



**Metropolitan Transportation Authority**

# **Finance Committee Meeting**

## **June 2014**

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### **Committee Members**

A. Saul, Chair  
F. Ferrer, Vice Chair  
A. Albert  
J. Ballan  
J. Banks, III  
R. Bickford  
N. Brown  
A. Cappelli  
J. Kay  
C. Moerdler  
M. Page  
M. Pally  
J. Sedore, Jr.  
C. Wortendyke

**Finance Committee Meeting**  
347 Madison Ave - 5th Floor Boardroom  
New York, NY 10017  
Monday, 6/23/2014  
12:30 - 1:45 PM ET

**1. PUBLIC COMMENTS PERIOD**

**2. APPROVAL OF MINUTES – MAY 19, 2014**

*Finance Committee Minutes - Page 3*

**3. 2014 COMMITTEE WORK PLAN**

*2014 Work Plan - Page 11*

**4. BUDGETS/CAPITAL CYCLE**

**BudgetWatch**    Handout

**Finance Watch**

*Finance Watch-2014-June - Page 19*

**5. MTA HEADQUARTERS & ALL-AGENCY ITEMS**

**Action Items**    Approve

*PWEF Assessment - Page 31*

**Reports and Information Items**

**Update on IT Transformation**    Handout

**Procurements**

*HQ Procurement Package - Page 32*

**6. METRO-NORTH RAILROAD**

*MNR Procurements - Page 41*

**7. LONG ISLAND RAIL ROAD (No Items)**

**8. NEW YORK CITY TRANSIT, and MTA BUS OPERATIONS**

*NYCT Action Items - Page 45*

*NYCT Procurements - Page 49*

**9. BRIDGES AND TUNNELS**

*B & T Procurements - Page 51*

**10. FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY (No Items)**

**11. MTA CONSOLIDATED REPORTS**

**APRIL**

*Statement of Operations - Page 53*

*Overtime Report - Page 61*

*Report on Subsidies - Page 65*

*Positions - Page 72*

*Subsidy, Interagency Loans and Stabilization Fund Transactions - Page 75*

*Farebox Recovery Ratios - Page 78*

*MTA Ridership - Page 79*

*Fuel Hedge Program - Page 103*

**12. REAL ESTATE AGENDA**

**Action Items**    Approve

*Real Estate Action Items - Page 107*

**Report and Information Items**

*Real Estate Info Items - Page 141*

Minutes of the MTA Finance Committee Meeting  
May 19, 2014  
347 Madison Avenue  
New York, NY  
12:30 PM

The following Finance Committee members attended:

Hon. Andrew M. Saul, Chairman  
Hon. Fernando Ferrer  
Hon. Andrew Albert  
Hon. Robert C. Bickford  
Hon. Norman Brown  
Hon. Mark Page  
Hon. James L. Sedore, Jr.  
Hon. Carl V. Wortendyke

The following Finance Committee members did not attend:

Hon. John H. Banks III  
Hon. Jonathan A. Ballan  
Hon. Allen P. Cappelli  
Hon. Charles G. Moerdler  
Hon. Jeffrey A. Kay  
Hon. Mitchell H. Pally

The following Board Members were also present:

Hon. Susan G. Metzger  
Hon. John J. Molloy

The following MTA staff also attended:

Robert Foran  
Douglas Johnson  
Olga Chernat  
Jeffrey Rosen

Chairman Andrew M. Saul called the May 19, 2014 meeting of the Finance Committee to order at 12:30 PM.

**I. Public Comments**

There were no public speakers.

**II. Approval of Minutes**

The Committee approved the minutes to its prior meeting held on April 28, 2014.

### **III. Committee Work Plan**

There were no changes to the Work Plan.

### **IV. Executive Session**

Upon motion duly made and seconded, the Finance Committee convened in Executive Session pursuant to Section 105 (1)(d) of the Public Officers Law to discuss proposed, pending or current litigation.

Upon motion duly made and seconded, the Finance Committee meeting resumed in public session.

### **V. Budgets/Capital Cycle**

#### **A. Budget Watch**

**Operating Revenues:** Mr. Douglas Johnson noted that for the month, overall passenger and toll revenue were favorable in April, although Metro-North was slightly unfavorable. Net passenger and toll revenues were \$7.6 million, or 1.3%, favorable for the month, and when combined with the favorable March 2014 results, offset much of the lower revenue from January 2014 and February 2014 snowstorms. Mr. Johnson noted that with these results the numbers were almost back to Budget on revenues.

**Operating Expenses:** Operating expenses were \$24 million, or 3.2% unfavorable for April, which reversed favorable results in the first quarter. Combined YTD expenses were virtually on target with the budget. The April overage was due to higher expenses at NYCT than were budgeted. The NYCT expenses were \$34 million unfavorable due to higher labor costs, including overtime, and non-labor expenses. Some of the April NYCT overage was the result of timing delays from the first quarter, especially energy and health and welfare. Mr. Johnson noted that the analysis related to the timing delays is preliminary. The YTD expenses at NYCT are \$48 million, or 2.3% unfavorable, and \$41 million of that amount was due to higher overtime costs.

Chairman Saul commented that as agreed previously, an analysis on overtime by the operating division will be conducted. The agency heads will be asked to appear before the Committee in the July meeting and give YTD status of overtime and discuss their plans to control the costs for the second half of the year. So, there will be a complete review of overtime at that meeting.

Mr. Johnson further noted that MTA-wide overtime costs continue to exceed Budget. The April overtime expenses of \$50 million were \$9.6 million, or 24%, unfavorable. The YTD variance is a combination of approximately half for weather emergencies in the first quarter and the other half being a combination of vacancy/absentee coverage, unscheduled service, and maintenance requirements. Mr. Johnson commented that these items will be the focus of the July overtime report.

**Debt Service Costs:** Mr. Johnson reported that debt service costs were slightly unfavorable for the month by \$48 million and by \$12 million YTD. Mr. Johnson noted that these numbers reflect a prefunding of May debt service costs, but in reality debt service is \$36 million favorable as a result of lower variable rates.

**Subsidies:** Mr. Johnson reported that state dedicated taxes in May were exactly on Budget. The YTD PBT collected remains \$23 million favorable. Real estate taxes were \$8 million, or 11% unfavorable for the month, due to lower MRT collections. Real estate taxes remain \$55 million, or 14%, favorable YTD due primarily to strong Real Property Transfer Tax collections in January and February. In May, PMT collections were weaker, with \$36 million, or 20%, unfavorable. Mr. Johnson noted that the variance is being investigated, but appears to be due to account transfer timing delays from how the state collects the revenues and transfers them to MTA. Mr. Johnson believes they are under Budget, but not with as large a variance as being reported.

**Overall:** Mr. Johnson summed up Budget Watch by stating that overall, YTD results continue to be influenced by January and February results, including the favorable collections of NYC Urban Tax and on the negative impact from the heavy snowfall on revenues and expenses. Net operating results were barely unfavorable in April, but overall operating results are virtually on target. Therefore, overall with everything combined, results seem to be on target for YTD.

Note: Chairman Saul left the meeting after Budget Watch, and Mr. Ferrer chaired the remainder of the meeting.

## **B. Finance Watch**

Ms. Olga Chernat presented Finance Watch.

**Fuel Hedge:** On April 30, 2014, MTA executed a 2,783,000 gallon ultra-low sulfur diesel fuel hedge with J.P. Morgan Ventures Energy Corporation at an all-in price of \$2.821/gallon. The hedge covers the period from April 2015 through March 2016. The staff summary noted that three of MTA's existing approved commodity counterparties participated in bidding on the transaction: Goldman, Sachs & Co., J Aron, J.P. Morgan Ventures Energy Corporation and Merrill Lynch Commodities Inc.

**Remarketings:** Ms. Chernat discussed two remarketings that occurred in May. The first remarketing was \$50 million of MTA Transportation Revenue Bonds, Subseries 2012A-2, with Piper Jaffray & Co. as lead underwriter, together with J.P. Morgan and Loop Capital Markets as co-senior managers. These were merit assignments. The bonds were sold as floating rate notes for a two-year term. The notes were structured as SIFMA notes, which means they carry a rate equal to SIFMA index plus fixed rate spread. Ms. Chernat noted that the pricing was aggressive and staff was pleased with the outcome of SIFMA plus 27 basis points. And, with SIFMA at 8 basis points currently, it translates to a rate of approximately 0.35%.

The second remarketing was \$200 million of MTA Transportation Revenue Variable Rate Refunding Bonds, Subseries 2002D-2. They were sold in two subseries, one for a three-year

term and another for a four-year term. These were priced at 69% LIBOR plus 47 basis points spread and 69% LIBOR plus a spread of 60 basis points, respectively. This transaction was also a merit assignment, led by Loop Capital Markets as the underwriter, together with J.P. Morgan and Piper Jaffray as co-senior managers.

Ms. Chernat noted that 69% LIBOR is approximately the same as SIFMA, so currently 8 to 9 basis points.

## **VI. MTA Headquarters and All-Agency Items**

### **A. Action Item**

Mr. Johnson reported that there was one action item, the Extension of Owner Controlled Insurance for East Side Access.

The MTACC East Side Access Project is currently insured through an MTA owner Controlled Insurance Program (OCIP), which covers property damage to construction work completed on or before June 1, 2014. This request for approval is required to purchase builders risk coverage to May 31, 2021 to coincide with project completion.

The Committee voted to recommend the action before the Board for approval.

### **B. Reports and Information Items**

Mr. Johnson reported that there were three Reports and Information items.

#### **1. Station Maintenance Billings Approval**

Mr. Johnson noted the first information item is to advise the Board of station maintenance use and operations billing to the counties and New York City for the period April 1, 2013 to March 31, 2014 (see page V-3 of the Committee book).

#### **2. Contract Change Order Report to the Finance Committee**

Mr. Johnson noted the second information item is the quarterly Contract Change Order Report (see page V-8 of the Committee book). The report captures non-capital change orders between \$250,000 and \$750,000. This report is what was agreed upon for quarterly updates after the threshold was changed last year.

#### **3. Annual Pension Report**

Mr. Johnson introduced Ms. Margaret Connor for the annual Pension Fund presentation (see beginning page V-10 of the Committee book). Ms. Connor was joined by Mr. Chris Klapinsky of NEPC, the Financial Advisor to the MTA Master Trust and the MaBSTOA Pension Plan, and Mr. Bob LaMontagne of Milliman, the plans' consulting actuary.

Ms. Connor indicated that MTA will be hiring a Chief Investment Officer, who will report to Mr. Robert Foran, and that a national search is underway. In addition, Ms. Connor addressed governance concerns, and directed the Members to the information on page V-15 that shows the MTA Master Trust and the MaBSTOA Plan governance teams. Ms. Connor noted that the MTA Master Trust and the MaBSTOA Plan governance teams meet jointly, conduct due diligence and have similar investment strategies. Regarding investment performance in 2013, the Master Trust had an 11.3% return and the MaBSTOA Plan had a 10.1% return. Mr. Foran then discussed the charts showing risk returns (see pages V-19 and V-20 of the Committee book). Mr. Foran explained that although the MTA Master Trust and MaBSTOA Plan are underweighted in equity investments, the long-term return from the portfolio mix is almost identical to the benchmark but with lower risk.

Ms. Connor then noted that the MWBE goal is 20% and the MWBE utilization for traditional assets is 23.2%, and 9.8% for non-traditional assets.

Mr. Foran highlighted the funding progress chart on page V-23 and noted that the legally required funding amount is being paid annually. Mr. Foran also noted the Additional Pension Plan of the Long Island Rail Road received the \$80 million contribution of one-time moneys that the MTA Board approved, which will reduce the unfunded liability (the \$80 million contribution is not reflected in the chart).

Discussion included governance considerations, including how members are appointed to the Pension Board of Managers and the MaBSTOA Pension Plan's Investment Committee. Ms. Connor indicated that the Pension Plan provides for a member of the MTA Board to serve on the Pension Board of Managers, and the current vacancy should be filled. Mr. Sedore noted that he had been informed by MTA's auditors that a Board member should not sit on the pension committees, to avoid any appearance of impropriety. Further discussion included the experience and background needed for serving on the committees, and Ms. Connor indicated that a wide breadth of experience, not just investment experience, is required, including labor relations and human resources.

Lastly, there was a discussion related to the search for the Chief Investment Officer, and Ms. Connor noted the salary range for the position is \$131,000 to \$196,000. Mr. Page raised a concern about the qualifications of any potential candidate, given that the private sector pays much more for the same position, and the difficulty in attracting good candidates. Mr. Foran indicated the salary differential is known, but that he expected to find strong candidates.

### **C. Procurements**

There were four competitive procurements for HQ for a total of \$14,970,000. The Committee voted to recommend the procurement items before the Board for approval.

## **VII. Metro-North Railroad**

### **A. Procurements**

There were two non-competitive procurements for MNR totaling \$44,230,000. One was a modification, jointly with the LIRR, for a change of an existing contract with Bombardier Mass Transit Corporation for \$43.9 million. The second was for sole source services for maintenance and support for the Operations and Emergency Control Centers for \$341,000.

The Committee voted to recommend the procurement items before the Board for approval.

## **VIII. Long Island Rail Road**

### **A. Procurements**

There were three procurements for LIRR for a total of \$68,500,000. One was a non-competitive sole source procurement and two are competitive procurements for large modifications to extend existing ESA contracts managed by MTA Capital Construction.

The Committee voted to recommend the procurement items before the Board for approval.

## **IX. NYCT/MTA Bus Operations**

There were no items for NYCT/MTA Bus Operations.

## **X. Bridges and Tunnels**

### **A. Action Items**

There were two action items for Bridges and Tunnels.

#### **1. Approval and Adoption of Resolution.**

The first action item is a request to obtain the Board approval and adoption of a resolution changing that will (i) find and determine that the proposed change in the method of toll collection at the Henry Hudson Bridge to All-Electronic Tolling (AET) followed by Open Road Tolling (ORT) will have no significant adverse effect on the environment within the meaning of the State Environment Quality Review Act (SEQRA) and (ii) adopt and approve the “Negative Declaration” in accordance with SEQRA and authorize and direct the President of the Authority or his designee to execute it.

The Committee voted to recommend the resolution before the Board for approval.

#### **2. Approval and Adoption of Resolution**

The second action item is a request to obtain the Board approval and adoption of a resolution changing the method of toll collection at the Henry Hudson Bridge to AET followed by ORT.

The Committee voted to recommend the resolution before the Board for approval.

## **B. Procurements**

There were three procurements for Bridges and Tunnels, for a total of \$13,531,000. Two procurements were non-competitive for large modifications, one being jointly done with NYCT and MTA Bus. And, there was one competitive procurement for an RFP.

The Committee voted to recommend the procurement items before the Board for approval.

## **XI. FMTAC**

The FMTAC Annual Presentation was provided to the Committee. Ms. Lauren Coyne presented an overview of the FMTAC annual presentation to the Committee. The report includes the audited financial statements, actuarial loss reverse certification, and the investment performance report. Ms. Coyne provided an insurance program update, including the Excess Liability Program that was renewed on October 31, 2013 and the All-Agency Property and Terrorism Program that was renewed on May 1, 2014. Efforts have been made to get back to limits that MTA had at the time that Hurricane Sandy hit.

Ms. Coyne turned the presentation to Mr. Sean Saia from Goldman Sachs to discuss the investment performance. Mr. Saia noted that most of the assets are invested in the fixed-income market, with relatively low risk. Mr. Saia noted the portfolio returned 1.6%, versus 1.32% benchmark, in the last twelve months, a net 27 basis points in excess return. Further Mr. Saia reviewed the allocations and that the exposure to residential mortgages has been reduced.

## **XII. MTA Consolidated Reports**

This month includes statement of operations; overtime reports; report on subsidies; positions; subsidy, interagency loans and stabilization fund transactions; farebox recovery ratios; MTA ridership; and the fuel hedge program.

## **XIII. Real Estate Agenda**

### **A. Action Items**

Mr. Rosen indicated that there were five action items for committee approval.

Mr. Rosen noted that efforts continue to consolidate the office space portfolio and that the halfway mark has been achieved. This includes tenant work at the Graybar Building that precedes the ability to move employees from 347 Madison to Graybar. In addition, the move of HQ to 2 Broadway is still on track for fall 2014. Also, there is an office space lease extension at 469 7<sup>th</sup> Avenue for the ESA that involves a reduction of space by nearly 50%. Rents in that area have been increasing. Mr. Rosen noted that moving the operations from the 469 7<sup>th</sup> Avenue location was explored, but it was determined that it would not be cost effective.

The Committee voted to recommend the five action items before the Board for approval.

**XIV. Adjournment**

Upon motion duly made and seconded, the May 19, 2014 meeting of the Finance Committee was adjourned.

Respectfully submitted,

Marcia Tannian  
Assistant Director, Finance

# 2014 Finance Committee Work Plan

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## I. RECURRING AGENDA ITEMS

BudgetWatch  
FinanceWatch  
Approval of Minutes  
Procurements (if any)  
Action Items (if any)  
MTA Consolidated Reports

### Responsibility

MTA Div. Mgmt/Budget  
MTA Finance  
Board Secretary  
Procurement  
Agency  
MTA Budget

## II. SPECIFIC AGENDA ITEMS

### Responsibility

### July 2014

2015 Preliminary Budget/July Financial Plan 2015-2018  
(Joint Session with MTA Board)

MTA Div. Mgmt/Budget

Other:

Update on the Business Service Center

MTA Business Service  
Center

### September 2014

2015 Preliminary Budget/July Financial Plan 2015-2018  
(materials previously distributed)

MTA Div. Mgmt/Budget

*Action Item:*

Resolution to Authorize the Execution, Filing and Acceptance of  
Federal Funds  
2015-2019 Capital Plan

MTA Grant Mgmt.  
MTA Capital Programs

*Other:*

Annual Report – Fuel Hedge Program  
Contract Change Order Report

MTA Div. Mgmt/Budget  
MTA Capital Programs

### October 2014

2015 Preliminary Budget/July Financial Plan 2015-2018  
(materials previously distributed)

MTA Div. Mgmt/Budget

*Other:*

Annual Review of MTA's Derivative Portfolio  
MTA 2014 Semi-Annual Investment Report

MTA Finance  
MTA Treasury

### November 2014

2015 Final Proposed Budget/November Financial Plan 2015-2018  
(Joint Session with MTA Board)

MTA Div. Mgmt/Budget

*Other:*

Station Maintenance Billing Update  
Review and Assessment of the Finance Committee Charter  
Contract Change Order Report

MTA Comptroller  
MTA CFO  
MTA Capital Programs

**December 2014**

Adoption of 2015 Budget and 2015-2018 Financial Plan MTA Div. Mgmt/Budget

*Action Items:*

MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes MTA Treasury

Authorization to issue Transportation Revenue Bonds, Dedicated Tax MTA Finance

Fund Bonds, TBTA General Revenue Bonds, and TBTA Subordinated Revenue Bonds

Approval of Supplemental Resolutions Authorizing Refunding Bonds MTA Finance

*Other:*

Draft 2015 Finance Committee Work Plan MTA Div. Mgmt/Budget

**January 2015**

*Financing Issues:*

Special Report: Finance Department 2014 Year-End Review MTA Finance

**February 2015**

*Action Items:*

2014 TBTA Operating Surplus B&T/MTA

Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties MTA Treasury, MTA Div. Mgmt/Budget

*Other:*

February Financial Plan 2015-2018 MTA Div. Mgmt/Budget

Contract Change Order Report MTA Capital Programs

**March 2015**

*Action Items:*

All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines MTA Real Estate/MTA Corporate Compliance

All-Agency Annual Procurement Report MTA Proc., Agencies

*Other:*

MTA Prompt Payment Annual Report 2014 MTA Business Service Service

Change Orders to Capital Construction Contracts MTA Capital Construction

**April 2015**

*Action Item:*

MTA 2014 Annual Investment Report MTA Treasury

*Other:*

Annual Report on Variable Rate Debt MTA Finance

**May 2015**

*Action Item:*

Station Maintenance Billings Approval MTA Comptroller

*Other:*

Annual Pension Fund Report (Audit Committee Members to be invited) MTA Labor

Annual FMTAC Meeting MTA RIM

Annual FMTAC Investment Performance Report MTA RIM

Contract Change Order Report MTA Capital Programs

## **June 2015**

### *Action Item:*

PWEF Assessment

MTA Capital Program Mgmt/  
MTA Div. Mgmt/Budget

### *Other:*

Update on IT Transformation

MTA Information Technology

## **DETAILS**

## **JULY 2014**

### 2015 Preliminary Budget/July Financial Plan 2015-2018 (Joint Session with MTA Board)

The Chief Financial Officer and MTA Budget Division will present an updated forecast for 2014, a Preliminary Budget for 2015, and an updated Financial Plan for 2015-2018.

### Business Service Center

The Business Service Center will provide an update on its initiatives and upcoming project milestones. Operational performance metrics will also be shared.

## **SEPTEMBER 2014**

### 2015 Preliminary Budget/July Financial Plan 2015-2018

Public comment will be accepted on the 2015 Preliminary Budget.

### *Action Item:*

### Resolution to Authorize the Execution, Filing and Acceptance of Federal Funds

The MTA Office of Grant Management will hold a public hearing in accordance with Federal law and then request the Board's approval of a resolution that would authorize the Chairman or a designated officer to execute the applications and accept grants of financial assistance from the Federal government.

### 2015-2019 Capital Plan

After the completion of its 2015-2034 Twenty Year Needs Assessment in September 2013, the MTA commenced the development its 2015-2019 Capital Plan. Stakeholder engagement will take place over the summer of 2014 with a planned submission to the MTA Board of Directors at its September 2014 Board meeting. This will be followed by submission of the proposed plan to the New York State Capital Program Review Board on or before October 1, 2014.

### *Other:*

### Contract Change Order Report

Change orders that would have required Board approval prior to the July 2013 Governance Committee measure increasing the approval threshold to \$750,000 are included in this quarterly report, for information only. Such capital contract change orders are reported to the CPOC Committee and such non-capital contract change orders are reported to the Finance Committee.

## **OCTOBER 2014**

### 2015 Preliminary Budget/July Financial Plan 2015-2018

Public comment will be accepted on the 2015 Preliminary Budget.

*Other:*

Annual Review of MTA's Derivative Portfolio

The Finance Department will provide an update on MTA's portfolio of derivative contracts.

MTA 2014 Semi-Annual Investment Report

The MTA Treasury Division should be prepared to answer questions on this voluminous report.

**NOVEMBER 2014**

2015 Final Proposed Budget/November Financial Plan 2015-2018 (Joint Session with MTA Board)

The Chief Financial Officer and MTA Budget Division will present an updated forecast for 2014, a Final Proposed Budget for 2015, and an updated Financial Plan for 2015-2018.

*Other:*

Station Maintenance Billing Update

The MTA Comptroller Division will provide a report on the collection and audit status of station maintenance billings issued as of June 1, 2014.

Review and Assessment of the Finance Committee Charter

MTA Chief Financial Officer will present the most updated Finance Committee Charter to the Finance Committee members for them to review and assess its adequacy. The annual assessment is required under the current Committee Charter.

Contract Change Order Report

Change orders that would have required Board approval prior to the July 2013 Governance Committee measure increasing the approval threshold to \$750,000 are included in this quarterly report, for information only. Such capital contract change orders are reported to the CPOC Committee and such non-capital contract change orders are reported to the Finance Committee.

**DECEMBER 2014**

Adoption of 2015 Budget and 2015-2018 Financial Plan

The Committee will recommend action to the Board on the Final Proposed Budget for 2015 and 2015-2018 Financial Plan.

*Action Item:*

Approval of MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes.

Board approval required to allow for the reimbursement of capital expenditures at a later date from the proceeds of tax-exempt bond sales.

Approval of Supplemental Resolutions Authorizing Refunding Bonds

Board action required to allow for the refunding to fixed-rate bonds from time to time provided that such refundings comply with the Board approved refunding policy.

*Other:*

Draft 2015 Finance Committee Work Plan

The MTA Chief Financial Officer will present a proposed 2015 Finance Committee Work Plan that will address major issues, SBP and budget process issues, and reports required by statute.

**JANUARY 2015**

*Other:*

Special Report: Finance Department 2014 Year-End Review

The MTA Finance Department will present a report that summarizes financing activities for 2014.

**FEBRUARY 2015**

*Action Items:*

2014 TBTA Operating Surplus

MTA Bridges and Runnels should be prepared to answer questions on a staff summary requesting (1) transfer of TBTA 2014 Operating Surplus and Investment Income, (2) advances of TBTA 2015 Operating Surplus, and (3) the deduction from 2015 TBTA Operating Revenue, funds which shall be paid into the Necessary Reconstruction Reserve.

Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties

By State statute, each of these counties is entitled to a share of MTA's MRT-2 tax receipts. The amount may be no less than they received in 1987 (even if the taxes collected fall below the 1987 levels), but there are proportional upward adjustments if taxes collected in the particular county exceed the 1987 totals. Such upward adjustments are expected to be required this year, based on the 2009 experience thus far. The MTA Budget and Treasury Division will be prepared to answer questions on the related Staff Summary authorizing the payments.

*Other:*

February Financial Plan 2015-2018

The MTA Division of Management and Budget will present for information purposes a revised 2015-2018 Financial Plan reflecting any technical adjustments from the Adopted Budget and the incorporation of certain "below-the-line" policy actions into the baseline.

Contract Change Order Report

Change orders that would have required Board approval prior to the July 2014 Governance Committee measure increasing the approval threshold to \$750,000 are included in this quarterly report, for information only. Such capital contract change orders are reported to the CPOC Committee and such non-capital contract change orders are reported to the Finance Committee.

## **MARCH 2015**

### *Action Items:*

#### All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines

Board approval of above guidelines as required annually by Public Authorities Law Sections 2895-2897. MTA Real Estate and MTA Corporate Compliance should be prepared to answer questions regarding these guidelines.

#### All-Agency Annual Procurement Report

The Agencies and the MTA Procurement Division should be prepared to answer questions on this voluminous State-required report.

### *Other:*

#### MTA Annual Prompt Payment Status Report 2014

The Senior Director of the MTA Business Service Center should be prepared to discuss a report, to be included in the Agenda materials, that reviews MTA-wide success in meeting mandated prompt-payment deadlines (including the interest penalties incurred as a result of late payment).

#### Change Orders to Capital Construction Contracts

MTA Capital Construction (MTACC) will discuss an analysis of the recent history of its large consultant contracts. Discussion will include, but not be limited to, original contracts let, change orders, rates, and overhead percentages.

## **APRIL 2014**

### *Action Item:*

#### MTA Annual Investment Report

The MTA Treasury Division should be prepared to answer questions on this voluminous State-required report.

### *Other:*

#### Annual Report on Variable Rate Debt

The MTA Finance Department will present a report that summarizes the performance of the MTA's various variable-rate debt programs, including a discussion of the savings (compared to long-term rates) achieved through variable rate debt and a discussion on the current policy and limits on the use of variable rate debt.

## **MAY 2015**

### *Action Item:*

#### Station Maintenance Billings Approval

Under the Public Authorities Law, the Board is required to certify to the City and the counties in the Metropolitan Transportation District the total costs to MTA for operating and maintaining Commuter Railroad passenger stations. The City and county assessments are both now determined through a formula.

*Other:*

Annual Pension Fund Report

The MTA Labor Division, representatives of the various pension fund boards, and their pension consultants should be prepared to answer questions on a report, to be included in the Agenda materials, that reviews the 2014 investment performance and other experience of the various MTA pension funds. Among other matters, this report should (i) make recommendations on appropriate investment-earnings assumptions in light of the experience of the past three years; (ii) discuss the implications for asset allocations in light of such recommendations; (iii) discuss the effect on (under) funding of the systems in light of such performance and recommendation; (iv) provide appropriate comparisons with other public pension systems; and (v) solicit the opinions of the Board Operating Committees on these recommendations in light of their effects on Agency budgets.

Annual Meeting of the First Mutual Transportation Assurance Company

The MTA's Captive Insurance Company will hold its statutorily required annual meeting in which it will review the prior year's operations as well as submit its financial statements and actuarial report for final approval.

Annual First Mutual Transportation Assurance Company Investment Performance Report

The MTA Risk and Insurance Management Divisions, along with the FMTAC's outside investment managers, should be prepared to answer questions on a report that reviews outside-managers performance.

Contract Change Order Report

Change orders that would have required Board approval prior to the July 2014 Governance Committee measure increasing the approval threshold to \$750,000 are included in this quarterly report, for information only. Such capital contract change orders are reported to the CPOC Committee and such non-capital contract change orders are reported to the Finance Committee.

**JUNE 2015**

*Action Item:*

PWEF Assessment

The MTA Division of Management and Budget, assisted by MTA Capital Program Management, should prepare the usual annual staff summary authorizing the payment of this assessment to the State. The State levies an assessment of the value of construction-contract awards to cover its cost of enforcing prevailing-wage legislation.

*Other:*

IT Transformation

IT Management will present progress made to date to promote IT Transformation. A general organizational overview will be provided and an outline of key milestones and project deliverables will be shared. Initiatives that have made IT more resilient will also be discussed.

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# FinanceWatch

June 23, 2014

## Fuel Hedge

### **\$12,865,827 Diesel Fuel Hedge**

On May 15, 2014, MTA executed a 4,493,827 gallon ultra-low sulfur diesel fuel hedge with counterparty Merrill Lynch Commodities Inc. at an all-in price of \$2.863/gallon. Three of MTA's existing approved commodity counterparties participated in bidding on the transaction: Goldman, Sachs & Co./ J Aron, J.P. Morgan Ventures Energy Corporation and Merrill Lynch Commodities Inc. The hedge covers the period from July 2014 through April 2016.

## Remarketings

### **\$170,805,000 MTA Dedicated Tax Fund Bonds, Subseries 2008A-1**

In June 2014, MTA will effect a mandatory tender and remarket \$170.805 million of MTA Dedicated Tax Fund Bonds, Subseries 2008A-1, because the irrevocable direct-pay Credit Facility issued by Morgan Stanley Bank, N.A is set to expire by its terms and thus will be substituted with an irrevocable direct-pay Credit Facility issued by Royal Bank of Canada. This transaction will be led by remarketing agent RBC Capital Markets. Hawkins Delafield and Wood will serve as bond counsel and Public Financial Management, Inc. will serve as financial advisor.

### **\$170,795,000 MTA Dedicated Tax Fund Bonds, Subseries 2008A-2**

In June 2014, MTA will effect a mandatory tender and remarket \$170.795 million of MTA Dedicated Tax Fund Bonds, Subseries 2008A-2, because the irrevocable direct-pay Credit Facility issued by The Bank of Tokyo-Mitsubishi UFJ, Ltd. is set to expire by its terms. The Subseries 2008A-2 bonds will continue in term rate mode as floating rate notes. This transaction will be led by Goldman, Sachs & Co. together with MBE co-senior manager Estrada Hinojosa & Company, Inc. Hawkins Delafield and Wood will serve as bond counsel and Public Financial Management, Inc. will serve as financial advisor.

## **New Money**

### **\$500,000,000 MTA Transportation Revenue Bonds, Series 2014C**

In June 2014, MTA expects to issue \$500 million of MTA Transportation Revenue Bonds, Series 2014C, to finance existing approved transit and commuter projects. The transaction will be led by book-running senior manager Jefferies & Co. together with WBE co-senior manager Stern Brothers & Co. Nixon Peabody will serve as bond counsel and Public Financial Management, Inc. will serve as financial advisor.

## **Credit Ratings**

On June 17, 2014, Standard & Poor's Rating Services raised its issuer credit rating on MTA to "AA-" and its long-term rating on MTA's Transportation Revenue Bonds outstanding to "AA-" from "A+".

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - ADOPTED BUDGET**

**DEBT SERVICE**

(\$ in millions)

May 2014

	<b>2014 Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>% Variance</b>	<b>Explanation</b>
Dedicated Tax Fund:					Timing of debt service deposits.
NYC Transit	\$12.7	\$5.3	\$7.4		
Commuter Railroads	2.5	1.1	1.4		
<i>Dedicated Tax Fund Subtotal</i>	\$15.2	\$6.4	\$8.8	57.8%	
MTA Transportation Revenue:					Reversal of prior period variance as debt service was prefunded in April 2014.
NYC Transit	\$54.1	\$28.0	\$26.2		
Commuter Railroads	35.2	\$12.5	22.7		
MTA Bus	1.4	\$1.3	0.1		
<i>MTA Transportation Subtotal</i>	\$90.7	\$41.7	\$49.0	54.0%	
Commercial Paper:					Lower than budgeted rates, timing of interest payments.
NYC Transit	\$1.1	\$0.0	\$1.1		
Commuter Railroads	0.7	\$0.0	0.7		
MTA Bus	0.0	\$0.0	0.0		
<i>Commercial Paper Subtotal</i>	\$1.8	\$0.0	\$1.8	97.8%	
2 Broadway COPs:					
NYC Transit	\$1.5	\$1.5	(\$0.0)		
Bridges & Tunnels	0.2	\$0.2	(0.0)		
MTA HQ	0.2	\$0.2	(0.0)		
<i>2 Broadway COPs Subtotal</i>	\$1.9	\$1.9	(\$0.0)	-0.4%	
TBTA General Resolution (2)					Timing of debt service deposits.
NYC Transit	\$14.7	\$16.7	(\$1.9)		
Commuter Railroads	6.9	\$7.8	(0.9)		
Bridges & Tunnels	18.4	\$20.1	(1.7)		
<i>TBTA General Resolution Subtotal</i>	\$40.0	\$44.6	(\$4.5)	-11.3%	
TBTA Subordinate (2)					Timing of debt service deposits.
NYC Transit	\$5.5	\$5.3	\$0.3		
Commuter Railroads	2.4	\$2.3	0.1		
Bridges & Tunnels	2.2	\$2.1	0.1		
<i>TBTA Subordinate Subtotal</i>	\$10.1	\$9.6	\$0.5	4.8%	
<b>Total Debt Service</b>	<b>\$159.8</b>	<b>\$104.3</b>	<b>\$55.5</b>	<b>34.7%</b>	
Debt Service by Agency:					
NYC Transit	\$89.7	\$56.6	\$33.0		
Commuter Railroads	47.8	23.8	24.0		
MTA Bus	1.4	1.3	0.2		
Bridges & Tunnels	20.8	22.4	(1.6)		
MTAHQ	0.2	0.2	(0.0)		
<b>Total Debt Service</b>	<b>\$159.8</b>	<b>\$104.3</b>	<b>\$55.5</b>	<b>34.7%</b>	

**Notes:**

- (1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.
- (2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.
- (3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

*Totals may not add due to rounding.*

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - ADOPTED BUDGET**

**DEBT SERVICE**

(\$ in millions)

May 2014 Year-to-Date

	Adopted Budget	Actual	Variance	% Variance	Explanation
Dedicated Tax Fund:					
NYC Transit	\$134.7	\$125.1	\$9.6		
Commuter Railroads	27.4	\$26.0	1.4		
<i>Dedicated Tax Fund Subtotal</i>	\$162.1	\$151.1	\$11.0	6.8%	
MTA Transportation Revenue:					
NYC Transit	\$315.5	\$311.0	\$4.4		
Commuter Railroads	203.8	\$187.8	16.0		
MTA Bus	8.3	\$11.9	(3.6)		
<i>MTA Transportation Subtotal</i>	\$527.6	\$510.8	\$16.8	3.2%	
Commercial Paper:					Lower than budgeted rates, timing of interest payments.
NYC Transit	\$5.5	\$0.1	\$5.4		
Commuter Railroads	3.6	\$0.1	3.5		
MTA Bus	0.1	\$0.0	0.1		
<i>Commercial Paper Subtotal</i>	\$9.2	\$0.2	\$9.0	97.7%	
2 Broadway COPs:					
NYC Transit	\$7.4	\$7.4	\$0.0		
Bridges & Tunnels	1.0	\$1.0	0.0		
MTA HQ	1.0	\$1.0	0.0		
<i>2 Broadway COPs Subtotal</i>	\$9.4	\$9.4	\$0.0	0.1%	
TBTA General Resolution (2)					
NYC Transit	\$73.7	\$73.7	(\$0.0)		
Commuter Railroads	34.6	\$34.7	(0.0)		
Bridges & Tunnels	91.9	\$89.0	2.9		
<i>TBTA General Resolution Subtotal</i>	\$200.2	\$197.3	\$2.9	1.4%	
TBTA Subordinate (2)					Lower than budgeted variable debt rates.
NYC Transit	\$27.6	\$25.5	\$2.1		
Commuter Railroads	12.1	\$11.2	0.9		
Bridges & Tunnels	10.9	\$10.1	0.8		
<i>TBTA Subordinate Subtotal</i>	\$50.6	\$46.7	\$3.9	7.6%	
<b>Total Debt Service</b>	<b>\$959.1</b>	<b>\$915.6</b>	<b>\$43.4</b>	<b>4.5%</b>	
Debt Service by Agency:					
NYC Transit	\$564.3	\$542.8	\$21.5		
Commuter Railroads	281.6	259.8	21.8		
MTA Bus	8.3	11.9	(3.6)		
Bridges & Tunnels	103.8	100.1	3.7		
MTAHQ	1.0	1.0	0.0		
<b>Total Debt Service</b>	<b>\$959.1</b>	<b>\$915.6</b>	<b>\$43.4</b>	<b>4.5%</b>	

**Notes:**

- (1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.
- (2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.
- (3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

*Totals may not add due to rounding.*

**METROPOLITAN TRANSPORTATION AUTHORITY  
VARIABLE RATE: WEEKLY MODE  
RATE RESETS REPORT (Trailing 6-Weeks)**

**Transportation Revenue Bonds**

Issue		TRB 2005E-1	TRB 2005E-2	TRB 2005D-1	TRB 2011B				
Remarketing Agent		BofA Merrill Lynch	J.P.Morgan	Merrill Lynch	Merrill Lynch				
Liquidity Provider		BofA Merrill Lynch	J.P.Morgan	Helaba	Bank of America				
Liquidity/Insurer		LoC	LoC	LoC	LoC				
Par Outstanding (\$m)		100.00	75.00	150.00	99.56				
Swap Notional (\$m)		60.00	45.00	150.00	27.94				
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
4/23/2014	0.12%	0.12%	0.00%	0.14%	0.02%	0.13%	0.01%	0.12%	0.00%
4/30/2014	0.10%	0.09%	-0.01%	0.12%	0.02%	0.11%	0.01%	0.09%	-0.01%
5/7/2014	0.08%	0.08%	0.00%	0.10%	0.02%	0.10%	0.02%	0.08%	0.00%
5/14/2014	0.08%	0.08%	0.00%	0.09%	0.01%	0.10%	0.02%	0.08%	0.00%
5/21/2014	0.08%	0.08%	0.00%	0.09%	0.01%	0.10%	0.02%	0.08%	0.00%
5/28/2014	0.06%	0.05%	-0.01%	0.06%	0.00%	0.07%	0.01%	0.05%	-0.01%

**Dedicated Tax Fund Bonds**

Issue		DTF 2002B-1	DTF 2008A-1	DTF 2008A-2			
Remarketing Agent		Morgan Stanley	Morgan Stanley	Goldman			
Liquidity Provider		State Street Bank	Morgan Stanley	Bank of Tokyo			
Liquidity/Insurer		LoC	LoC	LoC			
Par Outstanding (\$m)		150.00	170.81	170.80			
Swap Notional (\$m)		None	167.45	167.45			
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
4/23/2014	0.12%	0.11%	-0.01%	0.09%	-0.03%	0.12%	0.00%
4/30/2014	0.10%	0.10%	0.00%	0.08%	-0.02%	0.10%	0.00%
5/7/2014	0.08%	0.07%	-0.01%	0.05%	-0.03%	0.08%	0.00%
5/14/2014	0.08%	0.07%	-0.01%	0.05%	-0.03%	0.08%	0.00%
5/21/2014	0.08%	0.07%	-0.01%	0.05%	-0.03%	0.06%	-0.02%
5/28/2014	0.06%	0.05%	-0.01%	0.03%	-0.03%	0.05%	-0.01%

**TBTA General Revenue Bonds**

Issue		TBTA 2005B-3	
Remarketing Agent		BofA Merrill Lynch	
Liquidity Provider		BofA	
Liquidity/Insurer		SBPA	
Par Outstanding (\$m)		194.00	
Swap Notional (\$m)		194.00	
Date	SIFMA	Rate	Spread to SIFMA
4/23/2014	0.12%	0.15%	0.03%
4/30/2014	0.10%	0.12%	0.02%
5/7/2014	0.08%	0.09%	0.01%
5/14/2014	0.08%	0.09%	0.01%
5/21/2014	0.08%	0.08%	0.00%
5/28/2014	0.06%	0.08%	0.02%

**TBTA General Revenue and Subordinate Revenue Bonds**

Issue		TBTA 2001B	TBTA 2001C	TBTA 2003B-1	TBTA 2003B-2				
Remarketing Agent		Citigroup	Citigroup	Citigroup	Citigroup				
Liquidity Provider		State Street	JP Morgan	CALPERS	CALSTRS				
Liquidity/Insurer		LoC	SBPA	LoC	LoC				
Par Outstanding (\$m)		122.57	122.57	88.50	47.79				
Swap Notional (\$m)		None	None	None	None				
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
4/22/2014	0.12%	0.12%	0.00%	0.13%	0.01%	0.12%	0.00%	0.12%	0.00%
4/29/2014	0.10%	0.10%	0.00%	0.11%	0.01%	0.10%	0.00%	0.10%	0.00%
5/6/2014	0.08%	0.08%	0.00%	0.09%	0.01%	0.08%	0.00%	0.08%	0.00%
5/13/2014	0.08%	0.08%	0.00%	0.09%	0.01%	0.08%	0.00%	0.08%	0.00%
5/20/2014	0.08%	0.08%	0.00%	0.09%	0.01%	0.08%	0.00%	0.08%	0.00%
5/27/2014	0.06%	0.06%	0.00%	0.07%	0.01%	0.06%	0.00%	0.06%	0.00%

Issue		TBTA 2005A-2	TBTA 2005A-3	TBTA SUB 2000AB	TBTA SUB 2000CD				
Remarketing Agent		US Bancorp	US Bancorp	JP Morgan	Citigroup				
Liquidity Provider		CALSTRS	U.S. Bank	JPMorgan	Lloyds TSB (NY)				
Liquidity/Insurer		LoC	LoC	SBPA/Assured	SBPA/Assured				
Par Outstanding (\$m)		31.24	36.99	95.30	52.55				
Liquidity/Insurer		None	None	95.30	None				
Outstanding (\$m)	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
4/22/2014	0.12%	0.11%	-0.01%	0.11%	-0.01%	0.25%	0.13%	0.20%	0.08%
4/29/2014	0.10%	0.10%	0.00%	0.10%	0.00%	0.23%	0.13%	0.20%	0.10%
5/6/2014	0.08%	0.07%	-0.01%	0.07%	-0.01%	0.23%	0.15%	0.20%	0.12%
5/13/2014	0.08%	0.09%	0.01%	0.09%	0.01%	0.22%	0.14%	0.20%	0.12%
5/20/2014	0.08%	0.07%	-0.01%	0.07%	-0.01%	0.22%	0.14%	0.20%	0.12%
5/27/2014	0.06%	0.06%	0.00%	0.06%	0.00%	0.20%	0.14%	0.20%	0.14%

Report Date 5/30/2014

**METROPOLITAN TRANSPORTATION AUTHORITY  
VARIABLE RATE: FLOATING RATE NOTES  
RATE RESETS REPORT (Trailing 6-Weeks)**

**Transportation Revenue Bonds**

Issue		TRB 2002D-2	TRB 2002G-1a	TRB 2002G-1b	TRB 2002G-1c				
Remarketing Agent		Wells Fargo	N/A	N/A	N/A				
Initial Purchase Date		Note 1	11/1/2014	11/1/2015	11/1/2016				
Liquidity/Insurer		CCA/Assured	None	None	None				
Par Outstanding (\$m)		200.00	12.27	12.76	13.26				
Swap Notional (\$m)		200.00	11.49	11.95	12.42				
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
4/23/2014	0.12%	0.93%	0.81%	0.30%	0.18%	0.60%	0.48%	0.79%	0.67%
4/30/2014	0.10%	0.93%	0.83%	0.30%	0.20%	0.60%	0.50%	0.79%	0.69%
5/7/2014	0.08%	0.93%	0.85%	0.30%	0.22%	0.60%	0.52%	0.79%	0.71%
5/14/2014	0.08%	0.93%	0.85%	0.30%	0.22%	0.60%	0.52%	0.79%	0.71%
5/21/2014	0.08%	0.93%	0.85%	0.30%	0.22%	0.60%	0.52%	0.79%	0.71%
5/28/2014	0.06%	0.93%	0.87%	0.30%	0.24%	0.60%	0.54%	0.79%	0.73%

Issue		TRB 2002G-1d	TRB 2002G-1f	TRB 2002G-1g	TRB 2002G-1h				
Remarketing Agent		N/A	N/A	N/A	N/A				
Initial Purchase Date		11/1/2017	11/1/2014	11/1/2015	11/1/2016				
Liquidity/Insurer		None	None	None	None				
Par Outstanding (\$m)		13.80	42.58	42.55	56.89				
Swap Notional (\$m)		13.80	42.58	42.55	56.89				
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
4/23/2014	0.12%	0.93%	0.81%	0.50%	0.38%	0.75%	0.63%	0.95%	0.83%
4/30/2014	0.10%	0.93%	0.83%	0.50%	0.40%	0.75%	0.65%	0.95%	0.85%
5/7/2014	0.08%	0.93%	0.85%	0.50%	0.42%	0.75%	0.67%	0.95%	0.87%
5/14/2014	0.08%	0.93%	0.85%	0.50%	0.42%	0.75%	0.67%	0.95%	0.87%
5/21/2014	0.08%	0.93%	0.85%	0.50%	0.42%	0.75%	0.67%	0.95%	0.87%
5/28/2014	0.06%	0.93%	0.87%	0.50%	0.44%	0.75%	0.69%	0.95%	0.89%

Issue		TRB 2012A-2	TRB 2012A-3		
Remarketing Agent		BoNY Mellon	BoNY Mellon		
Initial Purchase Date		05/15/14	05/15/15		
Liquidity/Insurer		None	None		
Par Outstanding (\$m)		50.00	50.00		
Swap Notional (\$m)		None	None		
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
4/23/2014	0.12%	0.31%	0.19%	0.51%	0.39%
4/30/2014	0.10%	0.29%	0.19%	0.49%	0.39%
5/7/2014	0.08%	0.27%	0.19%	0.47%	0.39%
5/14/2014	0.08%	0.35%	0.27%	0.47%	0.39%
5/21/2014	0.08%	0.35%	0.27%	0.47%	0.39%
5/28/2014	0.06%	0.33%	0.27%	0.45%	0.39%

Issue		TRB 2012G-1	TRB 2012G-2	TRB 2012G-3	TRB 2012G-4				
Remarketing Agent		JP Morgan	JP Morgan	JP Morgan	JP Morgan				
Initial Purchase Date		11/1/2014	11/1/2015	11/1/2016	11/1/2017				
Liquidity/Insurer		None	None	None	None				
Par Outstanding (\$m)		84.45	125.00	75.00	74.03				
Swap Notional (\$m)		84.45	125.00	75.00	74.03				
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
4/23/2014	0.12%	0.52%	0.40%	0.63%	0.51%	0.80%	0.68%	0.94%	0.82%
4/30/2014	0.10%	0.52%	0.42%	0.63%	0.53%	0.80%	0.70%	0.94%	0.84%
5/7/2014	0.08%	0.52%	0.44%	0.63%	0.55%	0.80%	0.72%	0.94%	0.86%
5/14/2014	0.08%	0.52%	0.44%	0.63%	0.55%	0.80%	0.72%	0.94%	0.86%
5/21/2014	0.08%	0.52%	0.44%	0.63%	0.55%	0.80%	0.72%	0.94%	0.86%
5/28/2014	0.06%	0.52%	0.46%	0.63%	0.57%	0.80%	0.74%	0.94%	0.88%

**Dedicated Tax Fund Bonds**

Issue		DTF 2002B-3a		DTF 2002B-3b		DTF 2002B-3c		DTF 2002B-3d	
Remarketing Agent		Morgan Stanley		Morgan Stanley		Morgan Stanley		Morgan Stanley	
Maturity Date		11/01/17		11/01/18		11/01/19		11/01/20	
Liquidity/Insurer		None		None		None		None	
Par Outstanding (\$m)		46.60		48.60		50.70		15.90	
Swap Notional (\$m)		None		None		None		None	
Date	SIFMA	Rate	Spread to SIFMA						
4/23/2014	0.12%	0.87%	0.75%	1.02%	0.90%	1.07%	0.95%	1.12%	1.00%
4/30/2014	0.10%	0.85%	0.75%	1.00%	0.90%	1.05%	0.95%	1.10%	1.00%
5/7/2014	0.08%	0.83%	0.75%	0.98%	0.90%	1.03%	0.95%	1.08%	1.00%
5/14/2014	0.08%	0.83%	0.75%	0.98%	0.90%	1.03%	0.95%	1.08%	1.00%
5/21/2014	0.08%	0.83%	0.75%	0.98%	0.90%	1.03%	0.95%	1.08%	1.00%
5/28/2014	0.06%	0.81%	0.75%	0.96%	0.90%	1.01%	0.95%	1.06%	1.00%

Issue		DTF 2008B-3a		DTF 2008B-3b		DTF 2008B-3c	
Remarketing Agent		Goldman Sachs		Goldman Sachs		Goldman Sachs	
Maturity Date		11/01/12		11/01/13		11/01/14	
Liquidity/Insurer		None		None		None	
Par Outstanding (\$m)		35.00		54.47		44.74	
Swap Notional (\$m)		None		None		None	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
4/23/2014	0.12%	0.35%	0.23%	0.48%	0.36%	0.80%	0.68%
4/30/2014	0.10%	0.33%	0.23%	0.46%	0.36%	0.78%	0.68%
5/7/2014	0.08%	0.31%	0.23%	0.44%	0.36%	0.76%	0.68%
5/14/2014	0.08%	0.31%	0.23%	0.44%	0.36%	0.76%	0.68%
5/21/2014	0.08%	0.31%	0.23%	0.44%	0.36%	0.76%	0.68%
5/28/2014	0.06%	0.29%	0.23%	0.42%	0.36%	0.74%	0.68%

**TBTA General Revenue Bonds**

Issue		TBTA 2005B-4a		TBTA 2005B-4b		TBTA 2005B-4c		TBTA 2005B-4d		TBTA 2005B-4e	
Remarketing Agent		N/A		N/A		N/A		N/A		N/A	
Initial Purchase Date		1/1/2014		1/1/2014		1/1/2015		1/1/2016		1/1/2017	
Liquidity/Insurer		None		None		None		None		None	
Par Outstanding (\$m)		28.80		37.50		38.70		43.80		45.20	
Swap Notional (\$m)		28.80		37.50		38.70		43.80		45.20	
Date	SIFMA	Rate	Spread to SIFMA								
4/23/2014	0.12%	0.48%	0.36%	0.62%	0.50%	0.47%	0.35%	0.69%	0.57%	0.75%	0.39%
4/30/2014	0.10%	0.48%	0.38%	0.62%	0.52%	0.47%	0.37%	0.69%	0.59%	0.75%	0.37%
5/7/2014	0.08%	0.48%	0.40%	0.62%	0.54%	0.47%	0.39%	0.69%	0.61%	0.75%	0.35%
5/14/2014	0.08%	0.48%	0.40%	0.62%	0.54%	0.47%	0.39%	0.69%	0.61%	0.75%	0.35%
5/21/2014	0.08%	0.48%	0.40%	0.62%	0.54%	0.47%	0.39%	0.69%	0.61%	0.75%	0.35%
5/28/2014	0.06%	0.48%	0.42%	0.62%	0.56%	0.47%	0.41%	0.69%	0.63%	0.75%	0.33%

Issue		TBTA SUB 2013D-2a		TBTA SUB 2013D-2b	
Remarketing Agent		N/A		N/A	
Initial Purchase Date		1/1/2014		1/1/2014	
Liquidity/Insurer		None		None	
Par Outstanding (\$m)		58.02		90.45	
Swap Notional (\$m)		N/A		N/A	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
4/23/2014	0.12%	0.55%	0.43%	0.80%	0.68%
4/30/2014	0.10%	0.55%	0.45%	0.80%	0.70%
5/7/2014	0.08%	0.55%	0.47%	0.80%	0.72%
5/14/2014	0.08%	0.55%	0.47%	0.80%	0.72%
5/21/2014	0.08%	0.55%	0.47%	0.80%	0.72%
5/28/2014	0.06%	0.55%	0.49%	0.80%	0.74%

<sup>1</sup>The TRB 2002D-2 Bonds are privately placed. Wells Fargo is the liquidity provider for these bonds.

Report Date 5/30/2014

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**VARIABLE RATE: DAILY MODE**  
**RATE RESETS REPORT (Trailing 10 Days)**

**Transportation Revenue Bonds**

Issue		TRB 2005D-2		TRB 2005E-3	
Dealer		Morgan Stanley		PNC Capital	
Liquidity Provider		Helaba		PNC	
Type of Liquidity		LoC		LoC	
Par Outstanding (\$m)		100.00		75.00	
Swap Notional (\$m)		100.00		45.00	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
5/21/2014	0.08%	0.10%	0.02%	0.04%	-0.04%
5/22/2014	0.08%	0.10%	0.02%	0.05%	-0.03%
5/23/2014	0.08%	0.10%	0.02%	0.05%	-0.03%
5/24/2014	0.08%	0.10%	0.02%	0.05%	-0.03%
5/25/2014	0.08%	0.10%	0.02%	0.05%	-0.03%
5/26/2014	0.08%	0.10%	0.02%	0.05%	-0.03%
5/27/2014	0.08%	0.10%	0.02%	0.06%	-0.02%
5/28/2014	0.06%	0.09%	0.03%	0.06%	0.00%
5/29/2014	0.06%	0.08%	0.02%	0.06%	0.00%
5/30/2014	0.06%	0.10%	0.04%	0.06%	0.00%

**TBTA General Revenue Bonds**

Issue		TBTA 2002F		TBTA 2003B-3		TBTA 2005A-1		TBTA 2005B-2a	
Dealer		JP Morgan		US Bancorp		US Bancorp		JP Morgan	
Liquidity Provider		Helaba		US. Bank		CALPERS		CALPERS	
Type of Liquidity		LoC		LoC		LoC		LoC	
Par Outstanding (\$m)		202.61		56.63		57.80		88.99	
Swap Notional (\$m)		194.00		None		24.06		88.99	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
5/21/2014	0.08%	0.07%	-0.01%	0.06%	-0.02%	0.06%	-0.02%	0.05%	-0.03%
5/22/2014	0.08%	0.08%	0.00%	0.06%	-0.02%	0.06%	-0.02%	0.06%	-0.02%
5/23/2014	0.08%	0.09%	0.01%	0.06%	-0.02%	0.06%	-0.02%	0.07%	-0.01%
5/24/2014	0.08%	0.09%	0.01%	0.06%	-0.02%	0.06%	-0.02%	0.07%	-0.01%
5/25/2014	0.08%	0.09%	0.01%	0.06%	-0.02%	0.06%	-0.02%	0.07%	-0.01%
5/26/2014	0.08%	0.09%	0.01%	0.06%	-0.02%	0.06%	-0.02%	0.07%	-0.01%
5/27/2014	0.08%	0.10%	0.02%	0.06%	-0.02%	0.06%	-0.02%	0.08%	0.00%
5/28/2014	0.06%	0.09%	0.03%	0.06%	0.00%	0.07%	0.01%	0.07%	0.01%
5/29/2014	0.06%	0.09%	0.03%	0.06%	0.00%	0.07%	0.01%	0.07%	0.01%
5/30/2014	0.06%	0.09%	0.03%	0.06%	0.00%	0.07%	0.01%	0.07%	0.01%

Issue		TBTA 2005B-2b		TBTA 2005B-2c	
Dealer		JP Morgan		US Bancorp	
Liquidity Provider		CALPERS		US. Bank	
Type of Liquidity		LoC		LoC	
Par Outstanding (\$m)		48.10		56.91	
Swap Notional (\$m)		48.10		56.91	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
5/21/2014	0.08%	0.05%	-0.03%	0.06%	-0.02%
5/22/2014	0.08%	0.06%	-0.02%	0.06%	-0.02%
5/23/2014	0.08%	0.07%	-0.01%	0.06%	-0.02%
5/24/2014	0.08%	0.07%	-0.01%	0.06%	-0.02%
5/25/2014	0.08%	0.07%	-0.01%	0.06%	-0.02%
5/26/2014	0.08%	0.07%	-0.01%	0.06%	-0.02%
5/27/2014	0.08%	0.08%	0.00%	0.06%	-0.02%
5/28/2014	0.06%	0.07%	0.01%	0.06%	0.00%
5/29/2014	0.06%	0.07%	0.01%	0.06%	0.00%
5/30/2014	0.06%	0.07%	0.01%	0.06%	0.00%

Report Date 5/30/2014

**METROPOLITAN TRANSPORTATION AUTHORITY VARIABLE RATE REPORT:  
AUCTION RATE**

**WEEKLY AUCTIONS**

Issue	LIBOR Formula Fail Rate	LIBOR Formula Fail Rate		
	TRB 2002B-1	COPs 2004A-1	COPs 2004A-2	COPs 2004A-3
<b>Outstanding Par (\$ M)</b>	96.150	9.550	10.200	37.250
<b>Swap Notional (\$m)</b>	None	9.550	10.200	37.250
<b>Final Maturity</b>	11/1/2022	1/1/2030	1/1/2030	1/1/2030
<b>Broker Dealer(s)</b>	JP Morgan Merrill Lynch	JP Morgan Merrill Lynch	JP Morgan	JP Morgan Merrill Lynch
<b>Insurer</b>	Assured	Ambac	Ambac	Ambac
<b>Auction Frequency</b>	Tuesday	Monday	Tuesday	Wednesday
<i>Apr. 14 thru Apr. 18, 2014</i>	<b>0.303%</b>	<b>0.417%</b>	<b>0.416%</b>	<b>0.418%</b>
<i>Apr. 21 thru Apr. 25, 2014</i>	<b>0.305%</b>	<b>0.419%</b>	<b>0.419%</b>	<b>0.419%</b>
<i>Apr. 28 thru May 2, 2014</i>	<b>0.303%</b>	<b>0.413%</b>	<b>0.417%</b>	<b>0.414%</b>
<i>May 5 thru May 9, 2014</i>	<b>0.301%</b>	<b>0.417%</b>	<b>0.414%</b>	<b>0.417%</b>
<i>May 12 thru May 16, 2014</i>	<b>0.302%</b>	<b>0.416%</b>	<b>0.416%</b>	<b>0.416%</b>
<i>May 19 thru May 23, 2014</i>	<b>0.296%</b>	<b>0.408%</b>	<b>0.406%</b>	<b>0.408%</b>
<i>May 26 thru May 30, 2014</i>	<b>0.301%</b>	<b>0.413%</b>	<b>0.414%</b>	<b>0.413%</b>
<i>Corresponding Libor Rate</i>	<b>0.151%</b>	<b>0.150%</b>	<b>0.151%</b>	<b>0.150%</b>
<i>Fail Rate</i>	<b>200%</b>	<b>275%</b>	<b>275%</b>	<b>275%</b>

**28 & 35 DAY AUCTIONS**

Issue	LIBOR Formula Fail Rate		
	TRB 2002B-2	COPs 2004A-4	COPs 2004A-5
<b>Outstanding Par (\$ M)</b>	95.525	34.950	3.700
<b>Swap Notional (\$m)</b>	None	34.950	3.700
<b>Final Maturity</b>	11/1/2022	1/1/2030	1/1/2030
<b>Broker Dealer(s)</b>	JP Morgan Merrill Lynch	JP Morgan	JP Morgan
<b>Insurer</b>	Assured	Ambac	Ambac
<b>Auction Frequency</b>	28-Days	35-Days	35-Days
<i>January 2014</i>	<b>0.316%</b>	<b>0.441%</b>	<b>0.432%</b>
<i>February 2014</i>	<b>0.309%</b>	<b>0.425%</b>	<b>0.428%</b>
<i>March 2014</i>	<b>0.315%</b>	<b>0.425%</b>	<b>0.417%</b>
<i>April 2014</i>	<b>0.304%</b>	<b>0.417%</b>	<b>0.417%</b>
<i>May 2014</i>	<b>0.302%</b>	<b>0.415%</b>	<b>N/A</b>
<i>Corresponding Libor Rate</i>	<b>0.151%</b>	<b>0.151%</b>	<b>0.152%</b>
<i>Fail Rate</i>	<b>200%</b>	<b>275%</b>	<b>275%</b>

**Report Date 5/30/2014**

MTA DEBT OUTSTANDING (\$ in Millions)

5/30/2014

Type of Credit					Outstanding			Total Outstanding	TIC <sup>1</sup>	Notes
	Underlying Ratings (Moody's /S&P / Fitch/ Kroll)	Series	BPA Sale Date	Final Maturity	Principal Iss. Amount	Fixed Amount	Variable Amount			
<b>MTA Transportation Revenue Bonds (A2/A+/A)</b>	2002A	5/9/02	11/15/2032	2,894.185	84.965	-	-	84.965	5.31	
	2002B	5/28/02	11/1/2022	210.500	-	191.675	-	191.675	1.50	
	2002D	5/29/02	11/1/2032	400.000	174.725	-	200.000	374.725	4.63	
	2002E	6/12/02	11/15/2031	397.495	18.425	-	-	18.425	5.13	
	2002G	11/19/02	11/1/2026	400.000	-	12.270	181.830	194.100	4.11	
	2003A	5/8/03	11/15/2032	475.340	114.355	-	-	114.355	4.49	
	2003B	7/30/03	11/15/2032	751.765	71.080	-	-	71.080	5.10	
	2005A	2/9/05	11/15/2035	650.000	429.280	-	-	429.280	4.76	
	2005B	6/22/05	11/15/2035	750.000	575.225	-	-	575.225	4.80	
	2005C	10/19/05	11/15/2016	150.000	44.395	-	-	44.395	4.19	
	2005D	11/1/05	11/1/2035	250.000	-	-	250.000	250.000	4.53	
	2005E	11/1/05	11/1/2035	250.000	-	100.000	150.000	250.000	3.66	
	2005F	11/16/05	11/15/2035	468.760	357.055	-	-	357.055	4.88	
	2005G	12/7/05	11/1/2026	250.000	233.540	-	-	233.540	4.34	
	2006A	7/13/06	11/15/2035	475.000	391.830	-	-	391.830	4.89	
	2006B	12/13/06	11/15/2036	717.730	659.420	-	-	659.420	4.52	
	2007A	6/27/07	11/15/2037	425.615	379.335	-	-	379.335	4.84	
	2007B	12/6/07	11/15/2037	415.000	371.250	-	-	371.250	4.75	
	2008A	2/13/08	11/15/2038	512.470	480.700	-	-	480.700	4.91	
	2008B	2/13/08	11/15/2030	487.530	414.720	-	-	414.720	3.09	
	2008C	10/17/08	11/15/2013	550.000	485.000	-	-	485.000	6.68	
	2009A	10/6/09	11/15/2039	502.320	461.875	-	-	461.875	3.79	
	2010A	1/6/10	11/15/2039	363.945	363.945	-	-	363.945	4.44	
	2010B	2/4/10	11/15/2039	656.975	641.975	-	-	641.975	4.29	
	2010C	6/30/10	11/15/2040	510.485	487.710	-	-	487.710	4.27	
	CP2	9/16/10	11/15/2015	900.000	-	550.000	-	550.000	1.32	
	2010D	11/23/10	11/15/2040	754.305	716.540	-	-	716.540	5.15	
	2010E	12/21/10	11/15/2040	750.000	750.000	-	-	750.000	4.57	
	2011A	7/12/11	11/15/2046	400.440	392.490	-	-	392.490	4.95	
	2011B	9/13/11	11/1/2041	99.560	-	71.625	27.935	99.560	2.08	
	2011C	11/2/11	11/15/2028	197.950	191.435	-	-	191.435	3.99	
	2011D	11/30/11	11/15/2046	480.165	462.295	-	-	462.295	4.57	
	2012A	3/7/12	11/15/2042	150.000	50.000	100.000	-	150.000	1.70	
	2012B	3/7/12	11/15/2039	250.000	241.480	-	-	241.480	3.85	
	2012C	4/18/12	11/15/2047	727.430	717.300	-	-	717.300	4.22	
	2012D	6/28/12	11/15/2032	1,263.365	1,263.365	-	-	1,263.365	3.51	
	2012E	7/13/12	11/15/2042	650.000	635.970	-	-	635.970	3.91	
	2012F	9/20/12	11/15/2030	1,268.445	1,171.355	-	-	1,171.355	3.17	
	2012G	11/7/12	11/1/2032	359.450	-	-	358.475	358.475	4.75	
	2012H	11/9/12	11/15/2042	350.000	344.045	-	-	344.045	3.70	
	2013A	1/17/2013	11/15/2043	500.000	493.580	-	-	493.580	3.79	
	2013B	3/22/2013	11/15/2043	500.000	492.000	-	-	492.000	4.08	
	2013C	6/11/2013	11/15/2043	500.000	492.640	-	-	492.640	4.25	
	2013D	7/11/2013	11/15/2043	333.790	332.050	-	-	332.050	4.63	
	BANS 2013A Key Bank Series	9/19/2013	9/29/2015	100.000	-	100.000	-	100.000	0.76	
	BANS 2013A ML Series	10/3/2013	4/19/2015	200.000	-	200.000	-	200.000	0.71	
	2013E	11/15/2013	11/15/2043	500.000	500.000	-	-	500.000	4.64	
	2014A	2/28/2014	11/15/2044	400.000	400.000	-	-	400.000	4.31	
	2014B	4/17/2014	11/15/2044	500.000	500.000	-	-	500.000	4.38	
	<b>Total</b>			<b>26,050.015</b>	<b>17,387.350</b>	<b>1,325.570</b>	<b>1,168.240</b>	<b>19,881.160</b>	<b>4.14</b>	
										<b>WATIC</b>
<b>TBTA General Revenue Bonds (Aa3/AA-/AA-/ AA)</b>	EFC 1996A	6/26/96	1/1/2030	28.445	4.150	-	-	4.150	5.85	
	2001B	12/18/01	1/1/2032	148.200	-	122.570	-	122.570	2.27	
	2001C	12/18/01	1/1/2032	148.200	-	122.565	-	122.565	2.48	
	2002B	9/19/02	11/15/2032	2,157.065	147.200	-	-	147.200	4.56	
	2002F	11/8/02	11/1/2032	246.480	-	8.610	194.000	202.610	3.71	
	2003B	12/9/03	1/1/2033	250.000	-	192.915	-	192.915	2.39	
	2005A	5/10/05	11/1/2035	150.000	-	101.965	24.060	126.025	2.77	
	2005B	7/6/05	1/1/2032	800.000	-	-	582.000	582.000	3.71	
	2006A	6/8/06	11/15/2035	200.000	75.645	-	-	75.645	4.72	
	2007A	6/13/07	11/15/2037	223.355	136.260	-	-	136.260	4.84	

MTA DEBT OUTSTANDING (\$ in Millions)

5/30/2014

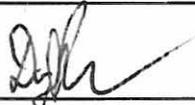
Type of Credit	Underlying Ratings (Moody's /S&P / Fitch/ Kroll)	BPA Sale		Principal Iss. Amount	Outstanding			Total Outstanding	TIC <sup>1</sup>	Notes
		Series	Date		Final Maturity	Fixed Amount	Variable Amount			
		2008A	3/13/08	11/15/2038	822.770	636.445	-	-	636.445	4.93
		2008B	3/13/08	11/15/2038	252.230	252.230	-	-	252.230	3.71
		2008C	7/16/08	11/15/2038	629.890	512.270	-	-	512.270	4.72
		2009A	2/11/09	11/15/2038	475.000	419.565	-	-	419.565	4.75
		2009B	9/10/09	11/15/2039	200.000	200.000	-	-	200.000	3.63
		2010A	10/20/10	11/15/2040	346.960	330.010	-	-	330.010	3.45
		2011A	10/4/11	1/1/2028	609.430	586.210	-	-	586.210	3.59
		2012A	6/6/12	11/15/2042	231.490	225.515	-	-	225.515	3.69
		2012B	8/3/12	11/15/2032	1,236.898	1,352.570	-	-	1,352.570	2.66
		2013B	1/29/2013	11/15/2030	257.195	257.195	-	-	257.195	2.25
		2013C	4/18/2013	11/15/2043	200.000	200.000	-	-	200.000	3.71
	TBTA BANS	2014A	2/6/2014	5/15/2015	100.000	100.000	-	-	100.000	0.62
		2014A	2/6/2014	11/15/2044	250.000	250.000	-	-	250.000	4.28
				<b>Total</b>	<b>9,963.608</b>	<b>5,685.265</b>	<b>548.625</b>	<b>800.060</b>	<b>7,033.950</b>	<b>3.60</b>
										WATIC
<b>TBTA Subordinate Revenue Bonds (A1/A+/ A+/ AA-)</b>		2000AB	11/01/00	1/1/2019	263.000	-	-	95.300	95.300	6.49
		2000CD	11/01/00	1/1/2019	263.000	-	52.550	-	52.550	1.59
		2002E	10/23/02	11/15/2032	756.095	139.825	-	-	139.825	5.34
		2003A	2/27/03	11/15/2032	500.170	9.545	-	-	9.545	4.91
		2008D	7/16/08	11/15/2028	491.110	393.980	-	-	393.980	4.69
		2013A	1/11/2013	11/15/2032	761.600	761.600	-	-	761.600	3.13
		2013D	12/19/2013	11/15/2032	313.975	165.505	148.470	-	313.975	2.39
				<b>Total</b>	<b>3,348.950</b>	<b>1,470.455</b>	<b>201.020</b>	<b>95.300</b>	<b>1,766.775</b>	<b>3.67</b>
										WATIC
<b>MTA Dedicated Tax Fund Bonds (AA/AA-)</b>		2002B	9/4/02	11/1/2022	440.000	116.050	311.800	-	427.850	1.74
		2004A	2/26/04	11/15/2018	250.000	106.855	-	-	106.855	3.49
		2004B	3/9/04	11/15/2028	500.000	294.460	-	-	294.460	4.51
		2004C	12/15/04	11/15/2018	120.000	48.725	-	-	48.725	3.77
		2006A	6/7/06	11/15/2035	350.000	229.365	-	-	229.365	4.18
		2006B	10/25/06	11/15/2036	410.000	288.010	-	-	288.010	4.28
		2008A	6/24/08	11/1/2031	352.915	-	6.695	334.905	341.600	4.57
		2008B	8/6/08	11/1/2034	348.175	202.505	134.210	-	336.715	2.30
		2009A	3/12/09	11/15/2039	261.700	243.680	-	-	243.680	5.55
		2009B	4/23/09	11/15/2030	500.000	469.960	-	-	469.960	5.00
		2009C	4/23/09	11/15/2039	750.000	750.000	-	-	750.000	4.89
		2010A	3/17/10	11/15/2040	502.990	479.330	-	-	479.330	3.91
		2011A	3/23/11	11/15/2021	127.450	103.075	-	-	103.075	2.99
		2012A	10/16/12	11/15/2032	1,065.335	1,008.950	-	-	1,008.950	3.07
				<b>Total</b>	<b>5,978.565</b>	<b>4,340.965</b>	<b>452.705</b>	<b>334.905</b>	<b>5,128.575</b>	<b>3.86</b>
										WATIC
<b>MTA Certificates of Participation (2 Broadway) (Caa2/CC/NR)</b>		2004A	9/21/04	1/1/2030	357.925	-	-	95.650	95.650	4.07
				<b>Total</b>	<b>357.925</b>	<b>-</b>	<b>-</b>	<b>95.650</b>	<b>95.650</b>	<b>4.07</b>
										WATIC
				<b>All MTA Total</b>	<b>45,699.063</b>	<b>28,884.035</b>	<b>2,527.920</b>	<b>2,494.155</b>	<b>33,906.110</b>	<b>3.96</b>
<b>State Service Contract Bonds (AA-/AA-)</b>		2002A	6/5/02	7/1/2031	1,715.755	272.670	-	-	272.670	5.29
		2002B	6/26/02	7/1/2031	679.450	42.825	-	-	42.825	4.93
				<b>Total</b>	<b>2,395.205</b>	<b>315.495</b>	<b>-</b>	<b>-</b>	<b>315.495</b>	<b>5.24</b>
										WATIC

**Notes**

- (1) Fixed Rate TICs calculated as of issuance of Fixed Rate Bonds. Floating Rate TICs calculated from inception including fees. Any Unhedged Variable Rate Bonds that have been fixed to maturity are carried at the new Fixed Rate TIC. Synthetic Fixed Rate TICs include average swap rates plus current variable rate fees and estimated basis adjustments for life of swap. Synthetic Fixed Rate TICs do not include benefit of any upfront payments received by MTA. Variable Rate TICs include average remarketed plus current variable rate fees.

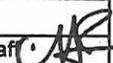
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# Staff Summary

<b>Subject</b> 2014 State PWEF Assessment
<b>Department</b> Chief Financial Officer
<b>Department Head Name</b>  Robert E. Foran
<b>Department Head Signature</b> 
<b>Project Manager Name</b> Douglas F. Johnson 

<b>Date</b> June 9, 2014
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	6/23	X		
2	Board	6/25	X		

Internal Approvals			
Order	Approval	Order	Approval
2	Legal 	3	Chief of Staff 
1	Chief Financial Office 		

**Purpose:** 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 calendar 2014.

**Discussion:** Chapter 511 of the Laws of 1995, as amended, requires State agencies and authorities to pay to the State Comptroller an assessment based upon 1/10 of 1% of the value of public work (construction) contracts entered into (excluding rolling stock contracts). The assessments are deposited in the State Public Work Enforcement Fund to reimburse the State Department of Labor for its costs in enforcing the State's prevailing-wage law. The State and the MTA have entered into a simple annual estimate-and-settlement procedure agreement. Payments are made each year based upon the estimated amount of public works contracts, and are adjusted to reflect the actual experience from the prior year. The 2014 payment, therefore, is based upon a 2014 estimate and an adjustment for 2013.

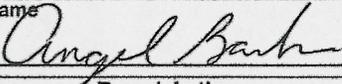
Based on the actual average spending rates, it is assumed that in calendar year 2014, MTA's constituent agencies are projected to let \$2,688,820,891 worth of construction contracts, which is a \$906,550 million increase, in contract values from the actual 2013 level. Both the 2013 actuals and 2014 projections now include Superstorm Sandy repair and resiliency work that were added to the Capital Plan in the July 2013 Board approved amendment.

In 2013, the estimated 2013 assessment of \$2,836,982 exceeded the actual assessment by \$1,054,711. This overpayment, when deducted from the estimated 2014 assessment of \$2,688,821 requires a total payment of \$1,634,110.

**Financial Implications:** The 2014 MTAHQ Budget contains sufficient funds for this payment.

**Recommendation:** The Board should authorize staff to remit the 2014 assessment, including the adjustment for the 2013 overpayment, to the State Department of Labor.

# Staff Summary

<b>Subject</b> Request for Authorization to Award Various Procurements
<b>Department</b> Executive
<b>Department Head Name</b> Bob Foran
<b>Department Head Signature</b> 
<b>Division Head Name</b> Angel Barbosa 

<b>Date</b> June 9, 2014
<b>Vendor Name</b> Various
<b>Contract Number</b> Various
<b>Contract Manager Name</b> Various
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	6/23/2014			
2	Board	6/25/2014			

Internal Approvals			
Order	Approval	Order	Approval
1	Procurement 	3	CFO 
2	Legal 		

**PURPOSE:**

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

**DISCUSSION:**

MTAHQ proposes to award Non-competitive procurements in the following categories:

	# of Actions	\$ Amount
None	None	None

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule E: Miscellaneous Procurement Contracts	1	\$ 1,317,728.27
Schedule H: Personal Services Contracts	2	\$23,338,570.00
Schedule J: Modification to Miscellaneous Procurement Contracts	1	\$ 518,918.00
<b>SUBTOTAL</b>	<b>4</b>	<b>\$25,175,216.27</b>

MTAHQ presents the following procurement actions for Ratification:

None	None
<b>TOTAL</b>	<b>4</b> <b>\$25,175,216.27</b>

**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, JUNE 2014**  
**COMPETITIVE PROCUREMENTS**

**METROPOLITAN TRANSPORTATION AUTHORITY**

*Procurements Requiring Majority Vote:*

**E. Miscellaneous Procurement Contracts**

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

1. **DiRad Technologies, Inc.** **\$1,317,728.27** Staff Summary Attached  
**Telephone Interactive Voice Response System** (not-to-exceed)  
**Contract No. 13122-0100**

Competitively negotiated – 6 proposals – 60 months

To recommend that the Board approve the award of a competitively negotiated, miscellaneous procurement contract to DiRad Technologies, Inc. (DiRad) to provide a Telephone Interactive Voice Response System (telephone system) including technical support and maintenance for MTAHQ's Business Services Center for a period of five years. DiRad will be responsible for providing a comprehensive telecommunication integration system including hardware, software, training and technical support. As a result of negotiations, DiRad's proposed total cost for the five year period of \$1,201,843.30 was negotiated down to \$1,117,728.27 a savings of \$84,115.03 or 6.9%. The other technically qualified firm's best and final price of \$1,370,300 is \$ 252,571.73 or 18.43% higher than the recommended firm. Based on the above negotiated savings, the total not-to-exceed cost of \$1,317,728.27 which includes a contingency of \$200,000 is deemed fair and reasonable

**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.)

2. **TDX Construction Corporation** **\$23,018,570** Staff Summary Attached  
**Small Business Mentor Program Services** (not-to-exceed)  
**Contract No. 10009-0100, S/A #4**

Base plus previous change orders = \$16,572,799

To recommend that the Board: (i) approve an amendment to a previously Board-approved, competitively awarded, personal services contract with TDX Construction Corporation ("TDX") for additional funding in the amount of \$1,500,000 to continue to provide construction management (CM) services for the Small Business Development Program ("SBDP") and (ii) to request funding of \$21,518,570 for the remaining two option years of the Small Business Development Program for a combined not-to-exceed total of \$23,018,570. 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's business. Due to the overwhelming success of the program and the need to meet the demand of larger and more complex SBMP projects than was originally anticipated and budgeted for, funding is required to ensure continuation of TDX's services through the end of Year 4 of the current contract. In order to continue the program under the two option years, an additional \$21,518,570 is required. CM services for the Small Business Mentoring Program – Tier 2 is being added to TDX's scope of services. TDX Construction has been providing CM services for the mentor program at the MTA and has performed satisfactorily in this role in its first four years.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**COMPETITIVE PROCUREMENTS**

3. **Carver Federal Savings Bank, New York, NY** **\$320,000** **Staff Summary Attached**  
**MTA SBDP Loan Program** (not-to-exceed)  
**Contract No. 10074-0100, S/A #1**

Base plus previous change order = \$600,000

To recommend that the Board approve an amendment to a previously Board-approved, competitively negotiated, personal services contract to Carver Federal Savings Bank (“Carver”) to extend the Small Business Loan Contract for two years, from August 1, 2014 through July 30, 2016, and provide funding of a not-to-exceed amount of \$320,000 for such services. The extension will allow Carver to continue to provide banking loan services for contractors participating in the SBMP and the SBFP. The annual fee of \$150,000 is broken down as follows: \$75,000 base fee (including general program management); \$50,000 portfolio fee (including costs associated with underwriting, loan administration, portfolio management and the first 20 loans underwritten per year); \$1,000 per loan underwritten for each loan after the initial 20 per year (subject to an annual cap of \$25,000). There is an additional \$10,000 per year included as a contingency. The aggregate annual fee of \$150,000 is the same fee that was charged under the base four-year agreement, therefore, is deemed to be fair reasonable.

**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)

4. **Oracle America Inc.** **\$518,918**  
**Maintenance, Consulting Services and** (Total)  
**Social Relationship Management Software**  
**for Oracle/RightNow**  
**Contract No. 01221-0200, S/A #21**

Base plus previous change orders = \$2,548,803.50

To obtain Board approval to: (i) extend the existing Board approved, competitively awarded Oracle/RightNow Customer Relationship Management (CRM) proprietary software license and maintenance contract, including professional technical services for the All-Agency Email Response Management System for a twenty-four (24) month period from 8/1/2014 to 7/31/2016 in the amount of \$381,638; and (ii) purchase Social Relationship Management Software (SRM) and additional messaging capabilities in the amount of \$137,280 for a total amount of \$518,918. The SRM will permit all-agencies to seamlessly incorporate social media contacts into the CRM, include dashboards and reports, display message content from MTA social media to seamlessly track messages in the CRM and reply to social media customer inquiries, etc. The integration of the CRM/SRM products under one cloud environment will simplify troubleshooting and on-going maintenance. As a result of negotiations, Oracle/RightNow’s proposed cost was reduced from \$523,295.60 to \$518,918 for a savings of \$4,377.60 or .83%. The annual maintenance increase of 3% and the hourly rate of \$180 for technical consulting are in accordance with the Base contract. Based on the above, the cost is deemed fair and reasonable.

## Schedule E: Miscellaneous Procurement Contracts

**Item Number:**

<b>Vendor Name (&amp; Location):</b> DiRad Technologies, Inc.	<b>Contract Number:</b> 13122-0100	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Description:</b> Telephone Interactive Voice Response System	<b>Total Amount:</b> \$1,317,728.27	
<b>Contract Term (including Options, if any):</b> July 1, 2014 to June 30, 2019	<b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> W. Hibri/E. Weprin	
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Contract Manager:</b> Michelle S. Davy-George	
<b>Solicitation Type:</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		

**DISCUSSION:**

To recommend that the Board approve the award of a competitively negotiated, miscellaneous procurement contract to DiRad Technologies, Inc. (DiRad) to provide a Telephone Interactive Voice Response System (telephone system) including technical support and maintenance for MTAHQ's Business Services Center ("BSC") for a period of five years from July 1, 2014 to June 30, 2019 in the not-to-exceed amount of \$1,317,728.27 which includes a contingency of \$200,000.

The BSC provides centralized Human Resources and Financial Services such as Payroll and Accounts Payable and a telephone system is critical to the day-to-day operations of the BSC centralized call center. The current telephone system utilized by the BSC, Contact Center Anywhere (CCA), which provides Interactive Voice Response (IVR) and Automatic Call Distribution (ACD), is obsolete, unreliable and will no longer be supported by the Original Equipment Manufacturer (OEM). The BSC receives and manages approximately 1,500 calls per day and requires an IVR system that will integrate with current and future software applications.

DiRad will be responsible for providing a comprehensive telecommunication integration system including hardware, software, training and technical support.

In order to replace the current telephone system, a competitive Request for Proposal (RFP) was issued. The RFP was publicly advertised and letters advising potential proposers of the RFP's availability were sent to forty-six (46) firms which included M/WBE firms. Six (6) proposals were received. A selection committee consisting of representatives from MTA BSC Governance & Administration, Customer Service Center and Information Technology evaluated the proposals and short-listed three (3) firms for oral presentations of which two (2) firms were deemed most technically qualified and invited to participate in negotiations.

As a result of negotiations, DiRad's proposed total cost for the five year period of \$1,201,843.30 was negotiated down to \$1,117,728.27 a savings of \$84,115.03 or 6.9%. The other technically qualified firm's best and final price of \$1,370,300 is \$ 252,571.73 or 18.43% higher than the recommended firm. Based on the above negotiated savings, the total not-to-exceed cost of \$1,317,728.27 which includes a contingency of \$200,000 is deemed fair and reasonable.

MTA has conducted a responsibility review and other due diligence on the proposed awardees and has deemed each to be responsible for the award. The MTA's Department of Diversity and Civil Rights established 10% MBE and 10% WBE goals for this contract.

# Staff Summary

## Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number:

Page 1 of 2

<b>Vendor Name (&amp; Location):</b> TDX Construction Corporation
<b>Description:</b> Small Business Mentor Program Services
<b>Contract Term (including Options, if any):</b> July 30, 2010 thru July 29, 2014 (base) with 2 One-Year Options
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type:</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:
<b>Funding Source:</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> M. Wetherell/OCO and C. Stewart/Capital Programs

<b>Contract Number:</b> 10009-0100	<b>AWO/Modification #</b> 4
<b>Original Amount:</b>	\$ 12,416,447
<b>Prior Modifications:</b>	\$ 4,156,352
<b>Prior Budgetary Increases:</b>	\$ 4,156,352
<b>Current Amount:</b>	\$16,572,799
<b>This Request:</b>	\$23,018,570
<b>% of This Request to Current Amount:</b>	138.9%
<b>% of Modifications (including This Request) to Original Amount:</b>	218.9%

### DISCUSSION:

To recommend that the Board: (i) approve an amendment to a previously Board-approved, competitively awarded, personal services contract with TDX Construction Corporation (“TDX”) for additional funding in the amount of \$1,500,000 to continue to provide construction management (CM) services for the Small Business Development Program (“SBDP”) and (ii) to request funding of \$21,518,570 for the remaining two option years of the Small Business Development Program for a combined not-to-exceed total of \$23,018,570.

In June 2010 the Board approved a contract with TDX Construction Corporation to provide mentoring and construction management services for the MTA small business mentoring program for a four-year period from June 24, 2010 through June 23, 2014, with options to renew for two additional one-year periods at MTA’s sole discretion. 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’s business. The small businesses admitted into the program will receive training, technical assistance and mentoring assistance from TDX Construction Corporation, a professional construction management firm.

Due to the overwhelming success of the program and the need to meet the demand of larger and more complex SBMP projects than was originally anticipated and budgeted for, funding is required to ensure continuation of TDX’s services through the end of Year 4 of the current contract. The base contract estimated a total of 100 small businesses would be admitted into the SBMP and the total value of SBMP construction contracts awarded would be approximately 40 projects in the first year, with a total awarded value of \$10 million. Each year the program was anticipated to grow by 50% in awarded value of the first year making the cumulative 4 year value of awarded projects \$70 million. Over the last four years, 118 SBMP projects have been awarded with a total value of approximately \$73 million. An additional 21 projects with an anticipated value of \$14.2 million are scheduled to be awarded, thus, the total project awards is now estimated to be \$87 million.

In order to continue the program under the two option years, an additional \$21,518,570 is required, which will be funded through the 2010-2014 Capital Program. TDX Construction has been providing CM services for the mentor program at the MTA and has performed satisfactorily in this role in its first four years. CM services for the Small Business Mentoring Program – Tier 2 (SBMP-Tier 2) is being added to TDX's scope of services. The two-year total of project awards to mentor contractors in the SBMP-Tier 1, SBMP-Tier 2 and SBFP is now estimated to be \$196 million.

The MTA's Department of Diversity and Civil Rights established 10% MBE and 10% WBE goals for this contract which TDX has consistently met. These requirements will continue through the option years.

# Staff Summary

## Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number:

Page 1 of 1

<b>Vendor Name (&amp; Location):</b> Carver Federal Savings Bank, New York, NY
<b>Description:</b> MTA SBDP Loan Program Two Year Contract Extension
<b>Contract Term (including Options, if any):</b> August 1, 2014 to July 30, 2016
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type:</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Extension
<b>Funding Source:</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Dept. of Diversity & Civil Rights - Michael J. Garner, Chief Diversity Officer

<b>Contract Number:</b> 10074-0100	<b>AWO/Modification #</b> 2
<b>Original Amount:</b>	\$600,000
<b>Prior Modifications:</b>	\$0
<b>Prior Budgetary Increases:</b>	\$0
<b>Current Amount:</b>	\$600,000
<b>This Request:</b>	\$320,000
<b>% of This Request to Current Amount:</b>	53%
<b>% of Modifications (including This Request) to Original Amount:</b>	53%

### **DISCUSSION:**

To recommend that the Board approve an amendment to a previously Board-approved, competitively negotiated, personal services contract to Carver Federal Savings Bank (“Carver”) to extend the Small Business Loan Contract for two years, from August 1, 2014 through July 30, 2016, and provide funding of a not-to-exceed amount of \$320,000 for such services.

In July 2010, the Board approved a contract with Carver to provide Small Business Loan Program services for a period of 48 months. Carver worked with TDX to provide access to capital so that projects within the Small Business Mentoring Program (“SBMP”) and Small Business Federal Program (“SBFP”) were completed safely, timely and within budget. During the four year contract, Carver approved a total of 36 small business loans, totaling \$3,790,000. The extension will allow Carver to continue to provide banking loan services for contractors participating in the SBMP and the SBFP. The extension is contemporaneous with the TDX Contract, which will end on July 31, 2016, and will allow Carver to continue to issue small business loans to program participants.

The annual fee of \$150,000 is broken down as follows: \$75,000 base fee (including general program management); \$50,000 portfolio fee (including costs associated with underwriting, loan administration, portfolio management and the first 20 loans underwritten per year); \$1,000 per loan underwritten for each loan after the initial 20 per year (subject to an annual cap of \$25,000). There is an additional \$10,000 per year included as a contingency.

The aggregate annual fee of \$150,000 is the same fee that was charged under the base four-year agreement, therefore, is deemed to be fair reasonable.

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**Schedule E: Miscellaneous Procurement Contracts**

Item Number: E

<b>Vendor Name (&amp; Location)</b> Railware, Inc.
<b>Description</b> Centralized Traffic Control System Maintenance Services & new Training Simulation, Plate Blocking order, WebPortal
<b>Contract Term (including Options, if any)</b> Three Years
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source/Negotiated

<b>Contract Number</b> 38068	<b>AWO/Modification #</b>
<b>Renewal?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total Amount: not-to-exceed</b>	\$1,450,000
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Procurement & Material Management, Anthony J. Bombace, Jr.	

**I. RECOMMENDATION:**

It is recommended that the MTA Board approve the award of a non-competitive contract to Railware at a not-to-exceed amount of \$1,450,000 for a five year maintenance and support plus software enhancements contract as part of the Deep Dive Directive recommended by the FRA.

**II. PURPOSE/RECOMMENDATION:**

Non-competitive, negotiated, five year, miscellaneous procurement contract with Railware, Inc. for maintenance and support of MNR's Centralized Traffic Control (CTC) System. In addition to the required software maintenance and support, Railware will be installing simulator software to aide in the training of Rail Traffic Controllers (RTC) and also Enhanced Employee Protection System upgrades. Railware, Inc. is the original software vendor who designed, developed, integrated and validated MNR's current CTC system and is the only source for modifications to be made to its proprietary CTC systems and applications which are unique to MNR.

The implementation and use of the Railware software programs began in 2003 as part of the Grand Central Terminal (GCT) Operations Control (OCC) and Emergency Control Centers (ECC) expansions. MNR's CTC system is comprised of extremely complex software subsystems, which are critical for the safe and reliable control and monitoring of the signal system throughout all of the MNR territory. MNR's operation relies on the Railware CTC software and is the source for the public information offered by *Train Time*, the application that provides customers with instant information on MNR train service.

This negotiated master maintenance contract covers all software components and includes unlimited 24/7 phone support, 1-hr. technical response time, diagnosis of problems when requested by MNR, warranty to correct problems/bugs in the software components, and software engineering services for specified enhancements. Further, as part of the FRA Deep Dive directive specific to MNR, the following software implementations are requested from Railware:

1. Implementation of a software package that will provide a new training simulator to enable the RTC (Rail Traffic Controllers) crews' ability to familiarize themselves with operational changes on the CTC system in a controlled environment. The current training of the RTC crew members is done on the live CTC system which does not allow for reenacting scenarios and testing environments. This software will implement features for RTC crew member's certifications.
2. The Power Plate Order software implementation will integrate with MNR's current CTC software which is a further enhancement to the Enhanced Employee Protection System (EEPS). (The Power Plate Orders are currently applied manually.) This is a part of the FRA directive to improve safety.
3. A Web-based secure server portal of the CTC system grid with a dual security password protected access protocol is requested to replace the current Track Driver View (TDV) application.

## Schedule E: Miscellaneous Procurement Contracts

Negotiations with Railware resulted in a total savings of \$68,000 over the five year term of the contract. The total cost for maintenance and support is \$900,000 for the five year term. The cost of the software enhancements is not-to-exceed \$550,000 and they shall be completed in twelve months. MNR will retain an option to extend the agreement an additional three years.

### **III. D/M/WBE INFORMATION:**

The MTA Office of Civil Rights assigned 0% MBE/WBE Goals to this procurement.

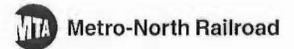
### **IV. IMPACT ON FUNDING:**

The agreement will be funded annually by the MNR Operating Budget.

### **V. ALTERNATIVES:**

There are no available alternatives to Railware maintaining the proprietary CTC systems.

**Schedule H: Modifications to Personal Service and Miscellaneous Service Contracts**



Item Number: H

<b>Vendor Name (&amp; Location)</b> Transportation Technology Center, Inc.
<b>Description</b> Automated Track Inspection Survey and Data Management
<b>Contract Term (including Options, if any)</b> One Year
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other:
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Procurement & Material Management, Anthony J. Bombace, Jr.

<b>Contract Number</b> 1000027923	<b>AWO/Modification #</b> N/A
<b>Original Amount:</b>	\$700,000
<b>Prior Modifications:</b>	\$706,400
<b>Prior Budgetary Increases:</b>	\$
<b>Current Amount:</b>	\$1,406,400
<b>This Request:</b>	\$1,359,000 (not-to-exceed)
<b>% of This Request to Current Amount:</b>	%99.1%
<b>% of Modifications (including This Request) to Original Amount:</b>	%295%

**Discussion:**

Approval is requested for funding totaling \$1,359,000 to TTCI for additional technical and track testing assistance throughout MNR territory. TTCI services are needed in collecting and analyzing automated track inspection data to prioritize track repairs and cyclical track programs.

In 2013, the MTA Board ratified a miscellaneous service contract for TTCI to provide various engineering support services along with specific track testing. Under the original award, TTCI was to review established maintenance and inspection procedures, practices and programs, and include a review of training programs and a Best Practices of M of W methodology, reporting, analysis and quality. This review and assessment was to be concluded by the fourth quarter of 2013. Based on actual field conditions and observations reported by TTCI to MNR, MNR has requested that TTCI provide further analysis of MNR's track infrastructure with both a Track loading vehicle (TLV) to measure and compare the loaded and unloaded gage strength of the track structure and Ground Penetrating Radar (GPR) to map the condition of the track ballast and subgrade. Additionally, TTCI will conduct a GPR survey on certain areas of track that were not available during the initial investigation in 2013; will collect the data from the daily testing and train and assist MNR track engineers with data analysis interpretation and remedial action decision making; generate and maintain a live database to store all MNR automated track inspections data, analyze and compare information from each successive survey; identify and prioritize recurring substandard locations; assist in the determination of long versus short term maintenance needs and technical support in the development of an automated inspection vehicle specification; and supply two subject matter experts, on an as-needed basis, reporting directly to the Vice President, Chief Engineer – Maintenance of Way.

Based on TTCI's revised scope of work and Metro-North's continued need for TTCI's high level of industry expertise, the total additional funds required by MNR is not-to-exceed \$1,359,000. All contract terms, conditions and rates remain unchanged. The additional funding will be provided by the MNR Operating Budget.

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# Staff Summary

<b>Subject</b> South Ferry Leak Mitigation
<b>Department</b> Capital Program Management
<b>Department Head Name</b> Frederick E. Smith
<b>Department Head Signature</b> 
<b>Program Manager Name</b> Alok Saha 

<b>Date</b> June 3, 2014
<b>Vendor Name</b>
<b>Contract Number</b> Various
<b>Table of Contents Ref #</b>

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

Internal Approvals			
Order	Approval	Order	Approval
1	SVP Subways 	5	Executive VP 
2	SVP Capital Program Mgmt 	6	President 
3	Director, OMB 		
4	VP Capital Planning & Budget 		

Purpose:

The purpose of this staff summary is to obtain MTA Board approval to add leak mitigation at South Ferry Terminal and in the tunnel north of the terminal to the 2010-2014 Capital Program. The project will be included as part of the contract for the Superstorm Sandy Recovery Project at South Ferry.

Discussion:

South Ferry Station is located in lower Manhattan near the Staten Island Ferry Terminal and Battery Park. It is the last station on the Broadway-7<sup>th</sup> Avenue (IRT) line and connects to Whitehall Street Station on the Broadway (BMT) line. South Ferry Station is next to the Hudson River in the Flood Zone "A" Evacuation Area, as demarcated by the NYC Office of Emergency Management. During Hurricane Sandy much of this station was completely submerged under water, extensively damaging the station and the equipment inside.

Prior to Sandy, the structural box that forms the terminal and a tunnel extending north to approximately station marker V4 209+21 began to suffer from water infiltration. These pre-storm conditions must be addressed as a part of the overall Sandy project for the station to protect against chronic water infiltration as well as future flood events. As the structural leaks were not caused by Sandy, repair of these conditions must be funded through the core program.

The following leak mitigation measures must be implemented:

- Grouting is to be performed over the entire length and height of both walls of the platform level of the station, at the interfaces of exterior walls and slabs, and over the entire length and height of exterior walls in mezzanine and concourse level rooms.
- Grouting also must be performed over the entire length and height of the identified tunnel section, along the joints of the tunnel walls and roof, and over the entire tunnel roof areas where other subway structures cross above.
- Power wash/scrape clean all cracks and construction joints to remove old grout and debris.
- Drill grout holes in accordance with mitigation plans. Use holes to inject cracks/construction joints and the interface between the exterior surface of the structure and adjacent soil and rock.
- After grouting, clean all waste material and remove all existing sediment and debris from trough in Tunnel Section invert and drains. Remove existing clogged weepholes and replace with new pressure/relief drainage system

Construction is expected to begin in September 2014.

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# Staff Summary

Alternatives:

An alternative to adding leak mitigation to this station in the current 2010-2014 program would be to include the work in a future capital program. To perform the grouting work at a later date, many of the finishes to be installed in the Sandy Repairs project would have to be removed and/or damaged. It also would leave the new equipment furnished during the Sandy Repairs at increased risk of water damage until the leak mitigation work was completed. The separate period of construction at the station would negatively impact cost, operations, and passenger service.

Impact on Funding:

The estimated cost of this work is \$20 million. Funding will be provided from program savings.

Recommendation:

It is recommended that the MTA Board approve the addition of this project, estimated at \$20 million, to the 2010-2014 program.

APPROVED FOR SUBMISSION TO THE BOARD

Carmen Bianco  
President

6.11.14

Date



# Staff Summary

<b>Subject</b> Installation of Help Points (HP) at 70 Additional Stations
<b>Department</b> Capital Program Management
<b>Department Head Name</b> Frederick E. Smith
<b>Department Head Signature</b> 
<b>Program Manager Name</b> Mark Bienstock

<b>Date</b> June 3, 2014
<b>Vendor Name</b>
<b>Contract Number</b> Various
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	NYCT Committee		X		
2	Finance Committee		X		
3	MTA Board		X		

Internal Approvals			
Order	Approval	Order	Approval
1	SVP Subways	5	Executive VP
2	SVP Capital Program Mgmt	6	President
3	Director, OMB		
4	VP Capital Planning & Budget		

### Purpose:

The purpose of this staff summary is to obtain MTA Board approval to advance additional Help Point locations in the 2010-2014 Capital Program. The project will be increased by 70 stations, from 152 to 222.

### Discussion:

Help Points (HP) are highly visible intercom devices allowing customers to speak directly to NYCT employees for emergency assistance and travel information. HP is designed to replace the existing Customer Assistance Intercoms (CAI) that are currently deployed in stations systemwide. HP offers superior visibility, connection times, and audio quality, compared to the existing CAI devices. In particular, HP will greatly enhance customer safety and security, by enabling customers to inform the Rail Control Center (RCC) instantaneously if an incident arises. RCC officials can then take appropriate action such as shutting off third rail power and deploying emergency responders.

Because of these safety/security benefits, NYCT is seeking to install HP at all 468 subway stations on an expedited basis. To date, funding has been identified to install HP at 152 stations:

- 102 stations were approved via previous MTA Board action on September 27, 2012, including four stations completed via pilot projects, five stations to be completed by MTA Capital Construction as part of Fulton Center, and 93 stations that were added to NYCT's 2010-2014 Capital Program.
- 16 stations are being addressed via the Mentoring Program project, which was added to the 2010-2014 Capital Program as part of the July 2013 Capital Plan Amendment.
- 34 stations are being addressed as part of separately-funded projects, including Station Renewal, Electronic Security System, and Legislative Reserve projects.

These 152 stations are being awarded under multiple contractual packages, with a goal of having approximately 100 stations fully completed by the end of 2014. Some packages will be awarded by agreement with Transit Wireless.

NYCT expects to complete the systemwide rollout of HP in the 2015-2019 Capital Program. However, to ensure that the rollout of this high-priority initiative proceeds without interruption, NYCT is requesting to advance 70 additional stations into the 2010-2014 Capital Program. These additional stations will be awarded under multiple packages in late 2014 and early 2015. The remaining 246 stations to complete the systemwide rollout will be programmed in 2015-2019.

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# Staff Summary

## Alternatives:

The alternative to HP installation is to continue operating the existing CAI devices. However, HP offers superior visibility, connection times, and audio quality, thereby improving safety, security, and the customer travel experience.

The alternative to advancing 70 additional stations into the 2010-2014 Capital Program is to include those stations in the 2015-2019 Capital Program. However, doing so would delay the rollout of HP, which is a high priority because of its safety and security benefits to customers.

## Impact on Funding:

The estimated cost of these additional 70 stations is approximately \$0.5M each, or \$35M in total. This is in addition to the \$30 million already approved for the Help Points: 93 Stations project. Funding will be identified from program savings.

## Recommendation:

It is recommended that the MTA Board approve the addition of scope to the Help Points capital project, estimated at a total of \$35 million, to advance the installation of Help Points at 70 additional subway stations.

APPROVED FOR SUBMISSION TO THE BOARD

Carmen Bianco  
President

6.11.14

Date

The legal name of MTA New York City Transit is New York City Transit Authority

**Schedule G: Miscellaneous Service Contracts**
**Item Number: 2**

<b>Vendor Name (&amp; Location)</b> Emerson Network Power, Leibert Services (Westerville, OH)
<b>Description</b> Maintenance and repair services to the Uninterruptible Power Supply System located at the Rail Control Center
<b>Contract Term (including Options, if any)</b> Three years
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole-Source Approval

<b>Contract Number</b> RFQ 43424	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total Amount:</b>	\$241,990 (Est.)
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Department of Subways, Joseph Leader	

**Discussion:**

This contract with Emerson Network Power, Leibert Services (Emerson) is for maintenance and repair services to the Uninterruptible Power Supply System at the Rail Control Center (RCC), consisting of two uninterruptible power supplies (UPS), one system control cabinet and six battery cabinets, for an estimated amount of \$241,990.

Under the contract, Emerson will provide scheduled preventive maintenance services, emergency repair services, and extraordinary repair services and parts for the aforementioned equipment. The contract also provides for the replacement of UPS batteries. This equipment was competitively procured as part of the design and construction of the RCC. The system protects the electrical panels of the Operating Theatre, Automatic Transfer Switch computer room, fiber optic room, security equipment room and non-Automatic Transfer Switch computer room by acting as the bridge between loss of utility power and the establishment of generator power during the brief period while the backup generators power up. These UPS systems are vital to providing continuous power to the Operating Theatre, making them a critical component of subway operation.

Emerson is the sole source provider of services to this system as the diagnostic software, which continuously monitors and reports on the functionality of the system, is proprietary to Emerson and Emerson does not authorize any other company to perform service on this equipment.

Although this work had previously been done as small, one-year contracts, negotiations for a longer term, three-year contract yielded lower pricing by revising the price schedule to better coincide with Emerson's standard service packages. Prices for comparable services will be reduced by approximately 31% and pricing for the battery replacement will be reduced by approximately 10%. Emerson's pricing has been deemed fair and reasonable.

**Schedule G: Miscellaneous Service Contracts**
**Item Number: 3**

<b>Vendor Name (&amp; Location)</b> Kratos Public Safety & Security Solutions, Inc. (Fairlawn, NJ)
<b>Description</b> Preventive and remedial maintenance of NYC Transit's security systems at two revenue facility sites and a remote site
<b>Contract Term (including Options, if any)</b> Three years with 2 one-year options
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

<b>Contract Number</b> RFQ 62382	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total Amount:</b>	\$3,770,838 (Est.)
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Division of Revenue Control, Michael Ellinas (Acting)	

**Discussion:**

This contract is for preventive and remedial maintenance of the security systems at NYC Transit's Consolidated Revenue Facility (CRF) shared by NYC Transit and MTA Bridges and Tunnels (B&T), a monitoring and access control station at a B&T remote site, and NYC Transit's Disaster Recovery site for three years with Kratos Public Safety & Security Solutions (Kratos) in the estimated amount of \$2,325,978. The contract also includes two options, each to extend the contract for one year, in the estimated amount of \$1,444,860 for a combined total estimated amount of \$3,770,838; of which 14.4% represents B&T's share of the costs and any applicable proportional amount for upgrades to the security systems at the CRF. Award of the options will be subject to the approval of the Assistant Chief Procurement Officer.

This is an all-inclusive service contract for inspection, testing and preventive and remedial maintenance of the security systems at the CRF, B&T remote site and NYC Transit's Disaster Recovery site. The contractor is required to ensure that all electronic intrusion detection and access control systems, CCTV equipment, and cameras are in good working order, and that related software is supported and current. The contract also provides for the training of the CRF's armed security guards on the operations of the security systems, as well as a mechanism via task orders to implement changes and enhancements to the security systems.

To satisfy these performance requirements, the contractor will maintain an inventory of spare parts at the CRF and at its facilities; provide a certified or factory-trained Resident Service Technician (RST) full-time at the CRF to perform necessary inspection, testing, and on-the-spot preventive and remedial maintenance; provide 24/7 on-call staff to support the RST, and provide services as needed outside the RST's normal working hours.

A Request for Proposals (RFP) was advertised, resulting in the receipt of four proposals. Based on evaluation of these proposals, two firms were eliminated due to their lack of appropriate resources and relevant experience and two firms, Kratos and Johnson Controls, were selected to give oral presentations after a site tour of their facilities was conducted by the selection committee. Based on the site tours and oral presentations, the selection committee, in conformance with the evaluation criteria listed in the RFP, chose Kratos, the incumbent, for negotiations. Johnson Controls was eliminated from further consideration as it did not have sufficient experienced resources, especially as it relates to comparable security system maintenance. Kratos' initial proposal was \$3,850,238 and, as a result of price negotiations submitted a Best and Final Offer (BAFO) of \$3,770,838. Based on the receipt of competitive pricing, Kratos' BAFO was found to be fair and reasonable. Compared to the current contract, Kratos' rates reflect an annual increase of less than 3% and will continue to be consistent with that rate throughout the contract term. These increases are in line with Producer Price Index and Prevailing Wage Rate changes.

Background investigations and materials revealed "significant adverse information" within the meaning of the All-Agency Responsibility Guidelines for Kratos, but MTA Management approval was subsequently received. Accordingly, Kratos was found fully responsible for award.

Item Number: 4 (Final)

<b>Vendor Name (&amp; Location)</b> Hatch Mott MacDonald, NY Inc. (New York, New York)	<b>Contract Number</b> PSC-12-2913	<b>AWO/Modification #</b>
<b>Description</b> Design and Construction Support Services for Project BB-28, Phase II Rehabilitation of the Tunnel Walls, Roadway, Drainage, Ceiling and Fireline at the Brooklyn Battery Tunnel	<b>Original Amount:</b>	\$2,702,411.00
<b>Contract Term (including Options, if any)</b> December 21, 2012 – December 31, 2014	<b>Prior Modifications:</b>	\$5,606,319.82
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Prior Budgetary Increases:</b>	N/A
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Current Amount:</b>	\$8,308,730.82
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	<b>This Request:</b>	\$6,319,445.00
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: Sandy	<b>% of This Request to Current Amount:</b>	76.1%
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Engineering & Construction/Joe Keane, P.E.	<b>% of Modifications (including This Request) to Original Amount:</b>	441.3%

**Discussion:**

B&T is seeking the Board's approval under the All-Agency Guidelines for Procurement of Services to amend this contract with Hatch Mott MacDonald, NY Inc. (HMM) to add funding for ongoing design initiatives necessary for the successful completion of the construction documents and construction support services (CSS) for Projects BB-28S, Super Storm Sandy Restoration and Mitigation and Projects BB-28, Phase II, Rehabilitation of the Tunnel at the Hugh L. Carey Tunnel (HCT). The negotiated increase is in the amount of \$6,319,445.00 and consistent with Procurement Guidelines, this amendment constitutes a substantial change.

Additional design services are required for both Projects BB-28S, Sandy Restoration and BB-28, Phase II and include: (i) prototype designs for Electrical Boxes, roadway ceiling finishes, porcelain tile and adhesives and roadway curbs; (ii) communication design revisions for alternative distribution switch and panel locations and alternative equipment locations to accommodate a backup control room in accordance with current code requirements; (iii) mechanical and pump design revisions for the Manhattan Blower Building (MBB) and Governors Island Ventilation Building (GIVB); (iv) lighting design for the underground Manhattan Cellular Structure (MCS); (v) design revisions for the replacement of damaged tunnel and egress doors at the ventilation buildings to accommodate a new egress scheme; (vi) environmental design services for the cleanup of the fresh and exhaust air ducts, MCS and ventilation flues; (vii) ongoing engineering support for Sandy assessment reporting and (viii) increased funding for Sandy pre-award requirements. HMM submitted a proposal in the amount of \$1,958,346.56. The Engineer's estimate is \$1,834,734.81, which excluded the costs (approximately \$79,000) for the additional pre-award requirements. Negotiations resulted in B&T agreeing to HMM's proposal totaling \$1,958,346.56, which is 6.7% above the estimate and is fair and reasonable.

The performance of CSS was included in the original scope of services. Funding was not included since the construction scopes were not determined for both Projects BB-28, Phase II and BB-28S (Sandy). The services required include reviews of shop drawings, requests for information, catalog cuts, calculations, meetings and unanticipated designs. HMM submitted a proposal totaling \$4,693,835. The Engineer's estimate is \$4,573,317. Negotiations resulted in B&T and HMM agreeing to the negotiated amount totaling \$4,361,098.44, which is 4.6% below the estimate and is fair and reasonable.

The original BB-28, Phase II scope included rehabilitation designs for the tunnel walls, roadway, drainage, ceiling and fireline for the HCT, as well as construction support services. Subsequently, in July 2013 B&T obtained Board approval to amend the Contract with HMM to perform Sandy tunnel restoration design services, post storm damage assessment and recovery reporting. The designs are approaching completion and funding for the additional design and construction support services are required at this time.

Funding for the design services is available in the 2010-2014 Capital Program under Project BB-28 in the amount of \$386,518.90 and the Sandy Restoration Program in the amount of \$1,571,827.66 (Projects ED010228, ED020228, ED040243 and ED050230). Funding for the CSS is available in the 2010-2014 Capital Program under Project BB-28 in the amount of \$755,778.36 and the Sandy Restoration Program in the amount of \$3,605,320.08 (Projects ED010228, ED020202, ED040243 and ED050202).

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**METROPOLITAN TRANSPORTATION AUTHORITY**  
**FEBRUARY FINANCIAL PLAN - 2014 ADOPTED BUDGET**  
**Consolidated Accrual Statement of Operations by Category**

**April 2014**

(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
<b>Revenue</b>												
Farebox Revenue	\$469.5	\$474.8	\$5.3	1.1	\$0.0	\$0.0	\$0.0	-	\$469.5	\$474.8	\$5.3	1.1
Vehicle Toll Revenue	137.4	139.6	2.2	1.6	0.0	0.0	0.0	-	137.4	139.6	2.2	1.6
Other Operating Revenue	51.1	57.2	6.1	11.9	0.0	0.0	0.0	-	51.1	57.2	6.1	11.9
Capital & Other Reimbursements	(0.0)	0.0	0.0	*	132.8	132.5	(0.3)	(0.3)	132.8	132.5	(0.3)	(0.3)
<b>Total Revenue</b>	<b>\$658.0</b>	<b>\$671.7</b>	<b>\$13.7</b>	<b>2.1</b>	<b>\$132.8</b>	<b>\$132.5</b>	<b>(\$0.3)</b>	<b>(0.3)</b>	<b>\$790.8</b>	<b>\$804.2</b>	<b>\$13.3</b>	<b>1.7</b>
<b>Expenses</b>												
<b>Labor:</b>												
Payroll	\$354.5	\$356.4	(\$1.9)	(0.5)	\$48.9	\$43.6	\$5.3	10.8	\$403.4	\$400.0	\$3.4	0.8
Overtime	45.2	55.7	(10.6)	(23.4)	9.5	17.2	(7.7)	(80.9)	54.7	72.9	(18.2)	(33.4)
Health and Welfare	84.1	88.7	(4.6)	(5.5)	5.8	5.1	0.7	11.4	89.9	93.8	(3.9)	(4.4)
OPEB Current Payment	39.5	39.5	(0.0)	(0.0)	0.0	0.0	(0.0)	-	39.5	39.5	(0.0)	(0.0)
Pensions	46.4	45.0	1.4	3.1	3.9	4.6	(0.7)	(17.6)	50.3	49.5	0.8	1.5
Other Fringe Benefits	49.0	48.6	0.5	0.9	14.4	14.7	(0.2)	(1.6)	63.5	63.2	0.2	0.4
Reimbursable Overhead	(26.8)	(25.8)	(0.9)	(3.5)	26.7	25.6	1.1	4.0	(0.1)	(0.2)	0.1	*
<b>Total Labor Expenses</b>	<b>\$591.9</b>	<b>\$608.0</b>	<b>(\$16.1)</b>	<b>(2.7)</b>	<b>\$109.2</b>	<b>\$110.7</b>	<b>(\$1.6)</b>	<b>(1.4)</b>	<b>\$701.0</b>	<b>\$718.7</b>	<b>(\$17.7)</b>	<b>(2.5)</b>
<b>Non-Labor:</b>												
Electric Power	\$42.2	\$55.9	(\$13.7)	(32.5)	\$0.0	\$0.1	(\$0.1)	*	\$42.2	\$56.0	(\$13.8)	(32.6)
Fuel	24.7	22.2	2.5	10.0	0.0	0.0	0.0	-	24.7	22.2	2.5	10.0
Insurance	4.1	4.5	(0.4)	(10.5)	0.9	0.9	0.1	5.9	5.0	5.4	(0.4)	(7.5)
Claims	16.6	15.7	0.9	5.6	0.0	0.0	0.0	-	16.6	15.7	0.9	5.6
Paratransit Service Contracts	33.1	28.5	4.6	13.9	0.0	0.7	(0.7)	-	33.1	29.2	3.9	11.7
Maintenance and Other Operating Contracts	48.2	46.4	1.9	3.9	4.9	5.2	(0.3)	(6.1)	53.1	51.6	1.6	2.9
Professional Service Contracts	26.0	27.0	(1.0)	(3.7)	5.4	5.3	0.1	1.2	31.4	32.3	(0.9)	(2.8)
Materials & Supplies	43.6	48.5	(4.9)	(11.2)	11.7	8.7	3.0	25.9	55.3	57.1	(1.9)	(3.4)
Other Business Expenses	12.6	12.2	0.3	2.7	0.8	0.9	(0.1)	(16.8)	13.3	13.1	0.2	1.6
<b>Total Non-Labor Expenses</b>	<b>\$251.0</b>	<b>\$260.8</b>	<b>(\$9.8)</b>	<b>(3.9)</b>	<b>\$23.7</b>	<b>\$21.7</b>	<b>\$1.9</b>	<b>8.1</b>	<b>\$274.7</b>	<b>\$282.6</b>	<b>(\$7.8)</b>	<b>(2.9)</b>
<b>Other Expense Adjustments:</b>												
Other	3.6	3.0	0.6	17.0	0.0	0.0	0.0	-	3.6	3.0	0.6	17.0
General Reserve	0.0	0.0	0.0	-	0.0	0.0	0.0	-	0.0	0.0	0.0	-
<b>Total Other Expense Adjustments</b>	<b>\$3.6</b>	<b>\$3.0</b>	<b>\$0.6</b>	<b>17.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>-</b>	<b>\$3.6</b>	<b>\$3.0</b>	<b>\$0.6</b>	<b>17.0</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$846.6</b>	<b>\$871.9</b>	<b>(\$25.3)</b>	<b>(3.0)</b>	<b>\$132.8</b>	<b>\$132.5</b>	<b>\$0.3</b>	<b>0.3</b>	<b>\$979.4</b>	<b>\$1,004.3</b>	<b>(\$24.9)</b>	<b>(2.5)</b>
Depreciation	186.6	183.0	3.6	2.0	0.0	0.0	0.0	-	186.6	183.0	3.6	2.0
OPEB Obligation	32.6	28.3	4.3	13.3	0.0	0.0	0.0	-	32.6	28.3	4.3	13.3
Environmental Remediation	0.2	0.2	0.0	0.2	0.0	0.0	0.0	-	0.2	0.2	0.0	0.2
<b>Total Expenses</b>	<b>\$1,066.0</b>	<b>\$1,083.3</b>	<b>(\$17.3)</b>	<b>(1.6)</b>	<b>\$132.8</b>	<b>\$132.5</b>	<b>\$0.3</b>	<b>0.3</b>	<b>\$1,198.8</b>	<b>\$1,215.7</b>	<b>(\$16.9)</b>	<b>(1.4)</b>
<b>Net Surplus/(Deficit) excluding Subsidies and Debt Service</b>	<b>(\$407.9)</b>	<b>(\$411.6)</b>	<b>(\$3.6)</b>	<b>(0.9)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>*</b>	<b>(\$407.9)</b>	<b>(\$411.6)</b>	<b>(\$3.6)</b>	<b>(0.9)</b>
Subsidies	2,054.6	1,983.3	(71.3)	(3.5)	0.0	0.0	0.0	-	2,054.6	1,983.3	(71.3)	(3.5)
Debt Service	200.2	247.7	(47.5)	(23.7)	0.0	0.0	0.0	-	200.2	247.7	(47.5)	(23.7)

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**FEBRUARY FINANCIAL PLAN - 2014 ADOPTED BUDGET**  
**Consolidated Accrual Statement of Operations by Category**  
**April Year-to-Date**  
(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
<b>Revenue</b>												
Farebox Revenue	\$1,818.1	\$1,814.2	(\$3.9)	(0.2)	\$0.0	\$0.0	\$0.0	-	\$1,818.1	\$1,814.2	(\$3.9)	(0.2)
Vehicle Toll Revenue	514.0	507.8	(6.2)	(1.2)	0.0	0.0	0.0	-	514.0	507.8	(6.2)	(1.2)
Other Operating Revenue	206.3	225.4	19.0	9.2	0.0	0.0	0.0	-	206.3	225.4	19.0	9.2
Capital & Other Reimbursements	(0.0)	0.0	0.0	*	489.9	443.2	(46.8)	(9.5)	489.9	443.2	(46.8)	(9.5)
<b>Total Revenue</b>	<b>\$2,538.4</b>	<b>\$2,547.4</b>	<b>\$9.0</b>	<b>0.4</b>	<b>\$489.9</b>	<b>\$443.2</b>	<b>(\$46.8)</b>	<b>(9.5)</b>	<b>\$3,028.3</b>	<b>\$2,990.6</b>	<b>(\$37.8)</b>	<b>(1.2)</b>
<b>Expenses</b>												
<b>Labor:</b>												
Payroll	\$1,422.8	\$1,417.8	\$5.0	0.3	\$183.9	\$150.8	\$33.1	18.0	\$1,606.7	\$1,568.6	\$38.1	2.4
Overtime	185.3	244.0	(58.7)	(31.7)	34.4	48.5	(14.1)	(40.9)	219.8	292.6	(72.8)	(33.1)
Health and Welfare	337.6	311.9	25.7	7.6	20.9	17.8	3.1	14.9	358.5	329.7	28.8	8.0
OPEB Current Payment	161.2	149.8	11.4	7.1	0.0	0.0	(0.0)	-	161.2	149.8	11.4	7.1
Pensions	194.0	192.9	1.1	0.6	13.1	13.6	(0.5)	(4.0)	207.1	206.5	0.6	0.3
Other Fringe Benefits	196.9	200.6	(3.7)	(1.9)	55.3	48.7	6.6	11.9	252.2	249.3	2.9	1.1
Reimbursable Overhead	(102.5)	(86.8)	(15.7)	(15.3)	102.2	86.2	15.9	15.6	(0.3)	(0.5)	0.2	68.6
<b>Total Labor Expenses</b>	<b>\$2,395.3</b>	<b>\$2,430.2</b>	<b>(\$35.0)</b>	<b>(1.5)</b>	<b>\$409.8</b>	<b>\$365.7</b>	<b>\$44.1</b>	<b>10.8</b>	<b>\$2,805.1</b>	<b>\$2,795.9</b>	<b>\$9.2</b>	<b>0.3</b>
<b>Non-Labor:</b>												
Electric Power	\$176.8	\$186.3	(\$9.6)	(5.4)	\$0.1	\$0.2	(\$0.1)	*	\$176.9	\$186.6	(\$9.7)	(5.5)
Fuel	96.2	97.2	(1.0)	(1.0)	0.0	0.0	0.0	25.0	96.2	97.2	(1.0)	(1.0)
Insurance	16.3	18.0	(1.7)	(10.6)	2.7	2.1	0.6	22.8	19.0	20.1	(1.1)	(5.8)
Claims	66.8	65.4	1.4	2.1	0.0	0.0	0.0	-	66.8	65.4	1.4	2.1
Paratransit Service Contracts	129.9	116.2	13.8	10.6	0.0	0.7	(0.7)	-	129.9	116.9	13.1	10.1
Maintenance and Other Operating Contracts	173.8	159.1	14.7	8.5	17.1	17.4	(0.2)	(1.5)	190.9	176.5	14.4	7.6
Professional Service Contracts	100.7	100.6	0.1	0.1	16.2	19.5	(3.3)	(20.4)	116.9	120.1	(3.2)	(2.8)
Materials & Supplies	172.5	174.9	(2.4)	(1.4)	42.9	33.3	9.6	22.4	215.4	208.2	7.2	3.3
Other Business Expenses	56.1	49.1	7.0	12.4	1.1	4.2	(3.2)	*	57.1	53.3	3.8	6.7
<b>Total Non-Labor Expenses</b>	<b>\$989.1</b>	<b>\$966.9</b>	<b>\$22.3</b>	<b>2.3</b>	<b>\$80.1</b>	<b>\$77.5</b>	<b>\$2.6</b>	<b>3.3</b>	<b>\$1,069.3</b>	<b>\$1,044.4</b>	<b>\$24.9</b>	<b>2.3</b>
<b>Other Expense Adjustments:</b>												
Other	14.6	10.9	3.7	25.2	0.0	0.0	0.0	-	14.6	10.9	3.7	25.2
General Reserve	0.0	0.0	0.0	-	0.0	0.0	0.0	-	0.0	0.0	0.0	-
<b>Total Other Expense Adjustments</b>	<b>\$14.6</b>	<b>\$10.9</b>	<b>\$3.7</b>	<b>25.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>-</b>	<b>\$14.6</b>	<b>\$10.9</b>	<b>\$3.7</b>	<b>25.2</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$3,399.0</b>	<b>\$3,408.0</b>	<b>(\$9.0)</b>	<b>(0.3)</b>	<b>\$489.9</b>	<b>\$443.2</b>	<b>\$46.8</b>	<b>9.5</b>	<b>\$3,888.9</b>	<b>\$3,851.2</b>	<b>\$37.7</b>	<b>1.0</b>
Depreciation	719.9	732.3	(12.4)	(1.7)	0.0	0.0	0.0	-	719.9	732.3	(12.4)	(1.7)
OPEB Obligation	506.0	500.9	5.1	1.0	0.0	0.0	0.0	-	506.0	500.9	5.1	1.0
Environmental Remediation	1.6	3.9	(2.3)	*	0.0	0.0	0.0	-	1.6	3.9	(2.3)	*
<b>Total Expenses</b>	<b>\$4,626.5</b>	<b>\$4,645.1</b>	<b>(\$18.6)</b>	<b>(0.4)</b>	<b>\$489.9</b>	<b>\$443.2</b>	<b>\$46.8</b>	<b>9.5</b>	<b>\$5,116.4</b>	<b>\$5,088.3</b>	<b>\$28.1</b>	<b>0.6</b>
<b>Net Surplus/(Deficit) excluding Subsidies and Debt Service</b>	<b>(\$2,088.1)</b>	<b>(\$2,097.7)</b>	<b>(\$9.6)</b>	<b>(0.5)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$0.0)</b>	<b>(88.6)</b>	<b>(\$2,088.1)</b>	<b>(\$2,097.7)</b>	<b>(\$9.6)</b>	<b>(0.5)</b>
Subsidies	3,062.5	3,086.5	23.9	0.8	0.0	0.0	0.0	-	3,062.5	3,086.5	23.9	0.8
Debt Service	799.3	811.3	(12.1)	(1.5)	0.0	0.0	0.0	-	799.3	811.3	35.4	5.9

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - 2014 ADOPTED BUDGET  
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL ACCRUAL BASIS  
April 2014  
(\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable)		Reason for Variance	Favorable (Unfavorable)		Reason for Variance
		\$	%		\$	%	
Farebox Revenue	NR	5.3	1.1	NYCT was favorable by \$4.7M mainly due to higher fare media liability revenue, consistent with the March 2013 fare increase. The LIRR favorable result of \$1.1M was due to higher ridership and yields. These results were partially offset by an unfavorable variance at MNR of (\$0.3M) due to lower ridership.	(3.9)	(0.2)	Overall unfavorable result in January and February was due to lower ridership attributable to inclement winter weather: \$5.6M at MNR caused by weather and residual effects of previous service interruptions; and \$1.1M at MTA Bus, due to weather. These results were partially offset by a favorable variance of \$2.9M at the LIRR due to higher ridership and yields.
Vehicle Toll Revenue	NR	2.2	1.6	Toll revenues were favorable due to higher traffic.	(6.2)	(1.2)	Toll revenues were unfavorable mainly due to lower traffic resulting from inclement winter weather.
Other Operating Revenue	NR	6.1	11.9	Higher operating revenue is primarily due to the receipt of FEMA Loss Recovery funds -- \$2.5M at B&T, a positive shift in the market value of the invested asset portfolio -- \$2.3M at FMTAC, higher Transit Adjudication Bureau (TAB) fees and paratransit Urban Tax revenues -- \$1.1M at NYCT, higher 2 Broadway rental income and timing at the Transit Museum -- \$1.0M at MTA HQ. These results were partially offset by unfavorable variances caused by delays in Sandy recoveries -- (\$0.5M) at MTA Bus and the timing of advertising revenue -- (\$0.4M) at the LIRR.	19.0	9.2	YTD operating revenue reflects the impacts of a positive shift in the market value of the invested asset portfolio -- \$8.0M at FMTAC, higher advertising revenue and paratransit Urban Tax revenues -- \$7.0M at NYCT; receipt of FEMA Loss Recovery funds and higher E-ZPass administrative fees -- \$4.4M at B&T, higher 2 Broadway rental income and timing at the Transit Museum -- \$1.2M at MTA HQ, higher net GCT retail revenues -- \$0.5M at MNR, and higher miscellaneous, rental and freight revenue -- \$0.3M at the LIRR. These results were partially offset by an unfavorable variance resulting from the timing of Sandy recoveries -- (\$2.3M) at MTA Bus.
Payroll	NR	(1.9)	(0.5)	NYCT had an unfavorable variance of (\$4.1M) mainly due to reimbursable underruns and higher earned employee separation payments. MTA Bus was (\$1.4M) unfavorable due to greater-than-budgeted miscellaneous base payments (e.g. sick, maternity leave, vacation, etc.) and inter-agency charges. SIR was (\$0.4M) unfavorable due to timing. These results were partially offset by favorable variances of \$1.3M at B&T, \$1.2M at MTAHQ, \$1.0M at the LIRR, and \$0.5M at MNR, mostly attributable to vacancies.	5.0	0.3	The overall favorable outcome reflects lower expenses due to vacancies - \$4.9M B&T, \$3.8M at MNR, \$2.6M at the LIRR, and \$0.5M at SIR. These results were partially offset by an unfavorable variance of (\$3.8M) at MTA Bus due to higher miscellaneous base payments (e.g. sick, maternity leave, vacation, etc.), inter-agency charges and a reallocation of reimbursable payroll charges to operating payroll, due to delayed capital work. Other unfavorable variances include (\$2.0M) at MTAHQ and (\$0.9M) at NYCT, mostly due to timing.
Overtime	NR	(10.6)	(23.4)	Higher expenses primarily due to vacancy/absentee coverage and maintenance requirements for signal systems and track defect backlogs at NYCT (\$7.3M), FRA mandated M of E training, maintenance of rolling stock and roadway equipment, building repairs in GCT and train service coverage due to lower employee availability at MNR (\$1.4M), vacancy/absence coverage and bus fleet maintenance at MTA Bus (\$1.2M), and higher routine maintenance and unscheduled service at the LIRR (\$1.0M). (See Overtime Decomposition Report for more details)	(58.7)	(31.7)	Approximately \$25.8M or 44% of the unfavorable YTD variance is attributable to weather emergencies, specifically, NYCT (\$16.5M), the LIRR (\$4.6M), MNR (\$2.5M), MTA Bus (\$1.8M), and B&T (\$0.4M). The remaining overage of \$32.9M mostly reflects the impact of increased coverage for vacancies/absenteeism, unscheduled service, and programmatic/routine maintenance, NYCT (\$24.4M), MNR (\$4.2M), MTA Bus (\$2.7M), and the LIRR (\$2.1M). Part of the overrun in programmatic/routine maintenance was caused by increased work on safety-related investments now underway. (See Overtime Decomposition Report for more details)

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - 2014 ADOPTED BUDGET  
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL ACCRUAL BASIS  
April 2014  
(\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	April		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)	%		Favorable (Unfavorable)	%	
Health and Welfare	NR	\$ (4.6)	% (5.5)	Timing was responsible for an unfavorable variance of (\$7.4M) at NYCT. Partially offsetting this were favorable variances at the LIRR and MNR of \$1.1M and \$0.7M, respectively, primarily due to lower rates and higher vacancies; \$0.6M at B&T due to higher vacancies and timing; and \$0.4M at MTA Bus, mostly due to timing.	\$ 25.7	% 7.6	Timing, a prior year Medicare refund, and a lower cost drug program were responsible for a favorable variance of \$15.6M at NYCT. The LIRR and MNR were favorable by \$3.3M and \$2.1M, respectively, primarily due to higher vacancies and lower rates. Timing and higher vacancies were responsible for favorable variances of \$1.8M, \$1.7M and \$1.0M at MTA Bus, B&T and MTA HQ, respectively.
OPEB - Current Payment	NR	(0.0)	(0.0)	NYCT was unfavorable by (\$0.9M) mainly due to timing. This was offset by a favorable variance of \$0.8M at the LIRR due to lower rates and fewer retirees.	11.4	7.1	NYCT was favorable by \$6.8M primarily due to credits from a prior year claims settlement, a lower cost drug program, as well as a prior year Medicare refund. Lower rates and fewer retirees were primarily responsible for favorable variances of \$3.1M at the LIRR and \$1.1M at MTAHQ. MTA Bus was favorable by \$0.7M primarily due to timing. These results were partially offset by an unfavorable variance at MNR of (\$0.3M).
Pensions	NR	1.4	3.1	Timing was responsible for favorable variances at the LIRR and MTAHQ of \$1.0M and \$0.5M, respectively.	1.1	0.6	Timing was responsible for favorable variances at the LIRR and MTAHQ of \$1.7M and \$0.4M, respectively, and an unfavorable variance of (\$0.9M) at NYCT that is partly overtime related.
Other Fringe Benefits	NR	0.5	0.9	The LIRR was \$0.8M favorable mainly due to lower FELA indemnity payments and Rail Road Retirement Taxes. Higher vacancies were responsible for a favorable variance of \$0.5M at MTA HQ. These results were partially offset by unfavorable variances of (\$0.8M) at NYCT primarily due to higher FICA payments, and (\$0.3M) at SIR due to higher Workers' Compensation and interagency billings.	(3.7)	(1.9)	NYCT was (\$7.7M) unfavorable primarily due to lower direct overhead credits resulting from reimbursable payroll underruns. MNR was (\$0.6M) unfavorable mainly due to the timing of employee allowance payments. SIR was (\$0.5M) unfavorable mostly due to higher Workers' Compensation payments. These results were partially offset by favorable variances at the LIRR of \$2.5M primarily due to FELA indemnity reserve adjustments and lower Railroad Retirement Taxes, \$1.3M at MTA Bus due to timing, and \$0.7M and \$0.5M at B&T and MTA HQ, respectively, largely due to higher vacancies.
Reimbursable Overhead	NR	(0.9)	(3.5)	The timing of project activity resulted in an unfavorable variance of (\$3.9M) at MTA HQ and favorable variances of \$2.1M at NYCT, \$0.4M at both B&T and MNR, and \$0.3M at the LIRR.	(15.7)	(15.3)	The overall unfavorable YTD result reflects lower project activity, mostly due to adverse weather experienced in January and February: (\$10.9M) at MTA HQ, (\$4.5M) at NYCT, (\$0.6M) at the LIRR, and (\$0.3M) at both MNR and SIR. These results were partially offset by a \$0.9M favorable variance at B&T which is mostly due to an understatement in the budget that will be corrected in the July Plan.
Electric Power	NR	(13.7)	(32.5)	Results were due to higher rates and consumption, as well as timing -- (\$11.4M) at NYCT, (\$1.8M) at the LIRR, and (\$0.4M) at MNR.	(9.6)	(5.4)	Results were due to higher rates and consumption, as well as timing -- (\$5.4) at NYCT, (\$3.0M) at the LIRR, (\$0.6M) at MTA HQ, and (\$0.5M) at MNR.
Fuel	NR	2.5	10.0	NYCT was \$1.8M favorable mainly due to timing and lower consumption. The LIRR was \$0.4M favorable due to a prior period accrual adjustment for natural gas, whereas MNR was \$0.3M favorable due to timing.	(1.0)	(1.0)	Higher rates and consumption accounted for most of the unfavorable variances of (\$0.6M) at MNR, (\$0.6M) at NYCT, (\$0.3M) at B&T and (\$0.3M) at the LIRR. Partially offsetting these results was a favorable variance of \$0.9M at MTA Bus mostly due to lower consumption.

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - 2014 ADOPTED BUDGET  
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL ACCRUAL BASIS  
April 2014  
(\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable)		Reason for Variance	Favorable (Unfavorable)		Reason for Variance
		\$	%		\$	%	
Insurance	NR	(0.4)	(10.5)	Timing was responsible for the unfavorable variance at FMTAC of (\$0.9M). Other variances were minor.	(1.7)	(10.6)	Timing was responsible for unfavorable variances at FMTAC and MTA HQ of (\$3.4M) and (\$0.7M), respectively, and favorable variances at NYCT and B&T of \$1.6M and \$0.6M, respectively. The LIRR was \$0.3M favorable due to lower liability insurance.
Claims	NR	0.9	5.6	Timing was responsible for a favorable variance of \$0.5M at MTA Bus, and FMTAC was favorable by \$0.5M.	1.4	2.1	Timing was responsible for favorable variances at MTA Bus and the LIRR of \$1.8M and \$0.6M, respectively. These results were partially offset by an unfavorable variance of (\$0.7M) at MNR due to higher payouts for Bridgeport and Spuyten Duyvil derailment claims.
Paratransit Service Contracts	NR	4.6	13.9	Lower expenses due to fewer trips.	13.8	10.6	Lower expenses due to fewer trips caused in part by adverse weather.
Maintenance and Other Operating Contracts	NR	1.9	3.9	The overall favorable result was mainly attributable to timing: \$1.4M at NYCT related to auto purchases; \$1.3M at B&T due to Sandy-related repairs, security, and E-ZPass Customer Service Center costs; and \$0.9M at MNR due to the Infrastructure Improvement Program. Partially offsetting these results was an unfavorable variance of (\$1.8M) at MTA HQ caused mostly by the timing of Two Broadway expenses for rental, security and janitorial services. Other agency variances were minor.	14.7	8.5	The overall favorable result was mainly attributable to timing: \$6.7M at B&T due to major maintenance and painting, Sandy-related repairs, security, E-ZPass tag costs, and facility maintenance; \$4.8M at MNR related to maintenance contract costs and Genesis locomotive overhauls; \$3.4M at the LIRR for elevator & escalator maintenance and security; and \$1.2M at MTA Bus due in part to facility maintenance. Partially offsetting these results were unfavorable variances of (\$1.0M) at NYCT and (\$0.5M) at MTA HQ, largely due to the timing of maintenance services.
Professional Service Contracts	NR	(1.0)	(3.7)	The overall unfavorable result was primarily caused by timing: (\$6.0M) at NYCT for IT and bond service expenses. Partially offsetting this were favorable timing variances of \$2.8M at MTA HQ for IT services; \$1.5M at the LIRR for IT and consulting services; and \$0.5M at B&T for bond issuance expenses, and office equipment maintenance and repairs. Other agency variances were minor.	0.1	0.1	The overall favorable result was primarily caused by timing: \$13.1M at MTA HQ for hardware and software purchases, engineering services, consulting and legal services; \$4.7M at the LIRR for IT software purchases and consulting services; and \$1.8M at MNR for IT expenses, training, medical services and advertising. Partially offsetting these results were unfavorable timing variances of: (\$18.1M) at NYCT, reflecting the timing of IT-related expenses, professional services and office-related expenses; (\$0.9M) at B&T primarily for bond issuance costs; and (\$0.4M) at MTA Bus due to prior period accrual adjustments.
Materials & Supplies	NR	(4.9)	(11.2)	Higher expenses were largely the result of the timing of maintenance material requirements at NYCT (\$6.9M) and higher expenses due to inclement weather and related maintenance requirements at MTA Bus (\$0.9M). These results were partly offset by a favorable outcome of \$2.7M at the LIRR due to lower material usage for fleet modifications and running repair on the Multiple Unit (MU) and Diesel fleets, and delays in the M7 Propulsion startup project.	(2.4)	(1.4)	Expense level reflects the impact of timing of maintenance material requirements at NYCT (\$9.9M), higher expenses due to inclement weather, and timing at MTA Bus (\$1.9M). These results were partially offset by favorable results of \$8.2M at the LIRR due to lower material usage for fleet modifications and running repair for the Multiple Unit and Diesel fleet, as well as delays in the M7 Propulsion Startup Project, and \$1.3M at MNR due to lower rolling stock mechanical material usage and overall purchases.

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - 2014 ADOPTED BUDGET  
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL ACCRUAL BASIS  
April 2014  
(\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	April		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)			Favorable (Unfavorable)		
		\$	%		\$	%	
Other Business Expenses	NR	0.3	2.7	NYCT was \$1.2M favorable due to various credits, and underruns in stationery and travel expenses. The LIRR was \$0.3M favorable mainly due to timing. These results were partially offset by an unfavorable variance of (\$0.9M) at FMTAC due to higher general and administrative, commissions and safety loss expenses.	7.0	12.4	NYCT was \$4.4M favorable due to timing, lower MVM debit/credit card fees, and lower stationery expenses. The LIRR was \$1.8M favorable primarily due to property restitution for damages caused by a third party at a Southampton bridge and the timing of expenses. B&T was \$1.0M favorable mainly due to lower credit card fees. MTAHQ was \$0.9M favorable primarily due to the timing of expenses for office supplies, printing supplies, and inventory purchases at the Transit Museum. These results were partially offset by unfavorable variances of (\$0.6M) at MTABus due to mobility tax payments budgeted in Other Fringe Benefits, and (\$0.4M) at FMTAC due to higher general and administrative, commissions and safety loss expenses.
Other Expense Adjustments	NR	0.6	17.0	Variance due to timing.	3.7	25.2	Variance due to timing.
Depreciation	NR	3.6	2.0	Timing differences in project completions and assets reaching beneficial use resulted in favorable variances of \$3.6M at the LIRR and \$0.7M at NYCT, and an unfavorable variance of (\$0.5M) at MTA Bus.	(12.4)	(1.7)	Timing differences in project completions and assets reaching beneficial use resulted in unfavorable variances of (\$5.8M) at the LIRR, (\$4.0M) at NYCT, (\$2.0M) at MTA Bus, and (\$0.3M) at MTAHQ and B&T, and a favorable variance of \$0.3M at MNR. Other Agency variances were minor.
Other Post-Employment Benefits	NR	4.3	13.3	The GASB adjustment reflects the value associated with the unfunded accrued liability for post employment health benefits.	5.1	1.0	The GASB adjustment reflects the value associated with the unfunded accrued liability for post employment health benefits.
Environmental Remediation	NR	0.0	0.2	Minor variances.	(2.3)	*	The unfavorable variance reflects higher remediation efforts of (\$1.6M) at the LIRR and (\$0.7M) at MNR.
Capital & Other Reimbursements	R	(0.3)	(0.3)	The timing of project activity was responsible for unfavorable variances of (\$4.2M) at MTAHQ, (\$1.0M) at MTACC, and (\$0.3M) at MTABus, and favorable variances of \$4.3M at NYCT, \$0.4M at B&T, and \$0.3M at the LIRR.	(46.8)	(9.5)	Reduced project activity, mostly reflective of the impact of adverse weather conditions, resulted in unfavorable variances of (\$12.3M) at NYCT and the LIRR, (\$8.5M) at MNR and MTAHQ, (\$4.1M) at MTACC, and (\$0.6M) at MTA Bus and SIR.
Payroll	R	5.3	10.8	The overall favorable variance reflects the timing of project activity and vacancies -- \$3.4M at NYCT, \$0.8M at the LIRR, \$0.6M at MNR, and \$0.3M at MTA Bus.	33.1	18.0	The overall favorable variance reflects the timing of project activity caused in part by adverse weather, and vacancies -- \$21.5M at NYCT, \$5.7M at the LIRR, \$3.0M at MNR, \$1.0M at MTA CC, \$0.7M at MTA Bus, \$0.6M at MTAHQ and \$0.3M at both B&T and SIR.
Overtime	R	(7.7)	(80.9)	Higher expenses reflect the impact of Subways requirements (principally in support of track work, service delivery, stations, signals and infrastructure) at NYCT (\$5.1M) and higher project activity levels and timing at the LIRR (\$1.6M), MTA HQ (\$0.7M), and MNR (\$0.4M).	(14.1)	(40.9)	Higher expenses reflect the impact of Subways requirements (principally in support of track work, service delivery, car equipment, stations and signals) at NYCT (\$10.8M), and higher project activity levels and timing at the LIRR (\$2.1M), and MTA HQ (\$1.2M).
Health and Welfare	R	0.7	11.4	Lower project activity was responsible for the favorable variance at NYCT of \$0.8M. Partially offsetting this result was an unfavorable variance at the LIRR of \$0.3M. Other agency variances were minor.	3.1	14.9	Lower project activity was responsible for favorable variances at NYCT, MNR and MTACC of \$1.6M, \$1.0M and \$0.4M, respectively. Other agency variances were minor.

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - 2014 ADOPTED BUDGET  
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL ACCRUAL BASIS  
April 2014  
(\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	April		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)			Favorable (Unfavorable)		
		\$	%		\$	%	
Pensions	R	(0.7)	(17.6)	The LIRR was (\$1.0M) unfavorable due to timing. Other agency variances were minor.	(0.5)	(4.0)	Timing was responsible for an unfavorable variance of (\$1.7M) at the LIRR and favorable variances of \$0.5M at MNR and \$0.4M at MTACC. Other agency variances were minor.
Other Fringe Benefits	R	(0.2)	(1.6)	NYCT was (\$0.3M) unfavorable due to timing. Other agency variances were minor.	6.6	11.9	Lower project activity was responsible for favorable variances at NYCT, the LIRR and MNR of \$4.2M, \$1.1M and \$0.5M, respectively. These results were partially offset by an unfavorable variance of (\$0.3M) at MTA HQ which was mostly due to timing.
Reimbursable Overhead	R	1.1	4.0	The timing of project activity resulted in a favorable variance of \$3.9M at MTA HQ and unfavorable variances of (\$2.1M) at NYCT, (\$0.4M) at B&T, and (\$0.3M) at the LIRR.	15.9	15.6	The timing of project activity resulted in favorable variances of \$10.9M at MTA HQ, \$4.5M at NYCT, \$0.6M at both the LIRR and MNR, and \$0.3M at SIR. These results were partially offset by a (\$0.9M) unfavorable variance at B&T which is mostly due to a budget understatement that will be corrected in the July Plan.
Electric Power	R	(0.1)	*	Minor Variance	(0.1)	*	Minor Variance
Insurance	R	0.1	5.9	Minor variance.	0.6	22.8	The LIRR was favorable by \$0.5M due to lower project activity. Other agency variances were minor.
Paratransit Service Contracts	R	(0.7)	-	Variance due to Interactive Voice Response System support costs	(0.7)	-	Variance due to Interactive Voice Response System support costs
Maintenance and Other Operating Contracts	R	(0.3)	(6.1)	NYCT was (\$1.1M) unfavorable largely due to the timing of building maintenance and construction services expenses. Partially offsetting this was a favorable variance of \$0.9M at the LIRR resulting from the timing of project activity. Other agency variances were minor.	(0.2)	(1.5)	NYCT was (\$3.1M) unfavorable largely due to the timing of building maintenance and construction services expenses. Partially offsetting this result were favorable variances of \$2.0M at the LIRR and \$0.8M at MNR primarily due to the timing of project activity.
Professional Service Contracts	R	0.1	1.2	MTA HQ was favorable by \$1.0M primarily due to the timing of West Side Yard projects. Partially offsetting this result were unfavorable variances of (\$0.8M) at NYCT due to the timing of IT-related expenses, and (\$0.3M) at the LIRR due to the timing of project activity.	(3.3)	(20.4)	Overall, the variance was primarily due to timing: NYCT was unfavorable by (\$3.5M) due to IT hardware expenses, while MTA HQ was unfavorable by (\$1.7M) due to the West Side Yard projects. Partially offsetting these results were favorable variances of \$1.0M at the LIRR and \$0.4M at MNR due to revised project activity levels.
Materials & Supplies	R	3.0	25.9	Changes in project activity levels, maintenance material requirements, and the timing of payments contributed to favorable results of \$1.6M at NYCT and \$1.3M at the LIRR.	9.6	22.4	Changes in project activity levels, maintenance material requirements, and the timing of payments contributed to favorable results of \$5.0M at the LIRR, \$3.7M at MNR, and \$1.1M at NYCT.
Other Business Expenses	R	(0.1)	(16.8)	MNR was (\$0.4M) unfavorable due to higher material expenses for the 525 North Broadway, White Plains Project.	(3.2)	*	NYCT was (\$2.4M) unfavorable mostly due to timing. MNR was (\$1.8M) unfavorable due to higher material expenses for the following projects: New Haven Independent Wheel True Shop, PBX Equipment Upgrade, 525 North Broadway, and the White Plains Project. These results were partially offset by a favorable variance of \$0.9M at MTACC also due to timing.

**METROPOLITAN TRANSPORTATION AUTHORITY  
 FEBRUARY FINANCIAL PLAN - 2014 ADOPTED BUDGET  
 EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL ACCRUAL BASIS  
 April 2014  
 (\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable)		Reason for Variance	Favorable (Unfavorable)		Reason for Variance
		\$	%		\$	%	
Subsidies	NR	(71.3)	(3.5)	The unfavorable variance for the month of \$71.3 million was mainly due to booking delays by MTA Accounting and transfer delays from the State for PMT (\$107.0 million), as well as lower MRT transactions (\$7.9 million) due to weaker-than-expected mortgage activity. This was offset by favorable City Subsidy to MTA Bus (\$27.6 million) due to timing, and higher PBT (\$6.0 million) and MMTOA (\$5.5 million) transactions.	23.9	0.8	The favorable YTD variance of \$23.9 million was mainly due to the higher accruals for PBT (\$48.7million), due mostly to timing, higher City Subsidy for MTA Bus (\$36.4 million) also due to timing, and higher Urban Tax transactions (26.2 million) due to stronger-than-expected real estate activity in New York City. This was offset by unfavorable PMT (\$69.9 million) due to timing of booking accruals and transfer from the State, and unfavorable MRT transactions (\$25.9 million) due to lower-than-expected mortgage activity.
Debt Service	NR	(47.5)	(23.7)	Unfavorable variance of \$47.5 million is primarily due to the timing of debt service deposits in Transportation Revenue Bonds (\$44.7 million) that were prefunded through May 15. In addition, there was an unfavorable timing of Dedicated Tax Fund Deposits.	(12.1)	(1.5)	Unfavorable Year-to-date variance of \$12.1 million primarily due to timing of debt service deposits for Transportation Revenue Bonds offset by lower than budgeted rates and timing for Commercial Paper (\$7.2 million)

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**Overtime Decomposition Report**  
**Adopted Budget vs. Actuals**  
**April 2014**

The attached table presents consolidated results of overtime, followed by an overtime legend.

For detailed overtime results please refer to the Agency reports located in the financial reporting sections of Agency operating committee agendas.

Below is a summary of the major consolidated variances for April 2014 (year-to-date).

**2014 OVERTIME REPORTING - PRELIMINARY APRIL RESULTS (NON-REIMBURSABLE)**

**Month**

Total overtime was (\$10.6M), or (23%), unfavorable to the Adopted Budget.

*Vacancy/Absentee Coverage* was (\$4.7M) unfavorable, reflecting the impact of higher vacancies and levels of absenteeism among station agents and bus operators at NYCT, and bus operators at MTA Bus.

*Programmatic/Routine Maintenance* was (\$3.1M) unfavorable, primarily due to the inspection, testing, and maintenance of signal systems, and remediation efforts on track defect backlogs at the Department of Subways, the accelerated completion of defects found on scheduled inspections at MTA Bus, the repair of track defects, the testing of high security switches, and general maintenance needs at the LIRR, and coverage in the Maintenance of Equipment department, maintenance of rolling stock and roadway equipment, and Grand Central Terminal building repairs at MNR.

*Other* was (\$1.5M) unfavorable primarily due to timing at NYCT.

**Year-to-Date**

Total overtime was (\$58.7M), or (32%), unfavorable to the Adopted Budget.

*Weather Emergencies* was (\$25.8M) unfavorable and accounted for 44% of the total overtime variance. Specifically, Agency variances were: NYCT (\$16.5M), the LIRR (\$4.6M), MNR (\$2.5M), and MTA Bus (\$1.8M). January and February experienced 48.7 inches of snowfall, 33 inches more than the long-term average for winter months.

*Vacancy/Absentee Coverage* was (\$13.2M) unfavorable, reflecting the impact of ongoing challenges with filling vacancies and higher levels of absenteeism at NYCT, MTA Bus and MNR, partially offset by fewer tours and less coverage needed at the LIRR.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**Overtime Decomposition Report**  
**Adopted Budget vs. Actuals**  
**April 2014**

*Programmatic/Routine Maintenance* was (\$8.8M) unfavorable, primarily due to the inspection, testing, and maintenance of signal systems, as well as track defect backlogs at the Department of Subways, accelerated completion of defects found on scheduled inspections at NYCT's Department of Buses and MTA Bus, as well as track rail testing, replacement of defective rails, and general maintenance needs at both the LIRR and MNR. It should be noted that part of the overrun in this category was caused by increased work on safety-related investments that are now underway.

*Unscheduled Service* was (\$8.3M) unfavorable, primarily due to traffic congestion, breakdowns, and related ramp delays experienced in the Department of Buses; coverage required for train operators (hired in the latter months of 2013) undergoing induction training in the Department of Subways; and corresponding weather-related incidents and coverage support required at the LIRR.

*Other* was (\$2.4M) unfavorable, mostly due to adjustments related to timing lags at NYCT and B&T, as well as the impacts of double-time and higher rates for certain crafts at the LIRR.

**Metropolitan Transportation Authority**  
**2014 February Financial Plan**  
**Non-Reimbursable/Reimbursable Overtime**  
(\$ in millions)

	April			April Year-to-Date		
	Adopted Budget	Actuals	Var. - Fav./(Unfav)	Adopted Budget	Actuals	Var. - Fav./(Unfav)
<b>NON-REIMBURSABLE OVERTIME</b>						
<u>Scheduled Service</u>	\$15.8	\$16.6	(\$0.8) (5.1%)	\$63.4	\$64.3	(\$1.0) (1.5%)
<u>Unscheduled Service</u>	\$7.9	\$8.8	(\$0.9) (11.5%)	\$29.0	\$37.2	(\$8.3) (28.5%)
<u>Programmatic/Routine Maintenance</u>	\$12.6	\$15.7	(\$3.1) (24.5%)	\$50.3	\$59.1	(\$8.8) (17.5%)
<u>Unscheduled Maintenance</u>	\$0.2	\$0.1	\$0.0 20.1%	\$0.7	\$0.6	\$0.1 15.3%
<u>Vacancy/Absentee Coverage</u>	\$5.8	\$10.5	(\$4.7) -82.2%	\$21.4	\$34.6	(\$13.2) -61.8%
<u>Weather Emergencies</u>	\$1.0	\$0.7	\$0.3 26.0%	\$12.2	\$38.1	(\$25.8) *
<u>Safety/Security/Law Enforcement</u>	\$0.8	\$0.7	\$0.1 18.2%	\$3.7	\$2.9	\$0.7 19.8%
<u>Other</u>	\$1.1	\$2.6	(\$1.5) *	\$4.7	\$7.2	(\$2.4) (51.3%)
Subtotal	\$45.2	\$55.7	(\$10.6) (23.4%)	\$185.3	\$244.0	(\$58.7) (31.7%)
<b>REIMBURSABLE OVERTIME</b>	\$9.5	\$17.2	(\$7.7)	\$34.4	\$48.5	(\$14.1)
<b>TOTAL OVERTIME</b>	<b>\$54.7</b>	<b>\$72.9</b>	<b>(\$18.2)</b>	<b>\$219.8</b>	<b>\$292.6</b>	<b>(\$72.8)</b>

\* Exceeds 100%

NOTES: Totals may not add due to rounding.  
Percentages are based on each type of Overtime and not on Total Overtime.  
SIR Overtime data is included in "Other"

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**2014 Overtime Reporting**  
**Overtime Legend**

**Type**

**Definition**

<i>Scheduled Service</i>	Crew book/Regular Run/Shift hours (above 8 hours) required by train crews, bus/tower/block operators, transportation supervisors/dispatchers, fare sales and collection, Train & Engineers, as well as non-transportation workers whose work is directly related to providing service (includes coverage for holidays).
<i>Unscheduled Service</i>	Service coverage resulting from extraordinary events not related to weather, such as injuries, mechanical breakdowns, unusual traffic, tour length, late tour relief, and other requirements that arise that are non-absence related.
<i>Programmatic/Routine Maintenance</i>	<i>Program Maintenance</i> work for which overtime is planned (e.g. Railroad Tie Replacement, Sperry Rail Testing, Running Board Replacement Programs). This also includes <i>Routine Maintenance</i> work for which OT has been planned, as well as all other maintenance <u>not</u> resulting from extraordinary events, including running repairs. Program/Routine maintenance work is usually performed during hours that are deemed more practical in order to minimize service disruptions, and includes contractual scheduled pay over 8 hours.
<i>Unscheduled Maintenance</i>	Resulting from an <u>extraordinary event</u> (not weather-related) requiring the use of unplanned maintenance to perform repairs on trains, buses, subway and bus stations, depots, tracks and administrative and other facilities, including derailments, tour length and weekend coverage.
<i>Vacancy/Absentee Coverage</i>	Provides coverage for an absent employee or a vacant position.
<i>Weather Emergencies</i>	Coverage necessitated by extreme weather conditions (e.g. snow, flooding, hurricane, and tornadoes), as well as preparatory and residual costs.
<i>Safety/Security/Law Enforcement</i>	Coverage required to provide additional customer & employee protection and to secure MTA fleet facilities, transportation routes, and security training.
<i>Other</i>	Includes overtime coverage for clerical, administrative positions that are eligible for overtime, and miscellaneous overtime.
<i>Reimbursable Overtime</i>	Overtime incurred to support projects that are reimbursed from the MTA Capital Program and other funding sources.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2014 Adopted Budget**  
**Consolidated Accrual Subsidy Detail**  
**April 2014**  
(\$ in millions)

	Current Month			Year-to-Date		
	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance
<b>Accrued Subsidies:</b>						
<i>Dedicated Taxes</i>						
Mass Transportation Operating Assistance Fund (MMTOA)	1,558.4	1,563.9	5.5	1,558.4	1,563.9	5.5
Petroleum Business Tax	\$47.2	53.1	5.9	\$186.2	234.9	48.7
MRT 1 (Gross)	23.0	18.6	(4.4)	91.9	79.3	(12.6)
MRT 2 (Gross)	10.4	6.9	(3.5)	41.6	28.3	(13.3)
Other MRT(b) Adjustments*	0.0	-	-	(2.5)	-	2.5
Urban Tax	44.1	43.9	(0.1)	176.3	202.4	26.2
Investment Income	0.0	-	-	0.3	0.3	-
	<b>\$1,683.0</b>	<b>\$1,686.4</b>	<b>\$3.4</b>	<b>\$2,052.1</b>	<b>\$2,109.1</b>	<b>\$57.0</b>
<i>New State Taxes and Fees</i>						
Payroll Mobility Taxes	107.0	-	(107.0)	517.4	447.5	(69.9)
Payroll Mobility Tax Replacement Funds	-	-	-	-	-	-
MTA Aid Taxes <sup>1</sup>	-	-	-	78.4	71.3	(7.1)
	<b>\$107.0</b>	<b>\$0.0</b>	<b>(\$107.0)</b>	<b>\$595.8</b>	<b>\$518.8</b>	<b>(\$77.0)</b>
<i>State and Local Subsidies</i>						
NYS Operating Assistance	187.9	187.9	-	187.9	187.9	-
NYC and Local 18b:						
New York City	1.9	1.9	-	1.9	1.9	-
Nassau County	11.6	11.6	-	11.6	11.6	-
Suffolk County	7.5	7.5	-	7.5	7.5	-
Westchester County	7.3	7.3	-	7.3	7.3	-
Putnam County	0.4	0.4	-	0.4	0.4	-
Dutchess County	0.4	0.4	-	0.4	0.4	-
Orange County	0.1	0.1	-	0.1	0.1	-
Rockland County	0.0	0.0	-	0.0	0.0	-
CDOT Subsidies	7.8	12.7	4.9	36.4	44.8	8.4
Station Maintenance	13.6	13.3	(0.2)	54.2	53.4	(0.9)
	<b>\$238.5</b>	<b>\$243.2</b>	<b>\$4.7</b>	<b>\$307.8</b>	<b>\$315.4</b>	<b>\$7.6</b>
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$2,028.5</b>	<b>\$1,929.6</b>	<b>(\$98.9)</b>	<b>\$2,955.7</b>	<b>\$2,943.2</b>	<b>(\$12.5)</b>
City Subsidy to MTA Bus	26.1	53.7	27.6	\$106.8	143.2	36.4
City Subsidy to SIRTOA	-	-	-	-	-	-
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$2,054.6</b>	<b>\$1,983.3</b>	<b>(\$71.3)</b>	<b>\$3,062.5</b>	<b>\$3,086.5</b>	<b>\$23.9</b>
<i>Inter-Agency Subsidy Transactions</i>						
B&T Operating Surplus Transfer	52.9	46.1	(6.7)	167.1	170.3	3.2
	<b>\$52.9</b>	<b>46.1</b>	<b>(\$6.7)</b>	<b>\$167.1</b>	<b>170.3</b>	<b>\$3.2</b>
<b>Total Accrued Subsidies</b>	<b>\$2,107.5</b>	<b>\$2,029.4</b>	<b>(\$78.0)</b>	<b>\$3,229.6</b>	<b>\$3,256.8</b>	<b>\$27.1</b>

<sup>1</sup> License, Vehicle Registration, Taxi and Auto Rental Fees  
Note: Differences are due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2014 Adopted Budget**  
**Consolidated Accrual Subsidy Detail**  
**Explanation of Variances**  
(\$ in millions)

**April 2014**

Accrued Subsidies	Variance \$	Variance %	Explanations
<b>Dedicated Taxes</b>			
Mass Transportation Operating Assistance Fund (MMTOA)	5.5	0.4%	The slightly favorable variances for the month and YTD were due to higher appropriation for MTA MMTOA than anticipated in the MTA February Plan.
Petroleum Business Tax	5.9	12.5%	The favorable accrual variances for the month and YTD were due to a combination of timing related differences in booking accruals and slightly better-than-forecasted transactions for the year. A portion of the favorable YTD variance will be reversed with MTA Accounting's next quarterly reconciliation.
MRT(b) 1 (Gross)	(4.4)	(19.0%)	MRT-1 cash receipts were below the budget for the month and YTD due to lower-than-expected mortgage activity.
MRT(b) 2 (Gross)	(3.5)	(33.7%)	MRT-2 cash receipts were below the budget for the month and YTD due to lower-than-expected mortgage activity.
Urban Tax	(0.1)	(0.3%)	Urban tax accruals were slightly unfavorable for the month, however YTD transactions continue to be favorable due to higher than expected real estate activity in New York City.
Payroll Mobility Taxes	(107.0)	(100.0%)	The unfavorable variances for the month and YTD were primarily due to timing of booking accruals by MTA Accounting, as well as timing of the State's transfer of funds to the MTA. This situation is being monitored very closely.
CDOT Subsidies	4.9	62.7%	The favorable variances for the month and YTD were primarily due to timing.
City Subsidy to MTA Bus	27.6	> 100%	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus.
B&T Operating Surplus Transfer	(6.7)	(12.7%)	Variance was due to timing of booking accruals. YTD variance is close to the budget.

**Year-to-Date**

Accrued Subsidies	Variance \$	Variance %	Explanations
Mass Transportation Operating Assistance Fund (MMTOA)	5.5	0.4%	See explanation for the month.
Petroleum Business Tax	48.7	26.1%	See explanation for the month.
MRT(b) 1 (Gross)	(12.6)	(13.7%)	See explanation for the month.
MRT(b) 2 (Gross)	(13.3)	(32.0%)	See explanation for the month.
Urban Tax	26.2	14.8%	See explanation for the month.
Payroll Mobility Taxes	(69.9)	(13.5%)	The unfavorable YTD variance was mostly due to timing of booking accruals by MTA Accounting.
MTA Aid Taxes	(7.1)	(9.1%)	The unfavorable variance is due to the timing of accruals by MTA Accounting.
CDOT Subsidies	8.4	23.2%	The favorable YTD variance was due primarily to timing.
City Subsidy to MTA Bus	36.4	34.1%	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus.
B&T Operating Surplus Transfer	3.2	1.9%	See explanation for the month.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**FEBRUARY FINANCIAL PLAN - ADOPTED BUDGET**  
**DEBT SERVICE**  
(\$ in millions)

April 2014

	2014 Adopted Budget	Actual	Variance	% Variance	Explanation
Dedicated Tax Fund:					Timing of debt service deposits.
NYC Transit	\$23.6	\$27.1	(\$3.5)		
Commuter Railroads	4.8	5.8	(1.1)		
<i>Dedicated Tax Fund Subtotal</i>	\$28.4	\$32.9	(\$4.5)	-16.0%	
MTA Transportation Revenue:					Timing of debt service deposits as debt service was prefunded to May 15. Variance should reverse in May 2014.
NYC Transit	\$70.6	\$98.5	(\$27.9)		
Commuter Railroads	45.5	60.6	(15.1)		
MTA Bus	1.9	3.6	(1.7)		
<i>MTA Transportation Subtotal</i>	\$118.0	\$162.6	(\$44.7)	-37.9%	
Commercial Paper:					Lower than budgeted rates, timing of interest payments.
NYC Transit	\$1.1	\$0.0	\$1.1		
Commuter Railroads	0.7	0.0	0.7		
MTA Bus	0.0	0.0	0.0		
<i>Commercial Paper Subtotal</i>	\$1.8	\$0.1	\$1.8	96.9%	
2 Broadway COPs:					
NYC Transit	\$1.5	\$1.5	(\$0.0)		
Bridges & Tunnels	0.2	0.2	(0.0)		
MTA HQ	0.2	0.2	(0.0)		
<i>2 Broadway COPs Subtotal</i>	\$1.9	\$1.9	(\$0.0)	-1.8%	
TBTA General Resolution (2)					
NYC Transit	\$14.7	\$15.2	(\$0.4)		
Commuter Railroads	6.9	7.1	(0.2)		
Bridges & Tunnels	18.4	18.3	0.1		
<i>TBTA General Resolution Subtotal</i>	\$40.0	\$40.6	(\$0.5)	-1.4%	
TBTA Subordinate (2)					Timing of debt service deposits.
NYC Transit	\$5.5	\$5.2	\$0.3		
Commuter Railroads	2.4	2.3	0.1		
Bridges & Tunnels	2.2	2.1	0.1		
<i>TBTA Subordinate Subtotal</i>	\$10.1	\$9.6	\$0.5	5.2%	
<b>Total Debt Service</b>	<b>\$200.2</b>	<b>\$247.7</b>	<b>(\$47.5)</b>	<b>-23.7%</b>	
Debt Service by Agency:					
NYC Transit	\$117.0	\$147.5	(\$30.4)		
Commuter Railroads	60.3	75.9	(15.6)		
MTA Bus	1.9	3.6	(1.7)		
Bridges & Tunnels	20.8	20.6	0.2		
MTAHQ	0.2	0.2	(0.0)		
<b>Total Debt Service</b>	<b>\$200.2</b>	<b>\$247.7</b>	<b>(\$47.5)</b>	<b>-23.7%</b>	

**Notes:**

- (1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.
- (2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.
- (3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - ADOPTED BUDGET  
DEBT SERVICE  
(\$ in millions)**

April 2014 Year-to-Date

	Adopted Budget	Actual	Variance	% Variance	Explanation
Dedicated Tax Fund:					
NYC Transit	\$122.0	\$119.8	\$2.2		
Commuter Railroads	24.9	24.9	0.0		
<i>Dedicated Tax Fund Subtotal</i>	\$146.9	\$144.7	\$2.2	1.5%	
MTA Transportation Revenue:					Timing of debt service deposits.
NYC Transit	\$261.3	\$283.1	(\$21.7)		
Commuter Railroads	168.6	175.3	(6.7)		
MTA Bus	6.9	10.6	(3.8)		
<i>MTA Transportation Subtotal</i>	\$436.8	\$469.0	(\$32.2)	-7.4%	
Commercial Paper:					Lower than budgeted rates, timing of interest payments.
NYC Transit	\$4.4	\$0.1	\$4.3		
Commuter Railroads	2.9	0.1	2.8		
MTA Bus	0.1	0.0	0.1		
<i>Commercial Paper Subtotal</i>	\$7.3	\$0.2	\$7.2	97.7%	
2 Broadway COPs:					
NYC Transit	\$5.9	\$5.9	\$0.0		
Bridges & Tunnels	0.8	0.8	0.0		
MTA HQ	0.8	0.8	0.0		
<i>2 Broadway COPs Subtotal</i>	\$7.6	\$7.5	\$0.0	0.2%	
TBTA General Resolution (2)					Timing of bond issuances and lower than budgeted variable debt rates.
NYC Transit	\$59.0	\$57.1	\$1.9		
Commuter Railroads	27.7	26.8	0.9		
Bridges & Tunnels	73.5	68.9	4.6		
<i>TBTA General Resolution Subtotal</i>	\$160.2	\$152.8	\$7.4	4.6%	
TBTA Subordinate (2)					Lower than budgeted variable debt rates.
NYC Transit	\$22.1	\$20.2	\$1.8		
Commuter Railroads	9.7	8.9	0.8		
Bridges & Tunnels	8.7	8.0	0.7		
<i>TBTA Subordinate Subtotal</i>	\$40.5	\$37.1	\$3.4	8.3%	
<b>Total Debt Service</b>	<b>\$799.3</b>	<b>\$811.3</b>	<b>(\$12.1)</b>	<b>-1.5%</b>	
Debt Service by Agency:					
NYC Transit	\$474.7	\$486.2	(\$11.5)		
Commuter Railroads	233.8	236.0	(2.2)		
MTA Bus	6.9	10.6	(3.7)		
Bridges & Tunnels	83.0	77.7	5.3		
MTAHQ	0.8	0.8	0.0		
<b>Total Debt Service</b>	<b>\$799.3</b>	<b>\$811.3</b>	<b>(\$12.1)</b>	<b>-1.5%</b>	

**Notes:**

- (1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.
- (2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.
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**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2014 Adopted Budget**  
**Cash Subsidy Detail by Agency**  
(\$ in millions)

	NYC Transit			Commuter Railroads			SIR			MTA Bus			MTAHQ			TOTAL		
	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance
<b>Cash Subsidies:</b>																		
<i><b>Dedicated Taxes</b></i>																		
MMTOA <sup>(b)</sup>	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Petroleum Business Tax	38.4	45.2	6.7	6.8	8.0	1.2	-	-	-	-	-	-	-	-	-	45.2	53.1	7.9
MRT <sup>(b)</sup> 1 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	23.0	21.0	(2.0)	23.0	21.0	(2.0)
MRT <sup>(b)</sup> 2 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	10.4	7.2	(3.2)	10.4	7.2	(3.2)
Other MRT <sup>(b)</sup> Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Urban Tax	44.1	53.9	9.8	-	-	-	-	-	-	-	-	-	-	-	-	44.1	53.9	9.8
Investment Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
	<b>\$82.5</b>	<b>\$99.1</b>	<b>\$16.6</b>	<b>\$6.8</b>	<b>\$8.0</b>	<b>\$1.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$33.4</b>	<b>\$28.2</b>	<b>(\$5.2)</b>	<b>\$122.6</b>	<b>\$135.2</b>	<b>\$12.6</b>
<i><b>New State Taxes and Fees</b></i>																		
Payroll Mobility Tax	85.1	80.4	(4.7)	21.9	20.7	(1.2)	-	-	-	-	-	-	-	-	-	107.0	101.1	(5.9)
Payroll Mobility Tax Replacement Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
MTA Aid <sup>(c)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
	<b>\$85.1</b>	<b>\$80.4</b>	<b>(\$4.7)</b>	<b>\$21.9</b>	<b>\$20.7</b>	<b>(\$1.2)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$107.0</b>	<b>\$101.1</b>	<b>(\$5.9)</b>
<i><b>State and Local Subsidies</b></i>																		
NYS Operating Assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
NYC and Local 18b:																		
New York City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Nassau County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Suffolk County	-	-	-	-	1.9	1.9	-	-	-	-	-	-	-	-	-	0.0	1.9	1.9
Westchester County	-	-	-	-	1.8	1.8	-	-	-	-	-	-	-	-	-	0.0	1.8	1.8
Putnam County	-	-	-	-	0.1	0.1	-	-	-	-	-	-	-	-	-	0.0	0.1	0.1
Dutchess County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Orange County	-	-	-	-	0.0	0.0	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Rockland County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
CDOT Subsidies	-	-	-	7.8	20.2	12.4	-	-	-	-	-	-	-	-	-	7.8	20.2	12.4
Station Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$7.8</b>	<b>\$24.0</b>	<b>\$16.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$7.8</b>	<b>\$24.0</b>	<b>\$16.2</b>
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$167.5</b>	<b>\$179.4</b>	<b>\$11.9</b>	<b>\$36.5</b>	<b>\$52.7</b>	<b>\$16.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$33.4</b>	<b>\$28.2</b>	<b>(\$5.2)</b>	<b>\$237.4</b>	<b>\$260.3</b>	<b>\$22.9</b>
City Subsidy to MTA Bus	-	-	-	-	-	-	-	-	-	\$18.5	18.5	-	-	-	-	18.5	18.5	0.0
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$167.5</b>	<b>\$179.4</b>	<b>\$11.9</b>	<b>\$36.5</b>	<b>\$52.7</b>	<b>\$16.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$18.5</b>	<b>\$18.5</b>	<b>\$0.0</b>	<b>\$33.4</b>	<b>\$28.2</b>	<b>(\$5.2)</b>	<b>\$255.9</b>	<b>\$278.8</b>	<b>\$22.9</b>
<i><b>Inter-Agency Subsidy Transactions</b></i>																		
B&T Operating Surplus Transfer	16.6	18.9	2.3	24.6	27.2	2.6	-	-	-	-	-	-	-	-	-	41.3	46.1	4.9
	<b>\$16.6</b>	<b>\$18.9</b>	<b>\$2.3</b>	<b>\$24.6</b>	<b>\$27.2</b>	<b>\$2.6</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$41.3</b>	<b>\$46.1</b>	<b>\$4.9</b>
<b>Total Cash Subsidies</b>	<b>\$184.2</b>	<b>\$198.3</b>	<b>\$14.2</b>	<b>\$61.1</b>	<b>\$79.9</b>	<b>\$18.8</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$18.5</b>	<b>\$18.5</b>	<b>\$0.0</b>	<b>\$33.4</b>	<b>\$28.2</b>	<b>(\$5.2)</b>	<b>\$297.2</b>	<b>\$325.0</b>	<b>\$27.8</b>

<sup>1</sup> Metropolitan Mass Transportation Operating Assistance Fund  
<sup>2</sup> License, Vehicle Registration, Taxi and Auto Rental Fees  
Note: Differences are due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2014 Adopted Budget**  
**Cash Subsidy Detail by Agency**  
(\$ in millions)

Year-to-Date

	NYC Transit			Commuter Railroads			SIR			MTA Bus			MTAHQ			TOTAL		
	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance
<b>Cash Subsidies:</b>																		
<b>Dedicated Taxes</b>																		
MMTOA <sup>(1)</sup>	\$0.0	0.0	0.0	\$0.0	0.0	0.0	\$0.0	0.0	0.0	\$0.0	\$0.0	0.0	\$0.0	0.0	0.0	\$0.0	\$0.0	0.0
Petroleum Business Tax	159.7	178.9	19.3	28.2	31.6	3.4	-	0.0	-	-	-	-	-	-	-	187.8	210.5	22.7
MRT <sup>(b)</sup> 1 (Gross)	-	0.0	-	-	-	-	-	-	-	-	-	-	91.9	83.4	(8.5)	91.9	83.4	(8.5)
MRT <sup>(b)</sup> 2 (Gross)	-	0.0	-	-	-	-	-	-	-	-	-	-	41.6	30.2	(11.4)	41.6	30.2	(11.4)
Other MRT <sup>(b)</sup> Adjustments	-	0.0	-	-	-	-	-	-	-	-	-	-	(1.3)	0.0	1.3	(1.3)	-	1.3
Urban Tax	176.3	259.3	83.1	-	-	-	-	-	-	-	-	-	-	-	-	176.3	259.3	83.1
Investment Income	-	0.0	-	0.3	-	(0.3)	-	-	-	-	-	-	-	-	-	0.3	-	(0.3)
	<b>\$335.9</b>	<b>\$438.3</b>	<b>\$102.3</b>	<b>\$28.4</b>	<b>\$31.6</b>	<b>\$3.1</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$132.3</b>	<b>\$113.6</b>	<b>(\$18.7)</b>	<b>\$496.6</b>	<b>\$583.4</b>	<b>86.8</b>
<b>New State Taxes and Fees</b>																		
Payroll Mobility Tax	411.3	399.9	(11.5)	106.1	103.1	(3.0)	-	-	-	-	-	-	-	-	-	517.4	503.0	(14.4)
Payroll Mobility Tax Replacement Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0
MTA Aid <sup>(2)</sup>	62.3	56.7	(5.6)	16.1	14.6	(1.5)	-	-	-	-	-	-	-	-	-	78.4	71.3	(7.1)
	<b>\$473.7</b>	<b>\$456.5</b>	<b>(\$17.1)</b>	<b>\$122.1</b>	<b>\$117.7</b>	<b>(\$4.4)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$595.8</b>	<b>\$574.3</b>	<b>(21.5)</b>
<b>State and Local Subsidies</b>																		
NYS Operating Assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0
NYC and Local 18b:																		
New York City	-	-	-	0.5	-	(0.5)	-	-	-	-	-	-	-	-	-	0.5	-	(0.5)
Nassau County	-	-	-	2.9	2.9	0.0	-	-	-	-	-	-	-	-	-	2.9	2.9	0.0
Suffolk County	-	-	-	1.9	3.8	1.9	-	-	-	-	-	-	-	-	-	1.9	3.8	1.9
Westchester County	-	-	-	1.8	3.7	1.8	-	-	-	-	-	-	-	-	-	1.8	3.7	1.8
Putnam County	-	-	-	0.1	0.2	0.1	-	-	-	-	-	-	-	-	-	0.1	0.2	0.1
Dutchess County	-	-	-	0.1	-	(0.1)	-	-	-	-	-	-	-	-	-	0.1	-	(0.1)
Orange County	-	-	-	0.0	0.1	0.0	-	-	-	-	-	-	-	-	-	0.0	0.1	0.0
Rockland County	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
CDOT Subsidies	-	-	-	36.4	54.3	17.9	-	-	-	-	-	-	-	-	-	36.4	54.3	17.9
Station Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0
	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$43.7</b>	<b>\$64.9</b>	<b>\$21.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$43.7</b>	<b>\$64.9</b>	<b>21.2</b>
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$809.6</b>	<b>\$894.8</b>	<b>\$85.2</b>	<b>\$194.3</b>	<b>\$214.2</b>	<b>\$19.9</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$132.3</b>	<b>\$113.6</b>	<b>(\$18.7)</b>	<b>\$1,136.1</b>	<b>\$1,222.6</b>	<b>86.5</b>
City Subsidy to MTA Bus	-	-	-	-	-	-	-	-	-	101.8	74.0	(27.79)	-	-	-	101.8	74.0	(27.8)
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$809.6</b>	<b>\$894.8</b>	<b>\$85.2</b>	<b>\$194.3</b>	<b>\$214.2</b>	<b>\$19.9</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$101.8</b>	<b>\$74.0</b>	<b>(\$27.8)</b>	<b>\$132.3</b>	<b>\$113.6</b>	<b>(\$18.7)</b>	<b>\$1,237.9</b>	<b>\$1,296.6</b>	<b>58.7</b>
<b>Inter-Agency Subsidy Transactions</b>																		
B&T Operating Surplus Transfer	63.5	65.1	1.52	99.6	114.6	15.1	-	-	-	-	-	-	-	-	-	163.1	179.7	16.6
	<b>\$63.5</b>	<b>\$65.1</b>	<b>\$1.5</b>	<b>\$99.6</b>	<b>\$114.6</b>	<b>\$15.1</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$163.1</b>	<b>\$179.7</b>	<b>16.6</b>
<b>Total Cash Subsidies</b>	<b>\$873.1</b>	<b>\$959.8</b>	<b>\$86.7</b>	<b>\$293.8</b>	<b>\$328.8</b>	<b>\$35.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$101.8</b>	<b>\$74.0</b>	<b>(\$27.8)</b>	<b>\$132.3</b>	<b>\$113.6</b>	<b>(\$18.7)</b>	<b>\$1,401.0</b>	<b>\$1,476.3</b>	<b>75.3</b>

<sup>1</sup> Metropolitan Mass Transportation Operating Assistance Fund  
<sup>2</sup> License, Vehicle Registration, Taxi and Auto Rental Fees  
Note: Differences are due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2014 Adopted Budget**  
**Consolidated Subsidy Cash**  
**Explanation of Variances**  
(\$ in millions)

**April 2014**

Cash Subsidies	Variance \$	Variance %	Explanations
<b>Dedicated Taxes</b>			
Petroleum Business Tax	7.9	17.6%	The favorable variances for the month and YTD were partially due to timing-related "catch-up" from 2013, which ended with unfavorable receipts of \$6.7 million. Collections are being monitored closely to determine how much of the remaining favorable variance was real or represented earlier-than-anticipated receipt of 2014 collections.
MRT <sup>(b)</sup> 1 (Gross)	(2.0)	(8.6%)	MRT-1 cash receipts were below the budget for the month and YTD due to lower-than-expected mortgage activity.
MRT <sup>(b)</sup> 2 (Gross)	(3.2)	(30.8%)	MRT-2 cash receipts were below the budget for the month and YTD due to lower-than-expected mortgage activity.
Urban Tax	9.8	22.3%	The favorable cash variances for the month and YTD were due to better-than-expected real estate activity in New York City, reflecting strong overall real estate activity in New York City for the year.
Payroll Mobility Tax	(5.9)	(5.5%)	The slightly unfavorable cash variance was due to lower than expected receipts for the month due to timing of payment. YTD cash receipts was also slightly unfavorable.
Suffolk County	1.9	>100%	The favorable variances for the month and YTD were primarily due to the timing of payment.
Westchester County	1.8	>100%	The favorable variances for the month and YTD were primarily due to the timing of payment.
Putnam County	0.1	>100%	The favorable variances for the month and YTD were primarily due to the timing of payment.
CDOT Subsidies	12.4	> 100%	The favorable variances for the month and YTD were primarily due to timing.
B&T Operating Surplus Transfer	4.9	11.8%	The favorable variances for the month and YTD were due mostly timing of transfer.

**Year-to-Date**

Cash Subsidies	Variance \$	Variance %	Explanations
Petroleum Business Tax	22.7	12.1%	See explanation for the month.
MRT <sup>(b)</sup> 1 (Gross)	(8.5)	-9.2%	See explanation for the month.
MRT <sup>(b)</sup> 2 (Gross)	(11.4)	-27.5%	See explanation for the month.
Urban Tax	83.1	47.1%	See explanation for the month.
Payroll Mobility Tax	(14.4)	(2.8%)	See explanation for the month.
MTA Aid <sup>(c)</sup>	(7.1)	(9.1%)	The unfavorable YTD variance was due primarily to payment timing delays. Late first quarter payments will be included with the next quarterly payment.
Suffolk County	1.9	>100%	See explanation for the month.
Westchester County	1.8	>100%	See explanation for the month.
Putnam County	0.1	>100%	See explanation for the month.
Dutchess County	(0.1)	<100%	The unfavorable YTD variance was due to the timing of payment.
CDOT Subsidies	17.9	49.2%	See explanation for the month.
City Subsidy to MTA Bus	(27.8)	(27.3%)	The unfavorable YTD variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus.
B&T Operating Surplus Transfer	16.6	10.2%	See explanation for the month.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2014 Adopted Budget**  
**Total Positions by Function and Agency**  
**April 2014**

Function/Agency	Adopted Budget	Actual	Favorable/ (Unfavorable)
<b>Administration</b>	<b>4,278</b>	<b>4,029</b>	<b>249</b>
NYC Transit	1,788	1,788	-
Long Island Rail Road	657	629	28
Metro-North Railroad	599	510	89
Bridges & Tunnels	84	81	3
Headquarters	965	865	100
Staten Island Railway	25	24	1
Capital Construction Company	16	15	1
Bus Company	144	117	27
<b>Operations</b>	<b>29,863</b>	<b>29,224</b>	<b>639</b>
NYC Transit	22,399	22,023	376
Long Island Rail Road	2,361	2,300	61
Metro-North Railroad	1,814	1,797	17
Bridges & Tunnels	769	615	154
Headquarters	-	-	-
Staten Island Railway	91	92	(1)
Capital Construction Company	-	-	-
Bus Company	2,429	2,397	32
<b>Maintenance</b>	<b>30,314</b>	<b>29,746</b>	<b>568</b>
NYC Transit	20,893	20,633	260
Long Island Rail Road	3,903	3,792	111
Metro-North Railroad	3,884	3,757	127
Bridges & Tunnels	403	394	9
Headquarters	-	-	-
Staten Island Railway	155	149	6
Capital Construction Company	-	-	-
Bus Company	1,076	1,021	55
<b>Engineering/Capital</b>	<b>1,923</b>	<b>1,842</b>	<b>81</b>
NYC Transit	1,274	1,295	(21)
Long Island Rail Road	135	111	24
Metro-North Railroad	110	95	15
Bridges & Tunnels	221	190	31
Headquarters	-	-	-
Staten Island Railway	26	18	8
Capital Construction Company	120	102	18
Bus Company	37	31	6
<b>Public Safety</b>	<b>1,713</b>	<b>1,634</b>	<b>79</b>
NYC Transit	626	580	46
Long Island Rail Road	-	-	-
Metro-North Railroad	-	-	-
Bridges & Tunnels	269	269	-
Headquarters	800	769	31
Staten Island Railway	-	-	-
Capital Construction Company	-	-	-
Bus Company	18	16	2
<b>Total Positions</b>	<b>68,091</b>	<b>66,475</b>	<b>1,616</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2014 Adopted Budget**  
**Total Positions by Function and Agency**  
**April 2014**

Category	Adopted Budget	Actual	Favorable/ (Unfavorable)
<b>Total Positions</b>	<b>68,091</b>	<b>66,475</b>	<b>1,616</b>
NYC Transit	46,980	46,319	661
Long Island Rail Road	7,056	6,832	224
Metro-North Railroad	6,407	6,159	248
Bridges & Tunnels	1,746	1,549	197
Headquarters	1,765	1,634	131
Staten Island Railway	297	283	14
Capital Construction Company	136	117	19
Bus Company	3,704	3,582	122
<b>Non-reimbursable</b>	<b>61,208</b>	<b>60,518</b>	<b>690</b>
NYC Transit	42,088	42,000	88
Long Island Rail Road	6,078	5,971	107
Metro-North Railroad	5,772	5,715	57
Bridges & Tunnels	1,658	1,461	197
Headquarters	1,704	1,582	122
Staten Island Railway	268	262	6
Capital Construction Company	-	-	-
Bus Company	3,640	3,527	113
<b>Reimbursable</b>	<b>6,883</b>	<b>5,957</b>	<b>926</b>
NYC Transit	4,892	4,319	573
Long Island Rail Road	978	861	117
Metro-North Railroad	635	444	191
Bridges & Tunnels	88	88	-
Headquarters	61	52	9
Staten Island Railway	29	21	8
Capital Construction Company	136	117	19
Bus Company	64	55	9
<b>Total Full Time</b>	<b>67,909</b>	<b>66,202</b>	<b>1,707</b>
NYC Transit	46,814	46,066	748
Long Island Rail Road	7,056	6,832	224
Metro-North Railroad	6,406	6,158	248
Bridges & Tunnels	1,746	1,549	197
Headquarters	1,765	1,634	131
Staten Island Railway	297	283	14
Capital Construction Company	136	115	21
Bus Company	3,689	3,565	124
<b>Total Full-Time Equivalents</b>	<b>182</b>	<b>273</b>	<b>(91)</b>
NYC Transit	166	253	(87)
Long Island Rail Road	-	-	-
Metro-North Railroad	1	1	-
Bridges & Tunnels	-	-	-
Headquarters	-	-	-
Staten Island Railway	-	-	-
Capital Construction Company	-	2	(2)
Bus Company	15	17	(2)

Note: Totals may differ due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2014 Adopted Budget**  
**Total Positions by Function and Occupational Group**  
**April 2014**

<b>FUNCTION/OCCUPATIONAL GROUP</b>	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance Favorable/ (Unfavorable)</b>
<b>Administration</b>	<b>4,278</b>	<b>4,029</b>	<b>249</b>
Managers/Supervisors	1,727	1,506	221
Professional, Technical, Clerical	2,518	2,501	18
Operational Hourlies	32	22	10
<b>Operations</b>	<b>29,863</b>	<b>29,224</b>	<b>639</b>
Managers/Supervisors	3,424	3,310	114
Professional, Technical, Clerical	986	965	21
Operational Hourlies	25,454	24,950	504
<b>Maintenance</b>	<b>30,314</b>	<b>29,746</b>	<b>568</b>
Managers/Supervisors	5,368	5,138	229
Professional, Technical, Clerical	1,866	1,795	70
Operational Hourlies	23,081	22,812	268
<b>Engineering/Capital</b>	<b>1,923</b>	<b>1,842</b>	<b>81</b>
Managers/Supervisors	551	505	46
Professional, Technical, Clerical	1,350	1,322	28
Operational Hourlies	22	15	7
<b>Public Safety</b>	<b>1,713</b>	<b>1,634</b>	<b>79</b>
Managers/Supervisors	309	277	32
Professional, Technical, Clerical	147	127	20
Operational Hourlies	1,257	1,230	27
<b>Total Positions</b>	<b>68,091</b>	<b>66,475</b>	<b>1,616</b>
Managers/Supervisors	11,379	10,737	642
Professional, Technical, Clerical	6,868	6,710	158
Operational Hourlies	49,845	49,029	816

(millions)

	<u>Current Month Stabilization Fund</u>			<u>Year to Date Stabilization Fund</u>		
	<u>Commuter</u>	<u>Transit</u>	<u>Total</u>	<u>Commuter</u>	<u>Transit</u>	<u>Total</u>
	<u>(General Fd)</u>	<u>(TA Stab)</u>		<u>(General Fd)</u>	<u>(TA Stab)</u>	
From Date:	04/01/14	04/01/14	04/01/14	01/01/14	01/01/14	01/01/14
To Date:	04/30/14	04/30/14	04/30/14	04/30/14	04/30/14	04/30/14
<b>Opening Balance</b>	-8.381	\$103.970	\$95.589	\$190.129	\$179.796	\$369.925
<b>RECEIPTS</b>						
Interest Earnings	0.001	0.003	0.004	0.034	0.037	0.071
<b>New York State</b>						
State and regional mass transit taxes - MMTOA	0.000	0.000	0.000	3.920	-3.920	0.000 *
MTTF	7.968	45.151	53.119	31.572	178.909	210.481
Total Dedicated Taxes Received	7.968	45.151	53.119	35.493	174.989	210.481
Less DTF Debt Service	5.838	27.052	32.890	24.904	119.829	144.733
Net Dedicated Taxes for Operations	2.130	18.100	20.229	10.589	55.159	65.748
Payroll Mobility Tax	18.194	85.135	103.329	56.011	336.958	392.970
MTA Aid Trust Taxes	0.000	0.000	0.000	0.000	0.000	0.000
Operating Assistance - 18b	0.000	0.000	0.000	0.000	0.000	0.000
NYS School Fares	0.000	0.000	0.000	0.000	6.313	6.313
Additional Mass Transp Operating Assistance	0.000	n/a	0.000	0.000	n/a	0.000
Total - New York State	\$20.323	\$103.235	\$123.558	\$66.600	\$398.430	\$465.030
<b>Local</b>						
Dutchess County						
Operating Assistance - 18b	\$0.000	n/a	\$0.000	\$0.000	n/a	\$0.000
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
Nassau County						
Operating Assistance - 18b	0.000	n/a	0.000	2.896	n/a	2.896
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
New York City						
Operating Assistance - 18b	0.000	0.000	0.000	0.000	0.000	0.000
Urban - Real Property & Mortgage Recording Tax	n/a	53.903	53.903	n/a	259.348	259.348
Additional Assistance New York City	n/a	0.000	0.000	n/a	0.000	0.000
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
Orange County						
Operating Assistance - 18b	0.037	n/a	0.037	0.073	n/a	0.073
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
Putnam County						
Operating Assistance - 18b	0.095	n/a	0.095	0.190	n/a	0.190
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
Rockland County						
Operating Assistance - 18b	0.000	n/a	0.000	0.015	n/a	0.015
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
Suffolk County						
Operating Assistance - 18b	1.879	n/a	1.879	3.759	n/a	3.759
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
Westchester County						
Operating Assistance - 18b	1.836	n/a	1.836	3.671	n/a	3.671
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
Total - Local	\$3.847	\$53.903	\$57.750	\$10.604	\$259.348	\$269.952

(millions)

	<u>Current Month Stabilization Fund</u>			<u>Year to Date Stabilization Fund</u>		
	<u>Commuter</u>	<u>Transit</u>		<u>Commuter</u>	<u>Transit</u>	
	<u>(General Fd)</u>	<u>(TA Stab)</u>	<u>Total</u>	<u>(General Fd)</u>	<u>(TA Stab)</u>	<u>Total</u>
From Date:	04/01/14	04/01/14	04/01/14	01/01/14	01/01/14	01/01/14
To Date:	04/30/14	04/30/14	04/30/14	04/30/14	04/30/14	04/30/14
<b>MTA Bridges and Tunnels- Surplus Transfers</b>	27.228	18.918	46.146	114.622	65.050	179.672
Total Subsidy and Other Receipts	\$51.398	\$176.056	\$227.454	\$191.827	\$722.828	\$914.655
<b>MTA Sources for Interagency Loans</b>						
B&T Necessary Reconstruction Reserve	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
MTA Capital Program - Non-Resolution Funds	0.000	0.000	0.000	0.000	0.000	0.000
MRT-2 Corporate Account	0.000	0.000	0.000	0.000	0.000	0.000
2012 OPEB Loan	0.000	0.000	0.000	0.000	0.000	0.000
Total Loans	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Receipts and Loans Received</b>	\$51.399	\$176.059	\$227.458	\$191.860	\$722.865	\$914.726

Continued on Next Page

Continued on Next Page

(millions)

	<u>Current Month Stabilization Fund</u>			<u>Year to Date Stabilization Fund</u>		
	<u>Commuter</u>	<u>Transit</u>	<u>Total</u>	<u>Commuter</u>	<u>Transit</u>	<u>Total</u>
	<u>(General Fd)</u>	<u>(TA Stab)</u>		<u>(General Fd)</u>	<u>(TA Stab)</u>	
From Date:	04/01/14	04/01/14	04/01/14	01/01/14	01/01/14	01/01/14
To Date:	04/30/14	04/30/14	04/30/14	04/30/14	04/30/14	04/30/14
<b><u>Brought forward from prior page</u></b>						
Opening Balance	-\$8.381	\$103.970	\$95.589	\$190.129	\$179.796	\$369.925
Total Receipts and Loans Received	51.399	176.059	227.458	191.860	722.865	914.726
Total Cash and Receipts Available	\$43.018	\$280.030	\$323.048	\$381.990	\$902.661	\$1,284.651
<b><u>DISBURSEMENTS</u></b>						
<b><u>Revenue Supported Debt Service</u></b>	61.949	102.469	164.418	178.507	294.658	473.165
<b><u>Agency Operations</u></b>						
MTA Long Island Railroad	60.750	0.000	60.750	222.800	0.000	222.800
MTA Metro-North Rail Road	30.354	0.000	30.354	90.717	0.000	90.717
MTA New York City Transit	0.000	2.253	2.253	0.000	431.796	431.796
MTA NYCT for SIRTOA	0.000	0.000	0.000	0.000	0.900	0.900
Capital Program Contribution	0.000	0.000	0.000	0.000	0.000	0.000
Forward Energy Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Capital Security Account	0.000	0.000	0.000	0.000	0.000	0.000
Total Debt Service and Operations	\$153.053	\$104.722	\$257.775	\$492.024	\$727.353	\$1,219.378
<b><u>Repayment of Interagency Loans</u></b>						
B&T Necessary Reconstruction Reserve	0.000	0.000	0.000	0.000	0.000	0.000
MTA Capital Program - Non-Resolution Funds	0.000	0.000	0.000	0.000	0.000	0.000
MRT-2 Corporate Account	0.000	0.000	0.000	0.000	0.000	0.000
2012 OPEB Loan	0.000	0.000	0.000	0.000	0.000	0.000
Total Loans Payback	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Disbursements	\$153.053	\$104.722	\$257.775	\$492.024	\$727.353	\$1,219.378
<b><u>STABILIZATION FUND BALANCE</u></b>	<b><u>-\$110.035</u></b>	<b><u>\$175.308</u></b>	<b><u>\$65.273</u></b>	<b><u>-\$110.035</u></b>	<b><u>\$175.308</u></b>	<b><u>\$65.273</u></b>
<b><u>Ending Loan Balances</u></b>						
B&T Necessary Reconstruction Reserve	0.000	0.000	0.000	0.000	0.000	0.000
MTA Capital Program - Non-Resolution Funds	0.000	200.000	200.000	0.000	200.000	200.000
MRT-2 Corporate Account	0.000	0.000	0.000	0.000	0.000	0.000
2012 OPEB Loan	0.000	0.000	0.000	0.000	0.000	0.000
	\$0.000	\$200.000	\$200.000	\$0.000	\$200.000	\$200.000
<b><u>End of Month NYCT Operating Fund borrowing from MTA Invest Pool not included in Ending Loan Balances above</u></b>	n/a	\$803.290	\$803.290	n/a	\$803.290	\$803.290
<b><u>Total Loan Balances (including negative Operating and Stabilization Fund Balances)</u></b>				\$110.035	\$1,003.290	\$1,113.324

\* Note: 2013 MMTOA was reallocated from Transit to Commuter to match actual appropriation.

**METROPOLITAN TRANSPORTATION AUTHORITY  
 FAREBOX RECOVERY AND FAREBOX OPERATING RATIOS  
 2014 ADOPTED BUDGET AND ACTUALS  
 APRIL 2014**

<b>FAREBOX RECOVERY RATIOS</b>		
	<b>2014 <u>Adopted Budget</u></b>	<b>2014 <u>YTD Actual</u></b>
New York City Transit	38.0%	41.4%
Staten Island Railway	12.2%	11.3%
Long Island Rail Road	31.5%	30.7%
Metro-North Railroad	42.5%	42.7%
Bus Company	<u>30.9%</u>	<u>29.2%</u>
<b>MTA Agency Average</b>	<b>37.2%</b>	<b>39.3%</b>

<b>FAREBOX OPERATING RATIOS</b>		
	<b>2014 <u>Adopted Budget</u></b>	<b>2014 <u>YTD Actual</u></b>
New York City Transit	59.3%	63.5%
Staten Island Railway	17.7%	16.1%
Long Island Rail Road	45.5%	46.3%
Metro-North Railroad	59.8%	57.3%
Bus Company	<u>37.1%</u>	<u>35.2%</u>
<b>MTA Agency Average</b>	<b>56.0%</b>	<b>58.4%</b>

Farebox recovery ratio has a long-term focus. It includes costs that are not funded in the current year, except in an accounting-ledger sense, but are, in effect, passed on to future years. Those costs include depreciation and interest on long-term debt. Approximately 20% (and sometimes more) of MTA costs are not recovered in the current year from farebox revenues, other operating revenues or subsidies. That is why MTA operating statements generally show deficits. In addition, the recovery ratio allocates centralized MTA services to the Agencies, such as Security, the costs of the Inspector General, Civil Rights, Audit, Risk Management, Legal and Shared Services.

Farebox operating ratio focuses on Agency operating financial performance. It reflects the way MTA meets its statutory and bond-covenant budget-balancing requirements, and it excludes certain cost that are not subject to Agency control, but are provided centrally by MTA.

In the agenda materials for the Meeting of the Metro-North and Long Island Committees, the calculations of the farebox operating and recovery ratios for the LIRR and MNR use a revised methodology to put the railroads on a more comparable basis. Those statistics, which are included in the respective financial and ridership reports of both Agencies, differ from the statistics presented in this table.



**Metropolitan Transportation Authority**

State of New York

New York City Transit  
Long Island Rail Road  
Metro-North Railroad  
Bridges and Tunnels  
Bus Company

## Report on Revenue Passengers and Vehicles Ridership Data Thru April, 2014

NOTE: Ridership data are preliminary and subject to revision as well as adjustments warranted by annual audit review.

**Prepared by:  
MTA Division of Management & Budget**

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Wednesday, June 04, 2014

# Metropolitan Transportation Authority

April

Revenue Passengers	2012	2013	Percent Change	2014	Percent Change
<b>MTA New York City Transit</b>	195,344,365	206,817,977	5.87%	204,796,435	-0.98%
MTA New York City Subway	139,080,375	146,912,790	5.63%	147,883,601	0.66%
MTA New York City Bus	56,263,990	59,905,187	6.47%	56,912,834	-5.00%
<b>MTA Staten Island Railway</b>	364,882	365,207	0.09%	360,950	-1.17%
<b>MTA Long Island Rail Road</b>	6,858,130	6,961,659	1.51%	7,189,777	3.28%
<b>MTA Metro-North Railroad</b>	6,972,024	7,106,230	1.92%	7,158,854	0.74%
<i><b>East of Hudson</b></i>	6,831,738	6,973,347	2.07%	7,018,715	0.65%
Harlem Line	2,235,081	2,286,516	2.30%	2,303,958	0.76%
Hudson Line	1,334,926	1,355,099	1.51%	1,384,545	2.17%
New Haven Line	3,261,731	3,331,732	2.15%	3,330,212	-0.05%
<i><b>West of Hudson</b></i>	140,286	132,883	-5.28%	140,139	5.46%
Port Jervis Line	88,819	82,564	-7.04%	85,750	3.86%
Pascack Valley Line	51,467	50,319	-2.23%	54,389	8.09%
<b>MTA Bus Company</b>	10,054,362	11,045,951	9.86%	10,561,169	-4.39%
<b>MTA Bridges &amp; Tunnels</b>	23,651,425	23,638,588	-0.05%	23,845,079	0.87%
<b>Total All Agencies</b>	<b>219,593,763</b>	<b>232,297,024</b>	<b>5.78%</b>	<b>230,067,185</b>	<b>-0.96%</b>
(Excludes Bridges & Tunnels)					
Weekdays:	21	21		22	
Holidays:	0	0		0	
Weekend Days:	9	9		8	
Days	30	30		30	

Wednesday, June 04, 2014

# Metropolitan Transportation Authority

April

Revenue Passengers Year to Date	2012	2013	Percent Change	2014	Percent Change
<b>MTA New York City Transit</b>	777,338,318	779,770,870	0.31%	778,664,590	-0.14%
MTA New York City Subway	551,675,409	554,218,307	0.46%	563,228,238	1.63%
MTA New York City Bus	225,662,909	225,552,563	-0.05%	215,436,352	-4.49%
<b>MTA Staten Island Railway</b>	1,533,099	1,389,845	-9.34%	1,407,719	1.29%
<b>MTA Long Island Rail Road</b>	26,765,194	26,508,483	-0.96%	26,845,984	1.27%
<b>MTA Metro-North Railroad</b>	27,050,703	26,740,743	-1.15%	26,468,327	-1.02%
<b>East of Hudson</b>	26,499,356	26,244,457	-0.96%	25,947,731	-1.13%
Harlem Line	8,759,354	8,711,358	-0.55%	8,623,709	-1.01%
Hudson Line	5,108,512	5,073,572	-0.68%	5,037,458	-0.71%
New Haven Line	12,631,490	12,459,527	-1.36%	12,286,564	-1.39%
<b>West of Hudson</b>	551,347	496,286	-9.99%	520,596	4.90%
Port Jervis Line	345,066	308,149	-10.70%	316,703	2.78%
Pascack Valley Line	206,281	188,137	-8.80%	203,893	8.37%
<b>MTA Bus Company</b>	40,530,278	41,511,861	2.42%	39,786,429	-4.16%
<b>MTA Bridges &amp; Tunnels</b>	90,635,762	89,136,802	-1.65%	86,725,814	-2.70%
<b>Total All Agencies</b>	<b>873,217,592</b>	<b>875,921,802</b>	<b>0.31%</b>	<b>873,173,050</b>	<b>-0.31%</b>
(Excludes Bridges & Tunnels)					
Weekdays:	83	84		83	
Holidays:	3	3		3	
Weekend Days:	35	33		34	
Days	121	120		120	

Wednesday, June 04, 2014

# Metropolitan Transportation Authority

April

12 Month Averages	2012	2013	Percent Change	2014	Percent Change
<b>MTA New York City Transit</b>	194,194,940	193,743,787	-0.23%	198,668,239	2.54%
MTA New York City Subway	138,141,120	138,093,764	-0.03%	143,047,137	3.59%
MTA New York City Bus	56,053,819	55,650,023	-0.72%	55,621,102	-0.05%
<b>MTA Staten Island Railway</b>	385,997	358,493	-7.13%	353,203	-1.48%
<b>MTA Long Island Rail Road</b>	6,865,138	6,791,406	-1.07%	6,976,801	2.73%
<b>MTA Metro-North Railroad</b>	6,944,531	6,886,972	-0.83%	6,925,507	0.56%
<i><b>East of Hudson</b></i>	6,809,710	6,757,193	-0.77%	6,792,129	0.52%
Harlem Line	2,228,530	2,216,656	-0.53%	2,238,502	0.99%
Hudson Line	1,328,947	1,318,179	-0.81%	1,320,120	0.15%
New Haven Line	3,252,233	3,222,358	-0.92%	3,233,507	0.35%
<i><b>West of Hudson</b></i>	134,821	129,779	-3.74%	133,378	2.77%
Port Jervis Line	84,775	81,889	-3.40%	82,660	0.94%
Pascack Valley Line	50,046	47,890	-4.31%	50,718	5.91%
<b>MTA Bus Company</b>	10,113,419	10,154,949	0.41%	10,268,813	1.12%
<b>MTA Bridges &amp; Tunnels</b>	23,836,239	23,426,029	-1.72%	23,509,710	0.36%
<b>Total All Agencies</b>	<b>218,504,024</b>	<b>217,935,607</b>	<b>-0.26%</b>	<b>223,192,563</b>	<b>2.41%</b>
(Excludes Bridges & Tunnels)					
Weekdays:	21	21		22	
Holidays:	0	0		0	
Weekend Days:	9	9		8	
Days	30	30		30	

Wednesday, June 04, 2014

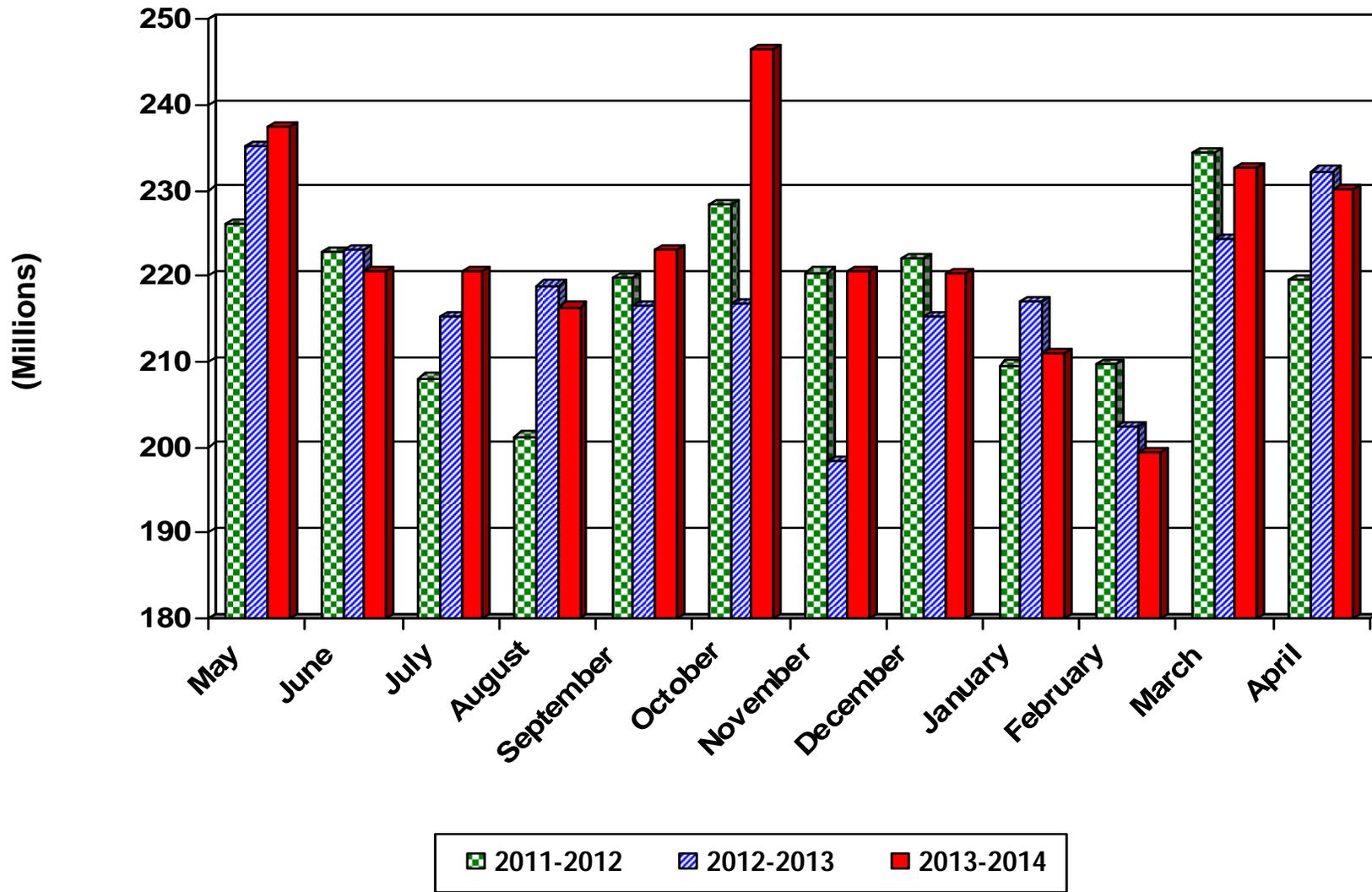
# Metropolitan Transportation Authority

April

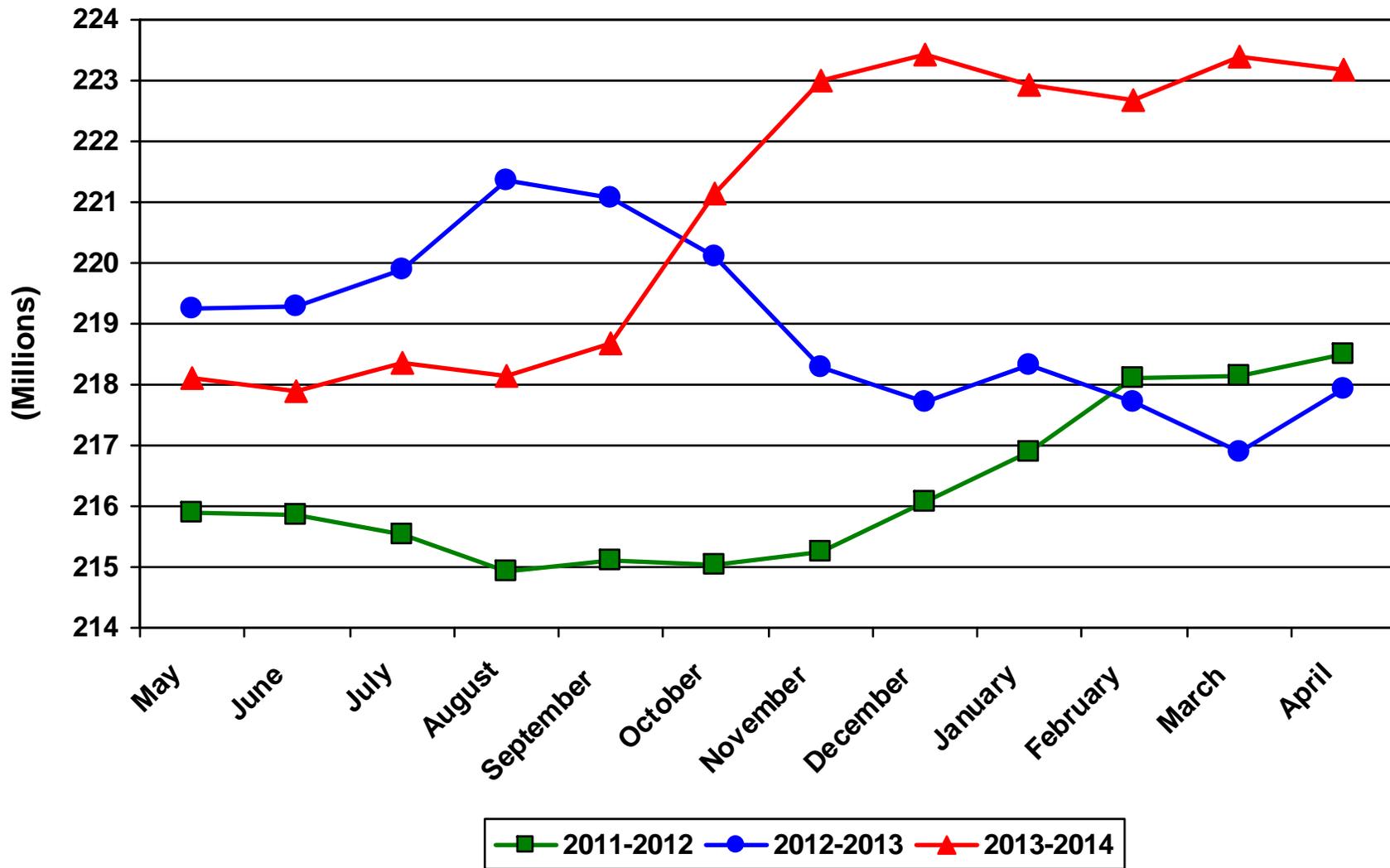
Average Weekday Passengers	2012	2013	Percent Change	2014	Percent Change
<b>MTA New York City Transit</b>	7,618,738	7,867,227	3.26%	7,749,807	-1.49%
MTA New York City Subway	5,427,522	5,589,663	2.99%	5,606,651	0.30%
MTA New York City Bus	2,191,216	2,277,564	3.94%	2,143,155	-5.90%
<b>MTA Staten Island Railway</b>	15,800	15,520	-1.77%	14,970	-3.54%
<b>MTA Long Island Rail Road</b>	286,139	281,100	-1.76%	289,571	3.01%
<b>MTA Metro-North Railroad</b>	286,303	286,265	-0.01%	287,772	0.53%
<i><b>East of Hudson</b></i>	279,630	280,222	0.21%	281,399	0.42%
Harlem Line	92,081	92,340	0.28%	92,964	0.68%
Hudson Line	54,535	54,378	-0.29%	55,355	1.80%
New Haven Line	133,014	133,503	0.37%	133,080	-0.32%
<i><b>West of Hudson</b></i>	6,673	6,043	-9.44%	6,373	5.46%
Port Jervis Line	4,224	3,755	-11.10%	3,900	3.86%
Pascack Valley Line	2,449	2,288	-6.58%	2,473	8.10%
<b>MTA Bus Company</b>	400,164	427,969	6.95%	404,350	-5.52%
<b>MTA Bridges &amp; Tunnels</b>	808,640	801,771	-0.85%	806,027	0.53%
<b>Total All Agencies</b>	<b>8,607,145</b>	<b>8,878,080</b>	<b>3.15%</b>	<b>8,746,470</b>	<b>-1.48%</b>
(Excludes Bridges & Tunnels)					
Weekdays:	21	21		22	
Holidays:	0	0		0	
Weekend Days:	9	9		8	
Days	30	30		30	

Wednesday, June 04, 2014

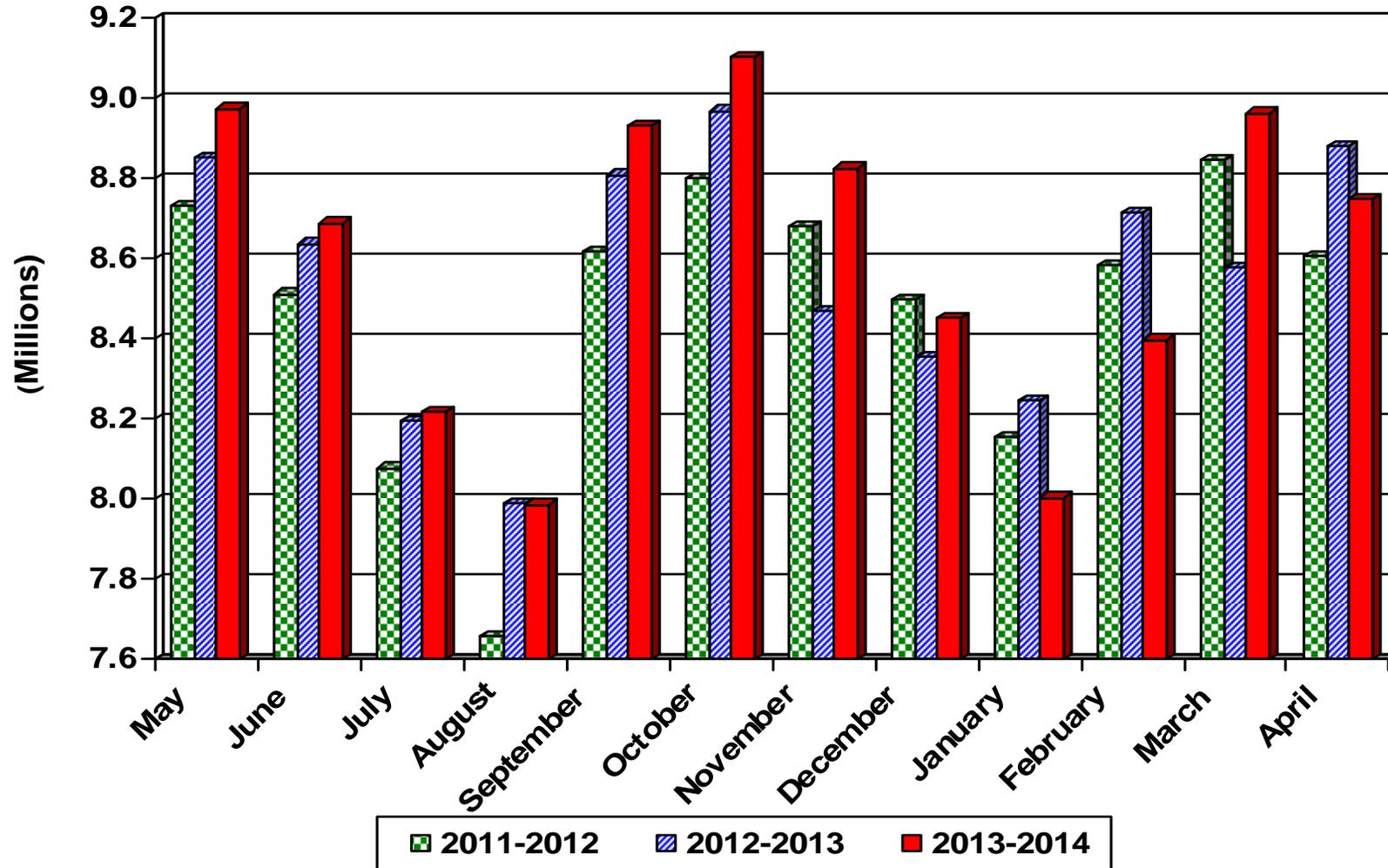
# Metropolitan Transportation Authority Revenue Passengers



### Metropolitan Transportation Authority 12 Month Averages



### Metropolitan Transportation Authority Average Weekday Passengers



## Metropolitan Transportation Authority

## Revenue Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	226,092,925	235,143,368	4.00%	237,347,958	0.94%
June	222,851,516	223,139,032	0.13%	220,490,708	-1.19%
July	208,081,667	215,272,302	3.46%	220,562,209	2.46%
August	201,253,463	218,936,858	8.79%	216,372,684	-1.17%
September	219,746,517	216,478,722	-1.49%	223,125,464	3.07%
October	228,305,740	216,776,585	-5.05%	246,469,549	13.70%
November	220,397,845	198,318,886	-10.02%	220,519,382	11.19%
December	222,101,017	215,239,725	-3.09%	220,249,751	2.33%
January	209,555,965	217,053,049	3.58%	211,059,539	-2.76%
February	209,694,883	202,336,902	-3.51%	199,440,160	-1.43%
March	234,372,981	224,234,827	-4.33%	232,606,165	3.73%
<b>April</b>	<b>219,593,763</b>	<b>232,297,024</b>	<b>5.78%</b>	<b>230,067,185</b>	<b>-0.96%</b>
<b>12 Month Ave</b>	<b>218,504,024</b>	<b>217,935,607</b>	<b>-0.26%</b>	<b>223,192,563</b>	<b>2.41%</b>
<b>Year-to-Date</b>	<b>873,217,592</b>	<b>875,921,802</b>	<b>0.31%</b>	<b>873,173,050</b>	<b>-0.31%</b>

## 12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	215,876,308	219,258,227	1.57%	218,119,322	-0.52%
June	215,855,304	219,282,187	1.59%	217,898,629	-0.63%
July	215,523,252	219,881,406	2.02%	218,339,454	-0.70%
August	214,944,285	221,355,023	2.98%	218,125,773	-1.46%
September	215,101,331	221,082,706	2.78%	218,679,668	-1.09%
October	215,041,777	220,121,943	2.36%	221,154,082	0.47%
November	215,266,775	218,282,030	1.40%	223,004,123	2.16%
December	216,064,856	217,710,256	0.76%	223,421,626	2.62%
January	216,888,138	218,335,013	0.67%	222,922,166	2.10%
February	218,096,695	217,721,848	-0.17%	222,680,771	2.28%
March	218,158,826	216,877,001	-0.59%	223,378,383	3.00%
<b>April</b>	<b>218,504,024</b>	<b>217,935,607</b>	<b>-0.26%</b>	<b>223,192,563</b>	<b>2.41%</b>

## Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	8,729,617	8,848,957	1.37%	8,972,963	1.40%
June	8,510,576	8,635,867	1.47%	8,688,245	0.61%
July	8,078,450	8,196,028	1.46%	8,216,654	0.25%
August	7,658,394	7,988,999	4.32%	7,987,369	-0.02%
September	8,616,006	8,806,848	2.21%	8,928,275	1.38%
October	8,797,407	8,967,293	1.93%	9,101,830	1.50%
November	8,677,409	8,467,584	-2.42%	8,824,741	4.22%
December	8,498,027	8,354,545	-1.69%	8,450,370	1.15%
January	8,152,931	8,244,870	1.13%	8,003,882	-2.92%
February	8,584,526	8,712,340	1.49%	8,397,246	-3.62%
March	8,842,851	8,576,124	-3.02%	8,960,742	4.48%
<b>April</b>	<b>8,607,145</b>	<b>8,878,080</b>	<b>3.15%</b>	<b>8,746,470</b>	<b>-1.48%</b>

## MTA New York City Transit

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	201,322,443	209,359,911	3.99%	211,398,239	0.97%
June	197,684,348	198,122,467	0.22%	196,048,183	-1.05%
July	184,243,874	190,765,785	3.54%	195,519,881	2.49%
August	178,166,924	193,724,876	8.73%	191,741,194	-1.02%
September	195,244,293	192,555,771	-1.38%	198,671,419	3.18%
October	203,261,681	192,892,768	-5.10%	219,617,281	13.85%
November	195,963,623	176,579,235	-9.89%	196,664,216	11.37%
December	197,113,772	191,153,756	-3.02%	195,693,862	2.38%
January	186,528,933	193,074,487	3.51%	188,180,224	-2.53%
February	186,804,379	180,355,395	-3.45%	178,055,564	-1.28%
March	208,660,641	199,523,012	-4.38%	207,632,367	4.06%
<b>April</b>	<b>195,344,365</b>	<b>206,817,977</b>	<b>5.87%</b>	<b>204,796,435</b>	<b>-0.98%</b>
12 Month Ave	194,194,940	193,743,787	-0.23%	198,668,239	2.54%
Year-to-Date	777,338,318	779,770,870	0.31%	778,664,590	-0.14%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	192,001,343	194,864,729	1.49%	193,913,647	-0.49%
June	191,981,994	194,901,239	1.52%	193,740,790	-0.60%
July	191,685,888	195,444,731	1.96%	194,136,965	-0.67%
August	191,178,541	196,741,227	2.91%	193,971,658	-1.41%
September	191,317,048	196,517,184	2.72%	194,481,295	-1.04%
October	191,254,871	195,653,107	2.30%	196,708,338	0.54%
November	191,439,959	194,037,742	1.36%	198,382,087	2.24%
December	192,145,726	193,541,074	0.73%	198,760,429	2.70%
January	192,825,292	194,086,537	0.65%	198,352,574	2.20%
February	193,866,036	193,549,121	-0.16%	198,160,921	2.38%
March	193,902,856	192,787,652	-0.58%	198,836,701	3.14%
<b>April</b>	<b>194,194,940</b>	<b>193,743,787</b>	<b>-0.23%</b>	<b>198,668,239</b>	<b>2.54%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	7,728,432	7,839,588	1.44%	7,952,469	1.44%
June	7,516,270	7,626,923	1.47%	7,672,456	0.60%
July	7,104,704	7,220,613	1.63%	7,246,503	0.36%
August	6,758,450	7,040,545	4.17%	7,040,270	0.00%
September	7,616,195	7,776,340	2.10%	7,900,537	1.60%
October	7,785,087	7,993,039	2.67%	8,074,957	1.02%
November	7,658,485	7,535,218	-1.61%	7,802,540	3.55%
December	7,497,041	7,364,350	-1.77%	7,464,105	1.35%
January	7,196,814	7,279,536	1.15%	7,081,898	-2.71%
February	7,604,864	7,720,408	1.52%	7,447,829	-3.53%
March	7,833,237	7,581,779	-3.21%	7,952,349	4.89%
<b>April</b>	<b>7,618,738</b>	<b>7,867,227</b>	<b>3.26%</b>	<b>7,749,807</b>	<b>-1.49%</b>

## MTA New York City Subway

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	141,880,529	148,496,485	4.66%	150,755,402	1.52%
June	140,586,973	141,986,322	1.00%	141,227,567	-0.53%
July	131,263,668	137,228,468	4.54%	140,822,610	2.62%
August	127,893,199	139,253,563	8.88%	138,560,862	-0.50%
September	138,489,313	136,901,247	-1.15%	141,523,393	3.38%
October	144,166,578	137,259,455	-4.79%	156,433,315	13.97%
November	139,668,952	124,309,325	-11.00%	141,447,579	13.79%
December	142,068,824	137,471,991	-3.24%	142,566,679	3.71%
January	132,812,778	137,079,095	3.21%	137,147,363	0.05%
February	132,381,109	127,900,426	-3.38%	129,802,427	1.49%
March	147,401,147	142,325,996	-3.44%	148,394,847	4.26%
<b>April</b>	<b>139,080,375</b>	<b>146,912,790</b>	<b>5.63%</b>	<b>147,883,601</b>	<b>0.66%</b>
<b>12 Month Ave</b>	<b>138,141,120</b>	<b>138,093,764</b>	<b>-0.03%</b>	<b>143,047,137</b>	<b>3.59%</b>
<b>Year-to-Date</b>	<b>551,675,409</b>	<b>554,218,307</b>	<b>0.46%</b>	<b>563,228,238</b>	<b>1.63%</b>
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	135,274,649	138,692,450	2.53%	138,282,007	-0.30%
June	135,505,323	138,809,063	2.44%	138,218,777	-0.43%
July	135,483,874	139,306,129	2.82%	138,518,289	-0.57%
August	135,360,646	140,252,826	3.61%	138,460,564	-1.28%
September	135,673,673	140,120,487	3.28%	138,845,743	-0.91%
October	135,851,291	139,544,894	2.72%	140,443,564	0.64%
November	136,183,500	138,264,925	1.53%	141,871,752	2.61%
December	136,702,889	137,881,855	0.86%	142,296,309	3.20%
January	137,134,183	138,237,382	0.80%	142,301,998	2.94%
February	137,828,015	137,863,992	0.03%	142,460,499	3.33%
March	137,904,177	137,441,062	-0.34%	142,966,236	4.02%
<b>April</b>	<b>138,141,120</b>	<b>138,093,764</b>	<b>-0.03%</b>	<b>143,047,137</b>	<b>3.59%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	5,450,246	5,557,889	1.97%	5,664,205	1.91%
June	5,355,314	5,475,383	2.24%	5,536,340	1.11%
July	5,097,919	5,211,599	2.23%	5,240,690	0.56%
August	4,863,820	5,081,510	4.48%	5,116,343	0.69%
September	5,415,945	5,527,044	2.05%	5,627,647	1.82%
October	5,519,975	5,679,106	2.88%	5,750,807	1.26%
November	5,456,286	5,323,238	-2.44%	5,608,862	5.37%
December	5,392,467	5,274,755	-2.18%	5,420,212	2.76%
January	5,113,166	5,160,819	0.93%	5,159,344	-0.03%
February	5,391,274	5,466,124	1.39%	5,442,073	-0.44%
March	5,530,836	5,415,926	-2.08%	5,691,221	5.08%
<b>April</b>	<b>5,427,522</b>	<b>5,589,663</b>	<b>2.99%</b>	<b>5,606,651</b>	<b>0.30%</b>

## MTA New York City Bus

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	59,441,914	60,863,426	2.39%	60,642,837	-0.36%
June	57,097,375	56,136,145	-1.68%	54,820,616	-2.34%
July	52,980,206	53,537,317	1.05%	54,697,271	2.17%
August	50,273,725	54,471,313	8.35%	53,180,332	-2.37%
September	56,754,980	55,654,524	-1.94%	57,148,026	2.68%
October	59,095,103	55,633,313	-5.86%	63,183,966	13.57%
November	56,294,671	52,269,910	-7.15%	55,216,637	5.64%
December	55,044,948	53,681,765	-2.48%	53,127,183	-1.03%
January	53,716,155	55,995,392	4.24%	51,032,861	-8.86%
February	54,423,270	52,454,969	-3.62%	48,253,137	-8.01%
March	61,259,494	57,197,015	-6.63%	59,237,520	3.57%
<b>April</b>	<b>56,263,990</b>	<b>59,905,187</b>	<b>6.47%</b>	<b>56,912,834</b>	<b>-5.00%</b>
12 Month Ave	56,053,819	55,650,023	-0.72%	55,621,102	-0.05%
Year-to-Date	225,662,909	225,552,563	-0.05%	215,436,352	-4.49%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	56,726,694	56,172,279	-0.98%	55,631,640	-0.96%
June	56,476,671	56,092,176	-0.68%	55,522,013	-1.02%
July	56,202,014	56,138,602	-0.11%	55,618,676	-0.93%
August	55,817,896	56,488,401	1.20%	55,511,094	-1.73%
September	55,643,375	56,396,696	1.35%	55,635,553	-1.35%
October	55,403,579	56,108,214	1.27%	56,264,774	0.28%
November	55,256,460	55,772,817	0.93%	56,510,334	1.32%
December	55,442,837	55,659,218	0.39%	56,464,119	1.45%
January	55,691,110	55,849,155	0.28%	56,050,575	0.36%
February	56,038,021	55,685,130	-0.63%	55,700,423	0.03%
March	55,998,679	55,346,590	-1.16%	55,870,465	0.95%
<b>April</b>	<b>56,053,819</b>	<b>55,650,023</b>	<b>-0.72%</b>	<b>55,621,102</b>	<b>-0.05%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	2,278,186	2,281,700	0.15%	2,288,264	0.29%
June	2,160,956	2,151,540	-0.44%	2,136,116	-0.72%
July	2,006,784	2,009,014	0.11%	2,005,813	-0.16%
August	1,894,630	1,959,035	3.40%	1,923,927	-1.79%
September	2,200,250	2,249,296	2.23%	2,272,890	1.05%
October	2,265,112	2,313,933	2.16%	2,324,150	0.44%
November	2,202,199	2,211,980	0.44%	2,193,679	-0.83%
December	2,104,574	2,089,596	-0.71%	2,043,893	-2.19%
January	2,083,648	2,118,717	1.68%	1,922,555	-9.26%
February	2,213,590	2,254,283	1.84%	2,005,756	-11.02%
March	2,302,401	2,165,853	-5.93%	2,261,128	4.40%
<b>April</b>	<b>2,191,216</b>	<b>2,277,564</b>	<b>3.94%</b>	<b>2,143,155</b>	<b>-5.90%</b>

## MTA Bus Company

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	10,676,556	10,957,840	2.63%	11,257,915	2.74%
June	10,256,893	10,122,902	-1.31%	10,003,795	-1.18%
July	9,455,791	9,674,026	2.31%	10,040,732	3.79%
August	9,211,190	10,027,841	8.87%	9,915,420	-1.12%
September	10,248,737	10,068,914	-1.75%	10,509,491	4.38%
October	10,672,062	10,081,508	-5.53%	11,612,978	15.19%
November	10,264,991	9,520,500	-7.25%	10,156,366	6.68%
December	10,044,527	9,893,990	-1.50%	9,942,627	0.49%
January	9,672,158	10,307,130	6.56%	9,430,416	-8.51%
February	9,754,429	9,649,044	-1.08%	8,997,353	-6.75%
March	11,049,329	10,509,736	-4.88%	10,797,491	2.74%
<b>April</b>	<b>10,054,362</b>	<b>11,045,951</b>	<b>9.86%</b>	<b>10,561,169</b>	<b>-4.39%</b>
<b>12 Month Ave</b>	<b>10,113,419</b>	<b>10,154,949</b>	<b>0.41%</b>	<b>10,268,813</b>	<b>1.12%</b>
<b>Year-to-Date</b>	<b>40,530,278</b>	<b>41,511,861</b>	<b>2.42%</b>	<b>39,786,429</b>	<b>-4.16%</b>
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	9,960,571	10,136,859	1.77%	10,179,955	0.43%
June	9,951,784	10,125,693	1.75%	10,170,029	0.44%
July	9,930,676	10,143,879	2.15%	10,200,588	0.56%
August	9,898,364	10,211,934	3.17%	10,191,220	-0.20%
September	9,901,305	10,196,948	2.99%	10,227,934	0.30%
October	9,892,940	10,147,736	2.58%	10,355,557	2.05%
November	9,898,487	10,085,695	1.89%	10,408,546	3.20%
December	9,948,420	10,073,150	1.25%	10,412,599	3.37%
January	10,004,699	10,126,064	1.21%	10,339,539	2.11%
February	10,077,343	10,117,282	0.40%	10,285,232	1.66%
March	10,091,305	10,072,316	-0.19%	10,309,211	2.35%
<b>April</b>	<b>10,113,419</b>	<b>10,154,949</b>	<b>0.41%</b>	<b>10,268,813</b>	<b>1.12%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	420,342	418,369	-0.47%	432,244	3.32%
June	396,548	395,623	-0.23%	398,327	0.68%
July	369,348	370,696	0.36%	375,087	1.18%
August	353,624	367,817	4.01%	366,042	-0.48%
September	407,460	416,264	2.16%	425,744	2.28%
October	419,192	427,130	1.89%	433,829	1.57%
November	409,829	409,797	-0.01%	410,328	0.13%
December	393,111	394,582	0.37%	388,825	-1.46%
January	383,881	397,021	3.42%	361,091	-9.05%
February	405,847	424,297	4.55%	380,972	-10.21%
March	423,988	408,385	-3.68%	421,308	3.16%
<b>April</b>	<b>400,164</b>	<b>427,969</b>	<b>6.95%</b>	<b>404,350</b>	<b>-5.52%</b>

## MTA Staten Island Railway

## Revenue Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	406,054	410,031	0.98%	381,077	-7.06%
June	404,083	388,184	-3.93%	348,493	-10.22%
July	327,303	328,507	0.37%	300,308	-8.58%
August	333,401	352,063	5.60%	309,082	-12.21%
September	405,022	379,807	-6.23%	367,724	-3.18%
October	425,857	401,614	-5.69%	425,014	5.83%
November	405,710	328,542	-19.02%	351,758	7.07%
December	391,429	323,327	-17.40%	347,265	7.40%
January	385,644	366,031	-5.09%	357,221	-2.41%
February	367,154	315,778	-13.99%	315,574	-0.06%
March	415,419	342,829	-17.47%	373,974	9.08%
<b>April</b>	<b>364,882</b>	<b>365,207</b>	<b>0.09%</b>	<b>360,950</b>	<b>-1.17%</b>
12 Month Ave	385,997	358,493	-7.13%	353,203	-1.48%
Year-to-Date	1,533,099	1,389,845	-9.34%	1,407,719	1.29%

## 12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	371,839	386,328	3.90%	356,080	-7.83%
June	373,277	385,003	3.14%	352,773	-8.37%
July	373,146	385,103	3.20%	350,423	-9.01%
August	373,813	386,658	3.44%	346,841	-10.30%
September	375,941	384,557	2.29%	345,834	-10.07%
October	377,428	382,537	1.35%	347,784	-9.08%
November	379,315	376,106	-0.85%	349,719	-7.02%
December	381,954	370,431	-3.02%	351,714	-5.05%
January	384,393	368,797	-4.06%	350,980	-4.83%
February	387,179	364,515	-5.85%	350,963	-3.72%
March	386,130	358,466	-7.16%	353,558	-1.37%
<b>April</b>	<b>385,997</b>	<b>358,493</b>	<b>-7.13%</b>	<b>353,203</b>	<b>-1.48%</b>

## Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	17,127	16,842	-1.67%	15,784	-6.28%
June	16,610	16,434	-1.06%	15,289	-6.97%
July	13,821	14,002	1.31%	12,713	-9.20%
August	13,291	13,710	3.15%	12,370	-9.78%
September	17,244	17,300	0.33%	16,402	-5.20%
October	18,063	18,225	0.90%	17,025	-6.59%
November	17,302	15,364	-11.20%	16,011	4.21%
December	16,526	14,427	-12.71%	14,815	2.69%
January	16,557	15,203	-8.17%	14,995	-1.37%
February	16,578	15,075	-9.07%	14,882	-1.28%
March	16,934	14,523	-14.23%	16,053	10.53%
<b>April</b>	<b>15,800</b>	<b>15,520</b>	<b>-1.77%</b>	<b>14,970</b>	<b>-3.54%</b>

## MTA Long Island Rail Road

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	6,739,212	7,172,588	6.43%	7,112,429	-0.84%
June	7,178,901	7,235,529	0.79%	6,994,737	-3.33%
July	7,042,470	7,289,683	3.51%	7,401,120	1.53%
August	6,837,184	7,482,932	9.44%	7,274,722	-2.78%
September	6,887,995	6,719,248	-2.45%	6,790,701	1.06%
October	6,903,268	6,621,963	-4.07%	7,431,994	12.23%
November	6,815,374	5,607,406	-17.72%	6,666,796	18.89%
December	7,212,059	6,859,040	-4.89%	7,203,125	5.02%
January	6,431,658	6,628,268	3.06%	6,565,428	-0.95%
February	6,373,028	6,020,679	-5.53%	6,107,685	1.45%
March	7,102,378	6,897,877	-2.88%	6,983,094	1.24%
<b>April</b>	<b>6,858,130</b>	<b>6,961,659</b>	<b>1.51%</b>	<b>7,189,777</b>	<b>3.28%</b>
12 Month Ave	6,865,138	6,791,406	-1.07%	6,976,801	2.73%
Year-to-Date	26,765,194	26,508,483	-0.96%	26,845,984	1.27%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	6,747,027	6,901,253	2.29%	6,786,393	-1.66%
June	6,738,623	6,905,972	2.48%	6,766,327	-2.02%
July	6,722,269	6,926,573	3.04%	6,775,613	-2.18%
August	6,699,646	6,980,385	4.19%	6,758,262	-3.18%
September	6,704,129	6,966,323	3.91%	6,764,217	-2.90%
October	6,712,357	6,942,881	3.43%	6,831,719	-1.60%
November	6,733,359	6,842,217	1.62%	6,920,002	1.14%
December	6,752,273	6,812,799	0.90%	6,948,675	1.99%
January	6,797,340	6,829,183	0.47%	6,943,439	1.67%
February	6,842,052	6,799,820	-0.62%	6,950,689	2.22%
March	6,847,957	6,782,779	-0.95%	6,957,791	2.58%
<b>April</b>	<b>6,865,138</b>	<b>6,791,406</b>	<b>-1.07%</b>	<b>6,976,801</b>	<b>2.73%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	280,553	288,384	2.79%	286,442	-0.67%
June	287,735	300,269	4.36%	302,486	0.74%
July	300,068	300,228	0.05%	293,335	-2.30%
August	266,920	286,121	7.19%	288,390	0.79%
September	288,504	304,976	5.71%	296,361	-2.82%
October	288,692	268,456	-7.01%	289,647	7.89%
November	298,001	243,193	-18.39%	304,762	25.32%
December	296,869	293,968	-0.98%	296,888	0.99%
January	281,448	279,154	-0.82%	277,061	-0.75%
February	281,543	280,121	-0.51%	282,588	0.88%
March	286,263	287,601	0.47%	291,919	1.50%
<b>April</b>	<b>286,139</b>	<b>281,100</b>	<b>-1.76%</b>	<b>289,571</b>	<b>3.01%</b>

## MTA Metro-North Railroad

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	6,948,660	7,242,998	4.24%	7,198,299	-0.62%
June	7,327,291	7,269,950	-0.78%	7,095,500	-2.40%
July	7,012,229	7,214,301	2.88%	7,300,168	1.19%
August	6,704,764	7,349,146	9.61%	7,132,265	-2.95%
September	6,960,470	6,754,982	-2.95%	6,786,130	0.46%
October	7,042,872	6,778,733	-3.75%	7,382,282	8.90%
November	6,948,147	6,283,202	-9.57%	6,680,246	6.32%
December	7,339,230	7,009,613	-4.49%	7,062,872	0.76%
January	6,537,572	6,677,133	2.13%	6,526,250	-2.26%
February	6,395,893	5,996,007	-6.25%	5,963,984	-0.53%
March	7,145,214	6,961,373	-2.57%	6,819,239	-2.04%
<b>April</b>	<b>6,972,024</b>	<b>7,106,230</b>	<b>1.92%</b>	<b>7,158,854</b>	<b>0.74%</b>
12 Month Ave	6,944,531	6,886,972	-0.83%	6,925,507	0.56%
Year-to-Date	27,050,703	26,740,743	-1.15%	26,468,327	-1.02%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	6,795,528	6,969,059	2.55%	6,883,247	-1.23%
June	6,809,625	6,964,280	2.27%	6,868,710	-1.37%
July	6,811,272	6,981,120	2.49%	6,875,866	-1.51%
August	6,793,922	7,034,818	3.55%	6,857,792	-2.52%
September	6,802,908	7,017,694	3.16%	6,860,388	-2.24%
October	6,804,181	6,995,683	2.81%	6,910,684	-1.22%
November	6,815,655	6,940,270	1.83%	6,943,771	0.05%
December	6,836,482	6,912,802	1.12%	6,948,209	0.51%
January	6,876,414	6,924,432	0.70%	6,935,635	0.16%
February	6,924,085	6,891,109	-0.48%	6,932,967	0.61%
March	6,930,578	6,875,789	-0.79%	6,921,122	0.66%
<b>April</b>	<b>6,944,531</b>	<b>6,886,972</b>	<b>-0.83%</b>	<b>6,925,507</b>	<b>0.56%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	283,162	285,774	0.92%	286,024	0.09%
June	293,413	296,618	1.09%	299,687	1.03%
July	290,510	290,489	-0.01%	289,015	-0.51%
August	266,109	280,806	5.52%	280,298	-0.18%
September	286,603	291,967	1.87%	289,232	-0.94%
October	286,373	260,443	-9.05%	286,372	9.96%
November	293,791	264,012	-10.14%	291,100	10.26%
December	294,479	287,219	-2.47%	285,736	-0.52%
January	274,231	273,955	-0.10%	268,837	-1.87%
February	275,694	272,440	-1.18%	270,975	-0.54%
March	282,429	283,836	0.50%	279,112	-1.66%
<b>April</b>	<b>286,303</b>	<b>286,265</b>	<b>-0.01%</b>	<b>287,772</b>	<b>0.53%</b>

## East of Hudson

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	6,788,759	7,094,282	4.50%	7,061,066	-0.47%
June	7,164,509	7,121,125	-0.61%	6,959,429	-2.27%
July	6,854,351	7,062,979	3.04%	7,156,528	1.32%
August	6,551,648	7,192,537	9.78%	6,995,610	-2.74%
September	6,860,460	6,618,194	-3.53%	6,659,062	0.62%
October	6,945,233	6,639,905	-4.40%	7,241,822	9.07%
November	6,851,079	6,211,788	-9.33%	6,556,763	5.55%
December	7,201,122	6,901,054	-4.17%	6,927,541	0.38%
January	6,407,976	6,559,573	2.37%	6,398,208	-2.46%
February	6,265,036	5,883,759	-6.09%	5,846,639	-0.63%
March	6,994,606	6,827,778	-2.39%	6,684,169	-2.10%
<b>April</b>	<b>6,831,738</b>	<b>6,973,347</b>	<b>2.07%</b>	<b>7,018,715</b>	<b>0.65%</b>
12 Month Ave	6,809,710	6,757,193	-0.77%	6,792,129	0.52%
Year-to-Date	26,499,356	26,244,457	-0.96%	25,947,731	-1.13%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	6,637,299	6,835,170	2.98%	6,754,425	-1.18%
June	6,651,644	6,831,555	2.70%	6,740,951	-1.33%
July	6,653,465	6,848,940	2.94%	6,748,747	-1.46%
August	6,637,166	6,902,348	4.00%	6,732,336	-2.46%
September	6,651,067	6,882,159	3.47%	6,735,742	-2.13%
October	6,657,561	6,856,715	2.99%	6,785,901	-1.03%
November	6,673,977	6,803,441	1.94%	6,814,649	0.16%
December	6,697,032	6,778,435	1.22%	6,816,857	0.57%
January	6,737,950	6,791,068	0.79%	6,803,409	0.18%
February	6,786,217	6,759,295	-0.40%	6,800,316	0.61%
March	6,794,411	6,745,393	-0.72%	6,788,349	0.64%
<b>April</b>	<b>6,809,710</b>	<b>6,757,193</b>	<b>-0.77%</b>	<b>6,792,129</b>	<b>0.52%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	275,544	279,003	1.26%	279,778	0.28%
June	286,011	289,538	1.23%	292,904	1.16%
July	282,626	283,280	0.23%	282,473	-0.29%
August	258,877	273,982	5.83%	274,082	0.04%
September	281,839	284,787	1.05%	282,886	-0.67%
October	281,728	253,501	-10.02%	280,254	10.55%
November	288,936	260,337	-9.90%	284,607	9.32%
December	287,900	281,798	-2.12%	279,287	-0.89%
January	267,748	268,348	0.22%	262,725	-2.10%
February	269,157	266,546	-0.97%	264,816	-0.65%
March	275,580	277,480	0.69%	272,688	-1.73%
<b>April</b>	<b>279,630</b>	<b>280,222</b>	<b>0.21%</b>	<b>281,399</b>	<b>0.42%</b>

## Harlem Line

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	2,223,927	2,318,904	4.27%	2,326,618	0.33%
June	2,320,897	2,318,256	-0.11%	2,244,617	-3.18%
July	2,198,107	2,274,018	3.45%	2,330,442	2.48%
August	2,111,456	2,311,944	9.50%	2,234,767	-3.34%
September	2,253,778	2,162,096	-4.07%	2,201,297	1.81%
October	2,283,643	2,180,347	-4.52%	2,436,355	11.74%
November	2,247,234	2,068,664	-7.95%	2,160,739	4.45%
December	2,343,967	2,254,289	-3.83%	2,303,474	2.18%
January	2,127,333	2,182,967	2.62%	2,136,239	-2.14%
February	2,075,606	1,979,265	-4.64%	1,958,194	-1.06%
March	2,321,334	2,262,610	-2.53%	2,225,318	-1.65%
<b>April</b>	<b>2,235,081</b>	<b>2,286,516</b>	<b>2.30%</b>	<b>2,303,958</b>	<b>0.76%</b>
12 Month Ave	2,228,530	2,216,656	-0.53%	2,238,502	0.99%
Year-to-Date	8,759,354	8,711,358	-0.55%	8,623,709	-1.01%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	2,190,778	2,236,445	2.08%	2,217,299	-0.86%
June	2,192,501	2,236,225	1.99%	2,211,163	-1.12%
July	2,190,141	2,242,551	2.39%	2,215,865	-1.19%
August	2,184,465	2,259,258	3.42%	2,209,433	-2.21%
September	2,188,431	2,251,618	2.89%	2,212,700	-1.73%
October	2,189,101	2,243,010	2.46%	2,234,034	-0.40%
November	2,193,125	2,228,129	1.60%	2,241,707	0.61%
December	2,197,013	2,220,656	1.08%	2,245,806	1.13%
January	2,209,703	2,225,292	0.71%	2,241,912	0.75%
February	2,223,250	2,217,264	-0.27%	2,240,156	1.03%
March	2,224,687	2,212,370	-0.55%	2,237,048	1.12%
<b>April</b>	<b>2,228,530</b>	<b>2,216,656</b>	<b>-0.53%</b>	<b>2,238,502</b>	<b>0.99%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	90,818	91,782	1.06%	92,633	0.93%
June	93,237	94,958	1.85%	95,281	0.34%
July	91,588	92,071	0.53%	92,508	0.47%
August	84,033	88,674	5.52%	88,214	-0.52%
September	93,133	93,799	0.72%	93,887	0.09%
October	93,197	83,661	-10.23%	94,635	13.12%
November	95,500	87,177	-8.72%	94,617	8.53%
December	94,527	92,943	-1.68%	93,600	0.71%
January	89,422	89,719	0.33%	88,158	-1.74%
February	89,675	89,947	0.30%	89,179	-0.85%
March	91,890	92,439	0.60%	91,373	-1.15%
<b>April</b>	<b>92,081</b>	<b>92,340</b>	<b>0.28%</b>	<b>92,964</b>	<b>0.68%</b>

## Hudson Line

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	1,349,153	1,399,291	3.72%	1,396,805	-0.18%
June	1,408,063	1,394,023	-1.00%	1,370,358	-1.70%
July	1,358,800	1,401,131	3.12%	1,344,284	-4.06%
August	1,297,903	1,433,031	10.41%	1,373,141	-4.18%
September	1,358,616	1,300,945	-4.24%	1,335,036	2.62%
October	1,359,385	1,304,322	-4.05%	1,447,870	11.01%
November	1,332,264	1,190,123	-10.67%	1,280,951	7.63%
December	1,374,664	1,321,710	-3.85%	1,255,542	-5.01%
January	1,228,283	1,250,870	1.84%	1,230,001	-1.67%
February	1,201,829	1,151,020	-4.23%	1,134,115	-1.47%
March	1,343,474	1,316,583	-2.00%	1,288,797	-2.11%
<b>April</b>	<b>1,334,926</b>	<b>1,355,099</b>	<b>1.51%</b>	<b>1,384,545</b>	<b>2.17%</b>
12 Month Ave	1,328,947	1,318,179	-0.81%	1,320,120	0.15%
Year-to-Date	5,108,512	5,073,572	-0.68%	5,037,458	-0.71%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	1,310,054	1,333,125	1.76%	1,317,972	-1.14%
June	1,312,224	1,331,955	1.50%	1,316,000	-1.20%
July	1,312,045	1,335,482	1.79%	1,311,263	-1.81%
August	1,306,815	1,346,743	3.06%	1,306,272	-3.01%
September	1,309,109	1,341,937	2.51%	1,309,113	-2.45%
October	1,308,964	1,337,349	2.17%	1,321,075	-1.22%
November	1,311,332	1,325,504	1.08%	1,328,644	0.24%
December	1,313,341	1,321,091	0.59%	1,323,130	0.15%
January	1,319,074	1,322,973	0.30%	1,321,391	-0.12%
February	1,326,825	1,318,739	-0.61%	1,319,982	0.09%
March	1,327,113	1,316,498	-0.80%	1,317,667	0.09%
<b>April</b>	<b>1,328,947</b>	<b>1,318,179</b>	<b>-0.81%</b>	<b>1,320,120</b>	<b>0.15%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	54,625	54,880	0.47%	55,108	0.42%
June	56,110	56,479	0.66%	57,371	1.58%
July	55,677	55,874	0.35%	53,128	-4.91%
August	51,158	54,403	6.34%	53,645	-1.39%
September	55,594	55,710	0.21%	56,228	0.93%
October	54,963	49,650	-9.67%	55,821	12.43%
November	56,109	49,881	-11.10%	55,544	11.35%
December	55,091	54,024	-1.94%	50,648	-6.25%
January	51,340	51,239	-0.20%	50,387	-1.66%
February	51,721	52,086	0.71%	51,284	-1.54%
March	52,943	53,491	1.03%	52,564	-1.73%
<b>April</b>	<b>54,535</b>	<b>54,378</b>	<b>-0.29%</b>	<b>55,355</b>	<b>1.80%</b>

## New Haven Line

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	3,215,679	3,376,087	4.99%	3,337,643	-1.14%
June	3,435,549	3,408,846	-0.78%	3,344,454	-1.89%
July	3,297,444	3,387,830	2.74%	3,481,802	2.77%
August	3,142,289	3,447,562	9.71%	3,387,702	-1.74%
September	3,248,066	3,155,153	-2.86%	3,122,729	-1.03%
October	3,302,205	3,155,236	-4.45%	3,357,597	6.41%
November	3,271,581	2,953,001	-9.74%	3,115,073	5.49%
December	3,482,491	3,325,055	-4.52%	3,368,525	1.31%
January	3,052,360	3,125,736	2.40%	3,031,968	-3.00%
February	2,987,601	2,753,474	-7.84%	2,754,330	0.03%
March	3,329,798	3,248,585	-2.44%	3,170,054	-2.42%
<b>April</b>	<b>3,261,731</b>	<b>3,331,732</b>	<b>2.15%</b>	<b>3,330,212</b>	<b>-0.05%</b>
12 Month Ave	3,252,233	3,222,358	-0.92%	3,233,507	0.35%
Year-to-Date	12,631,490	12,459,527	-1.36%	12,286,564	-1.39%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	3,136,467	3,265,600	4.12%	3,219,154	-1.42%
June	3,146,918	3,263,375	3.70%	3,213,788	-1.52%
July	3,151,280	3,270,907	3.80%	3,221,619	-1.51%
August	3,145,885	3,296,347	4.78%	3,216,631	-2.42%
September	3,153,527	3,288,604	4.28%	3,213,929	-2.27%
October	3,159,496	3,276,356	3.70%	3,230,793	-1.39%
November	3,169,520	3,249,808	2.53%	3,244,299	-0.17%
December	3,186,678	3,236,688	1.57%	3,247,921	0.35%
January	3,209,173	3,242,803	1.05%	3,240,107	-0.08%
February	3,236,141	3,223,292	-0.40%	3,240,178	0.52%
March	3,242,612	3,216,525	-0.80%	3,233,634	0.53%
<b>April</b>	<b>3,252,233</b>	<b>3,222,358</b>	<b>-0.92%</b>	<b>3,233,507</b>	<b>0.35%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	130,101	132,341	1.72%	132,037	-0.23%
June	136,664	138,101	1.05%	140,251	1.56%
July	135,361	135,335	-0.02%	136,836	1.11%
August	123,686	130,905	5.84%	132,224	1.01%
September	133,112	135,278	1.63%	132,771	-1.85%
October	133,568	120,190	-10.02%	129,799	7.99%
November	137,327	123,279	-10.23%	134,447	9.06%
December	138,282	134,831	-2.50%	135,039	0.15%
January	126,986	127,389	0.32%	124,180	-2.52%
February	127,761	124,513	-2.54%	124,353	-0.13%
March	130,747	131,550	0.61%	128,751	-2.13%
<b>April</b>	<b>133,014</b>	<b>133,503</b>	<b>0.37%</b>	<b>133,080</b>	<b>-0.32%</b>

## West of Hudson

## Revenue Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	159,901	148,716	-6.99%	137,233	-7.72%
June	162,782	148,825	-8.57%	136,071	-8.57%
July	157,878	151,322	-4.15%	143,640	-5.08%
August	153,116	156,609	2.28%	136,655	-12.74%
September	100,010	136,788	36.77%	127,068	-7.11%
October	97,639	138,828	42.18%	140,460	1.18%
November	97,068	71,414	-26.43%	123,483	72.91%
December	138,108	108,559	-21.40%	135,331	24.66%
January	129,596	117,560	-9.29%	128,042	8.92%
February	130,857	112,248	-14.22%	117,345	4.54%
March	150,608	133,595	-11.30%	135,070	1.10%
<b>April</b>	<b>140,286</b>	<b>132,883</b>	<b>-5.28%</b>	<b>140,139</b>	<b>5.46%</b>
12 Month Ave	134,821	129,779	-3.74%	133,378	2.77%
Year-to-Date	551,347	496,286	-9.99%	520,596	4.90%

## 12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	158,230	133,889	-15.38%	128,822	-3.78%
June	157,982	132,726	-15.99%	127,759	-3.74%
July	157,807	132,179	-16.24%	127,119	-3.83%
August	156,756	132,470	-15.49%	125,456	-5.29%
September	151,842	135,535	-10.74%	124,646	-8.03%
October	146,621	138,968	-5.22%	124,782	-10.21%
November	141,678	136,830	-3.42%	129,121	-5.63%
December	139,451	134,367	-3.65%	131,352	-2.24%
January	138,465	133,364	-3.68%	132,226	-0.85%
February	137,869	131,814	-4.39%	132,651	0.63%
March	136,167	130,396	-4.24%	132,773	1.82%
<b>April</b>	<b>134,821</b>	<b>129,779</b>	<b>-3.74%</b>	<b>133,378</b>	<b>2.77%</b>

## Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	7,618	6,771	-11.12%	6,247	-7.74%
June	7,402	7,080	-4.35%	6,783	-4.19%
July	7,884	7,209	-8.56%	6,543	-9.24%
August	7,232	6,824	-5.64%	6,215	-8.92%
September	4,764	7,180	50.71%	6,346	-11.62%
October	4,645	6,942	49.45%	6,118	-11.87%
November	4,855	3,675	-24.30%	6,493	76.68%
December	6,579	5,421	-17.60%	6,449	18.96%
January	6,483	5,608	-13.50%	6,111	8.98%
February	6,537	5,893	-9.85%	6,159	4.51%
March	6,849	6,356	-7.20%	6,424	1.07%
<b>April</b>	<b>6,673</b>	<b>6,043</b>	<b>-9.44%</b>	<b>6,373</b>	<b>5.46%</b>

## Port Jervis Line

## Revenue Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	111,096	93,989	-15.40%	85,089	-9.47%
June	116,786	94,452	-19.12%	83,426	-11.67%
July	110,772	97,178	-12.27%	91,288	-6.06%
August	104,640	100,855	-3.62%	89,188	-11.57%
September	50,582	85,604	69.24%	80,627	-5.81%
October	46,093	87,075	88.91%	86,989	-0.10%
November	46,692	47,613	1.97%	75,365	58.29%
December	85,576	67,755	-20.82%	83,241	22.86%
January	80,570	73,570	-8.69%	77,576	5.45%
February	81,766	69,549	-14.94%	71,485	2.78%
March	93,911	82,466	-12.19%	81,892	-0.70%
<b>April</b>	<b>88,819</b>	<b>82,564</b>	<b>-7.04%</b>	<b>85,750</b>	<b>3.86%</b>
12 Month Ave	84,775	81,889	-3.40%	82,660	0.94%
Year-to-Date	345,066	308,149	-10.70%	316,703	2.78%

## 12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	109,578	83,350	-23.94%	81,148	-2.64%
June	109,683	81,489	-25.71%	80,229	-1.55%
July	109,610	80,356	-26.69%	79,738	-0.77%
August	108,603	80,040	-26.30%	78,766	-1.59%
September	103,616	82,959	-19.94%	78,351	-5.55%
October	98,248	86,374	-12.09%	78,344	-9.30%
November	93,185	86,451	-7.23%	80,656	-6.70%
December	90,769	84,966	-6.39%	81,947	-3.55%
January	89,401	84,382	-5.61%	82,281	-2.49%
February	88,306	83,364	-5.60%	82,442	-1.11%
March	86,374	82,410	-4.59%	82,394	-0.02%
<b>April</b>	<b>84,775</b>	<b>81,889</b>	<b>-3.40%</b>	<b>82,660</b>	<b>0.94%</b>

## Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	5,293	4,280	-19.14%	3,874	-9.48%
June	5,311	4,493	-15.40%	4,158	-7.47%
July	5,531	4,630	-16.29%	4,159	-10.18%
August	5,037	4,396	-12.73%	4,056	-7.72%
September	2,409	4,491	86.43%	4,026	-10.35%
October	2,192	4,354	98.63%	3,790	-12.95%
November	2,336	2,455	5.09%	3,963	61.43%
December	4,077	3,383	-17.02%	3,967	17.26%
January	4,031	3,511	-12.90%	3,703	5.47%
February	4,084	3,648	-10.67%	3,750	2.79%
March	4,271	3,922	-8.16%	3,894	-0.73%
<b>April</b>	<b>4,224</b>	<b>3,755</b>	<b>-11.10%</b>	<b>3,900</b>	<b>3.86%</b>

## Pascack Valley Line

## Revenue Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	48,805	54,727	12.13%	52,144	-4.72%
June	45,996	54,373	18.21%	52,645	-3.18%
July	47,106	54,144	14.94%	52,352	-3.31%
August	48,476	55,754	15.01%	47,467	-14.86%
September	49,428	51,184	3.55%	46,441	-9.27%
October	51,546	51,753	0.40%	53,471	3.32%
November	50,376	23,801	-52.75%	48,118	102.17%
December	52,532	40,804	-22.33%	52,090	27.66%
January	49,026	43,990	-10.27%	50,466	14.72%
February	49,091	42,699	-13.02%	45,860	7.40%
March	56,697	51,129	-9.82%	53,178	4.01%
<b>April</b>	<b>51,467</b>	<b>50,319</b>	<b>-2.23%</b>	<b>54,389</b>	<b>8.09%</b>
12 Month Ave	50,046	47,890	-4.31%	50,718	5.91%
Year-to-Date	206,281	188,137	-8.80%	203,893	8.37%

## 12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	48,652	50,539	3.88%	47,675	-5.67%
June	48,298	51,237	6.08%	47,531	-7.23%
July	48,197	51,824	7.52%	47,381	-8.57%
August	48,153	52,430	8.88%	46,691	-10.95%
September	48,226	52,576	9.02%	46,295	-11.95%
October	48,372	52,594	8.73%	46,439	-11.70%
November	48,493	50,379	3.89%	48,465	-3.80%
December	48,682	49,402	1.48%	49,405	0.01%
January	49,064	48,982	-0.17%	49,945	1.97%
February	49,563	48,449	-2.25%	50,209	3.63%
March	49,793	47,985	-3.63%	50,379	4.99%
<b>April</b>	<b>50,046</b>	<b>47,890</b>	<b>-4.31%</b>	<b>50,718</b>	<b>5.91%</b>

## Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	2,325	2,491	7.14%	2,372	-4.77%
June	2,091	2,587	23.72%	2,625	1.49%
July	2,353	2,579	9.60%	2,384	-7.56%
August	2,195	2,428	10.62%	2,159	-11.08%
September	2,355	2,689	14.18%	2,320	-13.72%
October	2,453	2,588	5.50%	2,328	-10.05%
November	2,519	1,220	-51.57%	2,530	107.38%
December	2,502	2,038	-18.55%	2,482	21.79%
January	2,452	2,097	-14.48%	2,408	14.86%
February	2,453	2,245	-8.48%	2,409	7.31%
March	2,578	2,433	-5.61%	2,530	3.97%
<b>April</b>	<b>2,449</b>	<b>2,288</b>	<b>-6.58%</b>	<b>2,473</b>	<b>8.10%</b>

## MTA Bridges &amp; Tunnels

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	25,144,889	25,192,764	0.19%	25,045,252	-0.59%
June	25,289,003	25,233,363	-0.22%	24,738,988	-1.96%
July	25,490,788	24,887,622	-2.37%	24,886,530	0.00%
August	24,253,530	25,669,824	5.84%	25,636,599	-0.13%
September	23,976,096	23,763,047	-0.89%	23,810,071	0.20%
October	24,135,980	22,928,321	-5.00%	25,036,991	9.20%
November	23,443,442	20,945,342	-10.66%	23,200,297	10.77%
December	23,665,382	23,355,262	-1.31%	23,035,975	-1.37%
January	21,776,550	22,290,223	2.36%	20,747,317	-6.92%
February	21,280,142	19,831,970	-6.81%	18,701,703	-5.70%
March	23,927,645	23,376,021	-2.31%	23,431,715	0.24%
<b>April</b>	<b>23,651,425</b>	<b>23,638,588</b>	<b>-0.05%</b>	<b>23,845,079</b>	<b>0.87%</b>
<b>12 Month Ave</b>	<b>23,836,239</b>	<b>23,426,029</b>	<b>-1.72%</b>	<b>23,509,710</b>	<b>0.36%</b>
<b>Year-to-Date</b>	<b>90,635,762</b>	<b>89,136,802</b>	<b>-1.65%</b>	<b>86,725,814</b>	<b>-2.70%</b>
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	24,037,229	23,840,229	-0.82%	23,413,736	-1.79%
June	23,983,224	23,835,592	-0.62%	23,372,538	-1.94%
July	23,942,313	23,785,328	-0.66%	23,372,447	-1.74%
August	23,779,919	23,903,353	0.52%	23,369,679	-2.23%
September	23,726,452	23,885,599	0.67%	23,373,597	-2.14%
October	23,615,230	23,784,961	0.72%	23,549,320	-0.99%
November	23,567,461	23,576,786	0.04%	23,737,233	0.68%
December	23,625,465	23,550,942	-0.32%	23,710,625	0.68%
January	23,739,450	23,593,748	-0.61%	23,582,050	-0.05%
February	23,831,450	23,473,067	-1.50%	23,487,861	0.06%
March	23,831,401	23,427,099	-1.70%	23,492,502	0.28%
<b>April</b>	<b>23,836,239</b>	<b>23,426,029</b>	<b>-1.72%</b>	<b>23,509,710</b>	<b>0.36%</b>
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
May	833,621	831,734	-0.23%	834,831	0.37%
June	855,894	853,960	-0.23%	838,525	-1.81%
July	853,553	829,552	-2.81%	824,594	-0.60%
August	832,806	842,278	1.14%	837,517	-0.57%
September	823,591	821,457	-0.26%	811,806	-1.17%
October	801,026	736,273	-8.08%	817,107	10.98%
November	801,634	725,399	-9.51%	802,918	10.69%
December	793,943	802,287	1.05%	785,165	-2.13%
January	748,115	755,080	0.93%	700,973	-7.17%
February	768,649	765,137	-0.46%	693,199	-9.40%
March	797,238	776,880	-2.55%	780,622	0.48%
<b>April</b>	<b>808,640</b>	<b>801,771</b>	<b>-0.85%</b>	<b>806,027</b>	<b>0.53%</b>

# Fuel Hedge Program

# Current Hedge Activity

Ultra Low Sulfur Diesel Hedges				Natural Gas Hedge			
<u>Start</u>	<u>End</u>	<u>Lock in Price/Gal</u>	<u>Gallons Hedged/Mn</u>	<u>Start</u>	<u>End</u>	<u>Lock in Price/MMBtu</u>	<u>MMBtus Hedged/Mn</u>
Jun-2013	Nov-2014	\$2.942	543,934				*
Dec-2013	Dec-2014	\$2.871	428,273				*
Jan-2014	Jan-2015	\$2.899	381,159				*
Jan-2014	Jan-2015	\$2.940	288,280				*
Mar-2014	Mar-2015	\$2.883	259,403				*
May-2013	Mar-2015	\$2.770	180,270				*
May-2013	Mar-2015	\$2.770	180,270				*
May-2014	Apr-2015	\$2.814	228,094				*
Jun-2014	Jul-2015	\$2.826	465,582				*
Aug-2014	Aug-2015	\$2.824	229,883				*
Sep-2014	Sep-2015	\$2.822	420,968				*
Nov-2014	Oct-2015	\$2.787	228,375				*
Dec-2014	Dec-2015	\$2.769	425,026				*
Feb-2015	Jan-2016	\$2.836	231,917				*
Mar-2015	Feb-2016	\$2.807	231,917				*
Apr-2015	Mar-2016	\$2.821	231,917				*
Jul-2014	Apr-2016	\$2.863	204,265				*

\* Reflect average of monthly hedged gallons - contract terms vary by month for hedge duration.

	Commodity Prices Assumed in Financial Plan					
	Diesel Fuel			Natural Gas		
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
2014 February Plan	\$2.89	\$2.78	\$2.81	\$3.98	\$4.16	\$4.28

# Annual Impact as of June 3, 2014

	<u>(\$ in millions)</u>		
	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b><u>Ultra Low Sulfur Diesel</u></b>			
Current Prices vs. February Plan	(\$3.950)	(\$1.344)	\$16.549
Impact of Hedge	<u>(0.274)</u>	<u>(1.115)</u>	<u>(0.329)</u>
<b>Net Impact: Fav/(Unfav)</b>	(\$4.225)	(\$2.459)	\$16.220
<b><u>Compressed Natural Gas</u></b>			
Current Prices vs. February Plan	(\$21.971)	(\$0.750)	\$2.672
Impact of Hedge	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
<b>Net Impact: Fav/(Unfav)</b>	(\$21.971)	(\$0.750)	\$2.672
<b><u>Summary</u></b>			
Current Prices vs. February Plan	(\$25.922)	(\$2.093)	\$19.222
Impact of Hedge	<u>(0.274)</u>	<u>(1.115)</u>	<u>(0.329)</u>
<b>Net Impact: Fav/(Unfav)</b>	(\$26.196)	(\$3.208)	\$18.892

Estimated impacts are based on monthly average price times forecast usage, which may differ from actual purchases.

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**JUNE 2014**  
**MTA REAL ESTATE**  
**FINANCE COMMITTEE AGENDA ITEMS**

**1. ACTION ITEMS**

**MTA NEW YORK CITY TRANSIT**

- a. Lease between It's A Middle, LLC and New York City Transit for parking lot use
- b. Modification to license agreement with Transit Wireless, LLC

**MTA METRO-NORTH RAILROAD**

- c. Lease with American Great Dane NY LLC for a first class fine dining restaurant, café (including both on-premises and take-away service) and bakery/deli in Retail Spaces MC-16, MC-17, Vanderbilt Hall West and Space D at Grand Central Terminal
- d. Agreement extension with the Village of Tuckahoe for commuter parking at Tuckahoe Station

**MTA LONG ISLAND RAIL ROAD**

- e. Modification to agreements relating to Atlantic Yards overbuild

**METROPOLITAN TRANSPORTATION AUTHORITY**

- f. Agreements relating to emergency parking

**2. INFORMATION ITEMS**

- a. Status report on month-to-month licenses
- b. Status report on Grand Central Terminal Vanderbilt Hall events
- c. Status report on Grand Central Terminal Graybar Passage retail kiosks
- d. Status report on retail development at Grand Central Terminal
- e. Status report on retail development at Penn Station
- f. Second extension of entry permit between MTA Bridges and Tunnels and Spring Scaffolding LLC, at Queens Midtown Tunnel in Manhattan
- g. Permit to allow Riverkeeper, Inc. to use a portion of New York City Transit's Ninth

Ave Unit Shop parking area at Ninth Avenue and 208th Street in Manhattan, NY

- h. Permit with Pamal Broadcasting, Ltd., for short-term use of a portion of Metro-North's Beacon Station Parking Facility

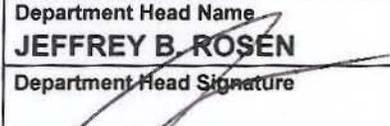
<b>Legal Name</b>	<b>Popular Name</b>	<b>Abbreviation</b>
New York City Transit Authority	MTA New York City Transit	NYC Transit
The Long Island Rail Road Company	MTA Long Island Rail Road	LIRR
Metropolitan Suburban Bus Authority	MTA Long Island Bus	LI Bus
Metro-North Commuter Railroad Company	MTA Metro-North Railroad	MNR
Triborough Bridge and Tunnel Authority	MTA Bridges and Tunnels	MTA B&T
MTA Capital Construction Company	MTA Capital Construction	MTACC
MTA Bus Company	MTA Bus Company	MTA Bus

*Staten Island Rapid Transit Operating Authority is a subsidiary of the Metropolitan Transportation Authority. Its popular name is MTA Staten Island Railway (abbreviated SIR).*

*Manhattan and Bronx Surface Transit Operating Authority is a subsidiary of the New York City Transit Authority (abbreviated as MaBSTOA).*

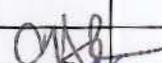
# **MTA NEW YORK CITY TRANSIT**

# Staff Summary

Subject <b>LEASE</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>MICHAEL DANIELS</b>

Date <b>JUNE 23, 2014</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/23/14	X		
2	Board	06/25/14	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

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

LESSOR: IT'S A MIDDLE, LLC

LOCATION: Brooklyn, Block 7114, Lot 52 (West 13th Street, near former PS 248)

CURRENT USE: Parking spaces to support adjacent 24/7 training facility

ACTION REQUESTED: Approval of lease terms

TERM: 5/1/2014 – 4/30/2019

SPACE: Paved lot of approximately of 1,800 sq. ft. containing approximately 10 parking spaces

COMPENSATION: 5/1/14 – 4/30/15 \$6,783.84 per annum  
 5/1/15 – 4/30/16 \$6,886.68 per annum  
 5/1/16 – 4/30/17 \$6,990.00 per annum  
 5/1/17 – 4/30/18 \$7,094.88 per annum  
 5/1/18 – 4/30/19 \$7,201.32 per annum

REAL ESTATE TAXES: Will file with the City of New York for a tax exemption, because NYCT will occupy 100% of the premises. To date, as a month to month tenant, NYCT was not responsible for taxes.

REPAIRS AND MAINTENANCE: Tenant responsibility

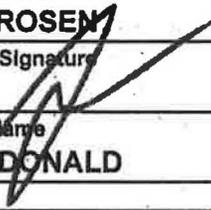
**COMMENTS:**

Due to limited parking in the surrounding area, NYCT has leased the parking lot, adjacent to NYCT's Subways Learning Center ("Learning Center"), for parking since 1994, currently via a month-to-month agreement. The new Lessor has requested that the month-to-month arrangement be replaced with a five-year term lease. MTA Real Estate's brokerage consultant has confirmed that the proposed rent is well within the market range for the property's size and use.

The Learning Center is open 24/7 with classes daily and nightly during the week, and classes on weekends. The Learning Center is utilized by NYCT's Infrastructure, Rapid Transit Operations, Stations, Car Equipment and Supply Logistics groups. Track safety and track flagging courses are the primary courses given at this school, but the facility is also utilized by the NYC Police Department's human resources testing section in relation to transit functions.

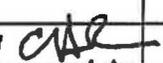
Based on the foregoing, MTA Real Estate requests authorization to enter into a lease on the above-described terms and conditions.

# Staff Summary

<b>Subject</b> <b>MODIFICATION OF LICENSE AGREEMENT</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JEFFREY B. ROSEN</b>
<b>Department Head Signature</b> 
<b>Project Manager Name</b> <b>GEORGE MCDONALD</b>

<b>Date</b> <b>JUNE 23, 2014</b>
<b>Vendor Name</b> <b>TRANSIT WIRELESS, LLC</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	6/23/14	X		
2	Board	6/25/14	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 	4	President NYCT 
2	Chief Financial Officer 		

AGENCY: MTA New York City Transit ("NYCT")  
 LICENSEE: Transit Wireless, LLC ("TW")  
 LOCATION: 277 NYCT underground subway stations  
 ACTIVITY: License modifications to grant NYCT the option to connect Help Points and the New Fare Payments System into TW's communications network and to allow TW to provide incidental Help Point installation support

ACTION REQUESTED: Approval of agreements and modifications of agreements between NYCT and TW

## COMMENTS

**PURPOSE:** To request that the Board (1) approve agreements and other documents, including modifications and supplements, between NYCT and TW to create options exercisable by NYCT whereby (i) TW would perform a part of the Help Point installation work at the same time that TW is installing its own network; and (ii) NYCT would use the TW telecommunications network that is being installed in NYCT's 277 underground stations as a communications link for the New Fare Payments System ("NFPS"); and (2) authorize the Chairman and Chief Executive Officer of NYCT and his/her designees to execute and deliver agreements and other documents, including modifications and supplements, and to take other actions as he/she may deem necessary, desirable or appropriate to implement the proposed additional services related options described herein pursuant to the license agreement and other related agreements between NYCT and TW (collectively, the "TW Agreements").

**BACKGROUND:** In 2007, following a request for proposals process, the Board approved the award to TW of an exclusive license to provide commercial cellular/PCS and WiFi service in NYCT's 277 underground subway stations. Under the arrangement, TW constructs the distributed antenna system within the NYCT stations (but not within any of the tunnels between stations) and sublicenses rights to use that system to cellular carriers, WiFi providers and other network users. TW's majority owner (Broadcast Australia) is an investment and operating company that specializes in the broadcast and telecommunications fields and is majority owned by Canada's largest public pension fund.

TW has installed its network in 47 underground subway stations in Manhattan, including major station complexes such as Times Square and Grand Central, and is currently installing its network in 15 underground stations in Queens. The service meets NYCT's technical expectations, there has been no interference with NYCT communications and the public reaction has been favorable. Phase 3 work is scheduled to begin in July, 2014 and the full 277 stations are required to be in service by the end of 2017.

# Staff Summary

## FINANCE COMMITTEE MEETING

Transit Wireless, LLC ("TW") (Cont'd.)

At each underground station, TW installs equipment and antennas to provide cellular and WiFi coverage throughout the public areas. Such in-station equipment and antennas are linked by fiber optic cables to TW trunk fiber optic cables running through the streets connecting back to a base station hotel that houses the head-end equipment for TW, the carriers and providers and NYCT.

In September, 2011, the Board approved modifications to the TW Agreements that, among other things, granted NYCT an option to wirelessly connect to the TW network to support certain of NYCT's own operational networking needs, including Help Points and NFPS. In July, 2012, the Board approved further modifications to the TW Agreements, as well as a form of direct agreement between TW's lenders and NYCT, that facilitated TW's financing of its construction costs and refined the way in which the sublicensees of the TW network, primarily the cellular carriers and WiFi providers, pay the various costs associated with their use of the TW network and how such revenues are split between TW and NYCT. Copies of the staff summaries for those two Board actions are annexed hereto.

### Additional Services for Help Points

In 2012, NYCT exercised an option for a wireless connection to the TW network to provide connectivity for the Help Points in 15 of the 30 Phase 1 Full Build stations. At NYCT's request, TW conducted a proof of concept trial that linked Help Points at two stations through the TW network to TW's base station hotel and to the Stations Operations Desk at the NYCT Rail Control Center. The connection met NYCT's service level and other technical requirements.

NYCT has determined that there are significant efficiencies, cost savings, and schedule accelerations that can be achieved if TW performs a part of the Help Point installation work at the same time that TW is installing its own network because TW can use the same contractors and take advantage of the same track outages and NYCT field support. Such additional work, which will more expeditiously enhance system safety, involves the installation of one aggregation switch and up to eight Help Point back boxes in each station with respect to which this option is exercised. TW will conduct field surveys, develop detailed construction drawings, and procure, furnish, install and test the aggregator and back boxes and the related conduit, electrical, and communications connections. TW will also support the integration of the wireless Help Points into NYCT's existing 4.9GHz network. The alternative would be for NYCT to separately procure such Help Point support services, which would result in a delay in the Help Point implementation schedule and, based on NYCT's estimates, would ultimately cost more because no other firms have the benefit of the efficiencies associated with installing their own network at the same time in the same place as they are installing the additional services for NYCT's use. Furthermore, it is a major benefit to NYCT to have one entity accountable for the performance of the network from the Help Point all the way to the NYCT Rail Control Center rather than having TW and a separately NYCT procured contractor disputing the cause of a malfunction.

### Additional Services for New Fare Payments System

After determining that using the TW network to support a portion of the Help Point system was highly advantageous, NYCT reviewed whether there would be similar benefits to NYCT of using the TW network to support the New Fare Payments System. NYCT has determined that using the TW network for NFPS communications connectivity will result in significant schedule acceleration, cost savings, increased reliability and enhanced information security. Based on the foregoing, NYCT requested TW to submit a proposal to extend the scope of the additional services option in the TW Agreements to include a wired connection to transport NFPS data from each fare control area within the underground subway stations over the TW network to TW's base station hotels, where NYCT will co-locate its hub equipment to pick up such NFPS communications and connect them into the NYCT payments network.

NYCT is currently in discussions with TW regarding TW's NFPS proposal, including TW's proposed pricing for both the capital and operating elements of the project. NYCT estimates that the cost of using the TW network as the communications link for NFPS in the 277 underground stations will significantly reduce the capital costs that would have been incurred at this time to install the PS-LAN network or alternative hard wired solutions in all of those stations to support NFPS. In the future, NYCT may install additional fiber optic cable in these stations capable of supporting Help Points, NFPS and other digital applications, providing an increase in capacity and redundancy in communications for these important applications. TW has also provisioned redundancy through connections to NYCT communication rooms for the 4.9GHz network.

As described above, an important reason why TW's overall capital costs are relatively lower than the alternatives is that they can do most of this work at the same time that they are installing their own network thus giving them unique

# Staff Summary

## FINANCE COMMITTEE MEETING

Transit Wireless, LLC ("TW") (Cont'd.)

efficiencies. In addition, TW is already installing the fiber optic cable throughout the station and fare control areas to support their cellular/WiFi deployment and there is no additional capital cost to NYCT to use spare fibers in the TW cable. However, there is a timing issue because TW has commitments to both NYCT and its cellular carrier sublicensees to install TW's core cellular and WiFi network in accordance with an aggressive predetermined schedule. If NYCT and TW can't reach agreement on moving forward with the NFPS connection option in time for TW's design and construction of the core network in a station, a significant portion of the associated cost and schedule efficiency will be lost. For that reason, NYCT requests that the Board agree to delegate to the Chairman and Chief Executive Officer the authority to finalize the scope, price and schedule details with respect to the options that will be added to the TW Agreements giving the right for NYCT to use TW's network for support of NFPS as further described in the Resolution attached to this Staff Summary.

### Expansion of Additional Services Options

When the original option allowing NYCT to use the TW network as a communications link for certain NYCT operational applications was added to the TW Agreements, NYCT agreed that when it exercised such option it would owe TW the associated incremental capital costs, together with a recurring monthly fee based on the bandwidth to be reserved for NYCT use (subject to a cap of \$600 per station escalated by CPI) and the proportional share of network operating costs associated with NYCT's use of the network.

NYCT requests Board approval to modify the TW Agreements to create options giving NYCT the right to direct TW to provide: (a) Help Point installation support in some or all of the underground stations; and (b) hard wired connections and use of TW's network to support NFPS in some or all of the underground stations.

As permitted by prior Board approval, NYCT has already exercised options for TW to install 4.9 GHz wireless capability in all 146 of the Phase 1, 2, 3 and 4 stations (this includes the 15 stations in which 4.9 GHz functionality has already been installed). In the future, after consideration of the performance of prior implementations and the alternatives available at the time, NYCT may exercise such option at additional underground subway stations.

If the Board approves the modifications to the TW Agreements requested herein to allow NYCT to exercise the option to direct TW to perform the Help Point installation support, such option will be immediately exercised for all Help Point equipped Phase 2-4 stations connecting to the TW network. In the future, after consideration of the performance of prior implementations and the alternatives available at the time, NYCT may exercise such option at additional underground subway stations.

If the Board approves the delegation to the Chairman and Chief Executive Officer described in the Resolution attached to this Staff Summary, and the Chairman and Chief Executive Officer subsequently determines that the scope, price and schedule details with respect to establishing an NYCT option for TW's provision of additional services for support of NFPS are acceptable, NYCT, after consideration of the performance of prior implementations and the alternatives available at the time, may exercise such option at some or all of the underground subway stations.

### Price

NYCT and TW have agreed on pricing for the additional services as follows:

#### 1. 4.9 GHz Network:

- a. For the incremental work required to install the 4.9 GHz network and any other additional service networks: The first \$6 million of such incremental capital costs is being financed by TW until they complete all seven phases of installation of their network, at which point those costs may be offset against NYCT's revenue share from TW to the extent available. If TW fails to complete all 7 phases, NYCT will not be required to pay back such incremental capital costs (this provision was an incentive for TW to complete the network in all of the underground subway stations). This pricing has already been approved by the Board (see attached Staff Summary dated September 26, 2011).
- b. A monthly fee of \$600 for each station equipped with 4.9 GHz service (escalated by CPI) (this pricing has already been approved by the Board – see attached Staff Summary dated September 26, 2011). If NYCT were to exercise options to install the 4.9 GHz network in all 277 underground stations, the aggregate monthly fee would be \$166,200. NYCT has the right to terminate use of 4.9 GHz service at any or all of the stations upon not less

# Staff Summary

## FINANCE COMMITTEE MEETING Transit Wireless, LLC ("TW") (Cont'd.)

than 90 days' notice, subject to a minimum operating term of 2 years at each station, after which such monthly fees shall terminate commencing with the month following the month in which such notice is effective.

- c. For each station equipped with 4.9 GHz service, the proportional actual operating expenses for network operations at such station (this pricing has already been approved by the Board – see attached Staff Summary dated September 26, 2011). NYCT's obligation to pay such share of the operating expenses for a station will terminate upon NYCT's termination of its use of 4.9 GHz service at such station.
- d. For each of the following fiber optic connections, \$2500 per month:
  - Between NYCT's RCC and TW's Midtown Hub Space;
  - Between NYCT's RCC and TW's Queens Hub Space;
  - Between NYCT's RCC and TW's Uptown Hub Space;
  - Between TW's Queens Hub Space and Station 274;
  - Between TW's Midtown Hub Space and Station 321; and
  - Between TW's Uptown Hub Space and an additional Station to be identified by NYCT.

NYCT's obligation to pay such connection charges will terminate upon NYCT's termination of its use of such connections.

### 2. Help Point Installation Support:

- a. \$244,000 per station (total cost of approximately \$25 million for the anticipated 102 Help Point equipped Phase 2-4 stations connecting to the TW network; additional cost based on the number of Phase 5-7 stations with respect to which the option is exercised).

The \$244,000 price per station cost for Help Point stations is based on estimated average TW costs (plus overhead and profit) for the associated work. It was determined that establishing prices based on the specific design of the work at each station or by unit cost was not practical because the design of the network and installation work in many of the stations has not been finalized, the breadth and complexity of the work differs from station to station and it may be difficult to identify exactly what work was for TW's core network (TW's cost) and what work was incremental for the additional services (NYCT's cost). A fixed price was deemed preferable. Given the efficiencies associated with having TW do this work at the same time that they are doing the installation of their own network (and taking advantage of the same NYCT support), NYCT estimators have performed a detailed review and are confident that the aggregate price is reasonable and below the pricing that could be obtained through a competitive procurement for similar work. In addition, TW's installation schedule is at least one year faster than could be achieved through a competitive procurement and TW's pricing would need to be compared to pricing received from vendors a year from now. TW has also agreed that 95% of the cost of the work is due only upon substantial completion, which gives NYCT strong leverage to ensure that TW's work meets specifications.

### 3. NFPS Communications Support:

- a. The pricing for the TW communications support for NFPS is under negotiation and will consist of two elements: (a) a fixed price per fare control area for the incremental work required to install the hard-wired fiber optic link to the NFPS communications switch in each fare control area; and (b) a monthly fee for the utilization of the TW network capacity and TW's network operating expenses. TW's initial proposed pricing per fare control area was \$35,000 for the incremental non-recurring work required to connect the TW network to the NFPS system and \$600 per month in recurring costs for the use of the TW network (inclusive of network capacity charges and network operations, control, maintenance and repair). If NYCT were to exercise options for TW communications support for NFPS in all 277 underground stations, the aggregate non-recurring cost would be approximately \$23 million and the aggregate recurring monthly fee would be approximately \$400,000. NYCT's obligation to pay such monthly fee for a fare control area will terminate upon NYCT's termination of its use of the TW network for NFPS communications at such station.
- b. NYCT will ensure that the final negotiated price is below the estimated price that would be available pursuant to a competitive procurement of similar services. If the Board adopts the attached resolution delegating to the Chairman and Chief Executive Officer the authority to finalize the scope, price and schedule details with respect to TW's provision of additional services for support of NFPS as further described in the Resolution attached to this

# Staff Summary

## FINANCE COMMITTEE MEETING Transit Wireless, LLC ("TW") (Cont'd.)

Staff Summary, the Chairman and Chief Executive Officer or his designee will enter into agreements creating options that NYCT may exercise in the future.

### Other Modifications

1. TW Debt Level: TW has requested that NYCT consent to an increase in the level of debt that TW can incur from \$75 million to \$150 million. The additional debt will be used primarily to finance capital construction costs and TW anticipates increasing its borrowings under the EB-5 immigration program to meet those needs. NYCT supports allowing such increase because NYCT shares in the benefits of low cost financing through the net revenue sharing arrangements. A modification to the TW Agreements is required to implement this change.
2. Steinway Tunnel Crossing: As part of the 4.9 Network, NYCT requires TW to provide a fiber optic connection between the Queens base station hotel and NYCT's Rail Control Center. As such TW has requested that it be permitted to install an 864 strand fiber optic cable in the Steinway Tunnel to provide this connection and to connect to Brooklyn/Queens fiber optic network and its Manhattan fiber optic network. TW would be responsible for all the material and installation costs.

MTA's standard monthly price for a license permitting an 864 strand cable connection through the tunnel is \$20,505. Only twenty of those strands are necessary to support the NYCT additional services. TW intends to use the remaining strands for supporting their cellular and WiFi network or other uses. NYCT has proposed that TW pay to NYCT a monthly license fee for use of the tunnel crossing equal to the number of fiber strands (other than fiber strands used for NYCT additional services subject to a cap of 20 strands) that are lit in any month divided by 864 and multiplied by \$20,505. This occupancy right will be coterminous with the TW license.

### **IMPACT ON FUNDING:**

Funding for the first \$6 million in incremental capital costs for all additional services capital costs is being financed by TW until they complete all seven phases of their network, at which point those costs may be offset against NYCT's revenue share from TW to the extent available. If TW fails to complete all 7 phases, NYCT will not be required to pay back capital costs. Additional funding for the 4.9 GHz network incremental capital costs and funding for the Help Point and NFPS installation support will be made available from the NYCT Capital Program. Funding for monthly fees and operating expenses associated with NYCT use of the TW network will be made available from the NYCT operating budget or offset against future revenue share due from TW to NYCT.

### **D/M/WBE INFORMATION:**

Although there are no subcontracting goals as TW is a licensee under a Real Estate Department license installing its own network that results in payment of a revenue share to NYCT, the overall Help Point initiative has had extensive involvement by D/M/WBE firms. The most recent acquisition of Help Points that will be installed by NYCT forces was for 1,000 units purchased from a Certified D/M/WBE supplier at a cost of \$10.6 Million. In addition, NYCT has awarded eight contracts through the Small Business Construction Mentoring Program to furnish and install Help Points at 16 stations at a cost of \$6.6 Million. It is also expected that the contracts for NFPS design, procurement, installation and operation will result in significant D/M/WBE participation.

### **ALTERNATIVES:**

As described above, with respect to the use of the TW network as the communications link for Help Point and NFPS, NYCT has considered several alternatives including the installation of PS-LANs and connecting via cellular modems or WiFi. However, the current schedule for PS-LAN deployment will delay Help Point and NFPS implementation and NYCT will avoid significant capital costs that would otherwise be incurred.

For the Help Point installation support work, NYCT could separately procure that work. However, NYCT estimators have conducted a detailed review and are confident that TW's aggregate price for such work is below the pricing that could be achieved by going through a competitive procurement. The lower pricing makes sense because TW's costs are lower as a result of TW's embedded efficiencies described above. TW's installation schedule for Help Point in the subject stations will be at least one year faster than the schedule that could be achieved through a competitive procurement because TW does not have to wait until all of the station designs are complete before bidding out the work. It uses a design-build approach where final station design incorporating TW's core network, the incremental additional services network and the

# Staff Summary

## **FINANCE COMMITTEE MEETING** Transit Wireless, LLC ("TW") **(Cont'd.)**

Help Point support work for each station is completed sequentially and the construction of all three elements is commenced shortly after design completion.

### **RECOMMENDED ACTIONS:**

Because the timely and cost effective availability of a reliable communications network to support both Help Points and New Fare Payments System applications will enhance customer safety and convenience and facilitate the timely installation of a modern fare collection system, and because having TW provide Help Point installation support services while installing its own network is cost efficient and supports an accelerated Help Point installation schedule while being incidental to the overall character of the arrangement between NYCT and TW as a license for the provision of cellular and WiFi service to NYCT's customers, it is recommended that the Board adopt the attached Resolution, which authorizes the Chairman and Chief Executive Officer of NYCT and his/her designees to execute and deliver agreements and related documents, including modifications and supplements, and to take other actions as he/she may deem necessary, desirable or appropriate to implement the proposed additional services related options and the other modifications to the TW Agreements described herein.

## RESOLUTION

### BOARD OF THE NEW YORK CITY TRANSIT AUTHORITY

**WHEREAS**, in 2007, following a request for proposal process, the Board of the New York City Transit Authority (“NYCT”) approved the award of a license agreement to Transit Wireless LLC (“TW”) that granted TW an exclusive license to provide commercial cellular/PCS and WiFi service in NYCT’s 277 underground subway stations (the license agreement and other related documents between NYCT and TW, including modifications and supplements, the “TW Agreements”);

**WHEREAS**, following Board approval in September, 2011, the TW Agreements were modified to divide the construction of the remaining 271 stations (the “Full Build”) into seven discrete phases, to establish a Full Build construction period of 6 years, and to grant NYCT an option to wirelessly connect to the TW network to support certain of NYCT’s own operational applications, including Help Point and the New Fare Payments System (“NFPS”);

**WHEREAS**, following Board approval in July, 2012, the existing TW Agreements were further modified to refine the way in which the sublicensees of the TW network, primarily the cellular carriers and WiFi providers, pay the various costs associated with their use of the network and how such revenues are split between TW and NYCT, and to create a direct agreement between NYCT and TW’s lenders to facilitate TW’s financing of its construction costs;

**WHEREAS**, NYCT has determined that using the wireless connection to TW’s network is a cost efficient means to provide connectivity for the Help Points at several underground stations;

**WHEREAS**, NYCT has also determined that there are significant efficiencies, cost savings and schedule accelerations that can be achieved if TW performs a part of the Help Point installation work at the same time that it is installing its own network using the same contractors and taking advantage of the same track outages and NYCT field support;

**WHEREAS**, communications connectivity is on the critical path for implementation of a New Fare Payments System and, when compared to the alternatives, NYCT has determined that using the TW network for NFPS in the underground stations will result in significant schedule acceleration, cost savings, increased reliability and enhanced information security;

**WHEREAS**, at NYCT’s request, TW has submitted a proposal to extend the scope of the additional services option in the TW Agreements to include a wired connection from the fare control areas to TW’s network and such proposal is under review by NYCT;

**WHEREAS**, TW has an obligation to both NYCT and its cellular carrier sublicensees to install TW’s core cellular and WiFi network in accordance with an aggressive predetermined schedule and if NYCT and TW can’t reach agreement on moving forward with the NFPS connection option in time for TW’s design and construction of the core network in a station, some of the associated cost and schedule efficiency will be lost;

**WHEREAS**, to maximize cost and schedule efficiency, NYCT has requested that the Board agree to delegate to the NYCT Chairman and Chief Executive Officer the authority to finalize the scope, price and schedule details with respect to the options that will be added to the TW Agreements giving the right for NYCT to use TW's network for NFPS communications support;

**WHEREAS**, NYCT desires that the Board authorize the other modifications to the TW Agreements described in the Staff Summary to which this Resolution is attached, including the increase in TW's permitted debt level and the grant of a license right to TW to install a fiber optic cable in the Steinway tunnel; and

**WHEREAS**, the timely and cost effective availability of a reliable communications network to support both Help Point and New Fare Payments System applications will enhance customer safety and convenience and facilitate the timely installation of a modern fare collection system, and because having TW provide Help Point installation support services while installing its own network is cost efficient and supports an accelerated Help Point installation schedule while being incidental to the overall character of the arrangement between NYCT and TW as a license for the provision of cellular and WiFi service to NYCT's customers, and because use of the TW network avoids substantial capital costs that would have to be incurred if NYCT were to have to provide a separate communications infrastructure, NYCT desires that the Board delegate to the Chairman and Chief Executive Officer of NYCT and his/her designees the following authority to implement the proposed additional services related options;

**NOW THEREFORE**, upon the recommendation of the Chairman and Chief Executive Officer of the NYCT, the Board of the NYCT resolves as follows:

1. The Chairman and Chief Executive Officer and his/her respective designees are hereby authorized to finalize the scope, price and schedule details with respect to use of the TW network as a communications link for, and TW's provision of additional services for support of, Help Point and NFPS, and to execute and deliver any and all agreements, including modifications and supplements, and other necessary or appropriate agreements, documents, writings and other instruments, and to take any other necessary or appropriate steps as he/she may deem necessary, desirable or appropriate to implement the proposed additional services related options, and the other modifications to the TW Agreements, described in the Staff Summary to which this Resolution is attached.
2. The Chairman and Chief Executive Officer and his/her designees are hereby authorized to take any and all actions as may be required necessary to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.

# Staff Summary

<b>Subject</b> MODIFICATION OF LICENSE AGREEMENT
<b>Department</b> REAL ESTATE
<b>Department Head Name</b> JEFFREY B. ROSEN
<b>Department Head Signature</b>
<b>Project Manager Name</b> GEORGE MCDONALD

<b>Date</b> JULY 23, 2012
<b>Vendor Name</b> TRANSIT WIRELESS, LLC
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/23/12	x		
2	Board	7/25/12	x		

Internal Approval			
Order	Approval	Order	Approval
		1	MTA Legal <i>[Signature]</i>
3	Chief of Staff <i>[Signature]</i>	4	President NYCT <i>[Signature]</i>
2	Chief Financial Officer <i>[Signature]</i>		

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

**LICENSEE:** Transit Wireless, LLC ("TW")

**LOCATION:** 277 NYCT underground subway stations

**ACTIVITY:** License for installation of cellular/PCS and WiFi wireless telecommunications network

**ACTION REQUESTED:** Approval of a modification to the license agreement between NYCT and TW

**PURPOSE:** To request that the Board (1) approve a modification to the license agreement between NYCT and TW to facilitate TW's entry into a loan agreement with a syndicate of lenders; and (2) authorize the Chairman and Chief Executive Officer of NYCT and his/her designees to execute and deliver contracts and other documents and take other actions to implement the license agreement, as modified.

This modification would, among other things,:

- add provisions to the license agreement that will enable TW to enter into a loan agreement with a syndicate of financial institutions for funding a portion of the cost of the construction of the TW network; and
- refine the provisions of the License Agreement relating to revenue sharing.

In addition, in connection with the modification, NYCT would enter into an agreement with TW's lenders providing the lenders with standard notice, cure, transfer, assignment and substitution rights typically found in project finance documentation.

**BACKGROUND:** In 2007, following a request for proposals process, the Board approved the award of a license agreement to TW that granted TW an exclusive license to provide commercial cellular/PCS and WiFi service in NYCT's 277 underground subway stations. Under the arrangement, TW acts as a neutral host, constructing the distributed antenna system within the NYCT stations (but not within any of the tunnels between stations) and sublicensing rights to use that system to cellular/PCS carriers and WiFi providers. TW's majority owner (Broadcast Australia) is an investment and operating company that specializes in the broadcast and telecommunications fields and is majority owned by Canada's largest public pension fund.

## FINANCE COMMITTEE MEETING

### Modification of License Agreement (Cont'd)

#### BACKGROUND: (Cont'd)

The project is divided into two parts: an Initial Build ("Initial Build") of 6 stations and a full build ("Full Build") of the remaining 271 stations. The six Initial Build stations, all located in the Chelsea area of Manhattan, have been in commercial service since October, 2011 for AT&T and T-Mobile subscribers (TW is in negotiations with other carriers for their participation in the network). The service in the Initial Build stations has performed well, there has been no interference with NYCT communications and the public reaction has been favorable. TW is obligated to commence construction of Phase 1 of the Full Build (30 midtown stations) this summer.

In September, 2011, the Board approved modifications to the license agreement that, among other things:

- divided the Full Build into seven discrete phases;
- established a Full Build construction period of 6 years; and
- granted NYCT an option, which if exercised by NYCT would piggyback on the TW cell phone and WiFi network to provide NYCT with wireless communications access to support certain of its own operational networking needs. (In May, 2012, TW and NYCT agreed on the terms under which TW will construct and operate an Additional Services network in 15 of the 30 Phase 1 Full Build stations that will provide the connectivity for the Help Point implementation in those stations.)

A copy of the staff summary for the September, 2011 Board action is attached.

In 2007 it was anticipated that the carriers would finance all of the capital costs of the construction of the network and pay a fixed rent per station that would be shared between NYCT and TW. NYCT was entitled to the payment of a revenue share equal to the higher of the \$3 million minimum annual compensation (escalated by CPI) or 50% of net revenues. The 2011 license agreement modification increased the minimum annual compensation to \$3.3 million.

Since 2007, access to capital for projects such as this has been constrained and the capital budgets of the carriers have been reduced. To address those changes, TW has developed a new financing structure that includes a loan facility and requires TW to make a greater equity investment than it originally intended. Since the 2011 modification, TW has been working with a syndicate of lenders to finalize the terms of such loan facility. In order to make the project financeable, standard project finance provisions relating to notice, cure, transfer, assignment and substitution are being added to the license agreement. In addition, a direct agreement would be entered into between NYCT and TW's lenders. NYCT has been represented in these negotiations by the project finance group at Orrick, Herrington & Sutcliffe, a law firm that is internationally recognized in the project finance field. TW is obligated to reimburse NYCT for Orrick's costs.

Over this same period, TW's commercial arrangements with the carriers have become more complicated, with multiple payment streams that do not directly correlate to specific expense reimbursement or revenue categories. These changes, together with the restructuring of the capital funding, have necessitated refinements to the revenue sharing provisions to ensure that they work appropriately. In the original arrangements, the carriers were funding 100% of the capital costs during the construction period and the only revenues shared between NYCT and TW were the monthly rent payments made by the carriers for occupancy of the stations. The modified provisions address the fact that there are multiple revenue streams and expense deductions that must now be tracked to determine the net revenues that are subject to sharing. NYCT will continue to receive the higher of the \$3.3 million minimum annual compensation (escalated by CPI) or 50% of net revenues and the refinements are projected to result in higher overall net revenues paid to NYCT than were anticipated under the original revenue sharing provisions.

## FINANCE COMMITTEE MEETING

### Modification of License Agreement (Cont'd)

The principal changes relating to revenue sharing are:

- on the revenue side, all payments from the sublicensees (the carriers) will be treated as gross revenues, however characterized; and
- on the expense side, TW will be entitled to deduct from gross revenues (a) an amount equal to the debt service on its third-party loans at a fixed rate of 7% and (b) an amount equal to an notional return of 7% on the equity it invests in excess of \$25 million (such excess being the amount that would in the 2007 financing model have been funded with carrier debt and thus entitled to an above the line return similar to TW's actual debt). In addition, TW will be able to deduct most of its costs in designing, constructing and operating the network (90% during the construction phase and 80% during the operating phase).

The parties have also agreed that MTA is entitled to 10% of the gross revenues that arise from the use of the portion of the TW network that is outside of the NYCT system. This was not part of the 2007 revenue sharing arrangement and could, over the long-term, be a significant additional source of revenue to NYCT.

In addition, the concept of a licensor event of default has been added to the license agreement to address the lenders' concern that after providing financing, they would have limited recourse if NYCT took actions in violation of the terms of the license agreement that took away TW's ability to install and operate the TW network. In such unlikely event, the lenders would be entitled to repayment from NYCT of the outstanding principal amount of their loan, together with capped hedge breakage costs. A licensor event of default provision is standard in this type of project financing. However, the risk to NYCT is minimal because such a default would be triggered only if NYCT willfully ceased to perform substantially all of its obligations under the license agreement, and such cessation substantially frustrated or rendered it impossible for TW to build its network.

### RECOMMENDED ACTIONS:

Because the provision of cellular/PCS and WiFi service in the underground subway stations will enhance customer convenience and will provide operational support and a revenue stream to NYCT, and because NYCT has exercised its option for piggybacking on the TW wireless network for operational purposes in 15 stations, it is recommended that the Board adopt the attached resolution, which authorizes the Chairman and Chief Executive Officer of NYCT and his/her designees to execute the license agreement modifications and related documents and to take other necessary or appropriate steps as he/she may deem necessary, desirable or appropriate to implement the proposed license modifications and to enter into the direct agreement with TW's lenders.

## RESOLUTION

### BOARD OF THE NEW YORK CITY TRANSIT AUTHORITY

**WHEREAS**, in 2007, following a request for proposal process, the Board of the New York City Transit Authority ("NYCT") approved the award of a license agreement (the "License Agreement") to Transit Wireless LLC ("TW") that granted TW an exclusive license to provide commercial cellular/PCS and WiFi service in NYCT's 277 underground subway stations;

**WHEREAS**, following Board approval in September, 2011, the License Agreement was modified to divide the construction of the remaining 271 stations (the "Full Build") into seven discrete phases, to establish a Full Build construction period of 6 years, and to grant NYCT an option which if exercised by NYCT would piggyback on the TW cell phone and WiFi network to provide NYCT with wireless communications access to support certain of its own operational networking needs;

**WHEREAS**, since the 2011 modification, TW has been working with a syndicate of lenders to finalize the terms of a loan facility that would provide debt financing for the Full Build;

**WHEREAS**, NYCT has completed negotiations with TW regarding modifications to the License Agreement and the terms of a direct agreement between NYCT and TW's lenders that will enable TW to enter into a loan agreement for such loan facility;

**WHEREAS**, NYCT and TW have also completed negotiation of modifications to the terms of the License Agreement to refine the revenue sharing arrangements between the parties to address changes to the project's financing structure and the way in which the sublicensees of the TW network, namely the cell phone carriers and WiFi providers, pay the various costs associated with their use of the network;

**WHEREAS**, the proposed modifications to the License Agreement and the proposed direct agreement between NYCT and TW will permit the Full Build to move forward on terms that continue to provide substantial benefits to NYCT; and

**WHEREAS**, the provision of cellular/PCS and WiFi service in the underground subway stations will enhance customer convenience and will provide operational support and a revenue stream to NYCT;

**NOW THEREFORE**, upon the recommendation of the Chairman and Chief Executive Officer of the NYCT, the Board of the NYCT resolves as follows:

1. The Chairman and Chief Executive Officer and his/her respective designees are hereby authorized to execute and deliver any and all contracts and other necessary or appropriate agreements, documents, writings and other instruments and to take any other necessary or appropriate steps as he/she may deem necessary, desirable or appropriate to implement the Full Build, including (a) the modification to the License Agreement between NYCT and TW pertaining to the installation and operation of cellular/PCS and WiFi wireless telecommunications services in NYCT's underground subway stations and (b) the direct agreement between NYCT and TW's lenders, all as more fully described in the Staff Summary to which this Resolution is attached.
2. The Chairman and Chief Executive Officer and his/her designees are hereby authorized to take any and all actions as may be required necessary to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.

# Staff Summary

Subject <b>MODIFICATION OF LICENSE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>CLARETHA FENNICK</b>

Date <b>SEPTEMBER 26, 2011</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/26/11	x		
2	Board	9/28/11	x		

Internal Approval			
Order	Approval	Order	Approval
		1	MTA Legal 
3	Chief of Staff 	4	President NYCT  for Trip
2	Chief Financial Officer		

**Narrative**

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

**LICENSEE:** Transit Wireless, LLC ("TW")

**LOCATION:** 277 NYCT underground subway stations

**ACTIVITY:** License for installation of cellular/PCS and WiFi wireless telecommunications network

**ACTION REQUESTED:** Approval of modified terms

**COMMENTS:**

**PURPOSE:** To request Board approval of a modification to a license agreement between NYCT and TW, and to authorize the Chairman and Chief Executive Officer of NYCT and his/her designees to execute and deliver contracts and other documents and take other actions to implement the proposed modification and, if deemed by the Chairman and Chief Executive Officer to be prudent, to exercise and implement the option included in such proposed modification.

This modification would:

- accelerate the commencement date of the build-out of the network following the imminent completion of the 6 station proof-of-concept stage;
- break the network build-out into 7 phases and reduce the overall period that TW has to complete the build-out of the network; and
- provide NYCT with an option to have TW expand the network's functionality to enable NYCT to use that network for NYCT's own operational purposes.

**BACKGROUND:** In 2007, following a request for proposals process, the Board approved the award of a license agreement to TW that granted TW an exclusive license to provide commercial cellular/PCS and WiFi service in NYCT's 277 underground subway stations. Under the arrangement, TW acts as a neutral host, constructing the distributed antenna system within the NYCT stations (but not within any of the tunnels between stations) and sublicensing rights to use that system to cellular/PCS carriers and WiFi providers. TW's majority owner is an investment and operating company that specializes in the broadcast and telecommunications fields and is owned by Canada's largest public pension fund.

## FINANCE COMMITTEE MEETING Modification of License Agreement (Cont'd)

### BACKGROUND: (Cont'd)

The project is divided into two parts: an initial build ("Initial Build") of 6 stations and a full build ("Full Build") for the remaining 271 stations. The six Initial Build stations, all located in the Chelsea area of Manhattan, are scheduled to go into commercial service this month for AT&T and T-Mobile subscribers. TW continues to negotiate with Verizon, Sprint, MetroPCS and WiFi providers for their participation in the network. The revenues from the sublicensing of the network to carriers and other sublicensees are to be shared 50%/50% as between TW and NYCT.

The current license agreement provides that the costs of the construction of the primary network (which TW estimates at between \$150 – 200 million) are wholly the responsibility of TW. Pursuant to sublicense agreements with TW, the wireless carriers will be obligated to support such capital costs by paying to TW both an up-front per station capital charge for each station as it is constructed and ongoing monthly capital charges for each station. TW will be required to use equity and debt to fund that portion of the capital costs not paid for by the up-front payments from the carriers and then use the ongoing carrier capital repayments to amortize TW's share of the capital costs.

The provisions of the current license agreement that are proposed to be amended under the modification described below:

- condition TW's right to commence the Full Build of the remaining 271 stations on TW having at least one of the major cellular/PCS carriers committed to the entire Full Build and NYCT being satisfied with the certainty and sufficiency of the financing of the entire Full Build;
- provide that once TW starts the Full Build it must complete installations at substantially all of the stations (265 of the 277 stations) or be subject to revocation of the license (which would mean loss of its investment);
- obligate TW to commence the Full Build by no later than January, 2013;
- provide that TW has 4 years to complete the Full Build following commencement (although, because there is an additional 5 year period with aggregate liquidation payments capped at a total of \$6 million before NYCT has the ability to trigger a termination for delay, the practical result is that TW could extend the Full Build period out to 9 years before it would lose its investment); and
- provide that the minimum annual revenue share due to NYCT is \$3 million (which is escalated by CPI and is initially prorated by the proportion of stations in service until installations at all of the stations are completed).

**PROPOSED MODIFICATION:** As a result of the financial downturn, TW for some time has reported that equity investors and lenders have much less appetite for risk than was the case in 2007 and that carriers' capital budgets for network construction have been reduced. While TW is now completing the Initial Build, there is substantial doubt that it will be able to finance the Full Build under the existing license terms and current market conditions.

TW has approached NYCT to request modifications to the license agreement that would enable TW to attract the investments needed to deliver the contemplated network in the NYCT underground stations. Negotiations have produced a proposed license modification that should permit TW to move forward into the Full Build on terms that would be acceptable to its potential equity investors, debt providers and the carriers, while continuing to providing substantial benefits to NYCT.

The critical change in the proposed license amendment would be to break the Full Build into seven discrete phases. The phases would be required to be constructed in sequential order. Having commenced a particular phase, TW would be obligated to complete that phase. TW would have a set period of time to commence and to complete each phase in the sequence. If TW failed to timely complete a phase, the amended license agreement would provide for delay damages and a failure to complete would lead to a default. If TW completed a phase but failed to commence the next phase within a specified period of time, TW would lose the right to commence any additional phases. If that were to occur, NYCT would be free to seek other alternatives for deployment of cellular/PCS and WiFi service in those stations where the TW network had not been installed. Although MTA would have to undertake the process of soliciting offers from other providers to enable service at the remaining stations, there is no technical or financial requirement that all of the stations be part of a single network. The carriers themselves or another neutral host could provide the service in those stations not served by the TW network.

## FINANCE COMMITTEE MEETING

### Modification of License Agreement (Cont'd)

As part of the modification, TW would agree to a Full Build construction period of 6 years and commencement of the Full Build by no later than July 26, 2012. This new schedule would accelerate the start of the Full Build and creates greater certainty as to the duration of the project than the original license's Full Build schedule arrangement where TW could extend the Full Build out to 9 years before NYTA had the ability to trigger a termination for delay.

The proposed phasing plan has been structured to protect against TW cherry picking the most highly trafficked stations for early completion, since permitting that would reduce the carriers' incentive to complete all of the stations. The phasing plan also provides geographic diversity so that no particular borough is put at the end of the list with respect to network installation at underground stations. (Above ground stations, which are more prevalent outside of Manhattan, already have cellular access because they have no barriers to radio frequency signals).

An important component of the proposed modification that may provide substantial benefit to NYCT is that TW would agree to grant NYCT an option, which if exercised by NYCT would provide NYCT with wireless communications access to support certain of its own operational networking needs (such as Help Point and New Fare Payments). This option for NYCT access to the TW wireless network would piggyback on the core TW network. Following exercise of the option (which would be exercisable for any or all of the underground stations on a phase by phase basis), NYCT would be obligated to pay the capital costs attributable to the additional infrastructure and an allocable share of the operating costs associated with NYCT's use of the TW network, together with a monthly capacity charge. If NYCT were to exercise this option at all 277 underground stations, the one-time capital costs are estimated not to exceed \$6 million. Up to \$6 million of such costs would be paid through an offset to NYCT's revenue stream under the license agreement. If there were additional capital costs, which is not anticipated, the excess over \$6 million would be required to be paid by NYCT as incurred. NYCT's annual operating cost payments to TW would consist of two components: (1) NYCT's allocable share of TW's actual costs to operate their network (e.g. power, network management and control, outage response, maintenance and repair), which costs are estimated not to exceed \$1.25 million per year for all 277 stations; and (2) a monthly network capacity charge that would range between \$300 to \$600 per month per station (to be escalated by CPI) depending on the level of service requested by NYCT at each station. (If the NYCT network were installed on all 277 stations, the annual capacity charge would range between \$1 to \$2 million (to be escalated by CPI)).

MTA retained NYSTEC, an independent telecommunications consultant on the Board-approved panel of on-call telecommunications consultants, to review the pricing of the network capacity charge associated with the option. NYSTEC concluded, based on its review of the TW network, TW's charges to the carriers for WiFi service, and other industry comparables, that the monthly charge of between \$300 to \$600 per station is below market and is fair and reasonable to NYCT for the bandwidth and service levels associated with the optional network services. By structuring these additional services as future options, before making a commitment NYCT will be able to compare the cost and value of the TW optional network services against the cost and value of the alternative network solutions when each construction phase is commencing.

As part of the proposed modification, TW has also agreed to increase the annual minimum revenue share from \$3 million to \$3.3 million.

In an ideal world, NYCT would hold TW to its original commitment to "build it all" or "lose it all". But the reality in today's financial environment is that such a structure is not commercially feasible. NYCT's choice is to modify the TW license or to hold the line, wait the 16 months TW has left to start the Full Build and then, if TW doesn't commence construction, start over with a new solicitation (which would be likely to result in further delay and a phasing structure very similar to the TW modified structure).

## RECOMMENDED ACTIONS:

Page 4 of 5

Because the provision of cellular/PCS and WiFi service in the underground subway stations will enhance customer convenience and will provide operational support and a revenue stream to NYCT, and because the option for an NYCT wireless network may be of substantial value to NYCT, it is recommended that the Board adopt the attached resolution, which authorizes the Chairman and Chief Executive Officer of NYCT and his/her designees to execute the contracts and to take other necessary or appropriate steps as he/she may deem necessary, desirable or appropriate to implement the proposed license modification and, if deemed by the Chairman and Chief Executive Officer of NYCT to be prudent, to exercise and implement the option included in such proposed modification.

FOR REFERENCE PURPOSES ONLY

## RESOLUTION

### BOARD OF THE NEW YORK CITY TRANSIT AUTHORITY

**WHEREAS**, in 2007, following a request for proposal process, the Board of the New York City Transit Authority ("NYCT") approved the award of a license agreement (the "License Agreement") to Transit Wireless LLC ("TW") that granted TW an exclusive license to provide commercial cellular/PCS and WiFi service in NYCT's 277 underground subway stations;

**WHEREAS**, as a result of the financial downturn following such award, TW for some time has reported that equity investors and lenders have much less appetite for risk than was the case in 2007 and that carriers' capital budgets for network construction have been reduced;

**WHEREAS**, TW has approached NYCT to request modifications to the License Agreement that would enable TW to attract the investments needed to deliver the contemplated network within the NYCT underground stations;

**WHEREAS**, the provision of cellular/PCS and WiFi service in the underground subway stations will enhance customer convenience and will provide operational support and a revenue stream to NYCT, and the option for an NYCT wireless network may be of significant value to NYCT; and

**WHEREAS**, negotiations between NYCT and TW have produced a proposed modification to the License Agreement that should permit TW to move forward into the Full Build on terms that would be acceptable to its potential equity investors, debt providers and the carriers, while continuing to providing substantial benefits to NYCT;

**NOW THEREFORE**, upon the recommendation of the Chairman and Chief Executive Officer of the NYCT, the Board of the NYCT resolves as follows:

1. The Chairman and Chief Executive Officer and his/her respective designees are hereby authorized to execute and deliver any and all contracts and other necessary or appropriate agreements, documents, writings and other instruments and to take any other necessary or appropriate steps as he/she may deem necessary, desirable or appropriate to implement the modification to the License Agreement between NYCT and TW pertaining to the installation and operation of cellular/PCS and WiFi wireless telecommunications services in NYCT's underground subway stations as more fully described in the Staff Summary to which this Resolution is attached, and, if deemed by the Chairman and Chief Executive Officer of NYCT to be prudent, to exercise and implement the options included in such proposed modification.
2. The Chairman and Chief Executive Officer and his/her designees are hereby authorized to take any and all actions as may be required necessary to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.

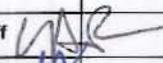
# **MTA METRO NORTH RAILROAD**

# Staff Summary

subject <b>LEASE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>NANCY MARSHALL</b>

Date <b>JUNE 23, 2014</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	6/23/14		X	
2	Finance Committee	6/23/14	X		
3	Board	6/25/14	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: MTA Metro-North Railroad ("Metro-North")  
 TENANT: American Great Dane NY LLC ("AGD") dba TBD  
 LOCATION: Eight spaces at Grand Central Terminal:

1. Space A (MC-16, formerly occupied by Francesco's Hair Salon, and originally Grand Central's Men's Waiting Room; approx. 3,406 sq. ft.)
2. Space B (the west side of Vanderbilt Hall; approx. 5,568 sq. ft.)
3. Space C (MC-17, currently occupied by Hot & Crusty; approx. 982 sq. ft.)
4. Space D (currently licensed for storage to various GCT tenants; approx. 2,707 sq. ft.)
5. Space E (currently used partially as storage and partially as a common corridor; approx. 477 sq. ft.)
6. Space F (currently available; approx. 446 sq. ft.)
7. Space G (currently licensed for storage to Papyrus; approx. 100 sq. ft.)
8. Space CH (currently vacant; approx. 2,490 sq. ft.; located in the first level of the Carey's Hole area of Grand Central roughly below Space D).

Spaces A, B, C, D, E, F, G, & CH are shown on the floor plans included below. Spaces A-D will be leased. Spaces E-G and CH will be licensed, subject to termination by Landlord on 60 days' notice.

ACTIVITIES: A fine dining restaurant in Space A;  
 A café, counter dining and take-out food service in Space B;  
 A take-out bakery/café in Space C;  
 Kitchen, storage and other back-of-house facilities in Space D;  
 Refrigerated trash handling in Space E;  
 Restrooms in Space F;  
 Ancillary uses in Spaces G and CH

ACTION REQUESTED: Approval of terms  
 TERM: Ten years plus one five-year renewal option

# Staff Summary

## FINANCE COMMITTEE MEETING American Great Dane NY LLC dba TBD (Cont'd.)

TOTAL FLOOR AREA: Approximately 16,175 sq. ft.

COMPENSATION: Base Rent:

Year	Spaces A & B		Space C		Spaces D, E, F, G, and CH		Total Amount
	Amount	Per Sq. Ft.	Amount	Per Sq. Ft.	Amount	Per Sq. Ft.	
1	\$ 1,354,042	\$ 150.88	\$ 172,678	\$ 175.84	\$ 248,760	\$ 40.00	\$ 1,775,480.0
2	1,598,770	178.16	206,002	209.78	256,223	41.20	2,060,994
3	1,646,733	183.50	212,182	216.07	263,909	42.44	2,122,824
4	1,696,135	189.01	218,548	222.55	271,827	43.71	2,186,509
5	1,747,019	194.68	225,104	229.23	279,982	45.02	2,252,104
6	1,963,448	218.79	254,473	259.14	288,381	46.37	2,506,302
7	2,022,352	225.36	262,107	266.91	297,032	47.76	2,581,491
8	2,083,022	232.12	269,971	274.92	305,943	49.19	2,658,936
9	2,145,513	239.08	278,070	283.17	315,122	50.67	2,738,704
10	2,209,878	246.25	286,412	291.66	324,575	52.19	2,820,865
11 (Renewal)	2,276,175	253.64	295,004	300.41	334,313	53.76	2,905,492
12 (Renewal)	2,344,460	261.25	303,854	309.42	344,342	55.37	2,992,657
13 (Renewal)	2,414,794	269.09	312,970	318.71	354,672	57.03	3,082,436
14 (Renewal)	2,487,238	277.16	322,359	328.27	365,312	58.74	3,174,909
15 (Renewal)	2,561,855	285.48	332,030	338.12	376,272	60.50	3,270,157

Percentage Rent:

Spaces A & B	Years 1 – 5	Tenant will pay annually (i) 11% of gross sales between \$23,320,365 and \$25,114,239, and (ii) 13% of the gross sales in excess of \$25,114,239.
	Years 6 – 15	Tenant will pay annually (i) 3.75% of gross sales between \$18,387,211 and \$23,320,365, (ii) 11% of gross sales between \$23,320,365 and \$25,114,239, and (iii) 13% of gross sales in excess of \$25,114,239.
Space C	Years 1 – 5	Tenant will pay annually (i) 11% of gross sales between \$2,679,635 and \$2,885,761, and (ii) 13% of gross sales in excess of \$2,885,761.
	Years 6 – 15	Tenant will pay annually (i) 3.75% of gross sales that are in excess of \$2,112,789 up to \$2,679,635, (ii) 11% of gross sales between \$2,679,635 and \$2,885,761, and (iii) 13% of gross sales in excess of \$2,885,761.

MARKETING: \$ 21,940 per year, increasing annually by 3%

TRASH: Approximately \$ 25,000 per year, increasing annually by 5%, if trash service is provided by Landlord.

SECURITY: Three months minimum rent plus a guaranty of payment and performance (limited to payment obligations accruing through six months following surrender and vacating of Premises following completion of construction and initial opening).

# Staff Summary

## FINANCE COMMITTEE MEETING American Great Dane NY LLC dba TBD (Cont'd.)

INSURANCE: Standard

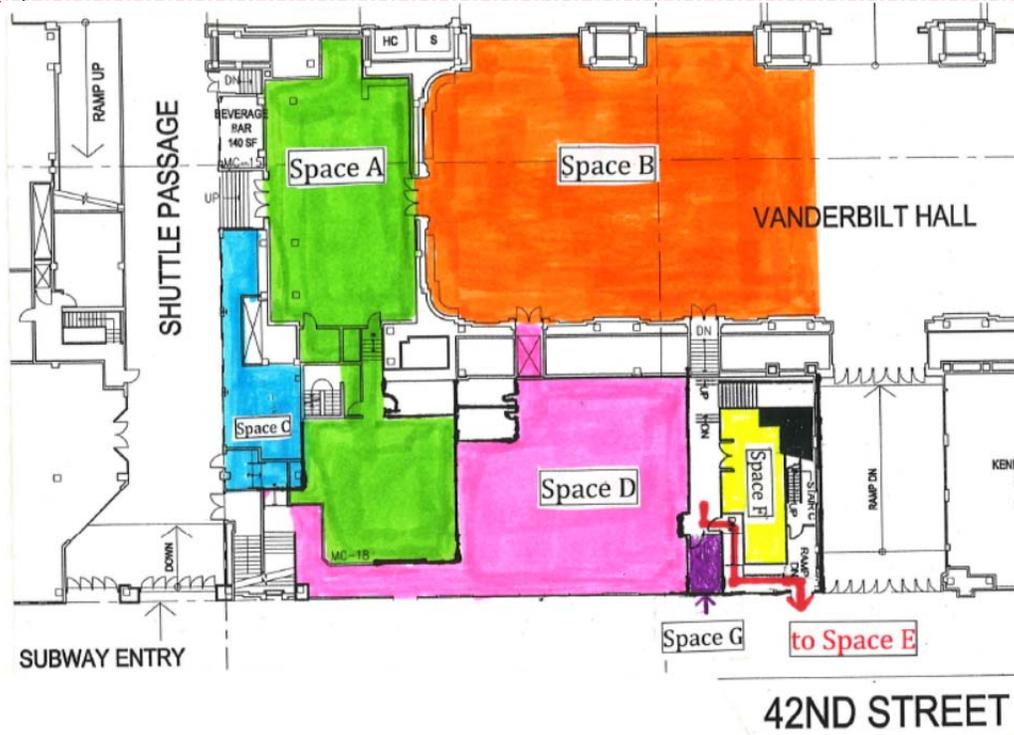
CONSTRUCTION: / 365 days for Spaces A- G and CH; 90 days for Space C

FREE RENT PERIODS:

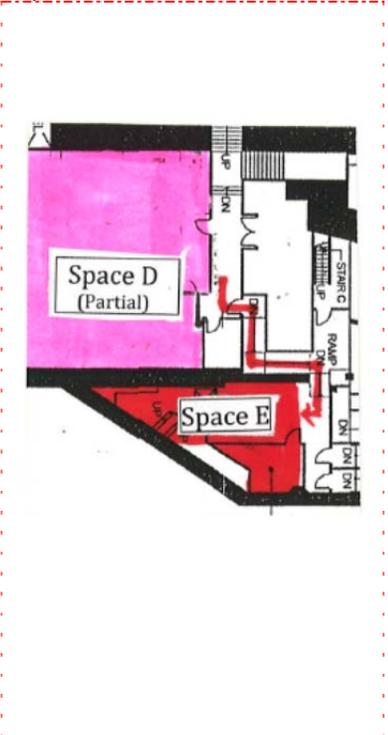
COMMENTS:

Since the Terminal was renovated in the 1990s, Vanderbilt Hall has been used exclusively for special, short-term events. Such events, including particularly the annual Holiday Fair, have been popular with the public and generated income for Metro-North. However, recognizing that it is an extraordinary space, Metro-North and MTA Real Estate have sought ways to provide a more continuous and engaging customer experience in Vanderbilt Hall. Accordingly, following up on suggestions made by NYC preservation, design and civic leaders during a charette occasioned by the Terminal's centennial, when Spaces A and C became available, MTA Real Estate in June 2012 issued a Request for Proposals ("RFP") for food and beverage services that would include a restaurant in Space A and a café in all or part of Space B and "grab and go" service in Space C.

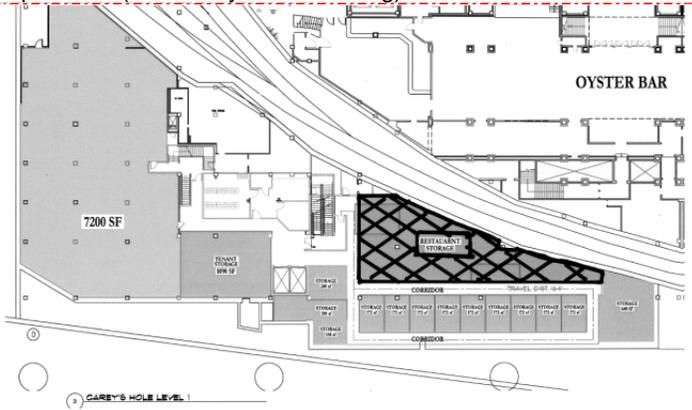
Spaces A, B, C, D, F, and G



Space E



Space CH (marked by crosshatching)



## FINANCE COMMITTEE MEETING American Great Dane NY LLC dba TBD (Cont'd.)

The RFP indicated that the MTA would pursue the proposal or combination of proposals for Spaces A, B, and C that, in the MTA's judgment, singly or collectively, would maximize the long-term aggregate revenues that the MTA derives from the leasing of the commercial space at GCT, *taken as a whole*, while making available an appropriate mix of food and beverage selections and maintaining a level of quality commensurate with GCT's status as a National Historic Landmark and one of New York City's greatest public spaces.

The RFP specified that proposals could be made for *any or all* of five space configurations:

Alternative 1: Spaces A and B only

- 1a. with no café during the Holiday Fair
- 1b. with a small café during the Holiday Fair

Alternative 2: Spaces A, B, and Space C

- 2a. with no café during the Holiday Fair
- 2b. with a small café during the Holiday Fair

Alternative 3: Space C only

The RFP stated that proposals for just Spaces A and B (Alternative 1) or just Space C (Alternative 3) would be combined and then evaluated together in comparison to proposals for all three spaces (Alternative 2).

No proposal was received for Alternative 1a or for Alternative 2a, both of which would have required that the café in Vanderbilt Hall shut down for six weeks during the Holiday Fair.

Three proposals were received for Alternative 1b. They were submitted by Tracks at Penn, LLC, dba Tracks; Tour de France Group (Simon Oren) dba Cuvée Kitchen; and City Winery New York, LLC, dba City Winery Tasting Room.

Five proposals were received for Alternative 2b. They were submitted by American GreatDane NY LLC (AGD); Tracks at Penn, LLC, dba Tracks; LDV Hospitality, dba Lugo Caffé ; Tour de France Group (Simon Oren) dba Cuvée Kitchen; and New LLC, dba Sugar & Plum.

Seven proposals were received for Alternative 3. They were submitted by Wurstmeister Inc., dba Grillmeister; The Stearn Company, dba Presto Coffee Bar; LDV Hospitality, dba Corso Coffee; Sunflower Baking Corp., dba Hot & Crusty; Silk Hospitality, dba Chock Full O' Nuts; Bien Cuit; and Eli Zabar, dba Eli's Essentials.

Per the Guidelines for Selection of Tenants for Grand Central Terminal approved by the MTA Board in November 2009 (the Guidelines), the proposals first were independently evaluated by Williams Jackson Ewing and Jones Lang LaSalle, and then evaluated by the Director of GCT Development. These evaluations took into account two criteria. Selection Criterion A, which accounts for 70% of the Total Selection Criteria Score, measures a proposal's direct economic value to the MTA. Selection Criterion B, which accounts for the other 30% of the Total Selection Criteria Score, reflects the evaluator's assessment of a proposal's indirect economic benefit to the MTA. As provided for in the RFP, the proposals received for Alternative 1b (Spaces A and B) and Alternative 3 (Space C only) were combined and then evaluated in comparison to the proposals received for Alternative 2b, which included Spaces A, B, and C.

AGD's proposal was superior with respect to both Selection Criterion A and Selection Criterion B and AGD was therefore conditionally designated the successful proposer. AGD then undertook to refine its proposed design, which it needed to do before the MTA and Metro-North could accept its proposal, and to negotiate definitive lease terms. In the course of such process, AGD's rent offer was adjusted, but it remains substantially superior to all of the other offers the MTA received, and exceeds the fair market rental value as estimated by Williams Jackson Ewing in advance of the selection process. As illustrated in the attached Evaluation Sheets, AGD's Unadjusted Guaranteed Rent Amount (the proposed guaranteed minimum rent, on a present value basis) *and* its Total Selection Criteria Score are both higher than those for any other Alternative 2b proposal, and also higher than those for any combination of Alternative 1b and Alternative 3 proposals. Because AGD has offered the highest Unadjusted Guaranteed Rent Amount, the Guidelines do not require a selection committee.

In addition to Spaces A, B and C, AGD will require space for food preparation, storage and other back of house uses, as described above.

Spearheading AGD's GCT project will be Claus Meyer, the world-renowned chef, restaurateur, and cookbook author. Meyer co-founded the restaurant Noma in Copenhagen, which holds two Michelin stars, and has been recognized as the world's best restaurant for 2014 and three of the previous four years by *Restaurant* magazine. He has published 14 cookbooks in Denmark and hosted a series, "Meyer's Kitchen," on Danish television from 1991 to 1998. Among his other business ventures, Meyer owns several restaurants, bakeries and catering, fruit and chocolate supply companies, and runs a cooking school. He is also an affiliated professor in the Department of Food Science at the University of Copenhagen. Meyer is a prominent advocate of the farm-to-table movement, which seeks to foster local agriculture and encourage sustainable food production.

# Staff Summary

## FINANCE COMMITTEE MEETING American Great Dane NY LLC dba TBD (Cont'd.)

AGD is owned by Claus Meyer LLC, (50%), by Sosatie LLP (39% – 100% of which is owned by Philip Kirsh, an experienced food service operator and restaurateur who owns Hot and Crusty, a current tenant of the MTA at both GCT and Penn Station), and 11% by Allan Karp, a principal of KarpReilly, a private investment firm that partners with premier growth companies. KarpReilly LLC currently manages funds and affiliates with capital commitments in excess of \$500 million. Over the past 15 years, the principals of KarpReilly LLC have invested in, sat on the boards of and nurtured over 25 growth companies, many of which are in the hospitality industry.

AGD has proposed a diverse and imaginative concept with a wide range of price points and customer experiences. The majority of the new complex will be composed of a market style collection of casual pavilions in the western half of Vanderbilt Hall. There would also be a a Nordic- style brasserie in the adjoining rear interior space that is presently closed to the public, and an interconnecting to-go counter in the Shuttle Passage, currently occupied by Hot & Crusty bakery.

The lease will require that all design elements in Vanderbilt Hall must be removable and (notwithstanding such removability) satisfactory in all respects to the State Historic Preservation Office. To accommodate the Holiday Fair and other special events, the tenant will operate the Vanderbilt Hall café in a reduced footprint for approximately seven weeks each year.

Because all of the leased premises except for Space C are to be repurposed, the tenant will be required to make substantial upfront capital expenditures to prepare the spaces. The work to be undertaken by the tenant will include the fabrication and installation of movable pavilions in Vanderbilt Hall, extensive demolition work in Spaces A, C, and D, the creation of a large new kitchen in Space D and the fitting out of Spaces A, C, E-G and CH. Completion of such work will be secured by a letter of credit equal to 125% of the estimated construction cost.

The retail tenant storage uses that are currently in Space D will be relocated to a new storage facility in Carey's Hole that will be newly accessible by virtue of elevators and stairs that Metro-North is installing using funds obtained from Apple, Inc. The relatively modest cost of fitting out such storage space -- which will also accommodate retail storage that is being displaced from other areas within Grand Central Terminal for other reasons -- has been included in Jones Lang LaSalle's retail revenue funded budget, and is expected to be recaptured quickly through the storage license fees it will generate.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease and license agreements with American Great Dane NY LLC on the above-described terms and conditions.

## FINANCE COMMITTEE MEETING American Great Dane NY LLC dba TBD (Cont'd.)

### Evaluation Sheets

Offers were received for

- Alternative 2b (Spaces A and B plus Space C with a small café during the Holiday Fair)
- Alternative 1b (Spaces A and B only with a small café during the Holiday Fair); and
- Alternative 3 (Space C only)

The highest ranking offer for Alternatives 1b and 3 were combined ("Best Alt 1b / Alt 3 Combination") and evaluated in comparison to the offers for Alternative 2b. Therefore there are Evaluation Sheets included below for Alternative 2b (including the Best Alt 1b / Alt 3 Combination), as well as for Alternatives 1b and 3.

Evaluation Sheet - Alternative 2b - Spaces A and B plus Space C only with a small café during the Holiday Fair										
Proposer	A	B	C	D	E	F	G	H	I	J
	Unadjusted Guaranteed Rent Amount	Guaranteed Rent Adjustment Factor	Adjusted Guaranteed Rent Amount (AxB)	Unadjusted Percentage Rent Amount	Percentage Rent Adjustment Factor	Adjusted Percentage Rent Amount (DxE)	Adjusted Total Rent Amount (C+F)	Selection Criterion A Score (0-70)	Selection Criterion B Score (0-30)	Total Selection Criteria Score (H+I)
										Total Selection Criteria Score (H+I)
American Great Dane NY LLC	15,909,177	1.0	15,909,177	2,395,490	-	-	15,909,177	70.0	30	100.0
Best Alt 1b / Alt 3 Combination	10,728,153	1.0	10,728,153	260,695	-	-	10,728,153	47.2	15	62.2
Tracks at Penn LLC, dba Tracks	8,768,019	1.0	8,768,019	351,133	0.50	175,567	8,943,586	39.4	15	54.4
LDV Hospitality dba Lugo Café	8,604,922	1.0	8,604,922	-	-	-	8,604,922	37.9	20	57.9
Tour de France Group (Simon Oren) dba Cuvee Kitchen	5,830,555	1.0	5,830,555	41,421	-	-	5,830,555	25.7	25	50.7
New LLC dba Sugar Plum	5,372,597	1.0	5,372,597	4,320,041	-	-	5,372,597	23.6	15	38.6

\* Guaranteed Rent Adjustment Factor: from 1.00 (no uncertainty about A.) to as low as 0.50 (great uncertainty about A.); however, may be as low as 0.00 per the Guidelines.  
 \*\* Percentage Rent Adjustment Factor: as high as 0.50 (no uncertainty about D.) to as low as 0.00 (great uncertainty about D.)  
 \*\*\* Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from column G.)

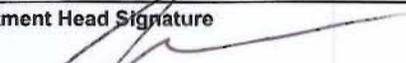
Evaluation Sheet - Alternative 1b - Spaces A and B only with a small café during the Holiday Fair										
Proposer	A	B	C	D	E	F	G	H	I	J
	Unadjusted Guaranteed Rent Amount	Guaranteed Rent Adjustment Factor	Adjusted Guaranteed Rent Amount (AxB)	Unadjusted Percentage Rent Amount	Percentage Rent Adjustment Factor	Adjusted Percentage Rent Amount (DxE)	Adjusted Total Rent Amount (C+F)	Selection Criterion A Score (0-70)	Selection Criterion B Score (0-30)	Total Selection Criteria Score (H+I)
										Total Selection Criteria Score (H+I)
Tracks at Penn LLC, dba Tracks	6,655,043	1.0	6,655,043	259,855	-	-	6,655,043	70.0	15	85.0
Tour de France Group (Simon Oren) dba Cuvee Kitchen	3,417,912	1.0	3,417,912	386,782	0.20	75,428	3,493,339	36.7	25	61.7
City Winery New York, LLC dba City Winery Tasting Room	2,303,159	1.0	2,303,159	808,065	0.50	404,033	2,707,192	28.5	20	48.5

\* Guaranteed Rent Adjustment Factor: from 1.00 (no uncertainty about A.) to as low as 0.50 (great uncertainty about A.); however, may be as low as 0.00 per the Guidelines.  
 \*\* Percentage Rent Adjustment Factor: as high as 0.50 (no uncertainty about D.) to as low as 0.00 (great uncertainty about D.)  
 \*\*\* Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from column G.)

Evaluation Sheet - Alternative 3 - Space C Only (Currently Hot & Crusty)										
Proposer	A	B	C	D	E	F	G	H	I	J
	Unadjusted Guaranteed Rent Amount	Guaranteed Rent Adjustment Factor	Adjusted Guaranteed Rent Amount (AxB)	Unadjusted Percentage Rent Amount	Percentage Rent Adjustment Factor	Adjusted Percentage Rent Amount (DxE)	Adjusted Total Rent Amount (C+F)	Selection Criterion A Score (0-70)	Selection Criterion B Score (0-30)	Total Selection Criteria Score (H+I)
										Total Selection Criteria Score (H+I)
Wurstmeister Inc. dba Grillmeister	4,073,110	1.0	4,073,110	840	0.50	420	4,073,530	70.0	15	85.0
The Stearn Company dba Presto Coffee Bar	2,703,611	1.0	2,703,611	383,609	0.50	191,804	2,895,415	49.8	15	64.8
LDV Hospitality dba Corso Coffee Bar	2,042,266	1.0	2,042,266	-	-	-	2,042,266	35.1	20	55.1
Sunflower Baking dba Hot & Crusty	2,105,481	1.0	2,105,481	177,690	0.50	88,845	2,194,326	37.7	20	57.7
Bien Cuit	1,955,477	1.0	1,955,477	359	0.50	180	1,955,656	33.6	25	58.6
Silk Hospitality dba / Chock Full o' Nuts	2,026,826	1.0	2,026,826	1,346,579	0.02	30,086	2,056,912	35.3	15	50.3
Eli Zabar dba Eli's Essentials	1,840,022	1.0	1,840,022	167,775	0.50	83,888	1,923,909	33.1	25	58.1

\* Guaranteed Rent Adjustment Factor: from 1.00 (no uncertainty about A.) to as low as 0.50 (great uncertainty about A.); however, may be as low as 0.00 per the Guidelines.  
 \*\* Percentage Rent Adjustment Factor: as high as 0.50 (no uncertainty about D.) to as low as 0.00 (great uncertainty about D.)  
 \*\*\* Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from column G.)

# Staff Summary

Subject <b>AGREEMENT EXTENSION</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>PAUL FITZPATRICK</b>

Date <b>JUNE 23, 2014</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/23/14	X		
2	Board	06/25/14	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

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

LICENSOR: Village of Tuckahoe ("Village")

LOCATION: Former Revlon Parking Lot, Section 33, Block 7, Lots 1 and 8, Section 32, Block 1, Lot 2, Village of Tuckahoe, New York (the "Lot")

ACTIVITY: Agreement extension and amendment

ACTION REQUESTED: Approval of terms

TERM: June 23, 2014 – June 22, 2024

SPACE: 139 parking spaces

COMPENSATION: None

**COMMENTS**

In 1994, Metro-North and the Village entered into a Board-approved twenty-year agreement (the "Agreement"), which provided that the Village would apportion 160 parking spaces for rail users at the subject Village-owned Lot in consideration of Metro-North funding certain improvements to the Lot that have since been made. Subsequently, in 2008, Metro-North permitted 21 of the spaces to be removed from the Agreement to support the disposition by Metro-North to Solar Electric of the obsolete and vacant former Metro-North substation adjoining the Lot.

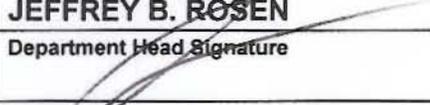
Although the Agreement is now due to expire, the Village is willing to extend the Agreement for an additional ten years for the remaining 139 commuter spaces at no charge to Metro-North.

The Lot is a convenient source of parking for commuters and Metro-North desires to amend the Agreement to ensure that the 139 spaces continue to be available to commuters. Should the Agreement simply be allowed to terminate, any reservation of spaces in the Lot for commuters would be at the Village's discretion.

Based on the foregoing, MTA Real Estate requests authorization to enter into an amendment with the Village on the above-described terms and conditions.

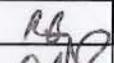
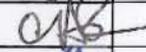
# **MTA LONG ISLAND RAIL ROAD**

# Staff Summary

Subject <b>ATLANTIC YARDS AMENDED AGREEMENTS</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>ROBERTA BENDER</b>

Date <b>JUNE 23, 2014</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	6/23/14	X		
2	LIRR	6/23/14		x	
3	Board	6/25/14	x		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 		
3	Chief of Staff 		
2	Chief Financial Officer 		

## PURPOSE

To request authorization for the Chairman and/or his designee(s) to enter into amended project agreement(s) (1) permitting the developer of the Atlantic Yards overbuild project to commence early construction of overbuild platform foundations, simultaneously with its construction of the LIRR permanent yard facilities, and (2) in consideration of the expanded scope of work, and upon the posting of an additional guaranty, extending the completion deadline for the LIRR permanent yard from September 1, 2016 until December 1, 2017.

## BACKGROUND

In June, 2009, the Board authorized the Chairman and/or Executive Director and their designees to enter into contracts with entities associated with the Forest City Ratner Companies ("FCR") which, among other things: (1) authorized the sale to FCR of a fee interest in property that did not have a continued transportation use, and a fee interest in the air space above a limiting plane over property that did have a continued transportation use; (2) required construction by FCR for LIRR of first a temporary rail yard (the "LIRR Temporary Yard") and then a permanent rail yard ("LIRR Permanent Yard"), to replace the then existing yard, which was to be displaced by an arena; (3) required payment by FCR of \$20 million in cash for the arena parcel; (4) required payment by FCR of \$80 million for the air rights parcel, with payments to be made in specified installments; (5) required construction by FCR of a new subway station entrance for NYCT; (6) required FCR to provide the MTA at contract signing with an \$86 million letter of credit to secure construction of the LIRR Permanent Yard (the "Letter of Credit"); and (7) required FCR to supplement such letter of credit when FCR commenced work on the LIRR Permanent Yard with a completion guaranty from FCR's parent company Forest City Enterprises (the "Parental Guaranty"). In December, 2006, the Board adopted a resolution adopting findings pursuant to the State Environmental Quality Review Act ("SEQRA"); Empire State Development Corp. ("ESD") was the lead agency with respect to SEQRA. Pursuant to the Board authorization, the execution and delivery of the relevant agreements occurred in March, 2010.

Pursuant to such agreements, FCR posted the Letter of Credit, has paid the MTA the \$20 million purchase price for the arena site, and has been making the required payments with respect to the air rights over LIRR Permanent Yard. It has also completed the LIRR Temporary Yard and the new NYCT subway station entrance, and is otherwise substantially in compliance with the requirements of the project agreements. FCR recently partnered with a Chinese investor, the Greenland Group.

# Staff Summary

## FINANCE COMMITTEE MEETING

### Subject (Cont'd.)

Although (as previously reported to the Board) FCR has been permitted to defer posting the aforementioned parental guaranty until June 30, 2014, FCR has performed substantial excavation and other preparatory work in order to ensure that the LIRR Permanent Yard could be completed by June, 2016, as the agreements currently require. And, as required, FCR is prepared in all events to post such parental guaranty by such deadline. However, FCR is currently requesting an amendment to the relevant agreements, which would: (1) authorize it to commence early foundation work for the platform to be constructed over the LIRR Permanent Yard during the construction of the LIRR Permanent Yard; and (2) in recognition of such increased scope of work, extend the construction completion deadline for the LIRR Permanent Yard until December 1, 2017. Such amendment would be contingent upon the Parental Guaranty being modified to include completion of such foundations.

This proposed amendment is in the MTA's interest, as progressing the construction of foundation work for the overbuild platform for the air space development, at the same time as the LIRR Permanent Yard is constructed, would eliminate significant future disruption to operations in the LIRR Permanent Yard after its completion. The extension of the construction completion deadline will not have a detrimental effect on LIRR's operations, as completion of the LIRR Permanent Yard was initially scheduled to coincide with the completion of the East Side Access project, which has been delayed, and in the meanwhile the LIRR Temporary Yard that FCR has provided will continue to suffice for all of LIRR's purposes. Moreover, as part of its environmental review of the overall Atlantic Yards Project, lead agency ESD has completed a Technical Memorandum, which concludes that the extension of the LIRR Permanent Yard completion date will have no significant environmental impact not previously addressed; that memorandum has been provided to the Board under separate cover.

### **RECOMMENDATION**

That the Board approve the attached resolution, authorizing the Chairman and/or his designees to take any and all actions on behalf of the MTA and LIRR, including entering into and executing any and all agreements, amendments, and other documents, and to perform such further acts as are necessary, desirable or convenient, in order to effectuate the above-described transactions.

**RESOLUTION**

**BOARDS OF THE**

**METROPOLITAN TRANSPORTATION AUTHORITY**

**LONG ISLAND RAIL ROAD**

WHEREAS, the Board approved a transaction in June 2009, whereby the Chairman and/or Executive Director and their designees were authorized to enter into agreements with entities associated with Forest City Ratner Companies ("FCR") which, among other things: (1) authorized the sale to FCR of a fee interest in property that did not have a continued transportation use, and a fee interest in the air space above a limiting plane over property that did have a continued transportation use; (2) required construction by FCR for LIRR of first a temporary rail yard (the "LIRR Temporary Yard") and then a permanent rail yard ("LIRR Permanent Yard"), to replace the then existing yard, which was to be displaced by an arena ; (3) required payment by FCR of \$20 million in cash for the arena parcel; (4) required payment by FCR of \$80 million for the air rights parcel, with payments to be made in specified installments; (5) required construction by FCR of a new subway station entrance for NYCT; (6) required FCR to provide the MTA at contract signing with an \$86 million letter of credit to secure construction of the LIRR Permanent Yard (the "Letter of Credit"); and (7) required FCR to supplement such letter of credit when FCR commenced work on the LIRR Permanent Yard with a completion guaranty from FCR's parent company Forest City Enterprises (the "Parental Guaranty"); and

WHEREAS, pursuant to such agreements, FCR posted the Letter of Credit, has paid the MTA the \$20 million purchase price for the arena site, and has been making the required payments with respect to the air rights over LIRR Permanent Yard. It has also completed the LIRR Temporary Yard and the new NYCT subway station entrance, and is otherwise substantially in compliance with the requirements of the project agreements; and

WHEREAS, FCR is currently requesting an amendment to the relevant agreements, which would: (1) authorize it to commence early foundation work for the platform to be constructed over the LIRR Permanent Yard during the construction of the LIRR Permanent Yard, and (2) in recognition of such increased scope of work, extend the construction completion deadline for the LIRR Permanent Yard until December 1, 2017. Such amendment would be contingent upon the Parental Guaranty being modified to include the completion of such foundations; and

WHEREAS, the proposed amendment is in the MTA's interest, as progressing the construction of foundation work for the overbuild platform for the air space development, at the same time as the LIRR Permanent Yard is constructed, would eliminate significant future disruption to operations in the LIRR Permanent Yard, and the extension of the construction completion deadline will not have a detrimental effect on LIRR's operations;

NOW, THEREFORE, upon the recommendation of the MTA Chairman, the Boards of the MTA and LIRR resolve as follows: The Chairman and/or his designees, acting singly, are authorized to negotiate, execute and deliver any and all agreements, amendments and other documents, and to perform such further acts as are necessary, desirable or convenient, in order to effectuate the above-described transactions.

# Staff Summary

Subject <b>EMERGENCY PARKING</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name

Date <b>JUNE 23, 2014</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	6/23/14	X		
2	Board	6/25/14	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

Board approval is sought for MTA to enter into permits with the following entities to support emergency alternative transportation in the event of a LIRR strike:

- Queens Ballpark for use of selected parking areas near CitiField for emergency shuttle bus staging and park and ride using nearby #7 service
- The Port Authority of New York and New Jersey for use of selected parking areas near JFK Airport for emergency shuttle bus pick up and drop off and park and ride using nearby A subway service
- Nassau Community College for use of selected parking areas for emergency shuttle bus pick up and drop off
- The State University of New York for use of selected parking facilities for carpooling at Farmingdale State College; and
- The New York State Office of Parks Recreation and Historic Preservation for use of parking facilities for carpooling at six state parks.

The total daily cost for these parking locations will be approximately \$12,000.

The MTA and LIRR unions are continuing to negotiate a new labor agreement. Should the parties not reach an agreement, a strike is possible as early as July 20, 2014. This would have a significant impact on traffic and mobility in Nassau and Suffolk Counties and New York City. In the event of a strike, MTA will be promoting the use of carpooling and will also be providing a very limited emergency peak period bus shuttle service between selected locations on Long Island and Queens subway stations.

# **INFORMATION ITEMS**

# Memorandum



## Metropolitan Transportation Authority

State of New York

**Date** June 23, 2014

**To** Members of the Finance Committee

**From** Jeffrey B. Rosen, Director, Real Estate

**Re** **Status of Month-to-Month Licenses for Passenger Amenities**

---

In June 1988, the MTA Board adopted a policy, which allows the Real Estate Department to enter into month-to-month agreements for “passenger service oriented concessions without individual Committee or Board approval”. Attached is a status report of month-to-month agreements, which were executed pursuant to the policy.

**TENANTS CURRENTLY ON MONTH-TO-MONTH AGREEMENTS**

**MONTH: JUNE 2014**

AGENCY	LOCATION (STATION)	TENANT/USE	SF	DATE OF AGREEMENT	MONTHLY COMPENSATION	COMMENT
1. NYCT	WTC Station 8 <sup>th</sup> Ave. Line, Manhattan	Fakhru Alam/Newsstand	420	January 2004	\$155.14	Special site conditions will require interim tenancy until there is a station rehab.
2. NYCT	179 <sup>th</sup> Street Station (F train), Queens	Bachubhai Mehta/Newsstand	180	January 2008	\$1,786.80	To be publicly offered Summer 2014.
3. LIRR	Bellmore Station, Bellmore, NY	Newsstation, Inc./Newsstand	120	March 2009	\$300	To be publicly re-offered Fall 2014.
4. MNR	Grand Central Terminal	Grand Central Coffee Corp., d/b/a Irving Farm	253	February 2013	\$9,966	To be publicly offered in 2015
5. MNR	Grand Central Terminal	The Campbell Apartment, Ltd., Vanderbilt Taxi Stand	2000	April 2014 – November 2014	8% of sales	For the use as a waitperson table service non-smoking café for on premises consumption of the items served in The Campbell Apartment's primary store
6. MNR	Grand Central Terminal	Hudson News	1191	January 2010	\$5,000	Special site conditions require interim tenancy (East Side Access)
7. MNR	Croton Harmon Station	Dry Cleaning Drop Off	714	August 2013	\$2,159.72	To be publicly offered third quarter 2014
8. MNR	Various stations	Elrac, LLC, d/b/a Enterprise Rent-A-Car	N/A	April 1, 2014	\$2,333.33	Currently being publicly offered.
9. NYCT	28 <sup>th</sup> Street Station, Broadway Line, Manhattan	Syful Islam/Newsstand	170	June 1, 2014	\$1441.00	To be publicly offered fourth quarter 2014

# Memorandum



## Metropolitan Transportation Authority

State of New York

**Date** June 23, 2014  
**To** Members of the Finance Committee  
**From** Jeffrey B. Rosen, Director, Real Estate  
**Re** **GCT's Vanderbilt Hall Events Forecast**

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The following report will be presented to the Real Estate Committee by GCT Development on a monthly basis. The events forecast will show events planned for Vanderbilt Hall in the next three to four month period. This calendar will always be subject to last minute changes for technical or scheduling reasons.

June 2014 Event Forecast

Event	Date	Description	Space	Use
Nespresso	May 31 - June 7	Coffee tasting event	Vanderbilt Hall	Public
Kenneth Cole Watches	6/6	An event to get commuters thinking about how they make sure to be on time	Taxi Stand	Public
AECOM	6/12	Blood Drive with American Red Cross	Vanderbilt Hall	Public
American Express	6/20	Spinning classes for moms who won a contest	Vanderbilt Hall	Private

# Memorandum



## Metropolitan Transportation Authority

State of New York

**Date** June 23, 2014  
**To** Members of the Finance Committee  
**From** Jeffrey B. Rosen, Director, Real Estate  
**Re** **GCT – Graybar Passage Retail Kiosks**

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The following report will be presented by GCT Development office of the Real Estate Department whenever a new retail Permit Agreement has been entered into under the Retail Kiosk program approved by the MTA Board in January 2006.

**GRAND CENTRAL TERMINAL**  
**GRAYBAR PASSAGE RETAIL KIOSK PROGRAM**  
**New Licensees-Month of June 2014**

<b>Licensee</b>	<b>License Dates</b>	<b>Use</b>	<b>Monthly Compensation</b>
Verrier LLC	6/1/2014-6/30/2014	The retail sale of licensee produced hand made art and stationary	6/1/2014 \$2500
Sarah Designs	6/1/2014-7/31/2014	The retail sale of licensee produced jewelry	6/1/2014 \$2500 7/1/2014 \$2500



**GRAND CENTRAL**

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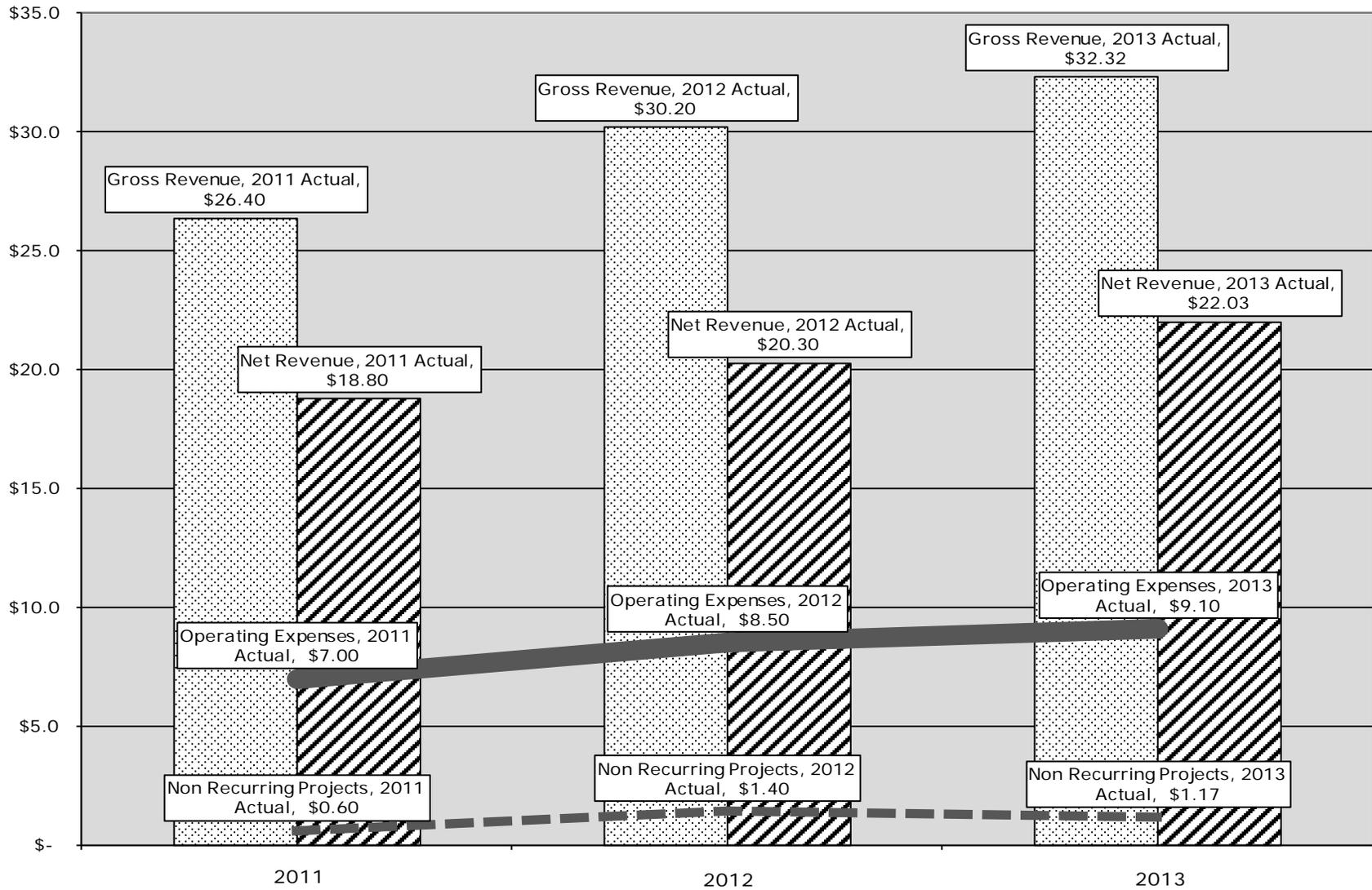
**RETAIL DEVELOPMENT  
AT  
GRAND CENTRAL TERMINAL**

**June 2014**





**I. PROPERTY PERFORMANCE (in millions)**



**Financial Summary -- 2011-2014 Income and Expenses**

	Actual 2011	Actual 2012	Nov Plan 2013	Actual 2013	July Plan 2014	Actual 13 v Nov Plan 13		Variance Actual 13 v Actual 12		July Plan 14 v Actual 13	
						Amount	%	Amount	%	Amount	%
Tenant Revenue	20,799,131	23,759,834	24,805,162	25,018,491	26,702,231	213,329	1%	1,258,657	5%	1,683,740	7%
Other Income	6,642,508	6,266,504	7,002,503	7,306,448	9,826,381	303,945	4%	1,039,944	17%	2,519,933	34%
<i>Total Revenue</i>	<i>27,441,639</i>	<i>30,026,338</i>	<i>31,807,665</i>	<i>32,324,939</i>	<i>36,528,612</i>	<i>517,274</i>	<i>2%</i>	<i>2,298,601</i>	<i>8%</i>	<i>4,203,673</i>	<i>13%</i>
Operating Expenses	7,256,122	8,397,698	9,191,372	9,121,579	8,266,660	69,793	1%	(723,881)	-9%	854,919	9%
Non Recurring Projects	277,677	1,058,253	1,873,970	1,173,367	2,102,857	700,603	37%	(115,114)	-11%	(929,490)	-79%
<i>Total Expenses</i>	<i>7,533,799</i>	<i>9,455,951</i>	<i>11,065,342</i>	<i>10,294,946</i>	<i>10,369,517</i>	<i>770,396</i>	<i>7%</i>	<i>(838,995)</i>	<i>-9%</i>	<i>(74,571)</i>	<i>-1%</i>
<b>Net Income</b>	<b>19,907,840</b>	<b>20,570,387</b>	<b>20,742,323</b>	<b>22,029,993</b>	<b>26,159,095</b>	<b>1,287,670</b>	<b>6%</b>	<b>1,459,606</b>	<b>7%</b>	<b>4,129,102</b>	<b>19%</b>

\* Tenant Revenue includes minimum, percentage, and storage rent; Other Income includes sponsorships and events, pass-through charges to tenants, etc.

**II. LEASING ACTIVITY**

**LEASES SIGNED**

Lexington Passage	Jacques Torres Chocolates Café Grumpy
North End Passage	The Beverage Bar
Grand Central Market	Ceriello Fine Foods Dishes At Home
Biltmore Room/Passage	Central Watch Band

**LEASES CURRENTLY IN NEGOTIATION**

Vanderbilt Hall/ Shuttle Passage	American Great Dane (Claus Meyer Nordic Restaurant)
Shuttle Passage	TASTE NY/ One Woman Winery
Grand Central Market	Oren's Daily Roast
Lexington Passage	New York Film Academy

### III. TENANT SALES PERFORMANCE

#### Average Sales Per Square Foot by Retail Area

	<b>2013</b>	<b>2012</b>	<b>Q1 2014</b>	<b>Q1 2013</b>
<b>42<sup>nd</sup> Street</b>	\$1014	\$927	\$210	\$226
<b>Main Concourse</b>	\$2966	\$2994	\$687	\$668
<b>Shuttle Passage</b>	\$1288	\$1254	\$323	\$316
<b>42<sup>nd</sup> St. Passage</b>	\$2194	\$2007	\$475	\$510
<b>Graybar Passage</b>	\$3629	\$3377	\$892	\$852
<b>Lexington Passage</b>	\$2681	\$2741	\$606	\$643
<b>Grand Central Market</b>	\$3366	\$3294	\$848	\$835
<b>Dining Concourse</b>	\$3017	\$2569	\$744	\$649
<b>Restaurants</b>	\$884	\$820	\$137*	\$218
<b>Biltmore Room/Passage</b>	\$943	\$864	\$223	\$208
<b>All GCT</b>	\$1622	\$1528	\$370	\$389
<b>All GCT (excluding restaurants)</b>	\$1998	\$1883	\$486	\$473

\*Oyster Bar was closed for ceiling renovations (needed replacement of historic Gustavino Tile) from January 5, 2014 through March 12, 2014, resulting in the drop of restaurant sales per square foot for Q1 2014. Without Oyster Bar sales from 2013 and 2014, the average annual sales per square foot in the restaurants would be:

Q1 2014 \$301

Q1 2013 \$296

### 2013 YEAR END SALES PERFORMANCE

Total reported retail sales for 2013 equaled \$188,614,279, a 2.5% increase from 2012

### COMPARABLE SALES

Total sales for the 83 tenants open for all of 2013 and 2012 increased by 5.4%

Of these tenants:

62 reported positive comparable sales

1 was flat to last year's sales

20 reported negative comparable sales

Comparable sales increased in all retail areas of GCT for 2013 as compared to 2012 as follows:

42 <sup>nd</sup> Street	9%
Main Concourse	3%
Shuttle Passage	3%
42 <sup>nd</sup> St. Passage	9%
Graybar Passage	7%
Lexington Passage	3%
Grand Central Market	5%
Dining Concourse	4%
Restaurants	8%
Biltmore Room/Passage	9%

### 2014 end of Q1 SALES PERFORMANCE

Comparable sales for Q1 2014 to Q1 2013 have generally shown a healthy increase by area within GCT. Both the Biltmore Room/Passage and Main Concourse show negative results due to Hudson News' sales decrease. Hudson News has lost business due to the increase of e-readers and a general decline in the sale of print media including books, magazines and newspapers.

42 <sup>nd</sup> Street	13%
Main Concourse	-8%
Shuttle Passage	5%
42 <sup>nd</sup> St Passage	14%
Graybar Passage	9%
Lexington Passage	5%
Grand Central Market	6%
Dining Concourse	2%
Restaurants	15%
Biltmore Room/Passage	-7%

#### **IV. MARKETING**

The 2013 Centennial led by Metro-North Railroad with support by the retail property manager (Jones Lang LaSalle) provided GCT a very high profile and focused platform to launch a series of public, cultural and retail promotions. These efforts generated increased local and international publicity and strong sales results strengthening the "GCT brand". Overall, the Centennial, supported by a detailed and creative marketing plan, allowed maximum exposure with marketing outlets.

##### Retail Promotions

During the Centennial celebration several new tenant themed initiatives were launched:

##### 1913 Pricing

On February 1<sup>st</sup> many retailers offered select goods at 1913 pricing. The promotion was an overwhelming success. The lines at the participating retailers were a telltale sign of each tenant's popularity and this promotion was repeated several times during the Centennial year.

### 100 Free

In addition to 1913 pricing, several tenants participated in a 100 Free promotion. The first 100 customers received a special gift with purchase.

### Grand Central Rewards

In 2013 we launched *Grand Central Rewards* program. Shoppers received Centennial specific rewards for shopping at stores throughout the entire Terminal. The goal was for people to shop stores in all areas of the Terminal in order to grow people's knowledge of all retail options. The feedback was terrific. Most of the customers went for the increased spend to get the top value reward. The promotion was repeated with a May/June 2014 version with summer themed rewards.

### Branding

An initiative was undertaken to "call out" the Dining Concourse and Grand Central Market. Both entities were given their own tagline and logo and promotional campaign around the Terminal to give them more exposure along with an understanding of how great and expansive their food offerings are.

This effort was aided by a large scale photo shoot. The photo shoot focused on new photos for all tenant spaces including Graybar kiosks, actual shoppers in action shots and new beauty shots. These efforts will elevate all collaterals with new vibrant photos.

### GCT Media

Our on-call firm, Goodman Media plotted out a significant communications strategy aligned with the MTA Press office, followed by a rigorous execution of the Centennial year activities, resulting in a spectacular media turn-out for the February 1<sup>st</sup> festivities that saw more than 200 credentialed press on site, nearly 500 global media hits through thousands of press outlets in 34 states and 16 countries, garnering more than 1.3 billion impressions internationally.

Press coverage throughout 2013 represented the highest amount of generated clips and resulting impressions of any of the three years Goodman Media has worked on the Terminal.

To date in 2014, Goodman Media & MTA Press Office has helped garner nearly 130 separate clips for events and retail activities with highlights including:

- J.P. Morgan International Squash Tournament in January
- Beer Week activities in February
- Japan Week, which was accompanied by a photo exhibit about the Japanese Earthquake, in March.

### Sponsorship

As part of the Centennial focus, Premier Partnerships and JLL, with Metro-North support, secured \$1,375,000 in gross sponsorship revenue. The sponsors were Target, Westin Grand Central, CBRE, Columbia Business School and Carvel.

Shaw Floors sponsored the Centennial Holiday Fair, and Toshiba sponsored the Centennial Holiday Light Show staged in the west windows in the Main Concourse.

Premier Partnerships also helped secure two media partners who contributed over \$975,000 in promotional (non-cash) inventory: WABC-TV Channel 7 and the New York Times.

In December 2014, the sponsorship agent was re-bid. The new agency is Leverage Agency. They are working on several large scale public event ideas such as a concert series, movie series and furthering Vanderbilt Hall activations, with the goal of making Grand Central an everyday destination.

### Connections Magazine

Two issues of Connections were produced in 2013. A well-received collectible edition was published to celebrate the Centennial on February 1<sup>st</sup>, followed by a Fall/Winter edition published just prior to the Holiday Fair and Light Show.

The Spring/Summer 2014 edition was published and distributed the first week of May 2014. All issues featured retail promotions and retail driven content.

### Social Media

The number of Facebook likes (followers) grew over 70% from 23,769 in 2012 to over 41,000 in 2013.

The number of Twitter followers increased by 83% from 4,500 to over 8,200 currently.

The number of Instagram followers (which was started in December 2013) is now over 6,000.

### E-Blast

Weekly e-blasts go out each Tuesday relevantly themed to promote GCT tenants and events.

Current list to date of subscribers increased by 7.7% to 16,414

### Mobile App

The GCT Mobile App, launched in collaboration with Metro-North was released May 2013 with retail/event and real time MNR train information, now has over 42,000 downloads.

### Website

The evolution of the website redesign continued in 2013. The homepage was reformatted to call out the most important ongoing initiatives.

In addition, a Centennial focused website was launched and kept up to date with retail promotions and events throughout 2013.

## **V. EVENTS**

Vanderbilt Hall, including Holiday Fair, and Taxi Stand event revenue in 2013 was \$2.38 MM

By mid-May 2014, contracts totaling \$1,711,000 in revenue have been signed for events throughout 2014. This represents 43% over the 2014 budget of \$1,192,263 for events excluding the Holiday Fair.

## **VI. GCT RETAIL REVENUE FUNDED PROJECTS: Conceived and implemented by Metro-North forces**

### 89 E. 42<sup>nd</sup> St. ENTRANCE FOYER

To enhance the customer experience work to patch, paint ceiling, power wash the floor, clean polish/repair walls, fabricate and replace all (16) wood entrance doors, added soffit lighting and spot lights on the lettering. Also, cleaned and rebuilt the entrance light fixtures, replaced all bulbs, and replaced the diffusers with new custom made reproduction glass diffusers.

### GCT BLOCK RESTORATION

To elevate conditions in the trainshed for arriving/departing passengers, phase II work provided for a new hung ceiling grid, and new light fixtures using LED bulbs. Installation required new support structure, conduits and wiring. Also added were conduits for the GCT Wireless project as well as utilities in anticipation of a new customer visual information system. The new color scheme continues to be well received and expanded to cover more of the Terminal.

### BILTMORE ROOM LOBBY RESTORATION

Patching, priming and painting of the ceiling in the lobby and stairwell are complete. Cleaning, polishing and painting of the walls continue. And the replacement of marble floor tiles is expected by the year's end.

### VANDERBILT HALL INFORMATION KIOSKS

Work began on new digital information kiosk. Four digital screens were installed in Vanderbilt Hall and in the entrance way, which include new power and communication lines, as well as structural improvements to support the installation. The screens will provide customers with information, such as train departure times, travel info and agency messages. Project is expected to be complete 3<sup>rd</sup> qtr. 2014.



**Long Island Rail Road**

**RETAIL DEVELOPMENT**

**AT**

**PENN STATION**

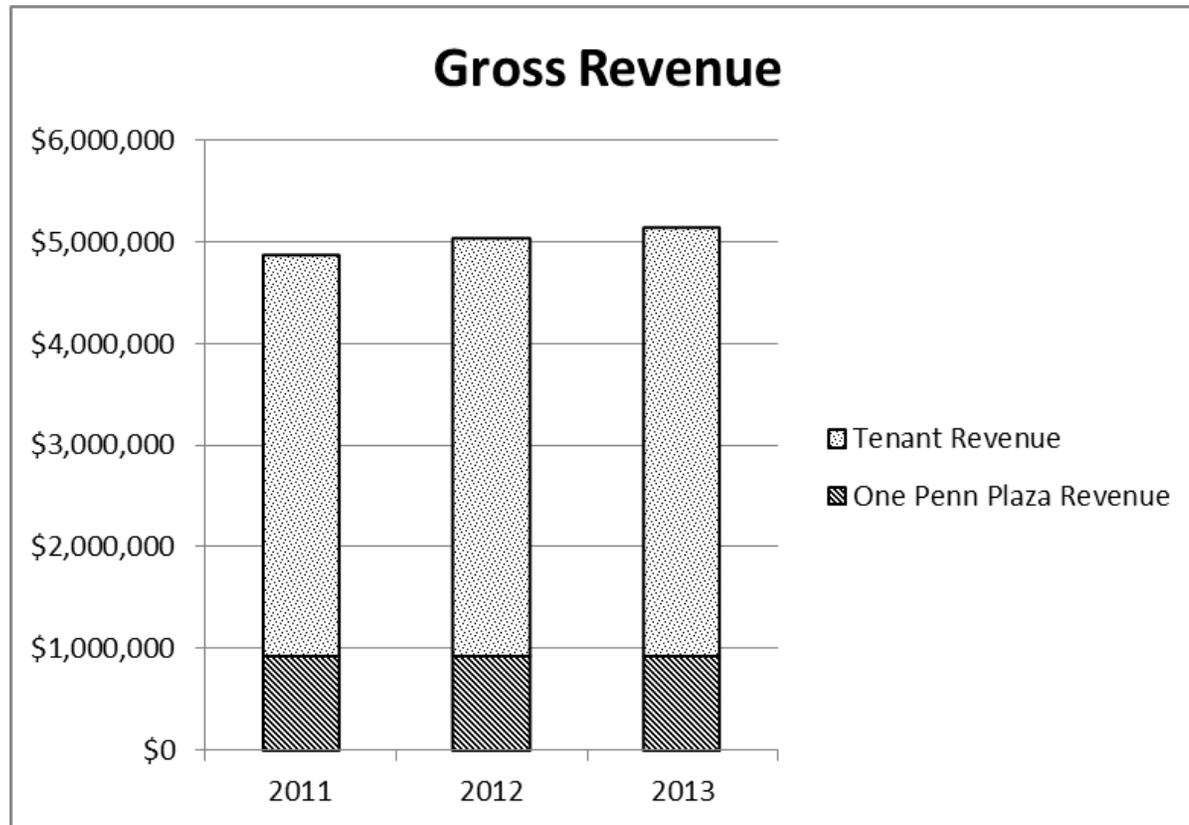
**JUNE 2014**





The MTA LIRR controls 16 retail stores and four newsstand kiosks at Penn Station. All but three of the retail stores are leased and the kiosks are fully leased. A fifth newsstand kiosk at the West End Concourse was recently closed due to the Moynihan Station Project. Leases are being finalized for two of the vacant spaces on Exit Corridor, and a Request for Proposals will be offered for retail use of the LIRR Customer Service Center space, located on the Connecting Corridor, which will soon be relocated to the ticketing area. A Request for Proposals will also be issued for the Hudson News and Penn Books spaces on the Exit Corridor.

**I. PROPERTY PERFORMANCE**



**Financial Summary: 2011 - 2013 Tenant Revenue**

	Actual 2011	Actual 2012	Actual 2013	1Q YTD	1Q YTD	Variance			
				Budget 2014	Actual 2014	<u>Actual 13 v Actual 12</u>		<u>YTD 1st Q Actual v Budget</u>	
						Amount	%	Amount	%
Tenant Revenue	\$3,932,176	\$4,099,348	\$4,202,343	\$1,016,678	\$1,079,063	\$102,995	2.5%	\$62,385	6.1%
One Penn Plaza	\$938,658	\$938,658	\$938,658			\$0	0.0%		
Total	\$4,870,834	\$5,038,006	\$5,141,001			\$102,995	2.0%		

In 2013 gross revenue increased based primarily on an overall increase in percentage rent payments due to increased sales from the three reporting tenants as well as contractual rent increases in all leases. These increases were somewhat offset by partial-year vacancies for the two retail spaces on the Exit Corridor for which leases are being finalized. The One Penn Plaza revenue is paid to LIRR pursuant to leases for retail spaces on the north side of the Connecting Corridor which are primarily within the footprint of privately-owned One Penn Plaza but include a small portion of LIRR-owned space.

**II. LEASING ACTIVITY (2013 – 2014 1st quarter)**

**NEW LEASES SIGNED**

There were no leases signed during the period.

**LEASES IN NEGOTIATION**

Leases are close to being finalized for two spaces that were offered for lease via RFP in 2013.

### III. TENANT SALES PERFORMANCE

Please note that tenant sales performance is based on the three leases that have percentage rent provisions where sales data is reported.

#### Average Sales per Square Foot by Retail Area

	<u>2013</u>	<u>2012</u>	<u>Q1 2014</u>	<u>Q1 2013</u>
Connecting Corridor	\$1,098	\$1,030	\$311	\$283
Exit Concourse	\$1,990	\$1,838	\$515	\$463
West End Concourse	n/a	n/a	n/a	n/a
All Penn	\$1,416	\$1,317	\$383	\$333

#### 2013 YEAR END SALES PERFORMANCE

Total reported retail sales for 2013 equaled \$6,782,015 among the three reporting tenants, a 7.45% increase over the previous year. Sales on both the Connecting Corridor and Exit Concourse increased, as shown above. First quarter 2014 sales per square foot also show increases over the same period last year.

### IV. MARKETING

New Penn Station HD Digital Screens: The MTA Long Island Rail Road, in conjunction with CBS Outdoor, installed 26 new digital screens throughout Penn Station to offer digital advertising and the ability to communicate with customers on real-time train information and customer messaging, as well as the ability to override advertising with emergency information. Digital screens at Penn have increased revenue significantly and provided better train information to customers.

#### Promotional Events

Several events throughout the year were held at Penn Station to promote new LIRR ridership growth. These events were promoted through a communications media mix including press releases/media advisories, station announcements, electronic customer messages, TrainTalk (the LIRR customer newsletter) articles, webpages, email alerts, social media and print advertising.

Promotional Events and Marketing Efforts included:

MSG Tennis Event: Customers were invited to attend the BNP Paribus Showdown at MSG – a LIRR ride free campaign. Event tickets were raffled off and a fun photo promotion ensued – take your picture with a giant tennis ball.

Banners: An Arch banner was installed in order to promote the LIRR Autoshow package.

Electronic Message Boards: included messages for promotional events at Penn Station. Getaway Brochure Ads promote LIRR packages and Penn station vendors. NYC Brochure ads were included for several participating vendors.

LIRR Station Posters: posters (22x36) promoting LIRR Deals & Getaways were posted throughout the station.

New Customer Mail & Ride Sign-Up Program: Customers were invited to join Mail & Ride with exciting promotions and joint ventures with our partners. Customers who signed up received various incentives including free tickets to NY Cosmos Soccer games. The Sign-Up Program will continue with events at Penn Station throughout the year.

Press Conferences: Several press conferences were held throughout the year to communicate with our customers and the media.

Cannonball Train: For the first time, the MTA Long Island Rail Road started running its premier express train, The Cannonball, from Penn Station (instead of the Hunterspoint Avenue station). This very popular train leaves Penn Station at 4:06 PM on summer Fridays (Eastbound) and runs express non-stop to Westhampton in 95 minutes.

Cannonball/Meet the Princesses of Long Island: Promotional event promoting stars of reality TV show riding the Cannonball Hamptons Reserve cars (two of the twelve cars on this train offer reserved seating and at-seat beverages, while the remaining ten coach cars are available to all customers).

Customer Service: The Long Island Rail Road hired and deployed Customer Service Ambassadors to Improve Customer Service at Penn Station (along with Jamaica Station & Atlantic Terminal).

Customer Service Office: Improvements continued to be made in providing better Customer Service at Penn Station with a new Information Center introduced in the waiting room and two mobile customer information desks.

Construction of a new Customer Service Office in the main gate area is expected to begin in the fourth quarter of 2014, which will provide a more central location for all customer service functions at Penn Station.

## **V. ON-GOING CAPITAL PROJECTS**

### 1<sup>st</sup> Avenue Ventilation Plant

Construction of the Manhattan 1<sup>st</sup> Avenue ERT ventilation plant achieved Substantial Completion in July 2013. The vent plant was totally rebuilt and modernized including reconstructing the emergency stairs with a lift for Emergency Personnel's Equipment.

### ERT Total Track Rehabilitation

In all four ERT's the project to replace the rail and ballast and clean out all the drains is ongoing.

### ERT Tunnel Standpipe

In all four ERT's, the project to modify/augment the existing tunnel standpipe system to provide for remote monitoring of the system for integrity and allow remote filling of discrete legs of the system with water prior to arrival of FDNY in the event of a tunnel emergency achieved substantial completion. Remaining work at 1<sup>st</sup> Avenue commenced in October 2013 and is forecast to be completed in the 4<sup>th</sup> quarter 2014.

### ERT and Harold 3<sup>rd</sup> Rail Replacement

A project started in 2010 to replace all the 3<sup>rd</sup> rail in the ERT and in Harold Interlocking. ERT Third rail work is being coordinated with the Total Track Replacement Project and Harold third rail Replacement is being coordinated with ESA Harold Replacement work.

### Penn Station HVAC and Escalator Replacement

New projects will provide for engineering assessment, design and replacement of the LIRR HVAC System and replacement of the 34<sup>th</sup> Street escalators. These projects will ensure LIRR concourses and offices in Penn Station are properly conditioned for the comfort of customers, employees and concessionaires and, provide state of the art escalators to ensure safe uninterrupted access/egress for LIRR customers entering Penn Station through the 34<sup>th</sup> Street entrance.

## **VI. Penn Station Visioning Project**

The Penn Station Visioning Study is a planning initiative of the MTA Long Island Rail Road, Amtrak and New Jersey Transit (NJT) – “the Operating Partners” to develop a series of phased improvements that would provide a more coherent, unified, modernized and functional station. The envisioned changes – better connections to the street, improved space utilization, better passenger circulation, etc. – would dramatically improve the passenger experience, the station’s overall efficiency and retail offerings and their associated station-supporting revenue potential.

The Study will result in an outline of improvements ranging from near-term, lower cost investments that could provide important immediate customer and operational benefits, to larger-scale transformative concepts that would reshape the station and help meet future capacity demands, but which will require implementation in phases over decades. Any proposed concepts must improve passenger convenience and ease of access and upgrade the station’s appearance and functionality while also maintaining vital track and passenger capacity during all construction phases.

## **VII. The Moynihan Station Project**

The Moynihan Station Project is divided into two phases. Phase 2 relocates Amtrak’s ticketing, waiting room and train boarding areas from Penn Station to a new train hall in the Farley Post Office to be called Moynihan Station. Phase 2 is not yet funded. Phase 1 is divided into the following three elements necessary for Phase 2 to proceed: 1) Expansion of the West End Concourse, 2) Installation of a Platform Ventilation System and 3) Widening of the Connecting Corridor that connects Penn Station to West End Concourse. All three elements are to be completed by July 2016. As expansion of the West End Concourse has the longest lead time, it is the first of the three Phase 1 elements construction packages to be awarded. The work scope for expanding the West End Concourse involves widening and extending it from Platform 7 to Platform 3, with elevators to Platforms 3 thru 9. In addition, two new entrances to the West End Concourse are constructed on the west side of 8<sup>th</sup> Avenue at 31<sup>st</sup> and 33<sup>rd</sup> Street; the Platform 3 and Platform 9 elevators, connecting to these entrances.

The connecting corridor Phase 1 element construction package was also awarded and is approximately 15% complete. The structural work for the Platform Ventilation is under construction but the Platform Ventilation Systems Components have not been funded.

# Staff Summary

Subject <b>SECOND ENTRY PERMIT EXTENSION</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature
Project Manager Name <b>PAUL M. FITZPATRICK</b>

Date <b>June 23, 2014</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/23/14		X	

Internal Approvals			
Order	Approval	Order	Approval
			Legal
	Chief of Staff		
	Chief Financial Officer		

**AGENCY:** MTA Bridges and Tunnels (“B&T”)

**LICENSOR:** Spring Scaffolding, LLC (“Spring”)

**LOCATION:** A 220-foot length by 13-foot width (approximately 2,860 square feet) portion of the southeasterly Manhattan Exit Plaza of the Queens Midtown Tunnel (“QMT”), (the “Permitted Area”). This is directly adjacent to the building belonging to Permittee’s client, a residential tower structure at 225 East 36<sup>th</sup> Street (the “Building”).

**ACTIVITY:** Second Extension to Entry Permit for the occupation of the Permitted Area for the placement, operation and removal of an approximately 220-foot long by 10-foot wide (plus a 3-foot wide overhang), one-legged, 16 to 22-foot high temporary sidewalk bridge with catchall.

**TERM:** 3 months. First Amendment to Entry Permit expired May 31, 2014. This amendment will extend the Term by 3 months, and will expire August 31, 2014.

**COMPENSATION:** \$1,500

**COMMENTS**

As part of Permittee’s project to complete certain façade work to the Building, Permittee requested a lane closure at the above location on Marginal Street, as well as permit the installation, maintenance and subsequent removal of scaffolding. B&T Engineering and Construction reviewed and approved the Permittee’s scaffolding plans and Maintenance and Protection of Traffic Plans.

Permittee was unable to complete its work within the original term of the Permit and requested a 3-month extension, which was approved by B&T. The Permit was set to expire May 31, 2014. Due to unseasonable weather-related reasons, Permittee was still unable to complete its work by that time and has requested a 3-month extension, which was approved by B&T.

Pursuant to Board Policy allowing MTA Real Estate to issue short-term access agreements on behalf of MTA Bridges and Tunnels Facilities subject to minimum fees, a second extension to the Entry Permit has been issued to Spring Scaffolding LLC, in a form approved by MTA Legal with the appropriate insurance coverage, pursuant to the above terms and conditions.

# Staff Summary

Subject <b>PERMIT TO ENTER</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature
Project Manager Name <b>IAN SALSBERG</b>

Date <b>JUNE 23, 2014</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	6/23/14		X	

Internal Approvals			
Order	Approval	Order	Approval
			Legal
	Chief of Staff		
	Chief Financial Officer		

## Narrative

**AGENCY:** MTA New York City Transit ("NYCT")  
**PERMITTEE:** Riverkeeper, Inc. ("Riverkeeper")  
**LOCATION:** Parking Area at the NYCT Ninth Ave Unit Shop (9<sup>th</sup> Ave and 208<sup>th</sup> Street)  
**ACTIVITY:** Permission to cross property  
**TERM:** Saturday May 10, 2014, from 7:00 am to 8:00 pm  
**COMPENSATION:** One dollar, payment waived  
**COMMENTS:**

Pursuant to Board policy governing short-term licensing of agency property for municipal and not-for-profit activities, Riverkeeper was granted permission to utilize a portion of the NYCT Ninth Ave Unit Shop's parking lot for access to the adjacent waterfront. Access was needed to accommodate the annual "Riverkeeper Sweep" waterfront clean-up event.

The NYCT Ninth Ave Unit Shop is located just south of the NYCT 207<sup>th</sup> Street Shop & Yard complex in Upper Manhattan. Riverkeeper was granted permission to cross over the property to access the adjacent North Cove waterfront area. (The waterfront is not owned by the MTA, its affiliates or subsidiaries.)

MTA-Legal approved the permit as to form, and Riverkeeper provided the appropriate insurance coverages and indemnification.

# Staff Summary

Subject <b>PERMIT AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature
Project Manager Name <b>DAVID ROTH</b>

Date <b>JUNE 23, 2014</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	6/23/14		X	

Internal Approvals			
Order	Approval	Order	Approval
			Legal
	Chief of Staff		
	Chief Financial Officer		

**Narrative**

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

PERMITTEE: Pamal Broadcasting, Ltd. ("Pamal")

LOCATION: Beacon Station parking facility, Beacon, New York

ACTIVITY: Overflow parking for guests of Pamal's one-day event

TERM: Sunday, June 8, 2014, from 10:00 a.m. to 9:00 p.m.

SPACE: 100 parking spaces in Lot 6 of the Beacon Station parking facility

COMPENSATION: Two Hundred Eighty-Three Dollars (\$283); lump sum payment

**COMMENTS:**

Pursuant to the 2011 Board policy governing use of railroad facilities by for-profit corporations for temporary access to Metro-North Railroad parking facilities in connection with short-term commercial activities, Pamal was granted permission to utilize part of Lot 6 in Metro-North's Beacon Station parking facility, from 10:00 a.m. to 9:00 p.m. on Sunday, June 8, in connection with Pamal's concert at Dutchess Stadium in Wappingers Falls, New York. The event permit also allowed Pamal's shuttle bus to access the lot and bring guests to and from the event. Pamal had use of 100 parking spaces. The compensation was calculated pursuant to the aforementioned Board policy.

MTA Legal approved the Permit as to form, and Pamal provided the appropriate insurance coverages and indemnification.