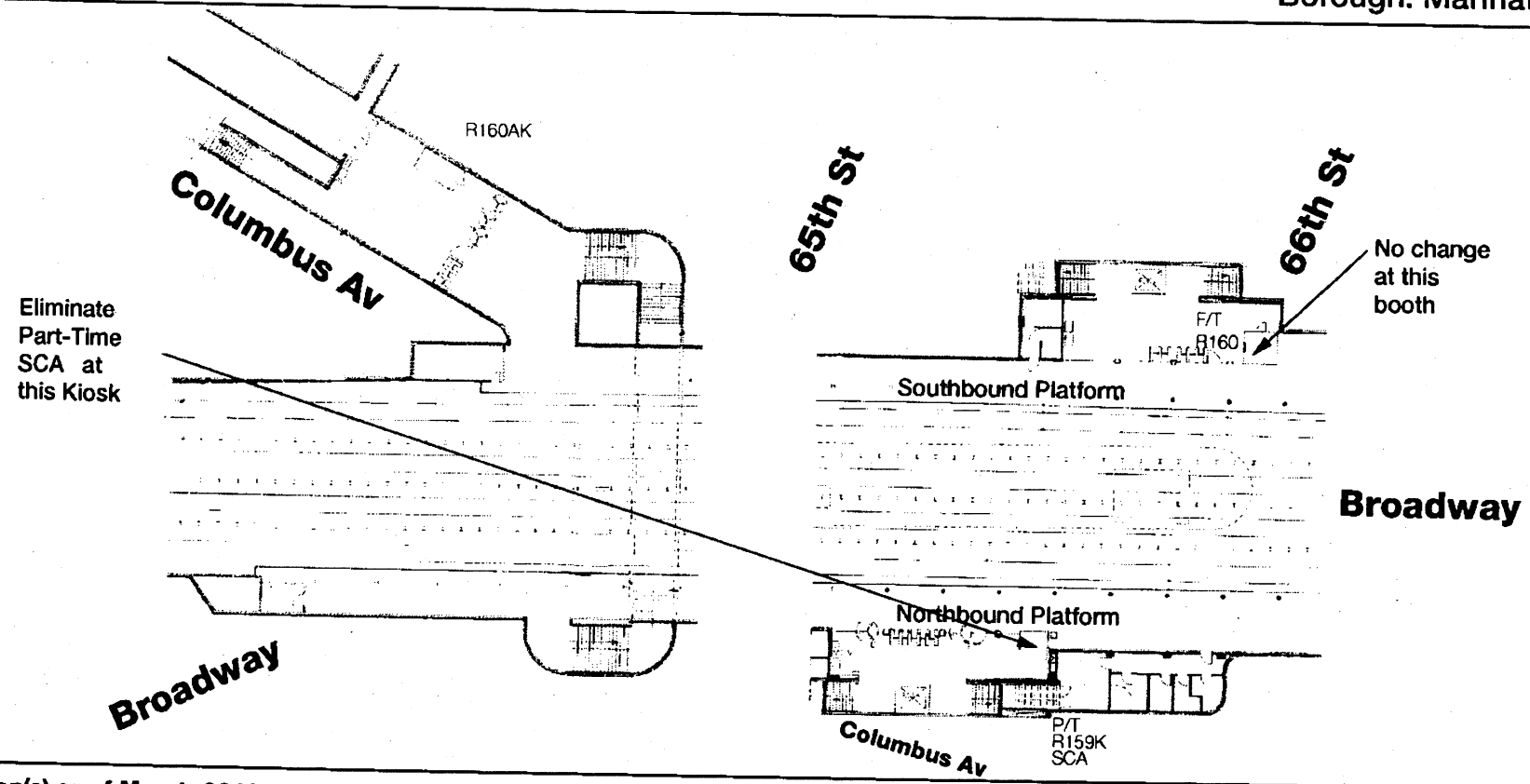
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

59 Street - Columbus Circle A C B D

66 Street - Lincoln Center 1

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R160: Full-time booth agent

R159K: Part-time SCA, 6:00am to 1:00am, M-Sat. Automated access via HEETs at all other times.

R160AK: Full-time automated access.

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **R159K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

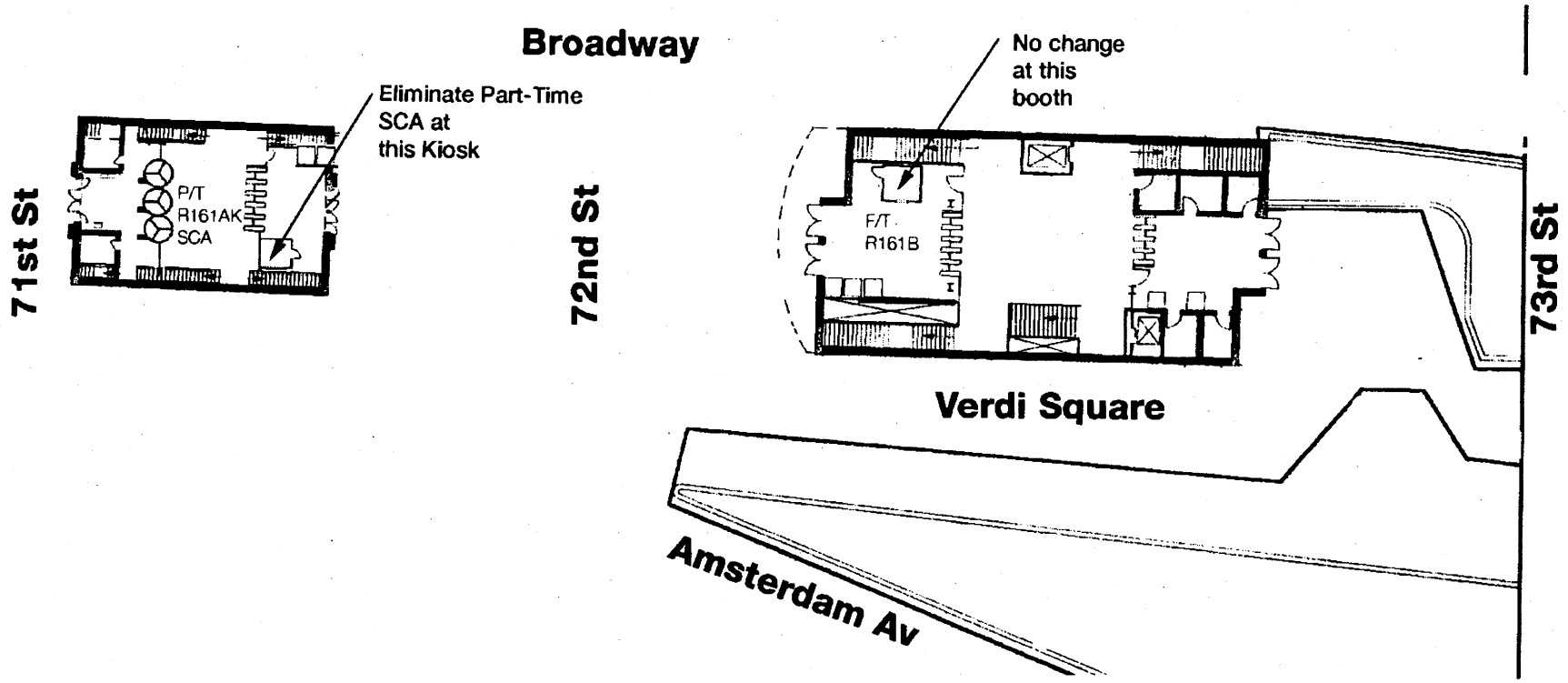
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

66 Street - Lincoln Center 1

72 Street 1 2 3

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R161B: Full-time booth agent

R161AK: Part-time SCA, 7:00am to 10:20pm, M-F, 12:00pm to 7:40pm, Sat., 11:45am to 10:30pm, Sun. Automated access via HEETs at all other times.

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **R161AK**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

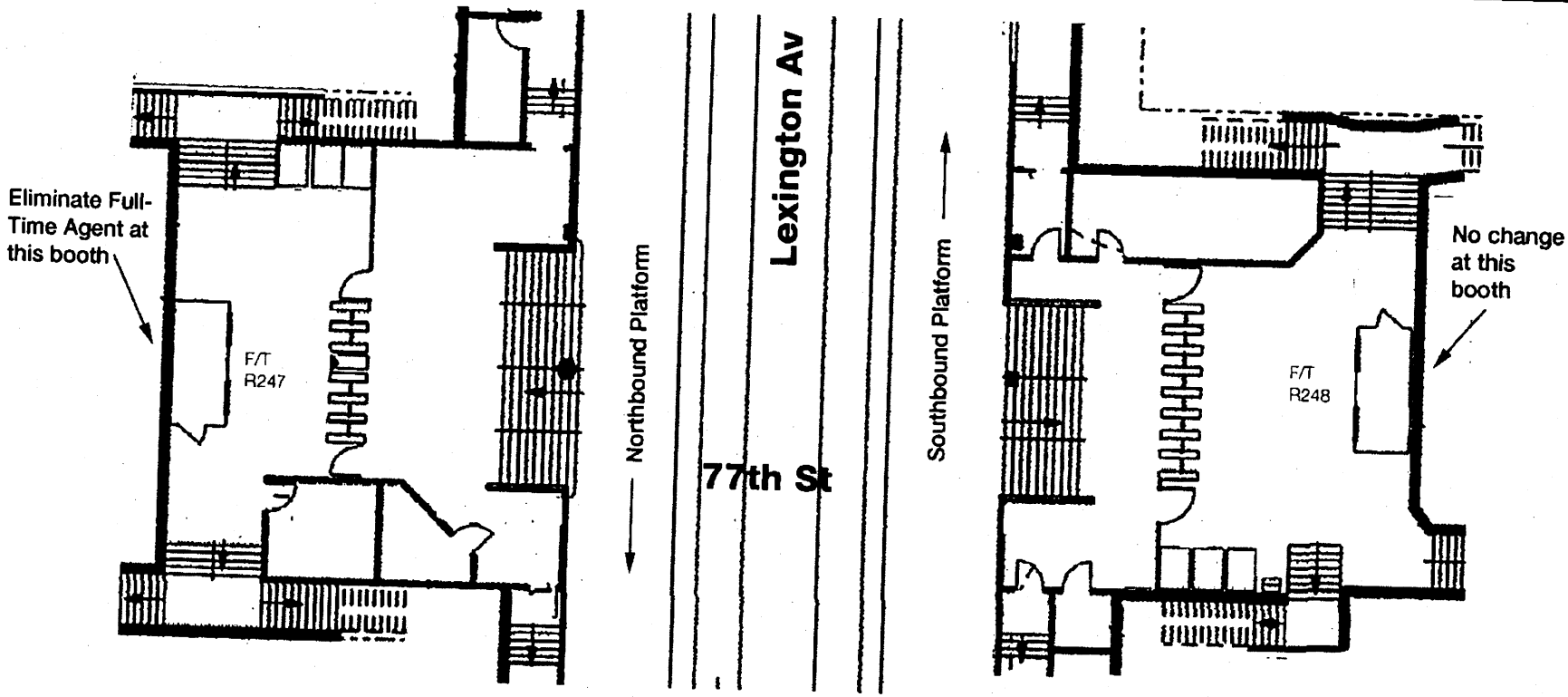
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

72 Street 1 2 3

77 Street 6

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R247: Full-time booth agent

R248: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **R247.** Maintain automated access 24 hours, all days.

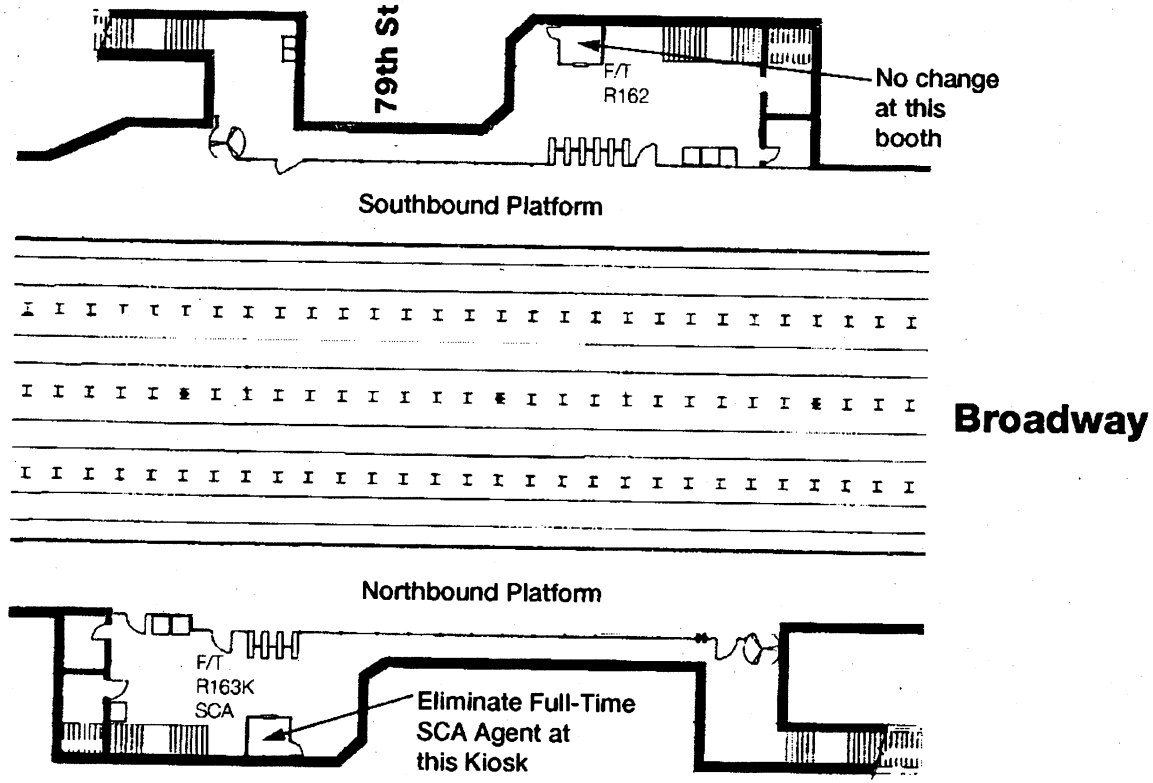
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

77 Street 6

79 Street 1

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R162: Full-time booth agent

R163K: Full-time SCA

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **R163K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

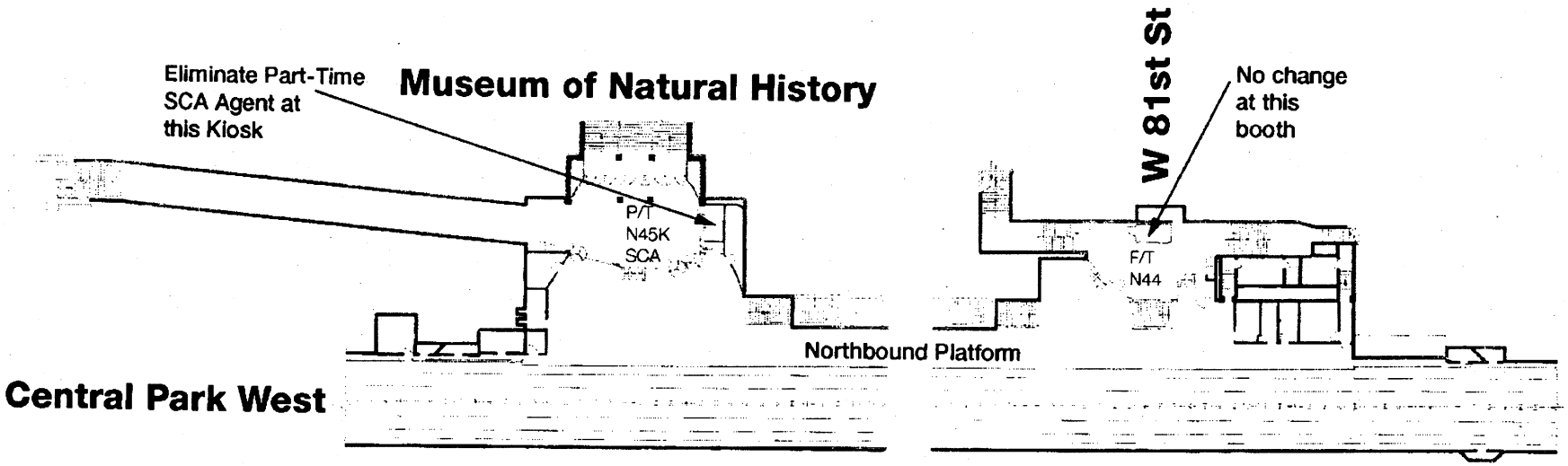
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

79 Street 1

81 Street - Museum of Natural History B C

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

N44: Full-time booth agent

N45K: Part-time SCA, 6:50am to 6:00pm, M-F. Automated access via HEETs at all other times.

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **N45K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

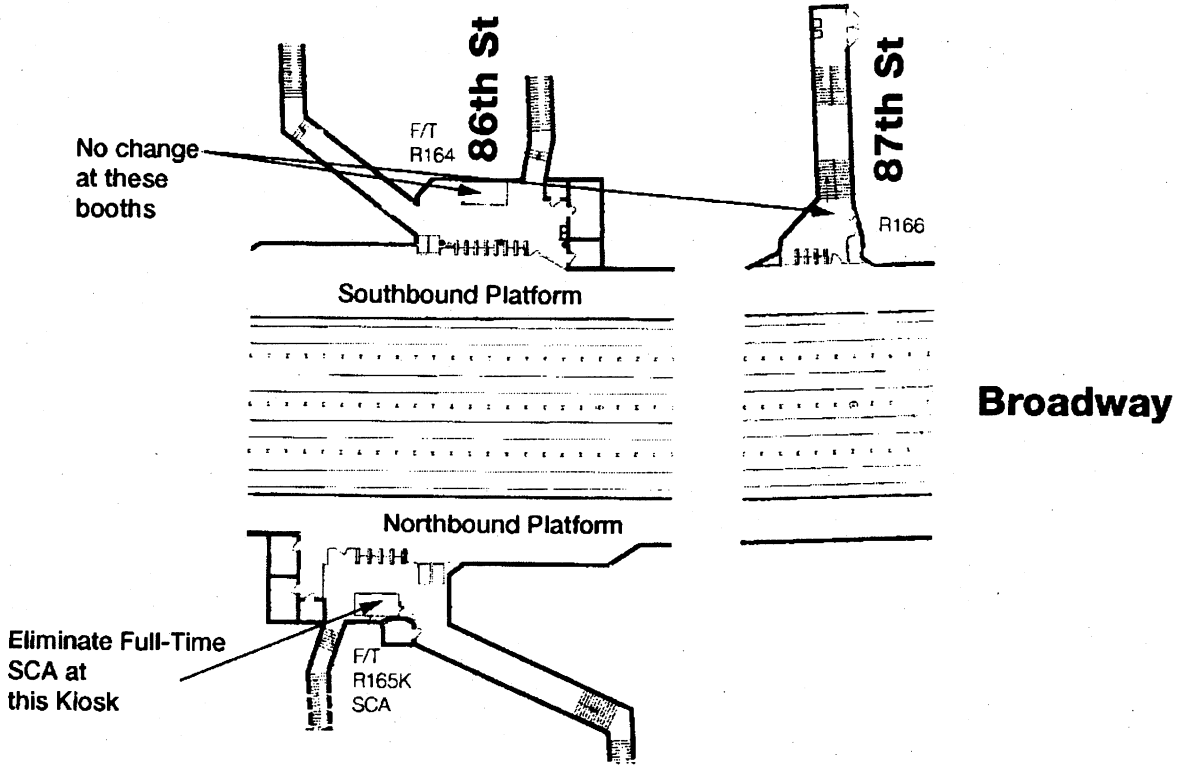
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

81 Street - Museum of Natural History B C

86 Street 1

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R164: Full-time booth agent

R166: Part-time booth agent 6:30am - 10am and 4pm - 7:30pm, M-F. Automated access all other times.

R165K: Full-time SCA

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **R165K**. Maintain automated access 24 hours, all days.

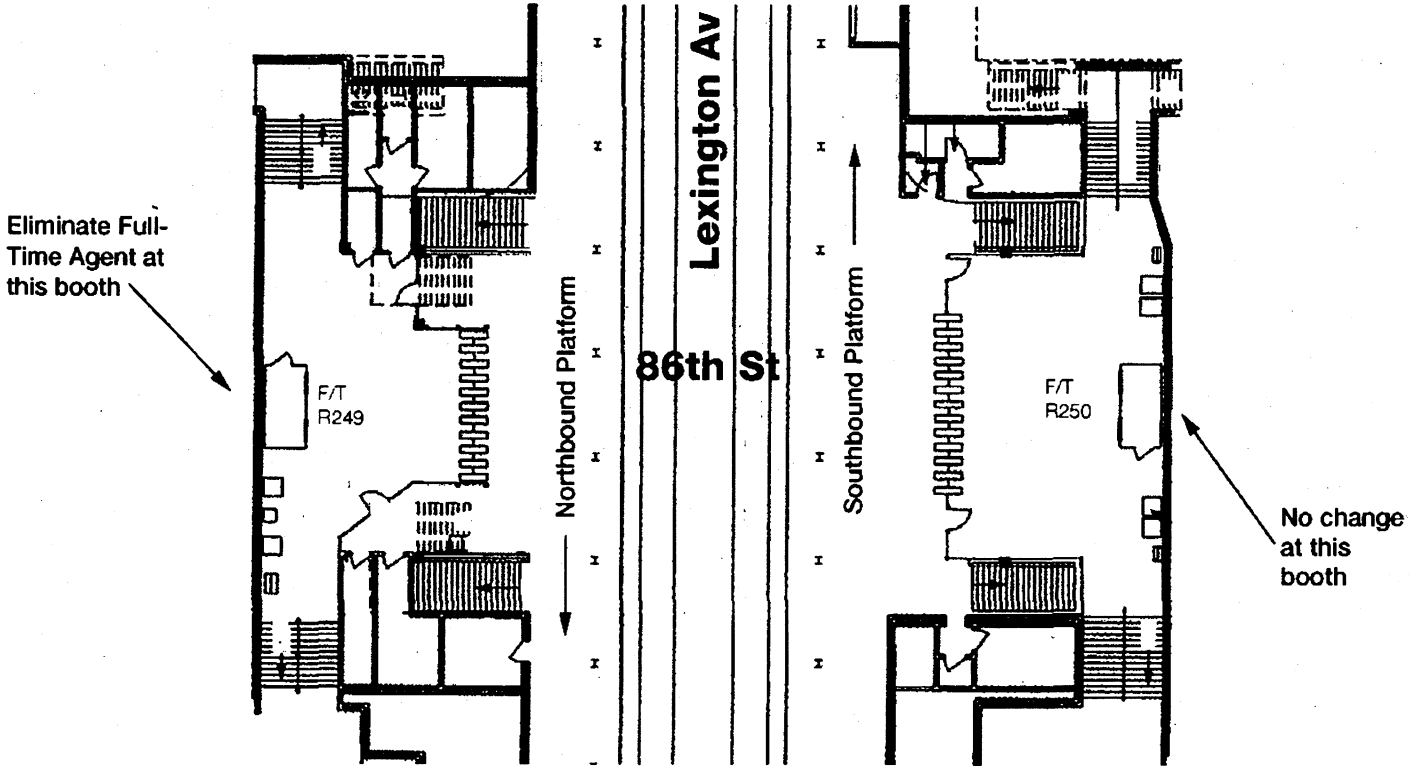
***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

86 Street 4 5 6

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R249: Full-time booth agent

R250: Full-time booth agent

Proposed Permanent Change(s):

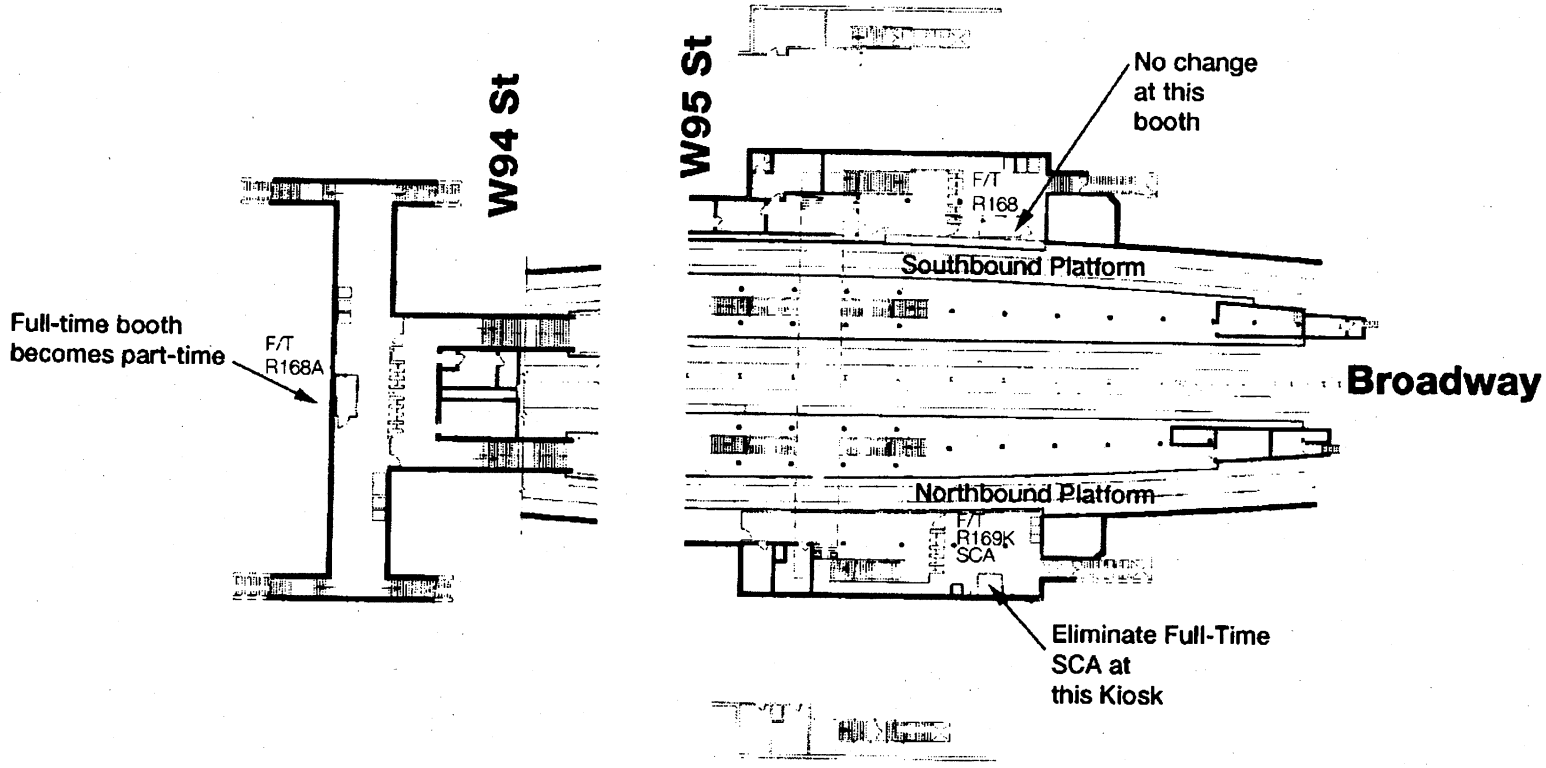
Eliminate full-time booth agent at **R249.** Maintain automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

96 Street 1 2 3

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:
This station is currently under reconstruction

R168: Full-time booth agent

R169K: Full-time SCA.

R168A: Full-time booth agent.

Proposed Permanent Change(s):
Reduce full-time booth agent service hours at **R168A**. New hours would be 6:20am to 1:40pm, all days. Provide automated access at all other times.

Eliminate full-time SCA at **R169K**. Provide automated access 24 hours, all days.

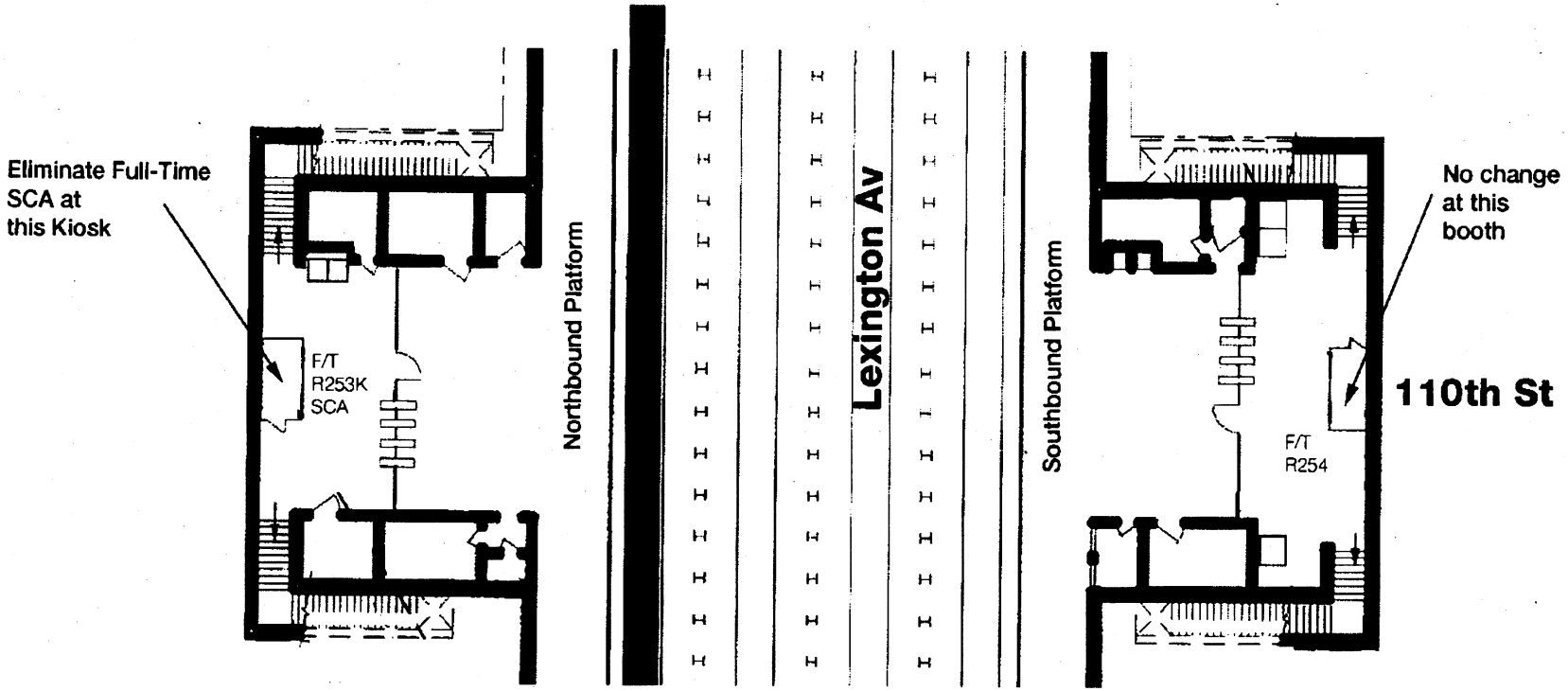
***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

110 Street 6

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R254: Full-time booth agent

R253K: Full-time SCA

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **R253K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

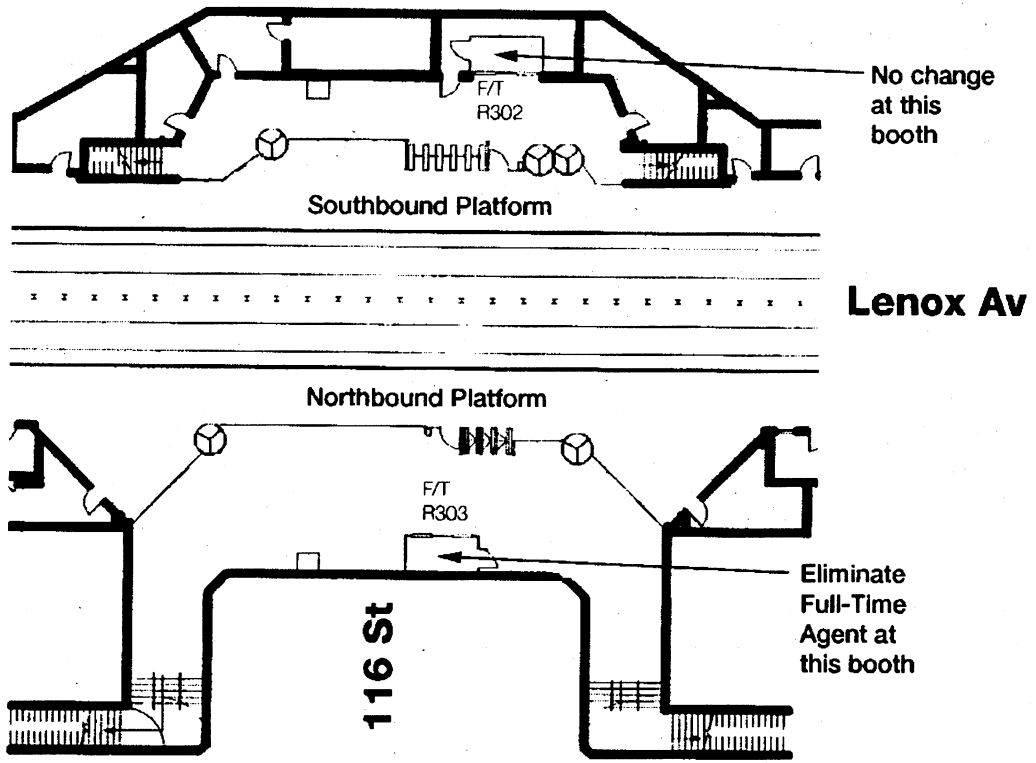
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

110 Street 6

116 Street 2 3

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R302: Full-time booth agent

R303: Full-time booth agent

Proposed Permanent Change(s):

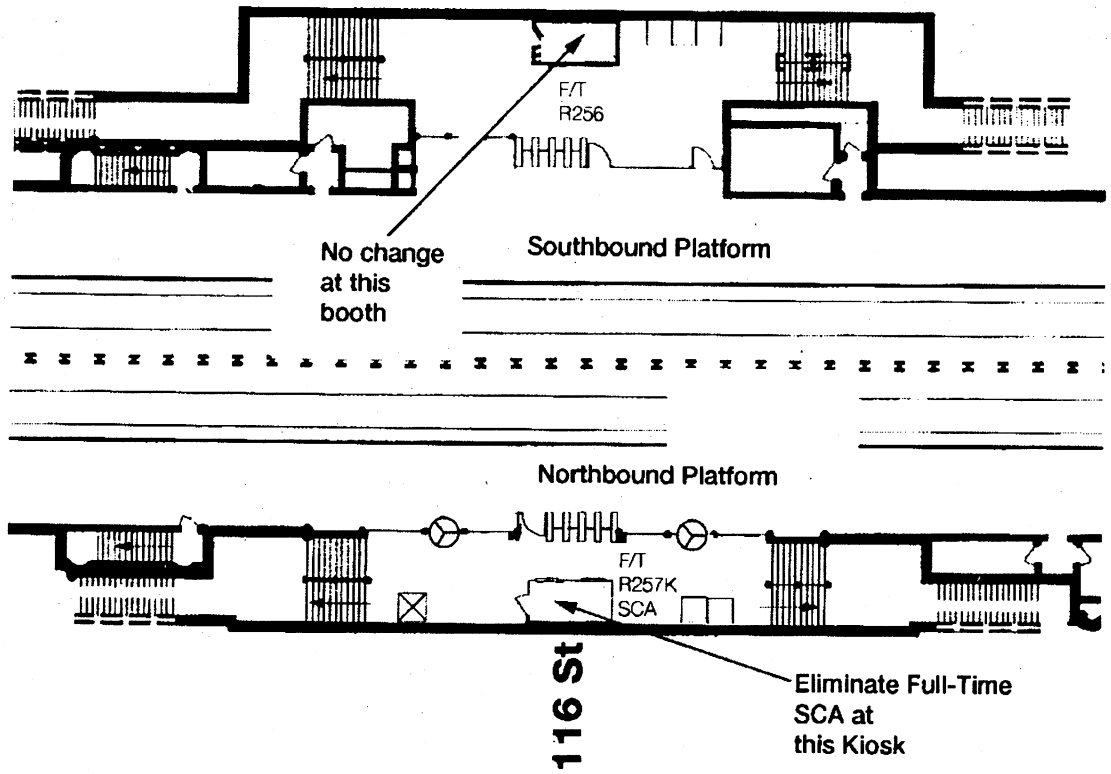
Eliminate full-time booth agent at **R303.** Maintain automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

116 Street 6

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R256: Full-time booth agent

R257K: Full-time SCA

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **R257K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

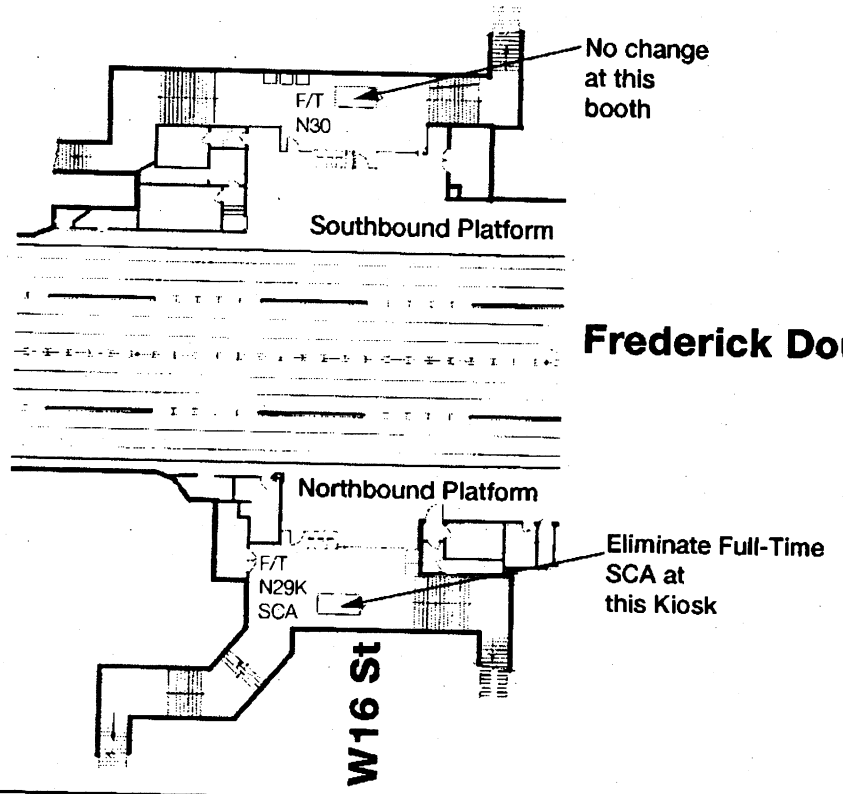
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

116 Street 6

116 Street B C

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

N30: Full-time booth agent

N29K: Full-Time SCA

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **N29K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

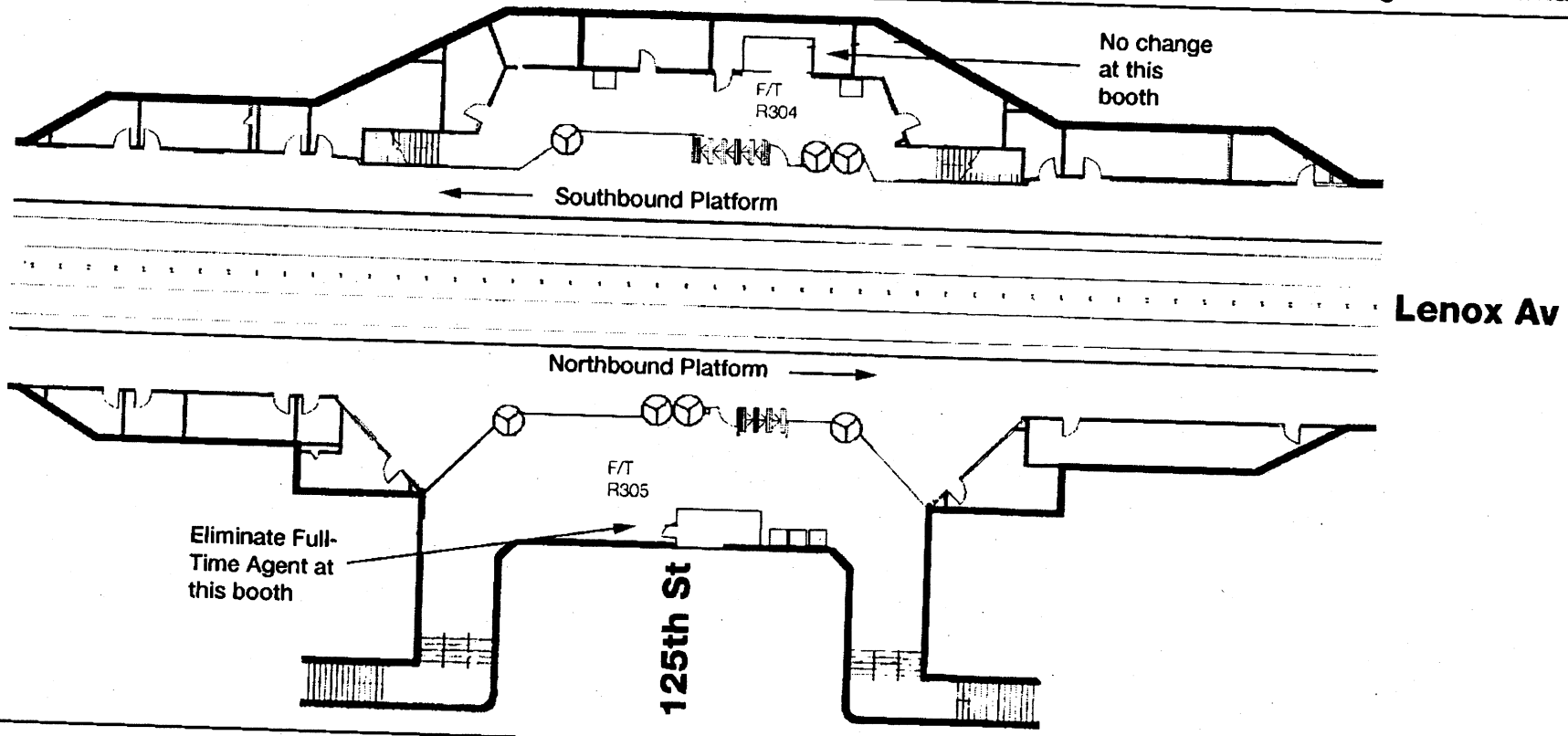
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

116 Street B C

125 Street 2 3

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R304: Full-time booth agent

R305: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **R305.** Maintain automated access 24 hours, all days.

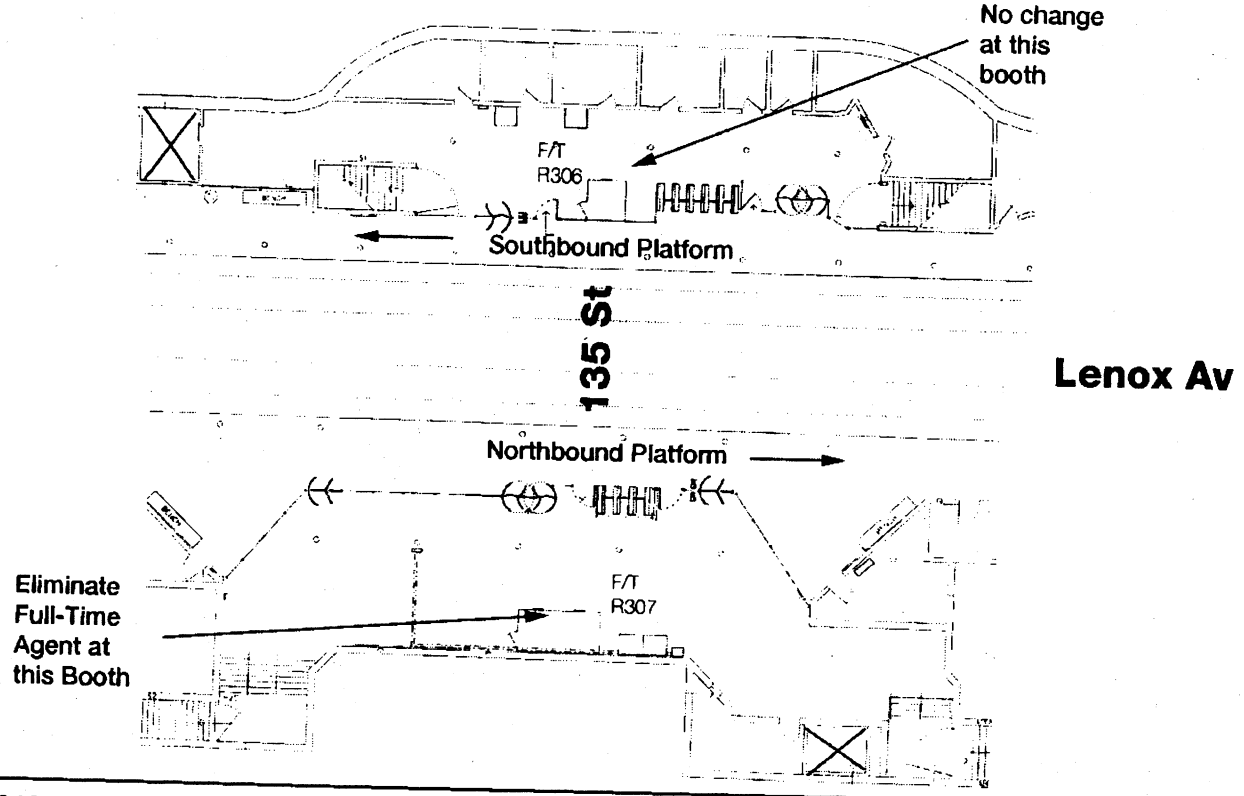
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

125 Street 2 3

135 Street 2 3

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R306: Full-time booth agent

R307: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **R307.** Maintain automated access 24 hours, all days.

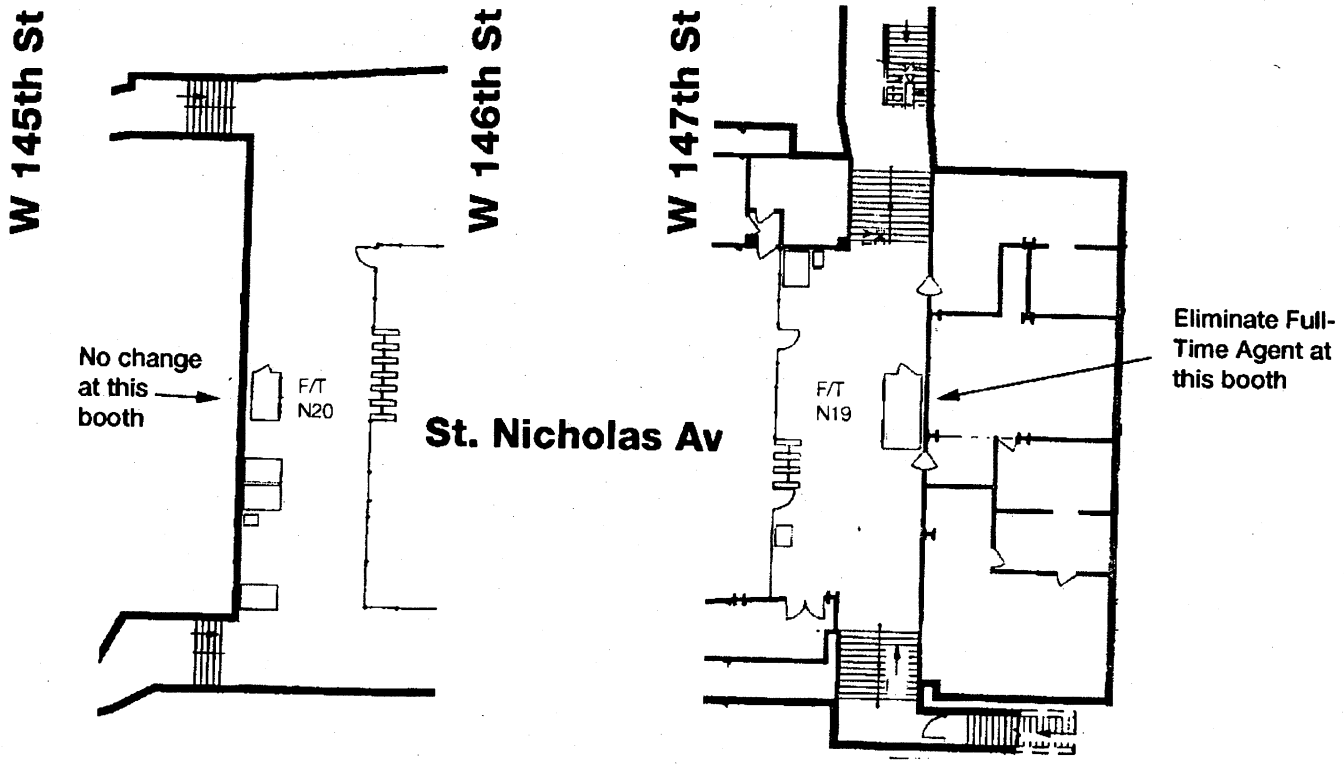
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

135 Street 2 3

145 Street A C B D

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

N19: Full-time booth agent

N20: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **N19.** Provide automated access 24 hours, all days.

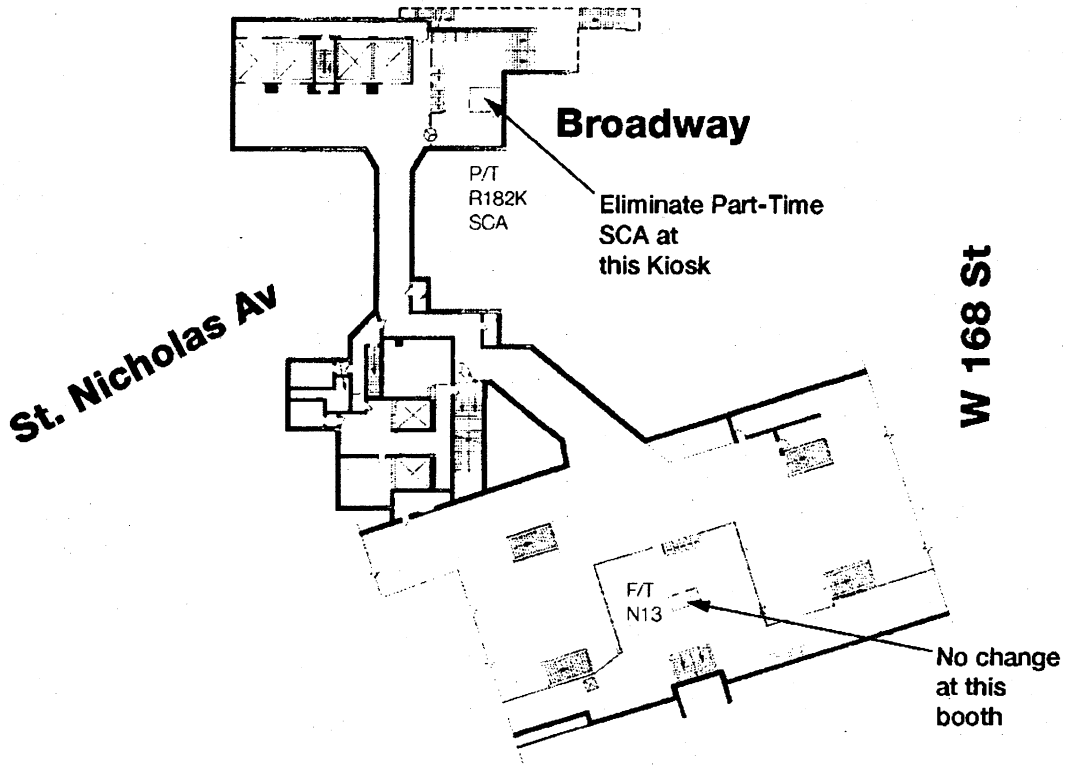
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

145 Street A C B D

168 Street 1 A C

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

N13: Full-time booth agent

R182K: Part-time SCA, 6:00am to 1:00am, all days. Automated access via HEETs at all other times.

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **R182K**. Maintain automated access 24 hours, all days.

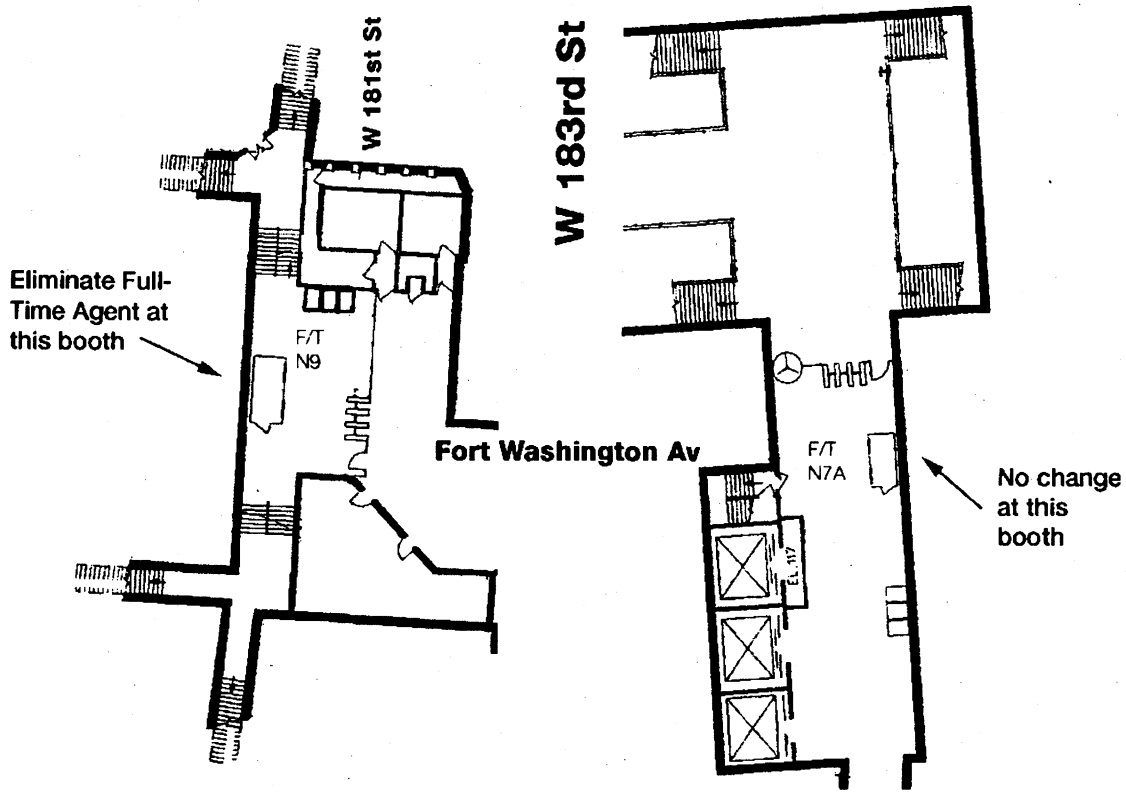
***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

181 Street A

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

N7A: Full-time booth agent

N9: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **N9.** Provide automated access 24 hours, all days.

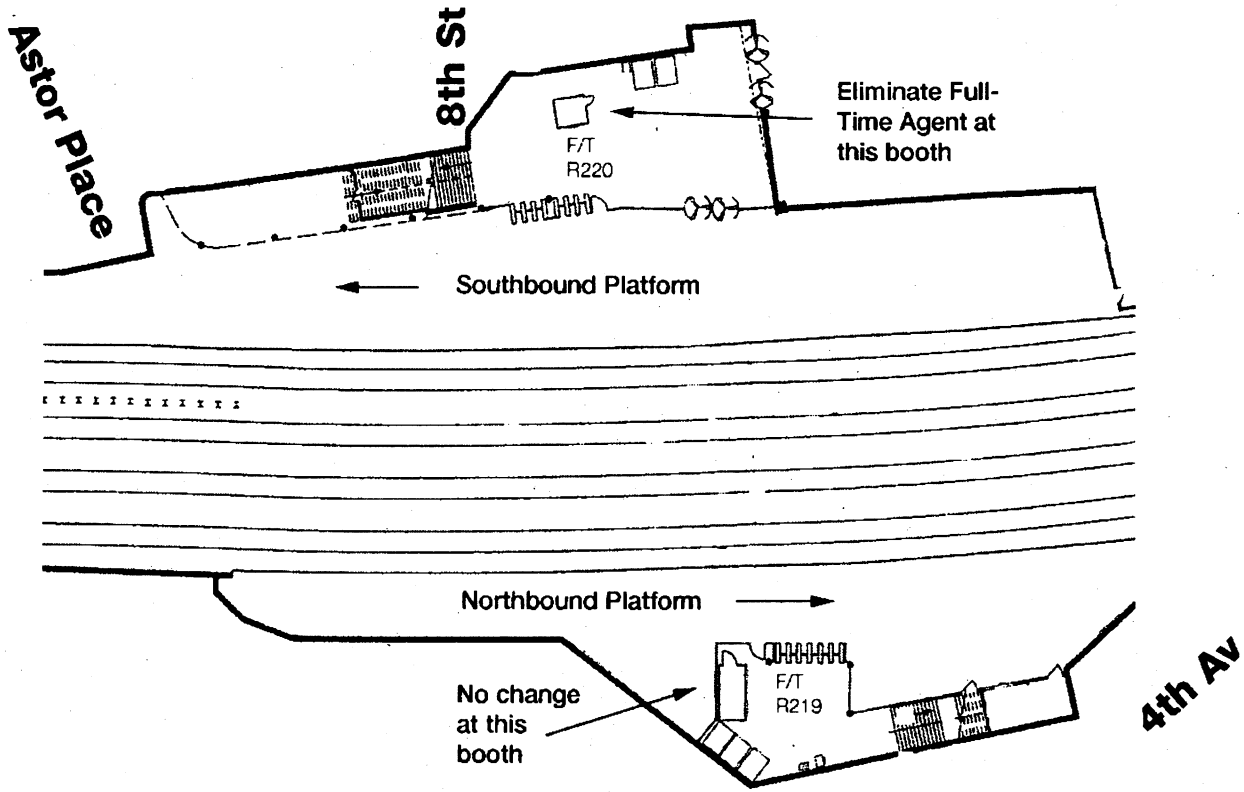
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

181 Street A

Astor Place 6

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R219: Full-time booth agent

R220: Full-time booth agent

Proposed Permanent Change(s):

Eliminate full-time booth agent at **R220.** Maintain automated access 24 hours, all days.

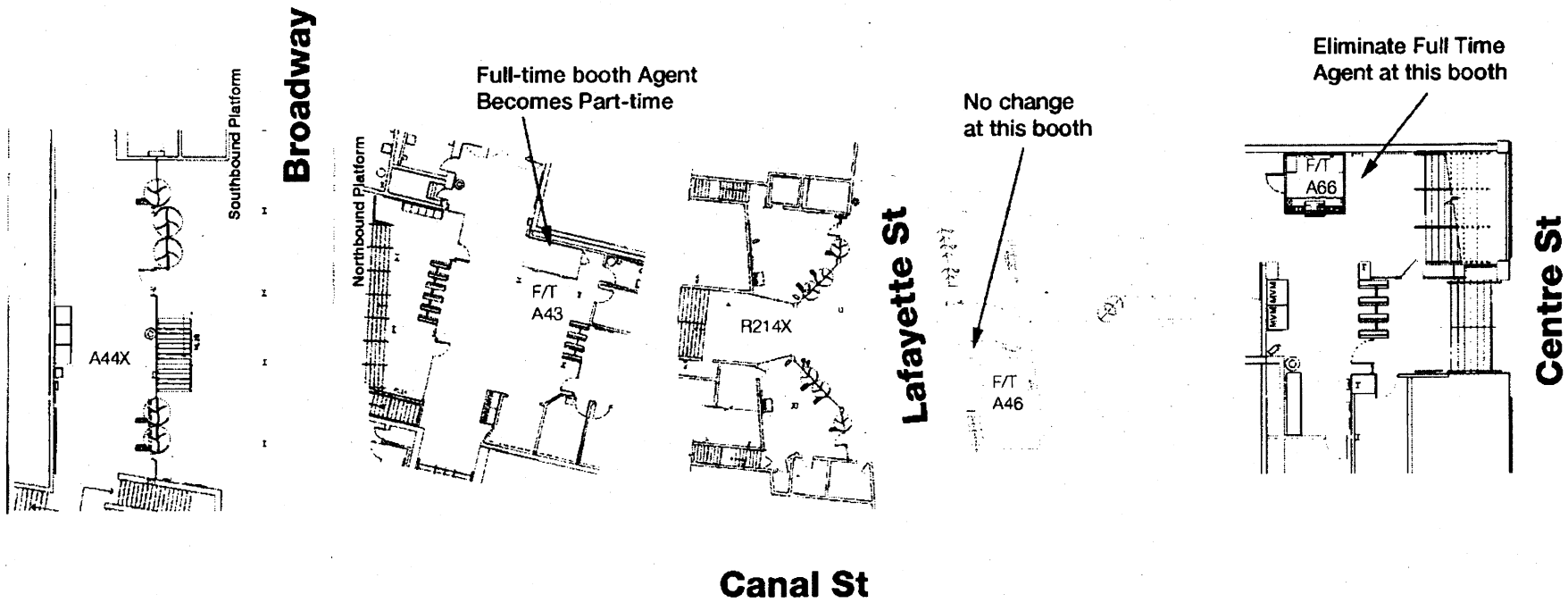
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Canal Street J M Z N Q R W 6

New York City Transit

(Effective June 27, 2010: J Z N Q R 6)

Borough: Manhattan



Operation(s) as of May 1, 2010:

A43: Full-time booth agent

A46: Full-time booth agent

A66: Full-time booth agent

A44X: Full-time automated access via HEETs

R214X: Full-time automated access via HEETs

Proposed Permanent Change(s):

Eliminate full-time booth agent at **A66.** Provide automated access 24 hours, all days.

Reduce full-time booth agent service hours at **A43.** New hours would be 6am to 10pm, all days. Provide automated access at all other times.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Canal Street J M Z N Q R W 6

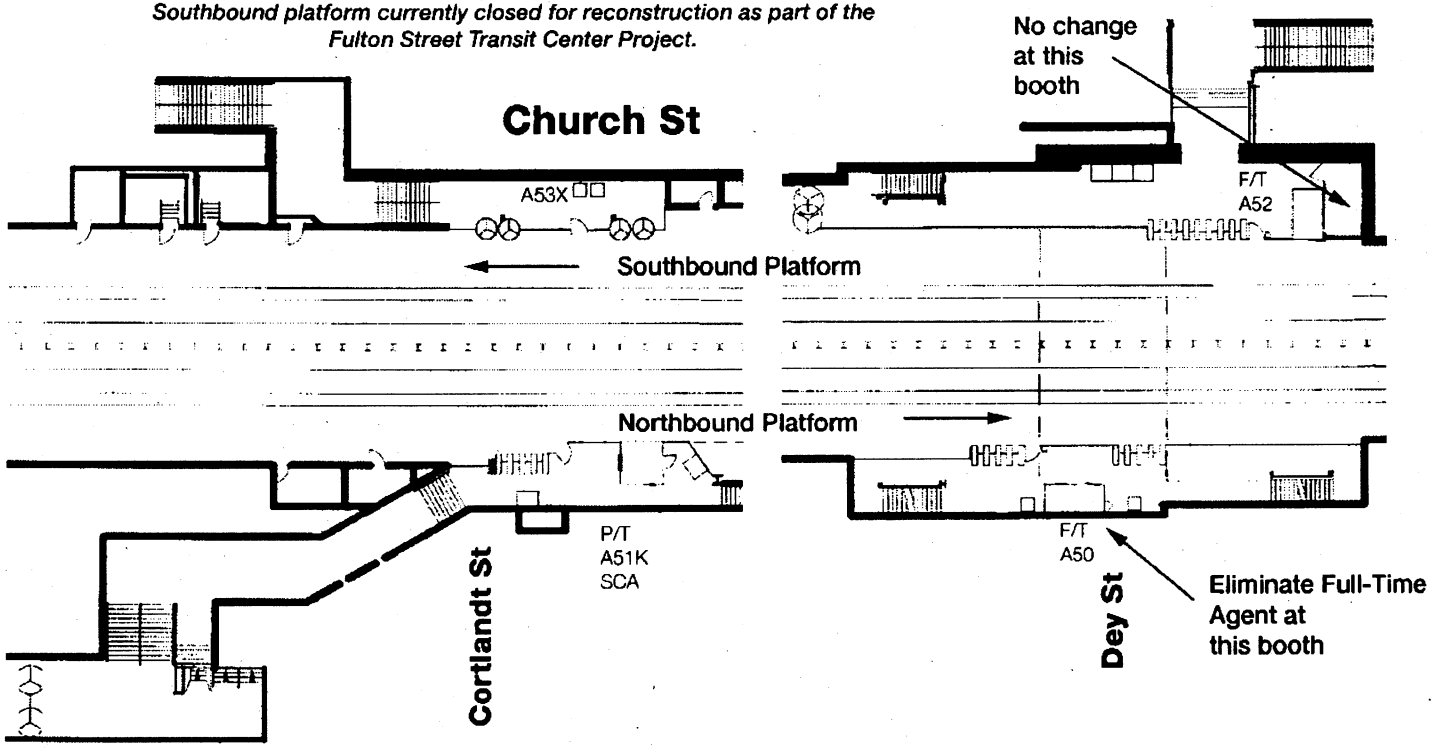
Cortlandt Street R W

New York City Transit

(Effective June 27, 2010: R only)

Borough: Manhattan

Southbound platform currently closed for reconstruction as part of the Fulton Street Transit Center Project.



Operation(s) as of May 1, 2010:

A50: Full-time agent booth

A52: Full-time agent booth (closed for reconstruction)

A53X: Full-time automated access via HEETs

A51K: Part-time SCA, 6am to 7:30pm, M-F. Automated access via HEETs at all other times (closed for reconstruction)

Proposed Permanent Change(s):

Eliminate full-time booth agent at **A50.** Maintain automated access 24 hours, all days.

Eliminate part-time SCA at **A51K.** Maintain automated access 24 hours, all days.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Cortlandt Street R W

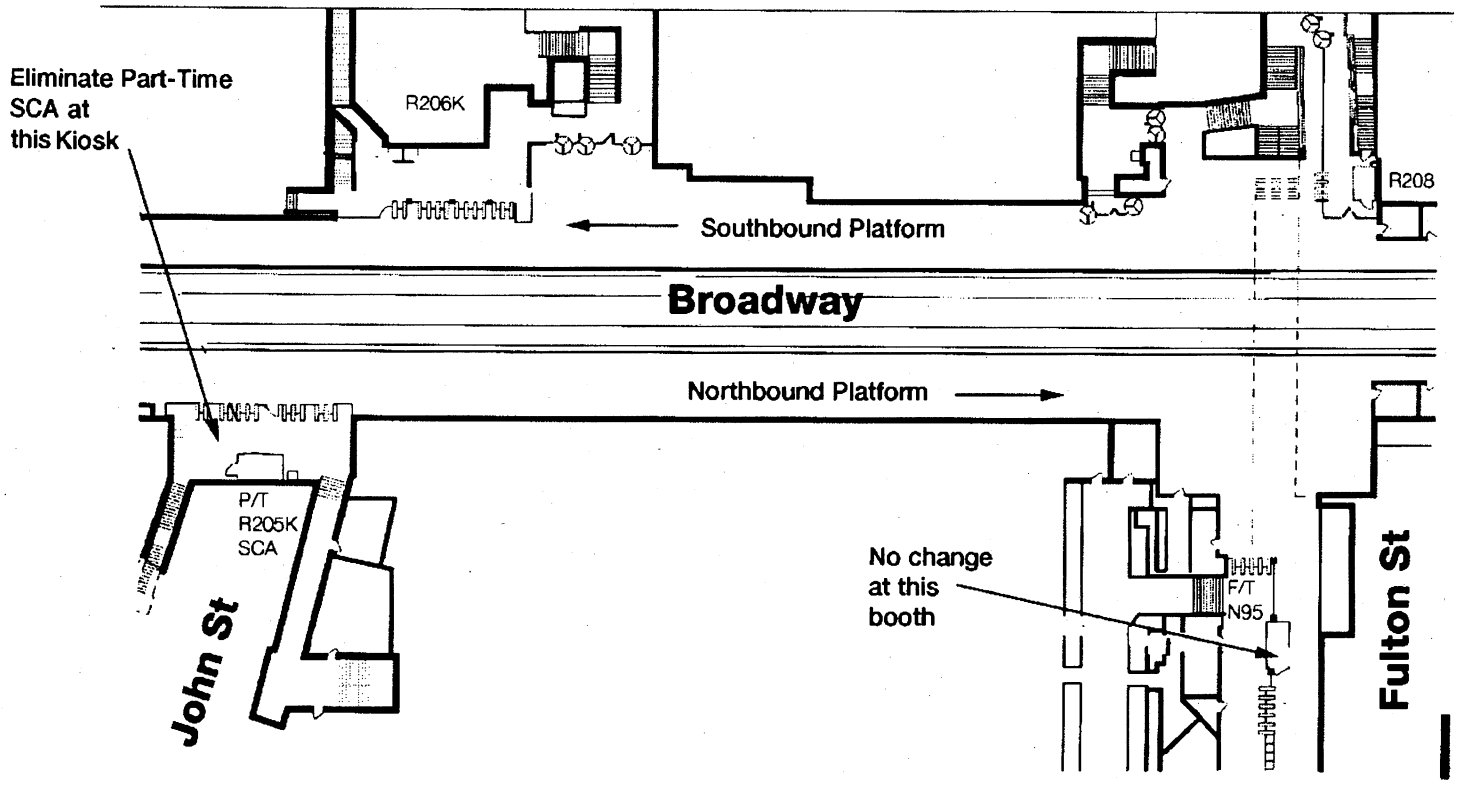
Fulton Street - Broadway Nassau A C J M Z 2 3 4 5

Fulton Street 4 5 level

New York City Transit

(Effective June 27, 2010: A C J Z 2 3 4 5)

Borough: Manhattan



Operation(s) as of May 1, 2010:

N95: Full-time booth agent

R208: Full-time automated access via HEETs.

R205K: Part-time SCA, 6am to 9:15pm, M-F, 1:40pm to 9pm, Sat. Closed at all other times. (closed for rehab)

R206K: Closed at all times due to construction of the Fulton Street Transit Center

Also:

R205X: Full-time automated access via HEETs (entrance is on the uptown platform at Maiden Lane, not shown on diagram above)

R206X: Full-time automated access via HEETs.

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **R205K**

Provide automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

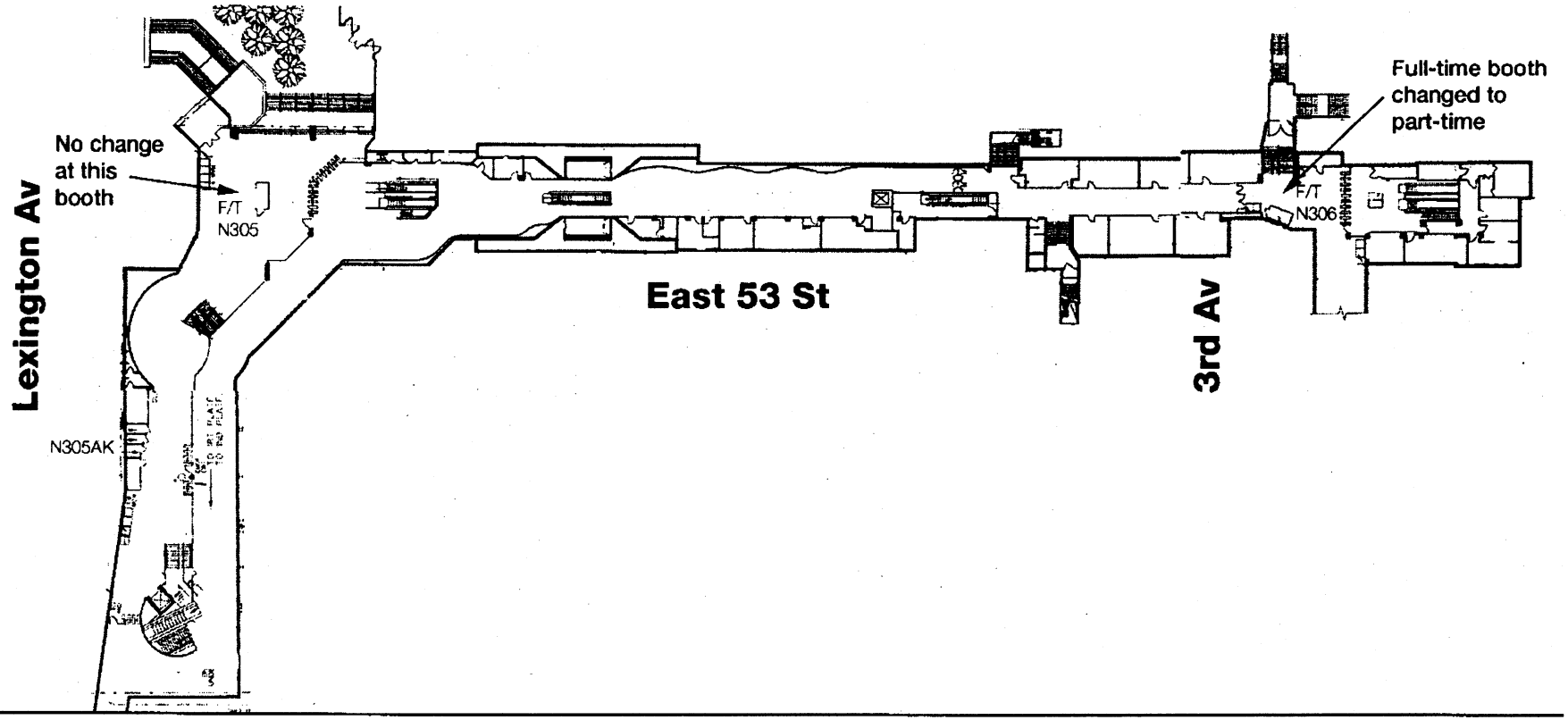
Fulton Street 4 5

Lexington Avenue - 53 Street E V

New York City Transit

(Effective June 27, 2010: M replaces V)

Borough: Manhattan



Operation(s) as of May 1, 2010:

N305: Full-time booth agent

N305AK: Full-time automated access.

N306: Full-time booth agent

Proposed Permanent Change(s):

Reduce full-time booth service hours at **N306**. New service hours would be 1:45pm to 9pm, all days. Provide automated access at all other times.

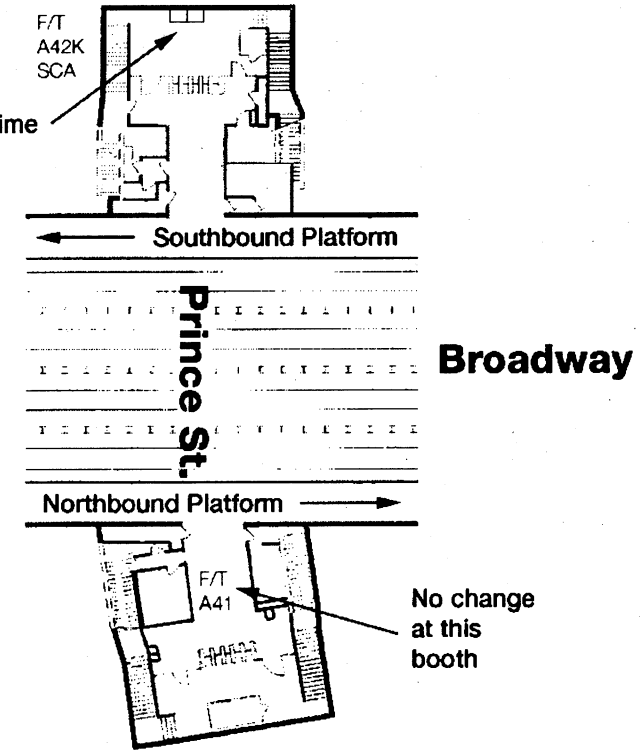
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Prince Street N R W

New York City Transit

(Effective June 27, 2010: N R)

Borough: Manhattan



Operation(s) as of May 1, 2010:

A41: Full-time booth agent

A42K: Full-time SCA.

Proposed Permanent Change(s)*:

Eliminate full-time SCA at **A42K.** Maintain automated access 24 hours, all days.

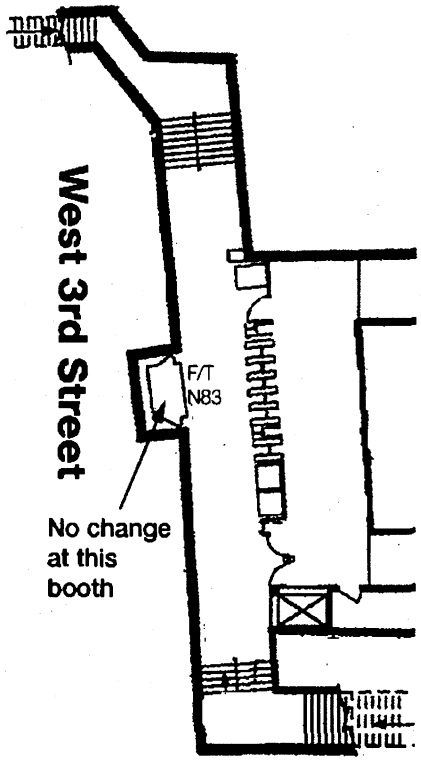
***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

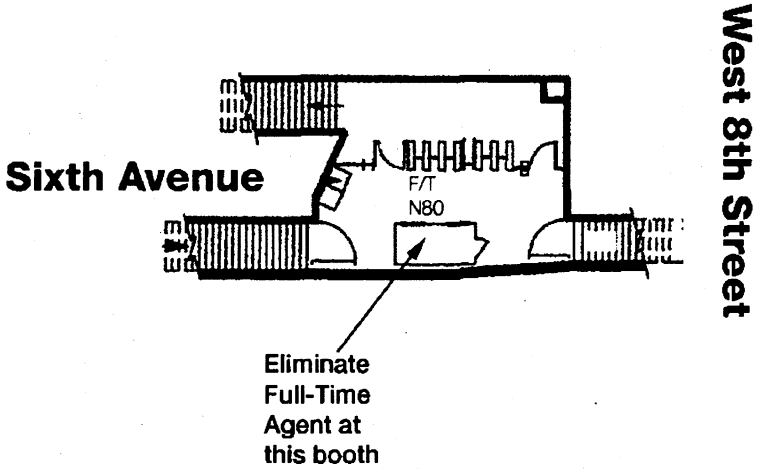
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Prince Street N R W

West 4 Street - Washington Square A C E B D F V

New York City Transit (Effective June 27, 2010: M replaces V) Borough: Manhattan





Operation(s) as of May 1, 2010:

N80: Full-time booth agent

N83: Full-time booth agent

Also:

N81X: Full-time automated access via HEETs (west side of 6 Avenue at Waverly Place, not shown in diagram.)

Proposed Permanent Change(s)*:

Eliminate full-time booth agent at **N80.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

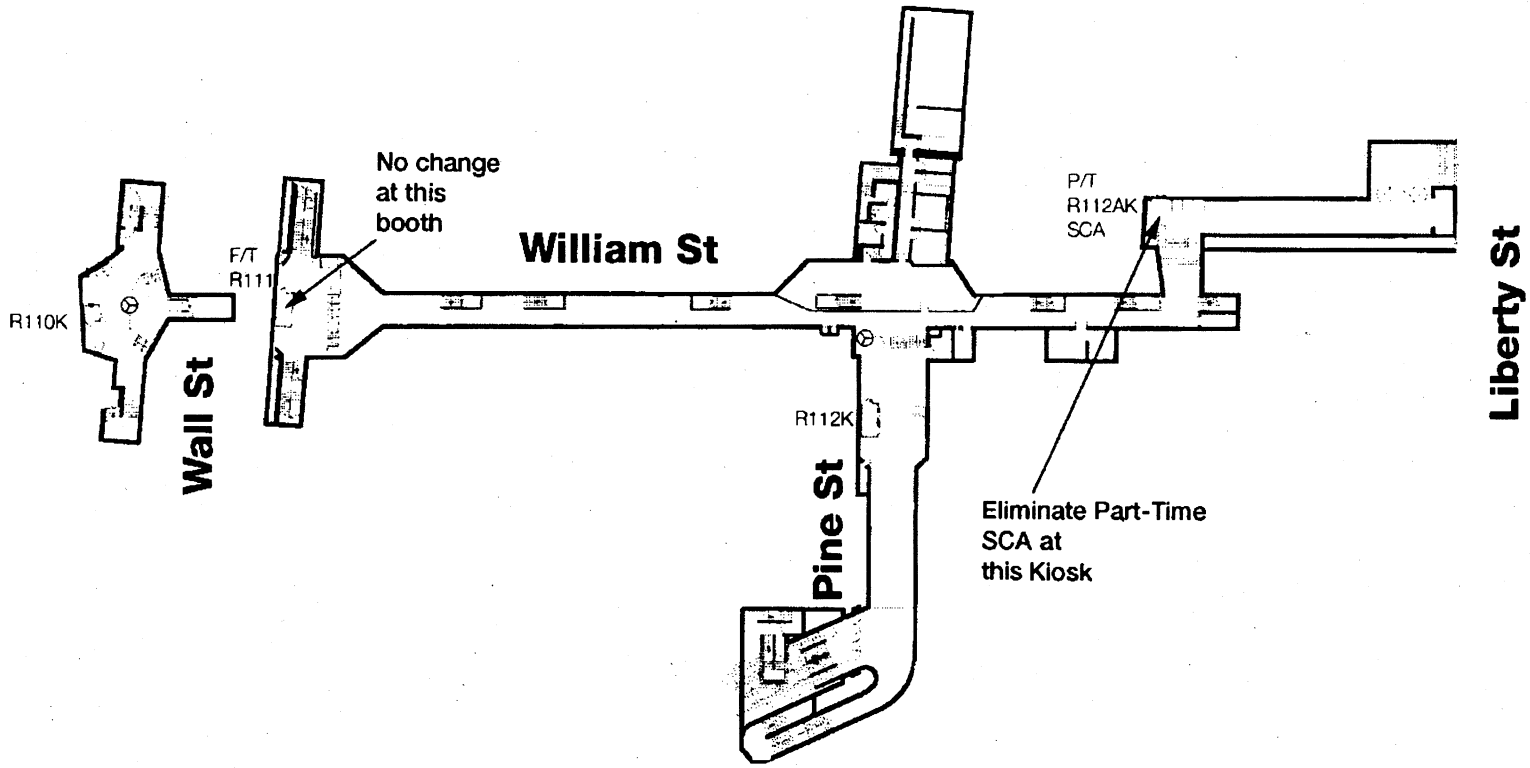
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

West 4 Street - Washington Square A C E B D F V

Wall Street 2 3

New York City Transit

Borough: Manhattan



Operation(s) as of May 1, 2010:

R111: Full-time booth agent

R110K: Part-time automated access, 7:10am to 7:00pm, M-F. Exit-only at all other times.

R112K: Part-time automated access, 7am to 10pm, M-F. Closed at all other times.

R112AK: Part-time SCA, 24 hours M-F, 12 midnight to 7am Sat. Closed at all other times.

Proposed Permanent Change(s):

Eliminate part-time SCA at **R112AK.** Maintain automated access 24 hours, M-F, 12 midnight to 7am Sat. Entrance closed at all other times.

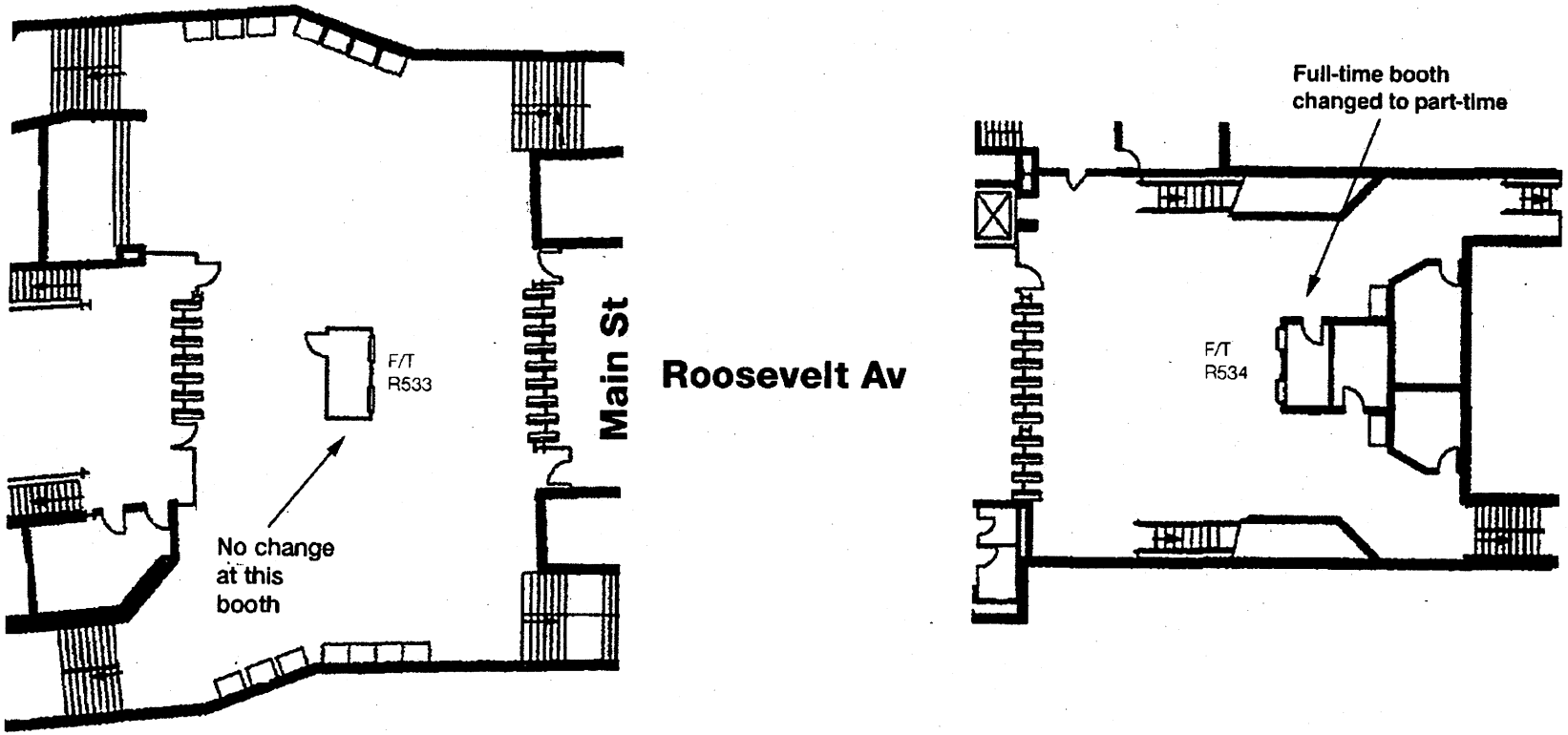
/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
CA	Station Customer Assistant		Elevator
osk	Booth that does not sell fare media		

Wall Street 2 3

Main Street - Flushing 7

New York City Transit

Borough: Queens



Operation(s) as of May 1, 2010:

R533: Full-time booth agent

R534: Full-time booth agent

Proposed Permanent Change(s):

Reduce booth agent service hours at **R534**. New hours would be 6:00am to 2:00pm, all days. Provide automated access at all other times.

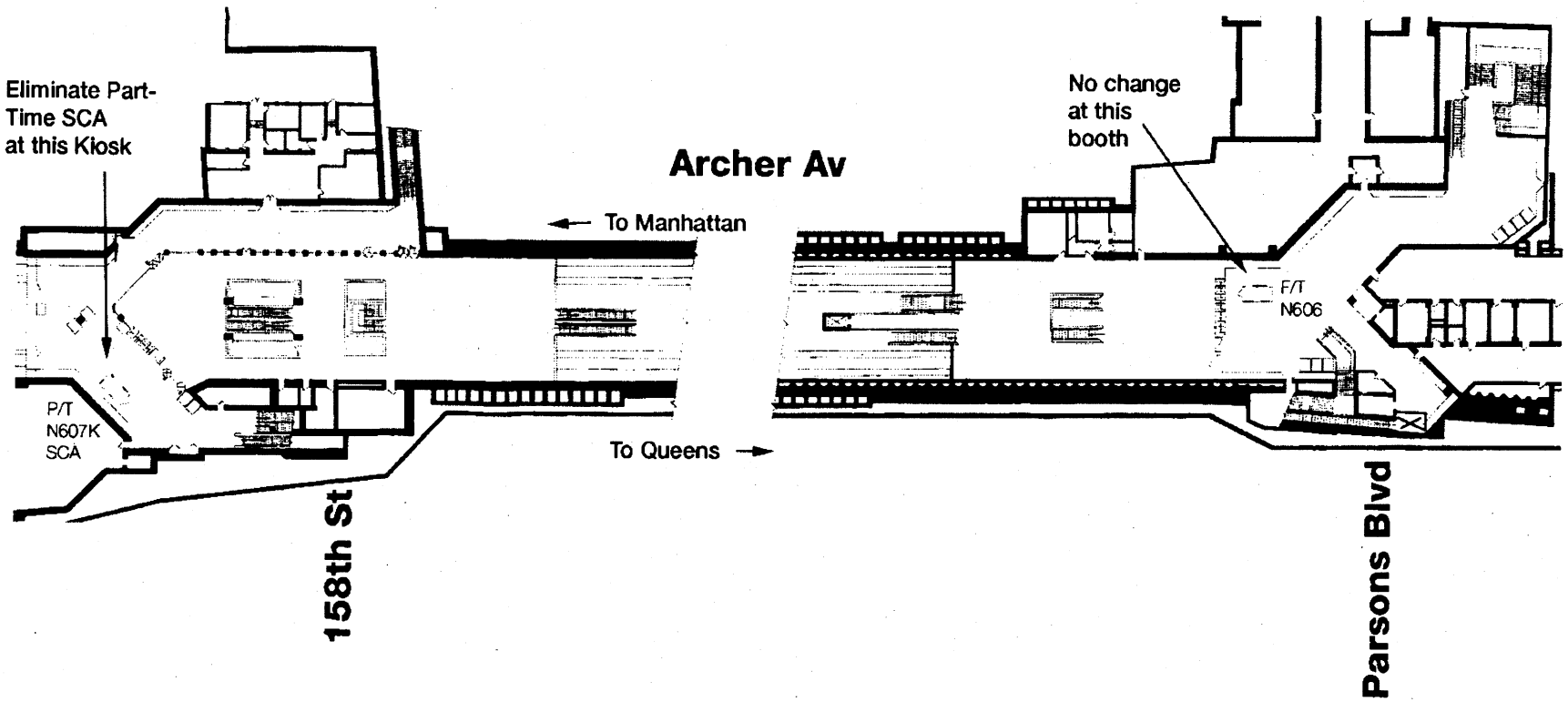
P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Main Street - Flushing 7

Jamaica Center - Parsons/Archer E J Z

New York City Transit

Borough: Queens



Operation(s) as of May 1, 2010:

N606: Full-time booth agent

N607K: Part-time SCA, 6:00am to 9:15pm, M-F. Automated access via HEETs at all other times.

Proposed Permanent Change(s)*:

Eliminate part-time SCA at **N607K.** Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

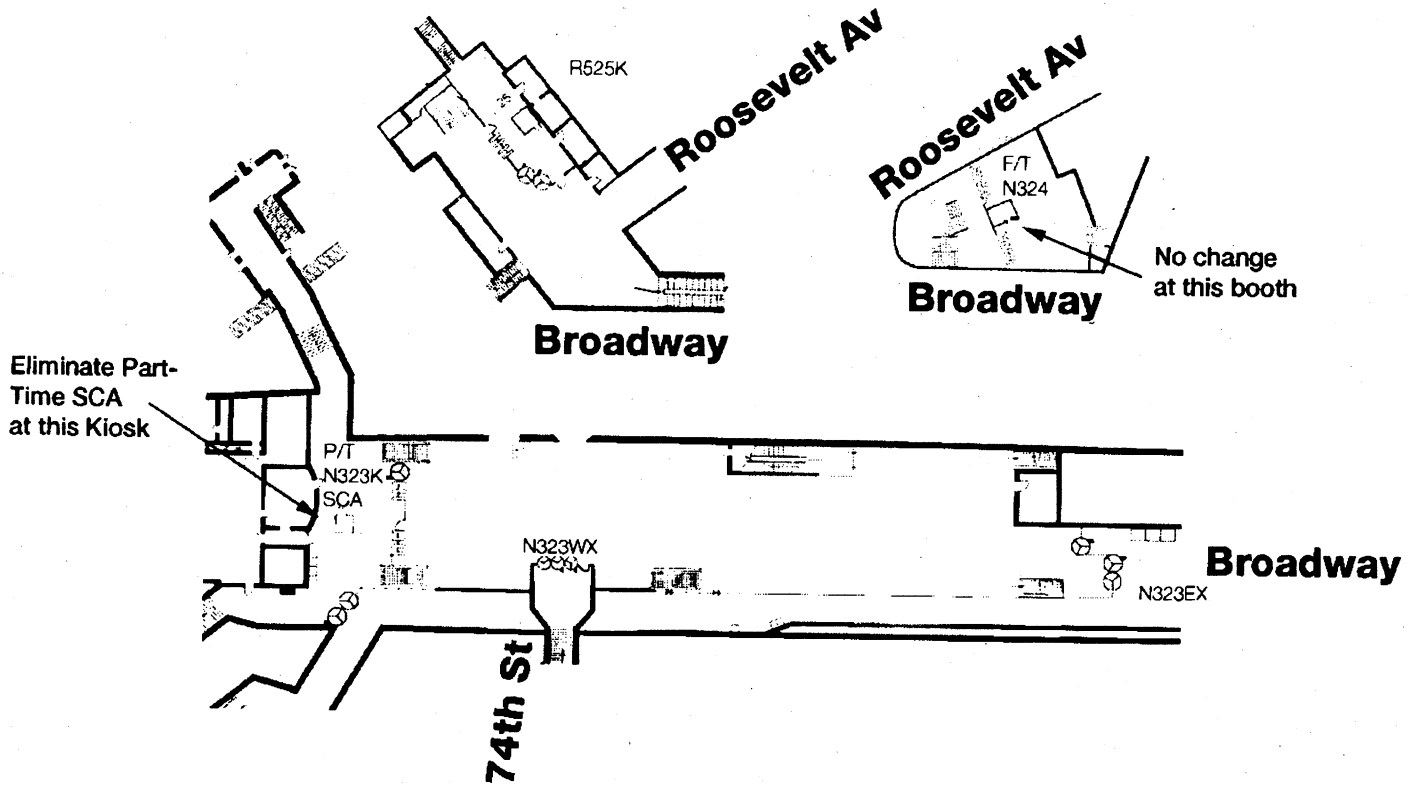
Jamaica Center - Parsons/Archer E J Z

Roosevelt Av - Jackson Heights E F V G R/74 St - Broadway 7

New York City Transit

(Effective June 27, 2010: E F M R)

Borough: Queens



Operation(s) as of May 1, 2010:

N324: Full-time booth agent

N323K: Part-time SCA, 6:00am to 9:20pm, M-F, 6:10am to 9:20pm, Sat., 12:10pm to 7:35pm, Sun/Hol. Automated access via HEETs at all other times.

N323WX: Full-time automated access via HEETs

N323EX: Full-time automated access via HEETs

R525K: Full-time automated access.

Proposed Permanent Change(s):

Eliminate part-time SCA at **N323K**. Maintain automated access 24 hours, all days.

***Note:** SCA elimination(s) were implemented in mid-May 2010 and are now subject to a new public hearing.

P/T	Part-time agent booth		High Entrance/Exit Turnstile (HEET)
F/T	Full-time agent booth		High Exit Turnstile (HXT)
	Stairway		MetroCard Vending Machine (MVM)
SCA	Station Customer Assistant		Elevator
Kiosk	Booth that does not sell fare media		

Roosevelt Av - Jackson Heights E F V G R/74 St - Broadway 7

STAFF SUMMARY

Metropolitan Transportation Authority

Subject Revisions to Agency By-laws	**Date** July 28, 2010
Department Legal Department	
Department Head Name James Henly, General Counsel	
Department Head Signature	
Project Manager Name Catherine Blue	

Board Action

Order	To	Date	Approval	Info	Other
1	Corporate Governance	July 26, 2010			
2	Board	July 28, 2010			

Internal Approvals

Order	Approval	Order	Approval
1	Legal		
2	Chief of Staff		
3	Chief Compliance Officer		

PURPOSE:

To obtain MTA Board approval of revised by-laws of MTA affiliates and subsidiaries, as annexed.

DISCUSSION:

In December 2009, the Board approved revised MTA by-laws. The changes conformed the MTA by-laws to statutory governance changes in the Public Authorities Law adopted by the New York State legislature (Chapter 25 of the Laws of 2009), and updated the by-laws to reflect existing MTA practices and procedures.

The by-laws of the MTA affiliates and subsidiary agencies have now been similarly updated to reflect the statutory governance changes in the Public Authorities Law, as well as to make MTA and MTA affiliate and subsidiary agency by-laws consistent with one another and with existing practices and procedures. Thus, for example, the revised by-laws incorporate the statutory role of the Chairman and CEO, ex officio, as the Chairman and CEO of each of the affiliates and subsidiaries pursuant to the amendments to Public Authorities Law sections 1201(2), 552(1) and 1266(5). The proposed revisions also make such changes as replacing outdated affiliate or subsidiary by-law provisions (for example, archaic by-law language providing in one instance for regular board meetings on Fridays), providing for use of e-mail in addition to mail for notice of meetings, and standardizing by-law quorum definitions.

ALTERNATIVES:

Do not approve the revised bylaws. This alternative is not recommended because the affiliate and subsidiary by-laws require revision to conform with statutory governance changes enacted through 2009 amendments to the Public Authorities Law.

RECOMMENDATION:

It is recommended that the Board approve the attached MTA affiliate and subsidiary by-laws.

BY-LAWS
NEW YORK CITY TRANSIT AUTHORITY

ARTICLE 1. OFFICES

The principal office of the New York City Transit Authority (the "Authority") shall be located in the City of New York, County of Kings. The Authority may have such other offices as the board may designate or as the business of the Authority may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Authority shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Authority ("the board" or "the board of the Authority") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. A regular meeting of the board shall be held without other notice than these by-laws at 9:30 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the

member's postal address on record with the Authority and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Authority at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Authority then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the

meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Authority shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive

director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Authority. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Authority. As chief executive officer of the Authority, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Authority.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Authority. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Authority as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Authority and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Authority, see to it that the seal of the Authority is affixed to all documents the execution of which on behalf of the Authority under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Authority and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Authority shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Authority or of a subsidiary of the Authority against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Authority or of a subsidiary of the Authority, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Authority or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Authority employees or employees of a subsidiary of the Authority. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Authority or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Authority or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Authority or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Authority of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Authority as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Authority may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section,

such request shall be submitted to the board for its determination. In the event that an officer or employee, other than the chairman, requests indemnification under this section, such request shall be determined by the chairman. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS
STATEN ISLAND RAPID TRANSIT OPERATING AUTHORITY

ARTICLE 1. OFFICES

The principal office of the Staten Island Rapid Transit Operating Authority (the "Authority") shall be located in the City of New York, County of Kings. The Authority may have such other offices as the board may designate or as the business of the Authority may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Authority shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Authority ("the board" or "the board of the Authority") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. A regular meeting of the board shall be held without other notice than these by-laws at 9:30 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the

member's postal address on record with the Authority and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Authority at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Authority then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the

meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Authority shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive

director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Authority. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Authority. As chief executive officer of the Authority, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Authority.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Authority. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Authority as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Authority and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Authority, see to it that the seal of the Authority is affixed to all documents the execution of which on behalf of the Authority under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Authority and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Authority shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Authority or of a subsidiary of the Authority against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Authority or of a subsidiary of the Authority, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Authority or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Authority employees or employees of a subsidiary of the Authority. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Authority or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Authority or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Authority or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Authority of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Authority as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Authority may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section,

such request shall be submitted to the board for its determination. In the event that an officer or employee, other than the chairman, requests indemnification under this section, such request shall be determined by the chairman. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS
LONG ISLAND RAIL ROAD COMPANY

ARTICLE 1. OFFICES

The principal office of the Long Island Rail Road Company (the "Rail Road") shall be located at Jamaica Station, 93-02 Sutphin Boulevard, Borough and County of Queens, City of New York. The Rail Road may have such other offices as the board may designate or as the business of the Rail Road may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Rail Road shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Rail Road ("the board" or "the board of the Rail Road") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. A regular meeting of the board shall be held without other notice than these by-laws at 9:30 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place

of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Rail Road and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Rail Road at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Rail Road then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Rail Road. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Rail Road, the Rail Road shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to

have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Rail Road shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate

functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Rail Road and as the chief executive officer of the Rail Road. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Rail Road. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Rail Road. As chief executive officer of the Rail Road, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Rail Road.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Rail Road. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Rail Road as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Rail Road and shall have such

additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Rail Road, see to it that the seal of the Rail Road is affixed to all documents the execution of which on behalf of the Rail Road under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Rail Road, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Rail Road and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Rail Road shall be signed by such officer or officers, agent or agents of the Rail Road and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Rail Road not otherwise employed shall be deposited from time to time to the credit of the Rail Road in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Rail Road shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Rail Road and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Rail Road shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Rail Road or of a subsidiary of the Rail Road against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Rail Road or of a subsidiary of the Rail Road, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Rail Road or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Rail Road employees or employees of a subsidiary of the Rail Road. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Rail Road or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Rail Road or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Rail Road or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Rail Road of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Rail Road as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in the making of such defense; and (d) an agreement that the Rail Road may enter into a settlement on behalf of the member, officer or employee. If the Rail Road or its designee determines that the defense shall not be provided by counsel for the Rail Road because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Rail Road shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Rail Road's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law

relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section, such request shall be submitted to the board for its determination. In the event that an officer or employee, other than the chairman, requests indemnification under this section, such request shall be determined by the chairman. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS
METRO-NORTH COMMUTER RAILROAD

ARTICLE 1. OFFICES

The principal office of the Metro-North Commuter Railroad (the "Railroad") shall be located in the City of New York, County of New York. The Railroad may have such other offices as the board may designate or as the business of the Railroad may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Railroad shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Railroad ("the board" or "the board of the Railroad") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. A regular meeting of the board shall be held without other notice than these by-laws at 9:30 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the

member's postal address on record with the Railroad and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Railroad at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Railroad then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Railroad. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Railroad, the Railroad shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the

meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Railroad shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive

director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Railroad and as the chief executive officer of the Railroad. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Railroad. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Railroad. As chief executive officer of the Railroad, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Railroad.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Railroad. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Railroad as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Railroad and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Railroad, see to it that the seal of the Railroad is affixed to all documents the execution of which on behalf of the Railroad under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Railroad, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Railroad and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Railroad shall be signed by such officer or officers, agent or agents of the Railroad and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Railroad not otherwise employed shall be deposited from time to time to the credit of the Railroad in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Railroad shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Railroad and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Railroad shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Railroad or of a subsidiary of the Railroad against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Railroad or of a subsidiary of the Railroad, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Railroad or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Railroad employees or employees of a subsidiary of the Railroad. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Railroad or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Railroad or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Railroad or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Railroad of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Railroad as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Railroad may enter into a settlement on behalf of the member, officer or employee. If the Railroad or its designee determines that the defense shall not be provided by counsel for the Railroad because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Railroad shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Railroad's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section, such request shall be submitted to the board for its determination. In the event

that an officer or employee, other than the chairman, requests indemnification under this section, such request shall be determined by the chairman. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

ARTICLE 1. OFFICES

The principal office of the Triborough Bridge and Tunnel Authority (the "Authority") shall be located in the City of New York, County of New York. The Authority may have such other offices as the board may designate or as the business of the Authority may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Authority shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Authority ("the board" or "the board of the Authority") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. A regular meeting of the board shall be held without other notice than these by-laws at 9:30 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the

member's postal address on record with the Authority and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Authority at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Authority then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the

meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Authority shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive

director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Authority. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Authority. As chief executive officer of the Authority, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Authority.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Authority. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Authority as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Authority and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Authority, see to it that the seal of the Authority is affixed to all documents the execution of which on behalf of the Authority under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Authority and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Authority shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Authority or of a subsidiary of the Authority against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Authority or of a subsidiary of the Authority, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Authority or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Authority employees or employees of a subsidiary of the Authority. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Authority or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Authority or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Authority or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Authority of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Authority as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Authority may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section,

such request shall be submitted to the board for its determination. In the event that an officer or employee, other than the chairman, requests indemnification under this section, such request shall be determined by the chairman. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS
METROPOLITAN SUBURBAN BUS AUTHORITY

ARTICLE 1. OFFICES

The principal office of the Metropolitan Suburban Bus Authority (the "Authority") shall be located in the City of New York, County of New York. The Authority may have such other offices as the board may designate or as the business of the Authority may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Authority shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Authority ("the board" or "the board of the Authority") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. A regular meeting of the board shall be held without other notice than these by-laws at 9:30 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the

member's postal address on record with the Authority and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Authority at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Authority then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the

meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Authority shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive

director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Authority. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Authority. As chief executive officer of the Authority, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Authority.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Authority. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Authority as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Authority and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Authority, see to it that the seal of the Authority is affixed to all documents the execution of which on behalf of the Authority under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Authority and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Authority shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Authority or of a subsidiary of the Authority against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Authority or of a subsidiary of the Authority, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Authority or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Authority employees or employees of a subsidiary of the Authority. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Authority or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Authority or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Authority or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Authority of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Authority as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Authority may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section,

such request shall be submitted to the board for its determination. In the event that an officer or employee, other than the chairman, requests indemnification under this section, such request shall be determined by the chairman. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS
MTA BUS COMPANY

ARTICLE 1. OFFICES

The principal office of the MTA Bus Company (the "Company") shall be located in the City of New York, County of New York. The Company may have such other offices as the board may designate or as the business of the Company may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Company shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Company ("the board" or "the board of the Company") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. A regular meeting of the board shall be held without other notice than these by-laws at 9:30 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the

member's postal address on record with the Company and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Company at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Company then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Company. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Company, the Company shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the

meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Company shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive

director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Company and as the chief executive officer of the Company. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Company. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Company. As chief executive officer of the Company, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Company.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Company. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Company as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Company and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Company, see to it that the seal of the Company is affixed to all documents the execution of which on behalf of the Company under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Company and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company shall be signed by such officer or officers, agent or agents of the Company and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Company not otherwise employed shall be deposited from time to time to the credit of the Company in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Company shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Company and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Company shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Company or of a subsidiary of the Company against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Company or of a subsidiary of the Company, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Company or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Company employees or employees of a subsidiary of the Company. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Company or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Company or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Company or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Company of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Company as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Company may enter into a settlement on behalf of the member, officer or employee. If the Company or its designee determines that the defense shall not be provided by counsel for the Company because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Company shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Company's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section,

such request shall be submitted to the board for its determination. In the event that an officer or employee, other than the chairman, requests indemnification under this section, such request shall be determined by the chairman. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS
MTA CAPITAL CONSTRUCTION COMPANY

ARTICLE 1. OFFICES

The principal office of the MTA Capital Construction Company (the "Company") shall be located in the City of New York, County of New York. The Company may have such other offices as the board may designate or as the business of the Company may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Company shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Company ("the board" or "the board of the Company") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. A regular meeting of the board shall be held without other notice than these by-laws at 9:30 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the

member's postal address on record with the Company and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Company at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Company then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Company. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Company, the Company shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the

meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Company shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive

director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Company and as the chief executive officer of the Company. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Company. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Company. As chief executive officer of the Company, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Company.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Company. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Company as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Company and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Company, see to it that the seal of the Company is affixed to all documents the execution of which on behalf of the Company under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Company and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company shall be signed by such officer or officers, agent or agents of the Company and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Company not otherwise employed shall be deposited from time to time to the credit of the Company in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Company shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Company and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Company shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Company or of a subsidiary of the Company against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Company or of a subsidiary of the Company, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Company or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Company employees or employees of a subsidiary of the Company. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Company or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Company or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Company or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Company of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Company as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Company may enter into a settlement on behalf of the member, officer or employee. If the Company or its designee determines that the defense shall not be provided by counsel for the Company because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Company shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Company's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section,

such request shall be submitted to the board for its determination. In the event that an officer or employee, other than the chairman, requests indemnification under this section, such request shall be determined by the chairman. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS
FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY

ARTICLE 1. OFFICES

The principal office of the First Mutual Transportation Assurance Company (the "Company") shall be located in the City of New York, County of New York. The Company may have such other offices as the board may designate or as the business of the Company may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Company shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Company ("the board" or "the board of the Company") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. A regular meeting of the board shall be held without other notice than these by-laws at 9:30 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings. At least one meeting of the board in each year shall be held in New York State.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place

of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Company and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Company at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Company then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Company. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Company, the Company shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to

have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Company shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate

functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Company and as the chief executive officer of the Company. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Company. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Company. As chief executive officer of the Company, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Company.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Company. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Company as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Company and shall have such

additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Company, see to it that the seal of the Company is affixed to all documents the execution of which on behalf of the Company under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Company and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company shall be signed by such officer or officers, agent or agents of the Company and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Company not otherwise employed shall be deposited from time to time to the credit of the Company in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Company shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Company and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Company shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Company or of a subsidiary of the Company against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Company or of a subsidiary of the Company, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Company or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Company employees or employees of a subsidiary of the Company. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Company or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Company or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Company or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Company of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Company as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Company may enter into a settlement on behalf of the member, officer or employee. If the Company or its designee determines that the defense shall not be provided by counsel for the Company because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Company shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Company's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law

relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section, such request shall be submitted to the board for its determination. In the event that an officer or employee, other than the chairman, requests indemnification under this section, such request shall be determined by the chairman. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

Staff Summary

Metropolitan Transportation Authority

Subject Travel Policy	**Date** July 16, 2010
Department Corporate Compliance	**Vendor Name**
Department Head Name Lamond W. Kearse	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name Lamond W. Kearse	**Table of Contents Ref #**

Board Action

Order	To	Date	Approval	Info	Other
1	Governance	7/26/10	X		
2	Board	7/28/10	X		

Internal Approvals

Order	Approval	Order	Approval
2	Legal		
1	Chief Compliance Officer		
3	Chief of Staff		

Purpose:

To obtain Board authorization of revisions to the Travel Policy

Discussion:

Pursuant to Public Authority Law Section 2824, Board members of state authorities are to establish written policies and procedures on personnel including policies regarding travel. The Board approved an All-Agency Travel Policy in 2006. Minor revisions to that policy are contained in the updated policy annexed, reflecting changes in the mileage allowance, the State Department website address for calculating per diem rates for foreign travel and other technical revisions.

Recommendation:

It is recommended that the Board adopt the annexed policy with respect to travel.

I. PURPOSE

The purpose of this All-Agency policy instruction is to establish a standardized policy for employees of MTA Headquarters and its Constituent Agencies (collectively, to be referred to as the "Authority") when incurring, recording, approving and claiming reimbursement for eligible travel and business expenses.

II. SCOPE

This policy directive applies to all employees of the MTA including MTA Headquarters, MTA Business Service Center, MTA Long Island Rail Road, MTA Capital Construction, MTA Bridges and Tunnels, MTA Bus Company, MTA Long Island Bus, MTA Metro-North Railroad, MTA New York City Transit, and all future subsidiary/affiliated entities of the MTA.

III. DEFINITIONS

1. Constituent Agencies: For the purposes of this policy, the group of agencies referred to as "Constituent Agencies" include: MTA Long Island Rail Road; MTA Metro-North Commuter Railroad; MTA New York City Transit; MTA Staten Island Railway; MTA Bridges and Tunnels; MTA Capital Construction; MTA Long Island Bus, MTA Bus Company and all future subsidiary/affiliated entities of the MTA.

2. Official Station: A location within 35 miles of the office where an employee is regularly assigned is her/her "Official Station."

3. Travel Status: An employee who travels outside his/her Official Station for at least three consecutive hours on Authority business on a regular workday, authorized holiday or weekend is in "Travel Status." Employees of the Long Island Rail Road, Metro-North Commuter Railroad and Long Island Bus must see "SPECIAL NOTE", below, for proper determination of travel status designation.

4. Out-of-Area Travel: Travel outside the New York Metropolitan area or an employee's Official Station; and beyond the boundaries of the States of New York, New Jersey and Connecticut is considered "Out-of-Area Travel."

5. Local Travel: Travel inside the New York Metropolitan area is considered "Local Travel."

6. Foreign Travel: Travel outside the Continental United States is considered "Foreign Travel."

7. Business Meal: A meal (breakfast, lunch, dinner, or other) whereby the attendees' principal function is to conduct Authority business.

8. Per Diem Allowance: A payment made to reimburse, without receipts, the personal meal expenses of an Authority employee, payable under certain conditions on days when the employee is in travel status is a "Per Diem Allowance." See Section VI, Attachment A, for per diem rates in force at the time of publication of this policy.

9. Agency Head: An "Agency Head" is defined as including the Chairman/Chief Executive Officer and the President of each Constituent Agency.

10. Authorized Signer: An individual who has been granted the authority to approve employee expense documents.

SPECIAL NOTE:
Long Island Rail Road employees must travel outside of their Official Station and outside of the Borough of Queens and the Counties of Nassau and Suffolk to be considered in any type of travel status.

Metro-North Commuter Railroad employees must travel at least 35 miles beyond Metro-North territory to qualify for any type of travel status designation.

Long Island Bus employees must be outside of their official Station and outside the limits of New York City or Long Island to qualify for travel status designation.

IV. POLICY

A. GENERAL

1. Policy Authority: This policy takes precedence over all other policies of any MTA Constituent Agency regarding reimbursement of employee travel and business expenses.

2. Categories of Expenditures: This policy instruction covers the general categories of expenditures related to business travel and meal expenses, such as, transportation, lodging, per diem meals, business meals, and other miscellaneous expenses.

3. Actual and Necessary Expenses: Reimbursement for travel and business expenses will be made only for actual and necessary expenses incurred in the performance of official duties and upon submission of properly documented and approved employee expense reports as outlined in this policy instruction.

4. Travel Arrangements through Travel Agent: Employees must make all arrangements for lodging and transportation (excluding local travel) through the Authority's official Travel Agent. Travel arrangements secured by any other means must be fully explained and justified in writing by the employee and approved according to the Agency-specific procedures covered in Section VII.

5. Emergency Situations: During an emergency situation or under extraordinary circumstances, expenses which normally would be unallowed, may be considered for reimbursement. The employee must provide a complete explanation of the emergency and the need for the expense, and obtain approval from the respective Agency Head or his/her designee. This documentation must be submitted along with the employee's expense report.

B. AUTHORIZATION

1. General: All employee travel and business expense reports must be approved by the employee's Supervisor or, if the Supervisor is not authorized to approve such expenses, by the next highest individual in the employee's chain of command designated as the Authorized Signer to approve expense documents.

2. Expense Reports of Agency Heads: Travel and business expense reports of Agency Heads must be approved by the MTA Chairman/CEO or his/her designee.

3. Reports Covering More than One Employee: Travel and business expense reports covering more than one employee must be submitted by the highest-ranking employee and approved according to this policy.

4. Expenditures Requiring Prior Approval: All business travel must be approved in advance. Requests for travel must be made by an employee by completing an Agency-designated travel request form. In addition, prior approval is required for cash advance requests; expenses to be directly billed to the Authority; interview and relocation expenses; and other special circumstances as described in this policy instruction. See the respective section of this policy to determine the approval requirements.

C. METHODS OF PAYMENT

1. Payment by Employees: Employees are expected to pay for their business and travel expenses at the time they are incurred. Payment in advance is permitted if necessary to secure reservations and/or advantageous rates.

2. Direct Billing: Direct billing to the Authority is permitted when advantageous to the Authority. Arrangements for direct billing are subject to prior approval. See Section VII, Agency-specific procedures for the required approvals.

3. Cash Advances: An Employee may request a cash advance to cover anticipated business and travel expenditures eligible for reimbursement under this policy instruction. No cash advances will be granted for interview and relocation expenses. Requests for cash advances must be made using an Agency-designated form and must be approved according to the Agency-specific procedures. Cash advances needed for out-of-area travel must be approved by the Agency Head, or designee.

   Cash advances will be made by check. Refunds of unused portions of cash advances from employees will be accepted only by personal check, money order, or bank check. Cash will not be accepted.

   If the trip is canceled or postponed, appropriate documentation must be filed and the cash advance must be returned within five business days of notification of the cancellation or postponement.

4. Credit Cards: Employees who have been authorized to purchase goods and services for business and travel purposes with an Authority credit card must account for these purchases by filing expense reports. Expense reports must be filed even in those instances when no additional business expenses are incurred. Authority credit cards are not to be used for personal items.

D. DOCUMENTATION

1. Use of Travel Request Form: Plans for travel must be documented and requested, in specific detail, by the employee on an Agency-designated travel request form.

2. Use of Expense Report Form: Travel and business expenses must be reported on an Agency-designated employee expense report form.

3. Actual Expenditures: Unless specifically excepted herein, all reimbursements for employee expenses must be based on actual expenditures and must be supported by receipts or other acceptable documentation.

4. Acceptable Documentation: Acceptable documentation may include ticket stubs; paid receipts; invoices indicating dates and amounts of payment; original cardholder's copies of validated credit card charge vouchers; or copies of the employee's canceled checks. With the exception of canceled checks, original documents, not copies, must be submitted.

5. Statement of Purpose: A specific statement of the business purpose must be included on the employee's expense report. General statements such as "on official business," "by direction of supervisor," or "in connection with duties as director of division" will not suffice.

6. Conventions and Conferences: Travel vouchers for expenses incurred when attending conventions and conferences must be supported by program literature setting forth the opening and closing dates of the convention.

7. Documentation of Authorization: Copies of any documents approved by an appropriate Agency official authorizing the travel must be attached to the employee's expense report.

8. Cash Advances: Cash advances must be requested using an Agency-designated cash advance request form. The approved form must be attached to the expense report along with related schedules and other documentation.

9. Separate Reports: Separate reports should be filed for each business trip. Requests for reimbursement for different types of expenses (local business meals; business travel and out-of-town business meals; interview and relocation expenses) should be submitted on separate employee expense report forms.

10. Timeliness of Report Submission: Employee expense reports must be submitted in accordance with the time frames established by the respective Agency Head or his/her designee. See Section VII, Agency-specific Procedures, for timing requirements regarding the filing of expense reports.

E. TRAVEL (GENERAL POLICY)

1. Official Business: Reimbursement for travel and business expenses of employees will be made only for actual and necessary expenses in the performance of official duties upon proper documentation.

2. Out-of-Area Travel: Employees who are planning out-of-area travel for business must obtain prior written approval of their respective Agency Head or his/her designee. Employees who usually travel to Washington, D.C., or other out-of-area locations, should request blanket approval from their Agency Head or his/her designee.

3. Travel: All Authority business travelers must make arrangements for all lodging and transportation needs (excluding local travel) through the Authority's official Travel Agent. Travel must be by the most cost effective route reasonably possible, and must be by either coach, economy, or equivalent discount fare unless the trip is of an emergency nature and coach, economy or equivalent discount fares are not available. Any travel by other than coach, economy, or equivalent fare must be approved in writing in advance by the Agency Head or his/her designee. Unless so approved, an employee shall assume any extra expense incurred.

4. It is important that travelers make airline reservations as much in advance as possible to secure the lowest possible fare.

F. BUSINESS MEALS

1. Business Purpose: Business meal expenses are reimbursable only when the principal purpose of the meeting or meal is to transact Authority business. A statement of the business purpose must be set forth on the expense report.

2. Attendance: A list of attendees present at the business meal must be included with the expense report.

The cost of food at a business meeting attended only by Authority employees must be approved by an Agency Head or his/her direct reports to be eligible for reimbursement. If a business meal involves consultants and/or contractors hired by the Authority, prior approval is required to be eligible for reimbursement.

3. Responsibility to Report Meals: Business meal expenses must be reported by the highest-ranking employee in attendance.

4. Documentation. Original receipts must be attached to the travel and business expense report.

5. Maximum Allowance: Business meal expenses are reimbursed at actual but reasonable cost.

G. PER DIEM MEAL ALLOWANCE (DOMESTIC TRAVEL)

1. Eligibility: Employees in travel status are eligible for a per diem allowance (or a portion thereof) to cover certain meals, subject to the following limits on time of departure and return:

When departing from home or office at the beginning of a trip before the following hours:

Breakfast	6:00 a.m.
Dinner	6:00 p.m.

When returning to home or office at the conclusion of a trip after the following hours:

Breakfast	8:00 a.m.
Dinner	8:00 p.m.

Foreign travelers should see Foreign Travel Expense section for per diem allowance discussion.

2. Ineligibility within Employee's Official Station: No per diem meal allowance shall be allowed while an employee is within his or her official station or place of residence, regardless of the departure or arrival times of a particular trip.

3. Ineligibility of Meal Reported as Business Meal: An employee who has been included in an employee expense report requesting reimbursement for a business meal is not eligible for a per diem allowance for the same meal.

4. Documentation: The per diem allowance is payable upon approval of an employee expense report. No receipts are required. The per diem allowance pertains only to an employee's personal meal expenses; business meals involving non-MTA Headquarters or Constituent Agency personnel are discussed in Section IV-F.

5. Maximum Allowance: The maximum allowable per diem meal allowances for domestic travel may be adjusted from time to time by the MTA Comptroller. See Section VI, Attachment A, for rates in force at the time of publication of this policy instruction.

H. TRANSPORTATION

1. Intercity Travel: (Plane, Train, or Bus)

   a. Travel must be arranged through the authorized MTA Travel Agency. Travel generally shall be by either coach, economy, or equivalent discount fare. All other travel at rates other than coach, economy, or equivalent rates must be approved in advance by the Agency Head or his/her designee to secure reimbursement.

   b. The employee must attach the passenger's portion of used tickets and must return any unused tickets.

2. Local Travel: (Mass Transit, Taxicabs, etc.)

   a. The use of established mass transit lines is encouraged.

   b. If it is necessary to use taxicabs, receipts must be submitted for expenses of $10 or more (including tips).

   c. If receipts are not available for individual taxicab rides or mass transit fares of $10 or more, the employee must explain the circumstances when submitting his/her expense report.

3. Automobiles

   a. Official Cars. If travel by an automobile is required, employees are encouraged to use official vehicles. The MTA All-Agency Policy, 41-002, regarding use of official automobiles must be followed.

   b. Personal Cars. Employees will be reimbursed for the use of personal cars at the mileage rate established at intervals by the Authority. This mileage rate, as calculated, includes costs for depreciation, gasoline, oil, maintenance and repairs, and insurance. See Section VI, Attachment B, for the mileage rate in force at the time of publication of this policy instruction.

   c. Tolls and Parking Fees. Tolls and parking fees are reimbursable at actual cost. Receipts must be submitted for expenses of $10 or more. Reimbursement for long-term parking fees requires pre-approval.

4. Rental Cars

   a. Justification: Car rental expenses will not be reimbursed unless cost savings based on alternative modes of transportation and/or business necessity can be substantiated. Compact cars should be chosen unless a larger car is justified.

b. Arrangements: If an employee has been approved to use a rental car while on a business trip, arrangements to rent a car must be made through the Authority's official Travel Agent.

c. Documentation: The signed car rental agreement, other appropriate receipts and the justification must be submitted with documentation.

d. Drop-Off Charges: Drop-off charges for one-way rentals should be avoided, if possible, by obtaining a vehicle assigned to the destination city. Advance reservations and/or early inquiry will assist in obtaining such vehicles.

e. Insurance: When renting a car in a domestic location, collision insurance and third-party liability insurance coverage available through the car rental company should not be selected and will not be reimbursed. Employees are covered for any accidents that occur through:

MTA Self Insurance
Risk Management
347 Madison Avenue
New York, New York 10017

This address should be given to the rental car agency if it is requested.

When renting a car in a foreign location, employees are advised to purchase collision insurance and third-party insurance coverage if available through the rental company. These insurance costs are reimbursable to the employee.

f. Weekly of Discount Rates: If the use is sufficiently long to justify a weekly or other discount rate, efforts should be made to secure such a rate.

I. LODGING

1. Official Business: Hotel and motel room expenses shall be reimbursed when incurred in the conduct of official business.

2. Arrangements: Reservations for hotel/motel stays must be made through the Authority's official Travel Agent.

3. Government Rates: State or Government discount rates shall be secured whenever possible.

4. Weekly or Monthly Rates: If the stay is sufficiently long to justify a weekly or monthly rate, efforts should be made to secure such rates.

5. Documentation: Original hotel bills and receipts for hotel and motel room expenses must be attached to the travel and business expense report.

6. Tax-Exemption: Lodging accommodations on official business are exempt from payment of occupancy tax in New York State. In addition, Metro-North Commuter Railroad employees are exempt from paying occupancy tax in the State of Connecticut. Employees will not normally be reimbursed for any ineligible taxes included in their bills for lodging. Employees can obtain tax exemption forms to supply to vendors from their respective Agency Comptroller's Office (Accounts Payable Manager).

7. Advance Payment: Requests for a check from MTA Headquarters or a Constituent Agency to make an advance payment for hotel accommodations or registration fees must be made by submitting the applicable agency form to the Agency Comptroller and approved in advance.

8. Ineligible Costs: When the cost of lodging has been included in the cost of a program reimbursable under this policy, no reimbursement will be made for lodging substituted at additional cost.

9. Maximum Allowance: Lodging costs are reimbursed at actual but reasonable cost.

J. EXTENDED OR WEEKEND STAYS; TRAVELING WITH SPOUSE OR OTHERS

1. Extended or Weekend Stays; Any extension of business travel to include weekends or any days prior or following the minimum time necessary to accomplish Authority business is subject to prior written approval. Such approval must be attached to the related employee expense reports. If such an extension will result in increased costs for the Authority, prior approval must be requested from the respective Agency Head or his/her designee. Reimbursement for meals and lodging for authorized extended or weekend stays would apply.

2. Extensions Resulting in Cost Savings: If the extension of business travel beyond the normal length of time necessary will result in overall savings to the Authority when all costs are considered, an analysis of the cost savings using the lowest rates available must be included in the request for approval of the extension. Expenses incurred during the extended portion of trip will be reimbursed only when savings to the Authority can be substantiated.

3. Traveling with Spouse or Others: Expenses incurred on behalf of a spouse or other person who is not involved in the conduct of Authority business, or expenses incurred while on vacation or personal leave, will not be reimbursed. Such expenses should be deducted from the related expense reports.

K. TELEPHONE AND SIMILAR SERVICES

1. Business Calls and Similar: Employees will be reimbursed for all business calls, telegrams, express mail, facsimile transmissions, or similar expenditures required in the performance of their official duties. Receipts for these expenses must be included as supporting documentation with the employee's expense report.

2. Personal Calls: Reimbursement for personal telephone calls is limited to two per day while in travel status. The calls must be reasonable in length in order to obtain full reimbursement.

L. FOREIGN TRAVEL BUSINESS

1. Foreign travelers can use a per diem rate for reimbursement of meals and incidental travel costs such as laundry and dry cleaning. The Authority uses the foreign travel per diem rates of the U.S. State Department. The rates are available from the MTA Comptroller's Department or from the following Internet website: http://aoprals.state.gov/web920/perdiem.asp Reimbursement for partial day travel should follow the same allocation method as defined for the domestic per diem allowance.

2. Other allowable expenses related specifically to foreign travel include the cost of passports and visas, the cost of immunizations and inoculations (if required or recommended), the cost of car rental insurance coverage, travelers' check fees, currency exchange fees, travel fees and taxes, and airport fees and taxes.

3. It is important that all currency exchange transactions are supported by documentation which reflects the exchange rates used for the transactions. Acceptable documentation will include the exchange rate per the credit card statement or, if not available, the Wall Street Journal rate on the last day of the trip.

4. Lodging costs are reimbursed at actual but reasonable cost.

M. OTHER REIMBURSABLE EXPENSES

Expenses not specifically listed in the preceding paragraphs shall be reimbursable when incurred for business purposes as follows:

1. Laundry and Dry Cleaning: On domestic trips lasting more than three days, employees will be reimbursed for the actual cost of such services when incurred and paid for after the third day in travel status. Foreign travelers are reimbursed for laundry and dry cleaning costs through the per diem allowance which includes a portion of the rate for incidental cost items.

2. Baggage Checking and Tips: Baggage checking, tips, and normal gratuities are reimbursable. Tips related to another expense such as meals, taxi fare, etc. should be reported in the total cost of the related expenses.

3. Other Miscellaneous Expenses: Reimbursement for any other category of expenditures is subject to the interpretation of the Agency Comptroller.

N. INTERVIEW & RELOCATION EXPENSES

Employees and job candidates eligible for the reimbursement of certain travel, lodging, meal, or other expenses pursuant to the All-Agency Interview and Relocation Policy (11-001) should refer to that policy instruction for further details. Nothing in the Travel and Business Expense Policy shall be interpreted as in any way superseding or mitigating the requirements of the Interview and Relocation Policy.

O. UNALLOWABLE EXPENSES

The following categories of expenditures are eligible for reimbursement only on an exceptional basis, or under the special circumstances outlined in this policy instruction.

1. Direct Billing: No employee may incur business expenses to be billed directly to the Authority, except for the authorized use of Authority credit cards for air travel or gasoline, or as otherwise authorized in advance.

2. Expenses Incurred on Behalf of Spouse or Others: The costs of travel, lodging, meals, or other expenses for a spouse, dependent, or other person who is not performing official Authority business and who accompanies an employee on a business trip are not reimbursable.

3. Personal, Recreational or Entertainment Expenses: Costs incurred for personal, recreational or entertainment purposes, or while on vacation or personal leave, even when such leave has been approved as an extension of approved business travel, are not reimbursable.

4. Commuting Costs: Transportation costs incurred for commuting between the employee's residence and official work station are not reimbursable.

5. Expenses Eligible for Third-Party Recovery: Business expenses which are legitimately recoverable from a third-party are not reimbursable. Such expenses and recovery must be explained on the employee's expense report.

6. Personal Losses: Reimbursement is not allowed for losses of personal property or the loss of funds or tickets.

7. Substituted Lodging: Costs for this item included in a seminar or other package is not allowed.

8. Clothing, Valet Service, and Similar: Reimbursement for clothing, toiletries, barbering, or similar personal goods or services is not allowed. Laundry and dry cleaning or valet services are reimbursed at actual cost for domestic trips only after an employee has been in travel status for at least three consecutive days, as explained in Section IV-M.1., and as part of the per diem allowance for foreign trips.

9. Alcoholic Beverages: The cost of alcoholic beverages, of any kind, are not reimbursable.

10. Personal Car Expenses: Repairs or maintenance costs of any kind are not reimbursable. Expenses for gasoline, motor oil and other automobile fluids are not reimbursable. These types of expenses are included when the standard mileage rate of reimbursement is calculated and determined.

11. Insurance, Fines and Fees: Reimbursement is not allowed for personal credit cards fees, fines for traffic/parking violations, third-party liability insurance on automobile rentals, or travel insurance.

P. RESPONSIBILITIES

1. Agency Comptrollers: Each Agency Comptroller is responsible for overall administration of this policy instruction for his/her respective agency, and for ensuring that all expenditures included in employee expense reports are in accordance with Authority policy.

2. MTA Comptroller: The MTA Comptroller is responsible for administration of this policy for MTA Headquarters, for providing policy interpretation to the Constituent Agencies, and for establishing effective reimbursement rates.

3. Agency Heads: Exceptions to this policy may be approved in writing by the respecting Agency Head or his/her designee based on the recommendation of the Agency Comptroller.

4. MTA Chairman and Chief Executive Officer: The MTA Chairman/CEO or his/her designee has the authority to grant exceptions to this policy without the recommendation or approval of another Agency Head in circumstances deemed by the MTA Chairman/CEO to warrant special consideration.

5. Authorized Signers: Authorized Signers are responsible for informing their staffs of this policy instruction; for controlling expenditures by careful examination of travel requests and expense reports; and for insuring that only reasonable expenses actually incurred and directly related to Authority business are reported.

6. All Employees: Employees are responsible, prior to incurring any expenses or submitting expense reports, for seeking appropriate authorization from their supervisors and/or clarification from their respective Agency Comptroller's Office of any exceptional circumstances or expenditures.

Q. OFFICIAL REVISIONS TO POLICY

Revisions to the per diem meal allowance and mileage allowances set forth in Attachments A and B to the policy may be adopted by written authorization of the MTA Chairman/Chief Executive Officer upon the recommendation of the MTA Comptroller, who will review and discuss such proposed revisions with the group of Agency Comptrollers prior to making any such recommendation.

V. ADDITIONAL REQUIREMENTS

MTA Headquarters and each of its Constituent Agencies shall issue Agency-specific procedures consistent with this policy instruction for the recording and claiming of reimbursement for eligible employees travel and business expenses.

Each Agency shall issue its own reporting forms and/or authorizing documents which will allow their employees to obtain pre-approval for all travel requests and cash advances, and for the recording and filing for reimbursement of travel and business expenses. Detailed instructions for completing and filing these forms/documents should also be provided.

VI. ATTACHMENTS

A. Expense Limits: Meals/Lodging

B. Expense Limits: Automobiles

ATTACHMENT A
EXPENSE LIMITS: MEALS AND LODGING

MEALS WHILE IN TRAVEL STATUS: PER DIEM ALLOWANCES

Domestic Travel.
A per diem meal allowance of $40.00 is allowed for an entire day while in travel status. For less than a full day while in travel status, the per diem allowance is allocated as follows:

Per Diem Meal	Amount	Beginning of Trip	Conclusion of Trip
Breakfast	$10.00	Prior to 6:00 AM	After 8:00 AM
Dinner	$30.00	Prior to 6:00 PM	After 8:00 PM

It is the policy of the Authority that lunch expenses while in travel status shall remain the obligation of the employee. An employee who has been included in a business meal for which reimbursement is sought under the employee expense policy is not eligible for a per diem allowance for the same meal.

Foreign Travel.
A per diem allowance for a specific foreign destination, as set by the U.S. State Department, is allowed for meals and incidentals. Rates are available from the MTA Comptroller's Department or from the website: http://aoprals.state.gov/web920/per_diem.asp

Receipts for per diem allowances are not required.

BUSINESS MEALS
Actual, but reasonable.
(The cost of alcoholic beverages is not subject to reimbursement.)

LODGING (Hotels and Motels)
Actual, but reasonable.

OTHER
Valet Charges (laundry, dry cleaning).

Domestic Travel	Actual, after third day in travel status.
Foreign Travel	Included in foreign per diem allowance.

Issued by: MTA Board

ATTACHMENT B

EXPENSE LIMITS: AUTOMOBILE

MILEAGE ALLOWANCE

50¢ per mile

(This rate, as calculated, includes costs for depreciation, gasoline, oil, maintenance and repairs, and insurance.)

PARKING TOLLS

Parking and tolls are reimbursable at actual cost.

VII. AGENCY-SPECIFIC PROCEDURES, FORMS AND ATTACHMENTS

A. TRAVEL AND BUSINESS EXPENSE PROCEDURES
B. TRAVEL REQUEST FORM/INSTRUCTIONS
C. CASH ADVANCE REQUEST FORM/INSTRUCTIONS
D. EXPENSE REPORT FORM/INSTRUCTIONS

I. PURPOSE

The purpose of this All-Agency policy instruction is to establish a standardized policy for employees of MTA Headquarters and its Constituent Agencies (collectively, to be referred to as the "Authority") when incurring, recording, approving and claiming reimbursement for eligible travel and business expenses.

II. SCOPE

This policy ~~instruction applies to all departments and divisions of MTA Headquarters and its Constituent Agencies~~directive applies to all employees of the MTA including MTA Headquarters, MTA Business Service Center, MTA Long Island Rail Road, MTA Capital Construction, MTA Bridges and Tunnels, MTA Bus Company, MTA Long Island Bus, MTA Metro-North Railroad, MTA New York City Transit, and all future subsidiary/affiliated entities of the MTA.

III. DEFINITIONS

1. Constituent Agencies~~.~~: For the purposes of this policy, the group of agencies referred to as "Constituent Agencies" include: MTA Long Island Rail Road; MTA Metro-North Commuter Railroad; MTA New York City Transit; MTA Staten Island Railway; MTA Bridges and Tunnels; ~~and~~MTA Capital Construction; MTA Long Island Bus, MTA Bus Company and all future subsidiary/affiliated entities of the MTA.

2. Official Station~~.~~: A location within 35 miles of the office where an employee is regularly assigned is her/her "Official Station."

3. Travel Status~~.~~: An employee who travels outside his/her Official Station for at least three consecutive hours on Authority business on a regular workday, authorized holiday or weekend is in "Travel Status." Employees of the Long Island Rail Road, Metro-North Commuter Railroad and Long Island Bus must see "SPECIAL NOTE", below, for proper determination of travel status designation.

4. Out-of-Area Travel~~.~~: Travel outside the New York Metropolitan area or an employee's Official Station; and beyond the boundaries of the States of New York, New Jersey and Connecticut is considered "Out-of-Area Travel."

5. Local Travel~~.~~: Travel inside the New York Metropolitan area is considered "Local Travel."

6. Foreign Travel~~.~~: Travel outside the Continental United States is considered "Foreign Travel."

7. Business Meal~~.~~: A meal (breakfast, lunch, dinner, or other) whereby the attendees' principal function is to conduct Authority business.

8. Per Diem Allowance~~.~~: A payment made to reimburse, without receipts, the personal meal expenses of an Authority employee, payable under certain conditions on days when the employee is in travel status is a "Per Diem Allowance." See Section VI, Attachment A, for per diem rates in force at the time of publication of this policy.

9. Agency Head~~.~~: An "Agency Head" is defined as including~~: the Executive Director, MTA; the President, MTA Long Island Road; the President, MTA Metro-North Commuter Railroad; the President, MTA New York City Transit; the General Manager, MTA Staten Island Railway; the President, MTA Bridges and Tunnels; and the President, MTA Long Island Bus~~ the Chairman/Chief Executive Officer and the President of each Constituent Agency.

10. Authorized Signer~~.~~: An individual who has been granted the authority to approve employee expense documents.

SPECIAL NOTE:
Long Island Rail Road employees must travel outside of their Official Station and outside of the Borough of Queens and the Counties of Nassau and Suffolk to be considered in any type of travel status.

Metro-North Commuter Railroad employees must travel at least 35 miles beyond Metro-North territory to qualify for any type of travel status designation.

Long Island Bus employees must be outside of their official Station and outside the limits of New York City or Long Island to qualify for travel status designation.

IV. POLICY

A. GENERAL

1. Policy Authority: This policy takes precedence over all other policies of any MTA Constituent Agency regarding reimbursement of employee travel and business expenses.

2. Categories of Expenditures: This policy instruction covers the general categories of expenditures related to business travel and meal expenses, such as, transportation, lodging, per diem meals, business meals, and other miscellaneous expenses.

3. Actual and Necessary Expenses: Reimbursement for travel and business expenses will be made only for actual and necessary expenses incurred in the performance of official duties and upon submission of properly documented and approved employee expense reports as outlined in this policy instruction.

4. Travel Arrangements through Travel Agent: Employees must make all arrangements for lodging and transportation (excluding local travel) through the Authority's official Travel Agent. Travel arrangements secured by any other means must be fully explained and justified in writing by the employee and approved according to the Agency-specific procedures covered in Section VII.

5. Emergency Situations: During an emergency situation or under extraordinary circumstances, expenses which normally would be unallowed, may be considered for reimbursement. The employee must provide a complete explanation of the emergency and the need for the expense, and obtain approval from the respective Agency Head or his/her designee. This documentation must be submitted along with the employee's expense report.

B. AUTHORIZATION

1. General: All employee travel and business expense reports must be approved by the employee's Supervisor or, if the Supervisor is not authorized to approve such expenses, by the next highest individual in the employee's chain of command designated as the Authorized Signer to approve expense documents.

2. Expense Reports of Agency Heads: Travel and business expense reports of Agency Heads must be approved by the MTA Chairman/CEO or his/her designee.

3. Reports Covering More than One Employee: Travel and business expense reports covering more than one employee must be submitted by the highest-ranking employee and approved according to this policy.

4. Expenditures Requiring Prior Approval: All business travel must be approved in advance. Requests for travel must be made by an employee by completing an Agency-designated travel request form. In addition, prior approval is required for cash advance requests; expenses to be directly billed to the Authority; interview and relocation expenses; and other special circumstances as described in this policy instruction. See the respective section of this policy to determine the approval requirements.

C. METHODS OF PAYMENT

1. Payment by Employees: Employees are expected to pay for their business and travel expenses at the time they are incurred. Payment in advance is permitted if necessary to secure reservations and/or advantageous rates.

2. Direct Billing: Direct billing to the Authority is permitted when advantageous to the Authority. Arrangements for direct billing are subject to prior approval. See Section VII, Agency-specific procedures for the required approvals.

3. Cash Advances~~.~~: An Employee may request a cash advance to cover anticipated business and travel expenditures eligible for reimbursement under this policy instruction. No cash advances will be granted for interview and relocation expenses. Requests for cash advances must be made using an Agency-designated form and must be approved according to the Agency-specific procedures. Cash advances needed for out-of-area travel must be approved by the Agency Head, or designee.

   Cash advances will be made by check. Refunds of unused portions of cash advances from employees will be accepted only by personal check, money order, or bank check. Cash will not be accepted.

   If the trip is canceled or postponed, appropriate documentation must be filed and the cash advance must be returned within five business days of notification of the cancellation or postponement.

4. Credit Cards~~.~~: Employees who have been authorized to purchase goods and services for business and travel purposes with an Authority credit card must account for these ~~purchase~~ purchases by filing expense reports. Expense reports must be filed even in those instances when no additional business expenses are incurred. Authority credit cards are not to be used for personal items.

D. DOCUMENTATION

1. Use of Travel Request Form~~.~~: Plans for travel must be documented and requested, in specific detail, by the employee on an Agency-designated travel request form.

2. Use of Expense Report Form~~.~~: Travel and business expenses must be reported on an Agency-designated employee expense report form.

3. Actual Expenditures~~.~~: Unless specifically excepted herein, all reimbursements for employee expenses must be based on actual expenditures and must be supported by receipts or other acceptable documentation.

4. Acceptable Documentation: Acceptable documentation may include ticket stubs; paid receipts; invoices indicating dates and amounts of payment; original cardholder's copies of validated credit card charge vouchers; or copies of the employee's canceled checks. With the exception of canceled checks, original documents, not copies, must be submitted.

5. Statement of Purpose: A specific statement of the business purpose must be included on the employee's expense report. General statements such as "on official business," "by direction of supervisor," or "in connection with duties as director of division" will not suffice.

6. Conventions and Conferences: Travel vouchers for expenses incurred when attending conventions and conferences must be supported by program literature setting forth the opening and closing dates of the convention.

7. Documentation of Authorization: Copies of any documents approved by an appropriate Agency official authorizing the travel must be attached to the employee's expense report.

8. Cash Advances: Cash advances must be requested using an Agency-designated cash advance request form. The approved form must be attached to the expense report along with related schedules and other documentation.

9. Separate Reports: Separate reports should be filed for each business trip. Requests for reimbursement for different types of expenses (local business meals; business travel and out-of-town business meals; interview and relocation expenses) should be submitted on separate employee expense report forms.

10. Timeliness of Report Submission: Employee expense reports must be submitted in accordance with the time frames established by the respective Agency Head or his/her designee. See Section VII, Agency-specific Procedures, for timing requirements regarding the filing of expense reports.

E. TRAVEL (GENERAL POLICY)

1. Official Business: Reimbursement for travel and business expenses of employees will be made only for actual and necessary expenses in the performance of official duties upon proper documentation.

2. Out-of-Area Travel: Employees who are planning out-of-area travel for business must obtain prior written approval of their respective Agency Head or his/her designee. Employees who usually travel to Washington, D.C., or other out-of-area locations, should request blanket approval from their Agency Head or his/her designee.

3. Travel: All Authority business travelers must make arrangements for all lodging and transportation needs (excluding local travel) through the Authority's official Travel Agent. Travel must be by the most cost effective route reasonably possible, and must be by either coach, economy, or equivalent discount fare unless the trip is of an emergency nature and coach, economy or equivalent discount fares are not available. Any travel by other than coach, economy, or equivalent fare must be approved in writing in advance by the Agency Head or his/her designee. Unless so approved, an employee shall assume any extra expense incurred.

   It is important that travelers make airline reservations as much in advance as possible to secure the lowest possible fare.

F. BUSINESS MEALS

1. Business Purpose: Business meal expenses are reimbursable only when the principal purpose of the meeting or meal is to transact Authority business. A statement of the business purpose must be set forth on the expense report.

2. Attendance: A list of attendees present at the business meal must be included with the expense report.

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The cost of food at a business meeting attended only by Authority employees must be approved by an Agency Head or his/her direct reports to be eligible for reimbursement. If a business meal involves consultants and/or contractors hired by the Authority, prior approval is required to be eligible for reimbursement.

3. Responsibility to Report Meals~~.~~: Business meal expenses must be reported by the highest-ranking employee in attendance.

4. Documentation. Original receipts must be attached to the travel and business expense report.

5. Maximum Allowance~~.~~: Business meal expenses are reimbursed at actual but reasonable cost.

G. PER DIEM MEAL ALLOWANCE (DOMESTIC TRAVEL)

1. Eligibility~~.~~: Employees in travel status are eligible for a per diem allowance (or a portion thereof) to cover certain meals, subject to the following limits on time of departure and return:

When ~~department~~ departing from home or office at the beginning of a trip before the following hours:

Breakfast	6:00 a.m.
Dinner	6:00 p.m.

When returning to home or office at the conclusion of a trip after the following hours:

Breakfast	8:00 a.m.
Dinner	8:00 p.m.

Foreign travelers should see Foreign Travel Expense section for per diem allowance discussion.

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2. Ineligibility within Employee's Official Station: No per diem meal allowance shall be allowed while an employee is within his or her official station or place of residence, regardless of the departure or arrival times of a particular trip.

3. Ineligibility of Meal Reported as Business Meal: An employee who has been included in an employee expense report requesting reimbursement for a business meal is not eligible for a per diem allowance for the same meal.

4. Documentation: The per diem allowance is payable upon approval of an employee expense report. No receipts are required. The per diem allowance pertains only to an employee's personal meal expenses; business meals involving non-MTA Headquarters or Constituent Agency personnel are discussed in Section IV-F.

5. Maximum Allowance: The maximum allowable per diem meal allowances for domestic travel may be adjusted from time to time by the MTA Comptroller. See Section VI, Attachment A, for rates in force at the time of publication of this policy instruction.

H. TRANSPORTATION

1. Intercity Travel: (Plane, Train, or Bus)

a. Travel must be arranged through the authorized MTA Travel Agency. Travel generally shall be by either coach, economy, or equivalent discount fare. All other travel at rates other than coach, economy, or equivalent rates must be approved in advance by the Agency Head or his/her designee to secure reimbursement.

b. The employee must attach the passenger's portion of used tickets and must return any unused tickets.

2. Local Travel: (Mass Transit, Taxicabs, etc.)

a. The use of established mass transit lines is encouraged.

b. If it is necessary to use taxicabs, receipts must be submitted for expenses of $10 or more (including tips).

c. If receipts are not available for individual taxicab rides or mass transit fares of $10 or more, the employee must explain the circumstances when submitting his/her expense report.

3. Automobiles

a. Official Cars. If travel by an automobile is required, employees are encouraged to use official vehicles. The MTA All-Agency Policy, 41-002, regarding use of official automobiles must be followed.

b. Personal Cars. Employees will be reimbursed for the use of personal cars at the mileage rate established at intervals by the Authority. This mileage rate, as calculated, includes costs for depreciation, gasoline, oil, maintenance and repairs, and insurance. See Section VI, Attachment B, for the mileage rate in force at the time of publication of this policy instruction.

c. Tolls and Parking Fees. Tolls and parking fees are reimbursable at actual cost. Receipts must be submitted for expenses of $10 or more. Reimbursement for long-term parking fees requires pre-approval.

4. Rental Cars

a. Justification: Car rental expenses will not be reimbursed unless cost savings based on alternative modes of transportation and/or business necessity can be substantiated. Compact cars should be chosen unless a larger car is justified.

b. Arrangements: If an employee has been approved to use a rental car while on a business trip, arrangements to rent a car must be made through the Authority's official Travel Agent.

c. Documentation: The signed car rental agreement, other appropriate receipts and the justification must be submitted with documentation.

d. Drop-Off Charges: Drop-off charges for one-way rentals should be avoided, if possible, by obtaining a vehicle assigned to the destination city. Advance reservations and/or early inquiry will assist in obtaining such vehicles.

e. Insurance: When renting a car in a domestic location, collision insurance and third-party liability insurance coverage available through the car rental company should not be selected and will not be reimbursed. Employees are covered for any accidents that occur through:

MTA Self Insurance
Risk Management
347 Madison Avenue
New York, New York 10017

This address should be given to the rental car agency if it is requested.

When renting a car in a foreign location, employees are advised to purchase collision insurance and third-party insurance coverage if available through the rental company. These insurance costs are reimbursable to the employee.

f. Weekly of Discount Rates: If the use is sufficiently long to justify a weekly or other discount rate, efforts should be made to secure such a rate.

I. LODGING

1. Official Business: Hotel and motel room expenses shall be reimbursed when incurred in the conduct of official business.

2. Arrangements: Reservations for hotel/motel stays must be made through the Authority's official Travel Agent.

3. Government Rates: State or Government discount rates shall be secured whenever possible.

4. Weekly or Monthly Rates: If the stay is sufficiently long to justify a weekly or monthly rate, efforts should be made to secure such rates.

5. Documentation: Original hotel bills and receipts for hotel and motel room expenses must be attached to the travel and business expense report.

6. Tax-Exemption: Lodging accommodations on official business are exempt from payment of occupancy tax in New York State. In addition, Metro-North Commuter Railroad employees are exempt from paying occupancy tax in the State of Connecticut. Employees will not normally be reimbursed for any ineligible taxes included in their bills for lodging. Employees can obtain tax exemption forms to supply to vendors from their respective Agency Comptroller's Office (Accounts Payable Manager).

7. Advance Payment: Requests for a check from MTA Headquarters or a Constituent Agency to make an advance payment for hotel accommodations or registration fees must be made by submitting the applicable agency form to the Agency Comptroller and approved in advance.

8. Ineligible Costs: When the cost of lodging has been included in the cost of a program reimbursable under this policy, no reimbursement will be made for lodging substituted at additional cost.

9. Maximum Allowance: Lodging costs are reimbursed at actual but reasonable cost.

J. EXTENDED OR WEEKEND STAYS; TRAVELING WITH SPOUSE OR OTHERS

1. Extended or Weekend Stays: Any extension of business travel to include weekends or any days prior or following the minimum time necessary to accomplish Authority business is subject to prior written approval. Such approval must be attached to the related employee expense reports. If such an extension will result in increased costs for the Authority, prior approval must be requested from the respective Agency Head or his/her designee. Reimbursement for meals and lodging for authorized extended or weekend stays would apply.

2. Extensions Resulting in Cost Savings: If the extension of business travel beyond the normal length of time necessary will result in overall savings to the Authority when all costs are considered, an analysis of the cost savings using the lowest rates available must be included in the request for approval of the extension. Expenses incurred during the extended portion of trip will be reimbursed only when savings to the Authority can be substantiated.

3. Traveling with Spouse or Others: Expenses incurred on behalf of a spouse or other person who is not involved in the conduct of Authority business, or expenses incurred while on vacation or personal leave, will not be reimbursed. Such expenses should be deducted from the related expense reports.

K. TELEPHONE AND SIMILAR SERVICES

1. Business Calls and Similar: Employees will be reimbursed for all business calls, telegrams, express mail, facsimile transmissions, or similar expenditures required in the performance of their official duties. Receipts for these expenses must be included as supporting documentation with the employee's expense report.

2. Personal Calls~~-~~: Reimbursement for personal telephone calls is limited to two per day while in travel status. The calls must be reasonable in length in order to obtain full reimbursement.

L. FOREIGN TRAVEL BUSINESS

1. Foreign travelers can use a per diem rate for reimbursement of meals and incidental travel costs such as laundry and dry cleaning. The Authority uses the foreign travel per diem rates of the U.S. State Department. The rates are available from the MTA Comptroller's Department or from the following Internet website: http://~~www~~aoprals.state.gov/~~www/perdiems/~~ web920/perdiem.asp Reimbursement for partial day travel should follow the same allocation method as defined for the domestic per diem allowance.

2. Other allowable expenses related specifically to foreign travel include the cost of passports and visas, the cost of immunizations and inoculations (if required or recommended), the cost of car rental insurance coverage, travelers' check fees, currency exchange fees, travel fees and taxes, and airport fees and taxes.

3. It is important that all currency exchange transactions are supported by documentation which reflects the exchange rates used for the transactions. Acceptable documentation will include the exchange rate per the credit card statement or, if not available, the Wall Street Journal rate on the last day of the trip.

4. Lodging costs are reimbursed at actual but reasonable cost.

M. OTHER REIMBURSABLE EXPENSES

Expenses not specifically listed in the preceding paragraphs shall be reimbursable when incurred for business purposes as follows:

1. Laundry and Dry Cleaning~~-~~: On domestic trips lasting more than three days, employees will be reimbursed for the actual cost of such services when incurred

and paid for after the third day in travel status. Foreign travelers are reimbursed for laundry and dry cleaning costs through the per diem allowance which includes a portion of the rate for incidental cost items.

2. Baggage Checking and Tips: Baggage checking, tips, and normal gratuities are reimbursable. Tips related to another expense such as meals, taxi fare, etc. should be reported in the total cost of the related expenses.

3. Other Miscellaneous Expenses: Reimbursement for any other category of expenditures is subject to the interpretation of the Agency Comptroller.

N. INTERVIEW & RELOCATION EXPENSES

Employees and job candidates eligible for the reimbursement of certain travel, lodging, meal, or other expenses pursuant to the All-Agency Interview and Relocation Policy (11-001) should refer to that policy instruction for further details. Nothing in the Travel and Business Expense Policy shall be interpreted as in any way superseding or mitigating the requirements of the Interview and Relocation Policy.

O. UNALLOWABLE EXPENSES

The following categories of expenditures are eligible for reimbursement only on an exceptional basis, or under the special circumstances outlined in this policy instruction.

1. Direct Billing: No employee may incur business expenses to be billed directly to the Authority, except for the authorized use of Authority credit cards for air travel or gasoline, or as otherwise authorized in advance.

2. Expenses Incurred on Behalf of Spouse or Others: The costs of travel, lodging, meals, or other expenses for a spouse, dependent, or other person who is not performing official Authority business and who accompanies an employee on a business trip are not reimbursable.

3. Personal, Recreational or Entertainment Expenses: Costs incurred for personal, recreational or entertainment purposes, or while on vacation or personal leave,

even when such leave has been approved as an extension of approved business travel, are not reimbursable.

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4. Commuting Costs: Transportation costs incurred for commuting between the employee's residence and official work station are not reimbursable.

5. Expenses Eligible for Third-Party Recovery: Business expenses which are legitimately recoverable from a third-party are not reimbursable. Such expenses and recovery must be explained on the employee's expense report.

6. Personal Losses: Reimbursement is not allowed for losses of personal property or the loss of funds or tickets.

7. Substituted Lodging: Costs for this item included in a seminar or other package is not allowed.

8. Clothing, Valet Service, and Similar: Reimbursement for clothing, toiletries, barbering, or similar personal goods or services is not allowed. Laundry and dry cleaning or valet services are reimbursed at actual cost for domestic trips only after an employee has been in travel status for at least three consecutive days, as explained in Section IV-M.1., and as part of the per diem allowance for foreign trips.

9. Alcoholic Beverages: The cost of alcoholic beverages, of any kind, are not reimbursable.

10. Personal Car Expenses: Repairs or maintenance costs of any kind are not reimbursable. Expenses for gasoline, motor oil and other automobile fluids are not reimbursable. These types of expenses are included when the standard mileage rate of reimbursement is calculated and determined.

11. Insurance, Fines and Fees: Reimbursement is not allowed for personal credit cards fees, fines for traffic/parking violations, third-party liability insurance on automobile rentals, or travel insurance.

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P. RESPONSIBILITIES

1. Agency Comptrollers~~.~~: Each Agency Comptroller is responsible for overall administration of this policy instruction for his/her respective agency, and for ensuring that all expenditures included in employee expense reports are in accordance with Authority policy.

2. MTA Comptroller~~.~~: The MTA Comptroller is responsible for administration of this policy for MTA Headquarters, for providing policy interpretation to the Constituent Agencies, and for establishing effective reimbursement rates.

3. Agency Heads~~.~~: Exceptions to this policy may be approved in writing by the respecting Agency Head or his/her designee based on the recommendation of the Agency Comptroller.

4. MTA Chairman and Chief Executive Officer~~.~~: The MTA Chairman/CEO or his/her designee has the authority to grant exceptions to this policy without the recommendation or approval of another Agency Head in circumstances deemed by the MTA Chairman/CEO to warrant special consideration.

5. Authorized Signers~~.~~: Authorized Signers are responsible for informing their staffs of this policy instruction; for controlling expenditures by careful examination of travel requests and expense reports; and for insuring that only reasonable expenses actually incurred and directly related to Authority business are reported.

6. All Employees~~.~~: Employees are responsible, prior to incurring any expenses or submitting expense reports, for seeking appropriate authorization from their supervisors and/or clarification from their respective Agency Comptroller's Office of any exceptional circumstances or expenditures.

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Q. OFFICIAL REVISIONS TO POLICY

Revisions to ~~this policy should be in writing with a~~the per diem meal allowance and mileage allowances set forth in Attachments A and B to the policy may be adopted by

written authorization of the MTA Chairman/Chief Executive Officer upon the recommendation ~~by an Agency Head to~~of the MTA Comptroller~~. The MTA Comptroller~~, who will review and discuss ~~the proposed changes~~such proposed revisions with the group of Agency Comptrollers~~. Based on the group's consensus, the MTA Comptroller will propose such changes to the MTA Executive Director for final approval.~~ prior to making any such recommendation.

V. ADDITIONAL REQUIREMENTS

MTA Headquarters and each of its Constituent Agencies shall issue Agency-specific procedures consistent with this policy instruction for the recording and claiming of reimbursement for eligible employees travel and business expenses.

Each Agency shall issue its own reporting forms and/or authorizing documents which will allow their employees to obtain pre-approval for all travel requests and cash advances, and for the recording and filing for reimbursement of travel and business expenses. Detailed instructions for completing and filing these forms/documents should also be provided.

VI. ATTACHMENTS

A. Expense Limits: Meals/Lodging

B. Expense Limits: Automobiles

ATTACHMENT A

EXPENSE LIMITS: MEALS AND LODGING

MEALS WHILE IN TRAVEL STATUS: PER DIEM ALLOWANCES

Domestic Travel.
A per diem meal allowance of $40.00 is allowed for an entire day while in travel status. For less than a full day while in travel status, the per diem allowance is allocated as follows:

Per Diem Meal	Amount	Beginning of Trip	Conclusion of Trip
Breakfast	$10.00	Prior to 6:00 AM	After 8:00 AM
Dinner	$30.00	Prior to 6:00 PM	After 8:00 PM

It is the policy of the Authority that lunch expenses while in travel status shall remain the obligation of the employee. An employee who has been included in a business meal for which reimbursement is sought under the employee expense policy is not eligible for a per diem allowance for the same meal.

Foreign Travel.
A per diem allowance for a specific foreign destination, as set by the U.S. State Department, is allowed for meals and incidentals. Rates are available from the MTA Comptroller's Department or from the website: http://~~www~~aoprals.state.gov/~~www/perdiems/~~web920/per_diem.asp

Receipts for per diem allowances are not required.

BUSINESS MEALS
Actual, but reasonable.
(The cost of alcoholic beverages is not subject to reimbursement.)

LODGING (Hotels and Motels)
Actual, but reasonable.

OTHER
Valet Charges (laundry, dry cleaning).

Domestic Travel	Actual, after third day in travel status.
Foreign Travel	Included in foreign per diem allowance.

Issued by: MTA Board

ATTACHMENT B

EXPENSE LIMITS: AUTOMOBILE

MILEAGE ALLOWANCE

~~35.5~~50¢ per mile

(This rate, as calculated, includes costs for depreciation, gasoline, oil, maintenance and repairs, and insurance.)

PARKING TOLLS

Parking and tolls are reimbursable at actual cost.

VII. AGENCY-SPECIFIC PROCEDURES, FORMS AND ATTACHMENTS

A. TRAVEL AND BUSINESS EXPENSE PROCEDURES
B. TRAVEL REQUEST FORM/INSTRUCTIONS
C. CASH ADVANCE REQUEST FORM/INSTRUCTIONS
D. EXPENSE REPORT FORM/INSTRUCTIONS