



Metropolitan Transportation Authority

Finance Committee Meeting

July 2014

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. Pally
J. Sedore, Jr.
V. Tessitore, Jr
P. Trottenberg
C. Wortendyke

MTA Finance Committee Meeting
347 Madison Ave. - 5th Floor Board Room
New York, NY 10017
Monday, 7/28/2014
11:00 AM - 12:00 PM ET

1. PUBLIC COMMENTS PERIOD

2. APPROVAL OF MINUTES – JUNE 23, 2014

Finance Committee Minutes - Page 4

3. 2014 COMMITTEE WORK PLAN

2014 Work Plan - Page 14

4. BUDGETS/CAPITAL CYCLE

Finance Watch

Finance Watch - Page 22

5. MTA HEADQUARTERS & ALL-AGENCY ITEMS

Action Items Approve

Authorization to Issue Special Obligation Taxable Refunding Bonds, Series 2014 - Page 32

Addition of Outside Counsel to Approved Panel - Page 76

2010-2014 Capital Plan Amendment - Page 79

2010-2014 Capital Plan Amendment - B&T Repair Program - Page 85

Procurements

MTAHQ Procurements - Page 88

6. METRO-NORTH RAILROAD

MNR Procurements - Page 102

7. LONG ISLAND RAIL ROAD

LIRR Procurements - Page 106

8. NEW YORK CITY TRANSIT, and MTA BUS OPERATIONS

NYCT Action Item - Page 110

NYCT Procurements - Page 112

9. BRIDGES AND TUNNELS

B & T Procurement - Page 114

10. FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY (No Items)

11. MTA CONSOLIDATED REPORTS

MAY

Statement of Operations - Page 116

Overtime Report - Page 124

Report on Subsidies - Page 128

Positions - Page 135

Subsidy, Interagency Loans Stabilization Fund Transactions - Page 138

Farebox Recovery Ratios - Page 141

Ridership - Page 142

Fuel Hedge Program - Page 166

12. REAL ESTATE AGENDA

Action Items Approve

Real Estate Action Items - Page 170

Report and Information Items

Real Estate Information Items - Page 182

Minutes of the MTA Finance Committee Meeting

June 23, 2014
347 Madison Avenue
New York, NY
12:30 PM

The following Finance Committee members attended:

Hon. Fernando Ferrer, Vice Chair
Hon. Andrew Albert
Hon. Jonathan A. Ballan
Hon. John H. Banks III
Hon. Allen P. Cappelli
Hon. Jeffrey A. Kay
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following Finance Committee members did not attend:

Hon. Andrew M. Saul, Chairman
Hon. Robert C. Bickford
Hon. Norman Brown

The following Board Members were also present:

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

The following MTA staff also attended:

Robert Foran
Douglas Johnson
Patrick McCoy
Jeffrey Rosen

Vice Chair Fernando Ferrer called the June 23, 2014 meeting of the Finance Committee to order at 12:35 PM.

I. Public Comments

There were no public speakers.

II. Approval of Minutes

The Committee approved the minutes to its prior meeting held on May 19, 2014.

III. Committee Work Plan

There was one change to the Work Plan.

Mr. Robert Foran stated that the Reports and Information Item, *Update on the Business Service Center*, which was scheduled for the June meeting, would be presented in the July meeting.

IV. Budgets/Capital Cycle

A. BudgetWatch

Mr. Douglas Johnson presented BudgetWatch.

Operating Revenues: Mr. Johnson noted that for the month, overall passenger and toll revenue were favorable in May for all agencies. Net passenger and toll revenues were \$11.1 million, or 1.8%, favorable for the month, and when combined with the favorable March and April 2014 results, offset the lower revenue from January 2014 and February 2014 snowstorms. Mr. Johnson noted that operating revenues were now on-target year to date (YTD).

Operating Expenses: Operating expenses were on target for the month and YTD. Lower expenses for health and welfare and Other Than Personnel Services (OTPS) have offset a May accrual adjustment at MTA New York City Transit to reflect the recent Transport Workers Union contract settlement. The Combined YTD costs also capture higher overtime costs. Mr. Johnson commented that overtime will be discussed in detail at the July meeting.

Debt Service Costs: Mr. Johnson reported that debt service costs were favorable for the month by \$43 million, or 4.5%, due to lower variable rates.

Subsidies: Mr. Johnson reported that subsidies in June were on target for the month and favorable YTD. Real estate transaction taxes (specifically the Urban Tax), with strong collections especially in January and February, have offset unfavorable collections from the PMT and MTA Aid. For the month, real estate tax collections were \$15.5 million, or 20.0%, favorable, and combined PMT and MTA Aid was \$9.0 million below Budget, or 5.8% unfavorable.

On a YTD basis, real estate collections were \$70.6 million, or 15.2%, favorable, while combined PMT/MTA Aid collections were \$64.3 million below Budget, or 6.9%, unfavorable.

Overall: Mr. Johnson summed up BudgetWatch by stating that overall operating results, encompassing passenger and toll revenues and operating expenses, were on target for the month and YTD. Debt service is continuing to be favorable. Subsidies YTD were slightly favorable on a net basis. Overall, the combined preliminary net results were slightly favorable for the month and also on a YTD basis.

Discussion: Mr. Moerdler inquired about whether costs from Superstorm Sandy were a major driver in any of the variances, if reimbursement monies were being received, and whether the

Budget reporting needs to incorporate damage costs and monies received for reimbursement. Mr. Johnson indicated that for the most part MTA is receiving what was expected, and that the July Financial Plan will incorporate a reassessment of the process. Mr. Johnson noted that major variances have not been noticed due to costs and receipts due to Superstorm Sandy, and furthermore, that the Budget was built to reflect those areas of recovery

B. FinanceWatch

Mr. Patrick McCoy presented FinanceWatch (see pages 19 through 29 of the Committee book for the full report).

Fuel Hedge: On May 15, 2014, MTA executed an approximately 4.5 million 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 competitive 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: Mr. McCoy discussed two remarketings that occurred in June 2014. The first remarketing was \$170.8 million of MTA Dedicated Tax Fund Bonds, Subseries 2008A-1, in which the irrevocable direct-pay Credit Facility issued by Morgan Stanley Bank, N.A., which was set to expire by its terms, was substituted with an irrevocable direct-pay Letter of Credit issued by the Royal Bank of Canada (RBC). The bonds were remarketed in the daily mode, with an initial rate of 0.07%. Mr. McCoy commented that RBC is a strong bank in that market, and staff was pleased to have the bonds supported by RBC in the daily mode. The transaction was led by remarketing agent RBC Capital Markets. Hawkins, Delafield, and Wood served as bond counsel and Public Financial Management, Inc. was the financial advisor.

The second remarketing was \$170.8 million of MTA Dedicated Tax Fund Bonds, Subseries 2008A-2, in which the irrevocable direct-pay Credit Facility issued by The Bank of Tokyo-Mitsubishi UFJ, Ltd. was set to expire by its terms. The bonds were remarketed as floating rate notes in two tranches of \$84.8 million each, one for a three-year term and another for a five-year term. The bonds were initially priced SIFMA Municipal Swap Index plus 38 basis points and plus 58 basis points, respectively. Mr. McCoy commented that this transaction again demonstrates the benefit of a diversified variable rate debt portfolio. The transaction was led by Goldman, Sachs, & Co., together with RBC Capital markets and with MBE special co-senior manager Estrada Hinojosa & Company, Inc. Hawkins, Delafield, and Wood served as bond counsel and Public Financial Management, Inc. was the financial advisor.

New Money: Mr. McCoy discussed a new money issuance that occurred in June 2014. The MTA issued \$500 million of MTA Transportation Revenue Bonds, Series 2014C, as fixed rate bonds to finance existing approved transit and commuter projects. The transaction was led by book-running senior manager Jefferies & Co. together with WBE special co-senior manager Stern Brothers & Co. Nixon Peabody served as bond counsel and Public Financial Management, Inc. served as financial advisor. Mr. McCoy commented that Standard & Poor's Rating Services (S&P) recent credit rating upgrade to 'AA-' from 'A+' with a stable outlook, helped for a

successful retail pricing, including approximately \$396 million in orders from retail investors. He further commented that the next day the institutional pricing did not generate strong orders for the long dated term bonds as all investors preferred to stay on the short side of the yield curve. In response, MTA moved the principal down the curve and shortened the timeframe of the loan. Mr. McCoy indicated that staff was pleased with the outcome and the issuance showed some of the most aggressive spread levels in the market at the time. The MTA will work with the Office of the State Comptroller to ensure that the next issuance of fixed-rate bonds will wrap the Series 2014C structure so that together, MTA will achieve level debt service.

V. MTA Headquarters and All-Agency Items

A. Action Item

Mr. Johnson reported that there was one action item, the 2014 State Public Work Enforcement Fund (PWEF) Assessment.

The State levies an assessment of 1/10 of 1% of the value of public work construction contracts entered into (excluding rolling stock contracts) to cover its cost of enforcing prevailing wage laws. The Board was requested to authorize payment of \$1.6 million, which represents the State assessment on the MTA and its constituent agencies for the PWEF for CY 2014 (see page 31 of the Committee book for additional details).

Mr. Moerdler inquired if a waiver had been requested. Mr. Foran responded that the assessment and payment is required by statute in order for the State Department of Labor to enforce fair wage laws.

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

B. Reports and Information Items

Mr. Johnson reported that there was one Reports and Information item. The item, *Update on IT Transformation*, was delayed until after the discussion on procurements. (Note: See section XI below for minutes on this Reports and Information item).

C. Procurements

There were four competitive procurements for MTA Headquarters for a total of \$25,175,216 (see pages 34 through 39 of the Committee book for details).

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

VI. Metro-North Railroad

A. Procurements

There were two non-competitive procurements for Metro-North Railroad totaling \$2,809,000. One non-competitive procurement is for sole source services for a five-year maintenance and support plus software enhancements contract for the MNR's Centralized Traffic Control System, as part of the Deep Dive Directive recommended by the Federal Railroad Administration, for a total of \$1,450,000. The second is a large modification for additional technical and track testing assistance throughout MNR territory for \$1,359,000.

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

VII. Long Island Rail Road

There were no items for the Long Island Rail Road.

VIII. NYCT/MTA Bus Operations

A. Action Items

Mr. Johnson stated that there were two action items for NYCT/MTA Bus Operations. The two action items for NYCT are requested jointly with Capital Program Management.

1. South Ferry Leak Mitigation

The first action item is a request for 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 (see pages 45 and 46 of the Committee book for details).

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

2. Installation of Additional Help Point Locations

The second action item is a request for Board approval to advance installation of additional Help Point (HP) in the 2010-2014 Capital Program. The HP project will be increased by 70 stations, from 152 to 222 (see pages 47 and 48 of the Committee book for details).

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

B. Procurements

There were two procurement items for NYCT for a total of \$4,012,738.

One is a non-competitive sole source procurement for maintenance and repair services to the Uninterruptible Power Supply System at the Rail Control Center for \$241,900. The other is a competitive procurement for a request for proposal (RFP) jointly with Bridges and Tunnels for preventive and remedial maintenance of security systems at several facilities (see pages 49 and 50 of the Committee book for details).

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

IX. Bridges and Tunnels

A. Procurements

There was one competitive procurement for Bridges and Tunnels, for a total of \$6,319,445. The procurement item is for a modification requesting additional funding to an existing contract related to ongoing design needs for completion of the construction documents and construction support services for two projects related to Superstorm Sandy (see page 51 of the Committee book for details).

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

X. FMTAC

There were no items for FMTAC.

XI. Update on IT Transformation

Mr. Johnson introduced Mr. Sid Gellineau, Chief Information Officer, for the All-Agency Reports and Information item, *Update on IT Transformation*.

IT Transformation: Mr. Gellineau presented the general organizational overview and provided an outline of key milestones and project deliverables of the Information Technology (IT) Transformation project, which includes the consolidation of agency IT functions under one office with a goal of achieving a single direction for the MTA technology, utilizing skill set across all agencies, providing an enhanced and consistent delivery of IT services and reducing costs by eliminating duplicate applications and systems. The goal is to be operational by January 1, 2015. Highlights of Mr. Gellineau's presentation are below.

- **Current Status:** In August 2013, MTA's Chairman and CEO consolidated IT functions under one Chief Information Officer (CIO). New IT functional units are largely formed and have partnered with Gartner to validate an integrated transformation program plan and roadmap. A number of work efficiencies and budget savings have been identified.
- **Accomplishments:**
 - **Human Resources:** Progress has been made in establishing organizational structure and appointing Division Lead (Level 2) and Organizational Unit Lead (Level 3) positions. And, they are continuing to progress towards filling the last level of IT Leadership positions (Level 4), which will be advertised and interviewed during the summer 2014. There will be 130 of the Level 4 management positions that are open to existing IT employees across all agencies. On June 11, 2014, an IT Town Hall meeting was offered to all IT staff. Of the 1,000 IT employees, 684 employees attended. Progress with negotiating with collective bargaining units to allow union employees to work across all agencies.

- Migration Strategy: All core IT processes have been mapped and assigned to teams to manage. The IT team has continued to deploy Maximo as the new centralized IT Service Desk solution. One IT Help Desk number was established and announced. They have coordinated a single Change Management process. They have continued to implement IT Planning Tool, taking 680 applications running across all agencies, and combining them into one database so they can manage lifespan and upgrades of the applications. Two migration plans have been established, one is a Transformation Program Plan (a step by step plan, both short and long term) and one is a Communication Plan.
- IT Governance: An approved IT Governance procedure is in place, with agency Vice-Presidents, as well as the Senior Director of the Business Service Center and the MTA CIO. The MTA Chief Financial Officer is Chair of the IT Governance Committee.
- **Roadmap for the Transformation Program Plan and Communication Plan**
 - Short-Term Goals: Some short term goals include implementing time keeping systems and consolidating IT budgets by 2015. There are thirteen short-term goals overall.
 - Long-Term Goals: There are fifteen long-term initiatives, including making time-keeping system that accommodates yogi (someone who is paid by one organization and works for another), as well as the pensions. They need to find a common time keeping system across the agencies and plans.
 - Project Management: They are utilizing a Project Management Office (PMO) strategy. They have a communication lead, as well as the CIO has eleven different imitative leads reporting to him.
- **Key Challenges**: Some key challenges that Mr. Gellineau raised include keeping senior management involved and engaged. Also, while it can be a challenge getting past historical MTA culture and skepticism about change, Mr. Gellineau indicated they are making progress. Legal and human resources questions have been time-consuming, but they are educating and answering questions about payroll, pension, benefits, as the IT systems are unified.
- **Needs for Success**: For continued success they look for continued strong support from leadership and strong governance. They need to continue to communicate to agencies about progress and changes. And, while they are making the changes, reducing redundancies, and unifying systems and contracts, they need to keep the business and operations running.
- **Quick Wins**: In 2014, there was a one-time Budget savings of \$2.0 million. Ongoing budget reductions of non-personnel services are estimated at \$4.8 million. Savings by consolidating contracts, such as VMware, provided \$2.3 million in savings. Another example of consolidation, is they purchased an all-agency Microsoft contract that brought extra services and enhancements. And, they are continuing their efforts to improve efficiencies and completing IT projects jointly.

Discussion: Discussion included praising the efforts made thus far and the detailed structured plans for the IT Transformation overall success. In addition, there were questions raised about negotiations with the collective bargaining units, security of the data as the systems are unified,

and efforts for records management. Mr. Gellineau indicated that they meeting with all employees and not separating the represented from the non-represented and cited the recent Town Hall meeting as an example. Regarding firewalls between agency data, Mr. Gellineau noted that the staff is removing the individual firewalls between the agencies, but is putting firewall and security systems in place system-wide to ensure data protection. Lastly, Mr. Gellineau noted that regarding record management they are looking at systems, such as FileNet from IBM and working to implement the best system to suit everyone at MTA. Mr. Moerdler suggested that they get in touch with the American Records Management Association (note: now called the Association of Records Managers and Administrators) for suggestions.

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 (see pages 53 through 106 of the Committee book).

XIII. Real Estate Agenda

A. Action Items

Mr. Rosen indicated that there were six action items for committee approval (see pages 107 through 140 of the Committee book for details).

1. Grand Central Terminal

Mr. Rosen discussed a recent RFP for large food use at Vanderbilt Hall in Grand Central Terminal. He noted that staff is pleased to be able to bring a recommendation for a lease with a group led by internationally renowned restaurateur, Claus Meyer, who was a partner in creating Noma, in Copenhagen, which is consistently ranked “Best Restaurant in the World” in annual surveys by Restaurant magazine. The new restaurant will offer fine dining, a market-style array of casual food pavilions and a grab and go counter. The structure associated with the pavilions will be movable to allow the continuation of the annual Holiday Fair.

As part of the discussion on this matter, concerns were raised that the needs of the LIRR riders using Penn Station are not being met because the facility is too congested and is filled with poor dining options and limited other amenities and attractions. Although the challenges facing Penn Station, including legal impediments to making improvements, were acknowledged, there was a request that Penn Station be improved so that the LIRR commuters have the same level of amenities as are available to commuters passing through Grand Central Terminal. Several Committee members voiced their support for improving Penn Station and the daily experience for LIRR passengers.

The Committee voted to recommend the action item on the Grand Central Terminal lease before the Board for approval.

2. Atlantic Yards

Mr. Rosen noted that this action item is requesting the Board to authorize entering into amended project agreements relating to the overbuild at the Atlantic Yards project. The developer, Forest City Ratner Companies and its partner, seek to commence early construction of the foundations for the platform and overbuild simultaneously with its construction of the LIRR Permanent Yard facilities. Combining such work requires an extension of the completion deadline to December 1, 2017. Mr. Rosen noted that MTA has sufficient security for the proposed work because it is currently holding an \$86 million Letter of Credit, which will be supplemented by a guaranty from the developer's parent entity before the end of June. Mr. Rosen observed that the extension of the East Side Access completion date allows the flexibility to eliminate significant future disruption to railroad operations by avoiding a two-stage construction process. The developer has determined that there is no additional environmental impact from the amended project.

The Committee voted to recommend the action item on Atlantic Yards before the Board for approval. Mr. Ballan recused himself and abstained from the vote.

3. Additional Items – Wi-Fi and Parking

Mr. Rosen detailed the third action item relating to NYCT's use of the communications network being constructed by Transit Wireless LLC to support NYCT applications, including Help Points and the new fare payments system. In addition, he discussed the three parking related items, including two proposed extensions for parking, one for NYCT and one for MNR at the Tuckahoe Station, and one item for emergency parking arrangements in case of an LIRR strike.

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

XIV. Executive Session and Adjournment

Upon motion duly made and seconded, the Finance Committee convened in Executive Session pursuant to Section 105 (1)(e) of the Public Officers Law to discuss collective negotiations.

After completion of the Executive Session, and upon motion duly made and seconded, the June 23, 2014 meeting of the Finance Committee was adjourned.

Respectfully submitted,

Marcia Tannian
Assistant Director, Finance

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2014 Finance Committee Work Plan

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

September 2014

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

Responsibility

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
Business Service Center Update
Overtime Reporting
Procurement Consolidation Report

MTA Div. Mgmt/Budget
MTA Capital Programs
Business Service Center
MTA Agencies
MTA Procurement

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
Authorization to issue Transportation Revenue Bonds, Dedicated Tax
Fund Bonds, TBTA General Revenue Bonds, and TBTA Subordinated
Revenue Bonds
Approval of Supplemental Resolutions Authorizing Refunding Bonds

MTA Treasury
MTA Finance
MTA Finance

<i>Other:</i>		
	Draft 2015 Finance Committee Work Plan	MTA Div. Mgmt/Budget
<u>January 2015</u>		
<i>Financing Issues:</i>		
	Special Report: Finance Department 2014 Year-End Review	MTA Finance
<u>February 2015</u>		
<i>Action Items:</i>		
	2014 TBTA Operating Surplus	B&T/MTA
	Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties	MTA Treasury, MTA Div. Mgmt/Budget
<i>Other:</i>		
	February Financial Plan 2015-2018	MTA Div. Mgmt/Budget
	Contract Change Order Report	MTA Capital Programs
<u>March 2015</u>		
<i>Action Items:</i>		
	All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines	MTA Real Estate/MTA Corporate Compliance MTA Proc., Agencies
	All-Agency Annual Procurement Report	
<i>Other:</i>		
	MTA Prompt Payment Annual Report 2014	MTA Business Service Service
	Change Orders to Capital Construction Contracts	MTA Capital Construction
<u>April 2015</u>		
<i>Action Item:</i>		
	MTA 2014 Annual Investment Report	MTA Treasury
<i>Other:</i>		
	Annual Report on Variable Rate Debt	MTA Finance
<u>May 2015</u>		
<i>Action Item:</i>		
	Station Maintenance Billings Approval	MTA Comptroller
<i>Other:</i>		
	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
<u>July 2015</u>		
	2015 Preliminary Budget/July Financial Plan 2015-2018 (Joint Session with MTA Board)	MTA Div. Mgmt/Budget

DETAILS

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.

Business Service Center Update

Business Service Center will update on its initiatives and upcoming project milestones.

Overtime Reporting

Agencies will present a report detailing overtime performance and strategies to reduce overtime spending.

Procurement Consolidation

The MTA Chief Procurement Officer and the NYC Transit Vice President, Materiel, will provide for informational purposes a presentation on Procurement Non-Core Category Consolidation as well as other significant Procurement initiatives.

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 2015

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 2015 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.

JULY 2015

2016 Preliminary Budget/July Financial Plan 2016-2019 (Joint Session with MTA Board)

The Chief Financial Officer and MTA Budget Division will present an updated forecast for 2015, a Preliminary Budget for 2016, and an updated Financial Plan for 2016-2019.

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FinanceWatch

July 21, 2014

Fuel Hedging Program

\$8,644,395 Diesel Fuel Hedge

On June 25, 2014, MTA executed a 2,953,834 gallon ultra-low sulfur diesel fuel hedge with Merrill Lynch Commodities Inc. at an all-in price of \$2.9265/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 June 2015 through April 2016.

Commodity Counterparty Novation

Pursuant to a request from Deutsche Bank AG, on July 2, 2014, Deutsche Bank AG, Goldman, Sachs & Co./ J Aron and the MTA entered into a Novation Agreement whereby Deutsche Bank AG transferred all of its rights and obligations associated with its remaining outstanding fuel hedges with the MTA to J Aron & Company. Pursuant to the Novation Agreement, two transactions were transferred for a total notional amount of 3,432,672 gallons ultra-low sulfur diesel representing a total value of \$9,926,985. Deutsche Bank AG paid all costs associated with this novation.

New Money

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

On June 26, 2014, MTA issued \$500 million of MTA Transportation Revenue Bonds, Series 2014C, to finance existing approved transit and commuter projects. The Series 2014C bonds were issued as tax-exempt fixed-rate bonds with a final maturity of November 15, 2036. The transaction was led by book-running senior manager Jefferies & Co. together with WBE co-senior manager Stern Brothers & Co. Nixon Peabody served as bond counsel and Public Financial Management, Inc. served as financial advisor.

	<u>TRB 2014C</u>
<i>Par Amount:</i>	\$500.000 million
<i>Net Premium:</i>	\$74.306 million
<i>All-in TIC:</i>	3.32%
<i>Average Life:</i>	10.70 years
<i>Average Coupon</i>	4.89%
<i>Final Maturity:</i>	11/15/2036
<i>Underwriter's Discount:</i>	\$4.28 (\$2,141,934)
<i>State Bond Issuance Fee:</i>	\$8.33 (\$4,165,014)
<i>Cost of Issuance:</i>	\$1.19 (\$597,000)
<i>Ratings (Moody's/S&P/Fitch)</i>	A2/AA-/A
<i>Senior Manager:</i>	Jefferies & Co.
<i>Special Co-Senior Managers:</i>	Stern Brothers & Co.

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

DEBT SERVICE

(\$ in millions)

June 2014

	2014 Adopted Budget	Actual	Variance	% Variance	Explanation
Dedicated Tax Fund:					Timing of debt service deposits.
NYC Transit	\$32.8	\$30.7	\$2.1		
Commuter Railroads	6.7	6.6	0.1		
<i>Dedicated Tax Fund Subtotal</i>	\$39.5	\$37.4	\$2.2	5.5%	
MTA Transportation Revenue:					Timing of debt service deposits.
NYC Transit	\$70.6	\$67.6	\$3.1		
Commuter Railroads	45.5	42.1	3.3		
MTA Bus	1.9	2.4	(0.5)		
<i>MTA Transportation Subtotal</i>	\$118.0	\$112.1	\$5.9	5.0%	
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	\$0.1	\$1.8	97.1%	
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)	-0.3%	
TBTA General Resolution (2)					
NYC Transit	\$14.7	\$13.6	\$1.1		
Commuter Railroads	6.9	6.4	0.5		
Bridges & Tunnels	14.2	16.4	(2.3)		
<i>TBTA General Resolution Subtotal</i>	\$35.8	\$36.4	(\$0.6)	-1.6%	
TBTA Subordinate (2)					Timing of debt service deposits and lower than budgeted variable rates.
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%	
Total Debt Service	\$207.2	\$197.4	\$9.8	4.7%	
Debt Service by Agency:					
NYC Transit	\$126.3	\$118.6	\$7.6		
Commuter Railroads	62.2	57.5	4.8		
MTA Bus	1.9	2.4	(0.5)		
Bridges & Tunnels	16.6	18.7	(2.1)		
MTAHQ	0.2	0.2	(0.0)		
Total Debt Service	\$207.2	\$197.4	\$9.8	4.7%	

Notes:

- 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.
- 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.
- 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)

June 2014 Year-to-Date

	Adopted Budget	Actual	Variance	% Variance	Explanation
Dedicated Tax Fund:					Timing of debt service deposits.
NYC Transit	\$167.5	\$155.8	\$11.6		
Commuter Railroads	34.2	32.7	1.5		
<i>Dedicated Tax Fund Subtotal</i>	\$201.6	\$188.5	\$13.1	6.5%	
MTA Transportation Revenue:					
NYC Transit	\$386.1	\$378.6	\$7.5		
Commuter Railroads	249.3	230.0	19.3		
MTA Bus	10.1	14.3	(4.1)		
<i>MTA Transportation Subtotal</i>	\$645.5	\$622.8	\$22.7	3.5%	
Commercial Paper:					Lower than budgeted rates, timing of interest payments.
NYC Transit	\$6.6	\$0.2	\$6.5		
Commuter Railroads	4.3	0.1	4.2		
MTA Bus	0.1	0.0	0.1		
<i>Commercial Paper Subtotal</i>	\$11.0	\$0.3	\$10.7	97.6%	
2 Broadway COPs:					
NYC Transit	\$8.9	\$8.9	\$0.0		
Bridges & Tunnels	1.3	1.3	0.0		
MTA HQ	1.2	1.2	0.0		
<i>2 Broadway COPs Subtotal</i>	\$11.3	\$11.3	\$0.0	0.0%	
TBTA General Resolution (2)					
NYC Transit	\$88.4	\$87.3	\$1.1		
Commuter Railroads	41.6	41.0	0.5		
Bridges & Tunnels	106.0	105.4	0.6		
<i>TBTA General Resolution Subtotal</i>	\$236.0	\$233.8	\$2.3	1.0%	
TBTA Subordinate (2)					Lower than budgeted variable debt rates.
NYC Transit	\$33.1	\$30.7	\$2.4		
Commuter Railroads	14.5	13.5	1.0		
Bridges & Tunnels	13.1	12.1	0.9		
<i>TBTA Subordinate Subtotal</i>	\$60.7	\$56.3	\$4.4	7.2%	
Total Debt Service	\$1,166.2	\$1,113.0	\$53.2	4.6%	
Debt Service by Agency:					
NYC Transit	\$690.6	\$661.5	\$29.1		
Commuter Railroads	343.8	317.3	26.5		
MTA Bus	10.2	14.3	(4.1)		
Bridges & Tunnels	120.3	118.8	1.6		
MTAHQ	1.2	1.2	0.0		
Total Debt Service	\$1,166.2	\$1,113.0	\$53.2	4.6%	

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
5/28/2014	0.06%	0.05%	-0.01%	0.06%	0.00%	0.07%	0.01%	0.05%	-0.01%
6/4/2014	0.05%	0.05%	0.00%	0.06%	0.01%	0.07%	0.02%	0.05%	0.00%
6/11/2014	0.06%	0.08%	0.02%	0.07%	0.01%	0.10%	0.04%	0.08%	0.02%
6/18/2014	0.07%	0.08%	0.01%	0.07%	0.00%	0.10%	0.03%	0.08%	0.01%
6/25/2014	0.06%	0.08%	0.02%	0.05%	-0.01%	0.10%	0.04%	0.08%	0.02%
7/2/2014	0.04%	0.03%	-0.01%	0.05%	0.01%	0.05%	0.01%	0.03%	-0.01%

Dedicated Tax Fund Bonds

Issue		DTF 2002B-1	DTF 2008A-1	DTF 2008A-2			
Remarketing Agent		Morgan Stanley	RBC Capital	Goldman			
Liquidity Provider		State Street Bank	RBC	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
5/28/2014	0.06%	0.05%	-0.01%	0.03%	-0.03%	0.05%	-0.01%
6/4/2014	0.05%	0.05%	0.00%	0.05%	0.00%	0.04%	-0.01%
6/11/2014	0.06%	0.05%	-0.01%	0.08%	0.02%	0.06%	0.00%
6/18/2014	0.07%	0.05%	-0.02%	0.08%	0.01%	0.07%	0.00%
6/25/2014	0.06%	0.05%	-0.01%	0.08%	0.02%	See DTF 2008A-2a &	
7/2/2014	0.04%	0.04%	0.00%	0.08%	0.04%	2b FRNs	

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
5/28/2014	0.06%	0.08%	0.02%
6/4/2014	0.05%	0.05%	0.00%
6/11/2014	0.06%	0.05%	-0.01%
6/18/2014	0.07%	0.08%	0.01%
6/25/2014	0.06%	0.08%	0.02%
7/2/2014	0.04%	0.06%	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
5/27/2014	0.06%	0.06%	0.00%	0.07%	0.01%	0.06%	0.00%	0.06%	0.00%
6/3/2014	0.05%	0.05%	0.00%	0.06%	0.01%	0.05%	0.00%	0.05%	0.00%
6/10/2014	0.06%	0.06%	0.00%	0.07%	0.01%	0.06%	0.00%	0.06%	0.00%
6/17/2014	0.07%	0.07%	0.00%	0.08%	0.01%	0.07%	0.00%	0.07%	0.00%
6/24/2014	0.06%	0.06%	0.00%	0.07%	0.01%	0.06%	0.00%	0.06%	0.00%
7/1/2014	0.04%	0.04%	0.00%	0.05%	0.01%	0.04%	0.00%	0.04%	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
5/27/2014	0.06%	0.06%	0.00%	0.06%	0.00%	0.20%	0.14%	0.20%	0.14%
6/3/2014	0.05%	0.04%	-0.01%	0.04%	-0.01%	0.20%	0.15%	0.20%	0.15%
6/10/2014	0.06%	0.04%	-0.02%	0.04%	-0.02%	0.20%	0.14%	0.20%	0.14%
6/17/2014	0.07%	0.06%	-0.01%	0.06%	-0.01%	0.20%	0.13%	0.20%	0.13%
6/24/2014	0.06%	0.05%	-0.01%	0.05%	-0.01%	0.17%	0.11%	0.20%	0.14%
7/1/2014	0.04%	0.03%	-0.01%	0.03%	-0.01%	0.17%	0.13%	0.20%	0.16%

Report Date 7/2/2014

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

Transportation Revenue Bonds

Issue		TRB 2002D-2a		TRB 2002D-2b		TRB 2002G-1a		TRB 2002G-1b		TRB 2002G-1c	
Remarketing Agent		Loop Capital		Loop Capital		N/A		N/A		N/A	
Initial Purchase Date		5/15/2017		5/15/2018		11/1/2014		11/1/2015		11/1/2016	
Liquidity/Insurer		Assured		Assured		None		None		None	
Par Outstanding (\$m)		100.00		100.00		12.27		12.76		13.26	
Swap Notional (\$m)		100.00		100.00		11.49		11.95		12.42	
Date	SIFMA	Rate	Spread to SIFMA								
5/28/2014	0.06%	0.57%	0.51%	0.70%	0.19%	0.30%	0.24%	0.60%	0.54%	0.79%	0.73%
6/4/2014	0.05%	0.57%	0.52%	0.70%	0.18%	0.30%	0.25%	0.60%	0.55%	0.79%	0.74%
6/11/2014	0.06%	0.57%	0.51%	0.70%	0.19%	0.30%	0.24%	0.60%	0.54%	0.79%	0.73%
6/18/2014	0.07%	0.57%	0.50%	0.70%	0.20%	0.30%	0.23%	0.60%	0.53%	0.79%	0.72%
6/25/2014	0.06%	0.57%	0.51%	0.70%	0.19%	0.30%	0.24%	0.60%	0.54%	0.79%	0.73%
7/2/2014	0.04%	0.58%	0.54%	0.71%	0.17%	0.30%	0.26%	0.60%	0.56%	0.79%	0.75%

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						
5/28/2014	0.06%	0.93%	0.87%	0.50%	0.44%	0.75%	0.69%	0.95%	0.89%
6/4/2014	0.05%	0.93%	0.88%	0.50%	0.45%	0.75%	0.70%	0.95%	0.90%
6/11/2014	0.06%	0.93%	0.87%	0.50%	0.44%	0.75%	0.69%	0.95%	0.89%
6/18/2014	0.07%	0.93%	0.86%	0.50%	0.43%	0.75%	0.68%	0.95%	0.88%
6/25/2014	0.06%	0.93%	0.87%	0.50%	0.44%	0.75%	0.69%	0.95%	0.89%
7/2/2014	0.04%	0.93%	0.89%	0.50%	0.46%	0.75%	0.71%	0.95%	0.91%

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
5/28/2014	0.06%	0.33%	0.27%	0.45%	0.39%
6/4/2014	0.05%	0.32%	0.27%	0.44%	0.39%
6/11/2014	0.06%	0.33%	0.27%	0.45%	0.39%
6/18/2014	0.07%	0.34%	0.27%	0.46%	0.39%
6/25/2014	0.06%	0.33%	0.27%	0.45%	0.39%
7/2/2014	0.04%	0.31%	0.27%	0.43%	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						
5/28/2014	0.06%	0.52%	0.46%	0.63%	0.57%	0.80%	0.74%	0.94%	0.88%
6/4/2014	0.05%	0.52%	0.47%	0.63%	0.58%	0.80%	0.75%	0.94%	0.89%
6/11/2014	0.06%	0.52%	0.46%	0.63%	0.57%	0.80%	0.74%	0.94%	0.88%
6/18/2014	0.07%	0.52%	0.45%	0.63%	0.56%	0.80%	0.73%	0.94%	0.87%
6/25/2014	0.06%	0.52%	0.46%	0.63%	0.57%	0.80%	0.74%	0.94%	0.88%
7/2/2014	0.04%	0.52%	0.48%	0.63%	0.59%	0.80%	0.76%	0.94%	0.90%

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						
5/28/2014	0.06%	0.81%	0.75%	0.96%	0.90%	1.01%	0.95%	1.06%	1.00%
6/4/2014	0.05%	0.80%	0.75%	0.95%	0.90%	1.00%	0.95%	1.05%	1.00%
6/11/2014	0.06%	0.81%	0.75%	0.96%	0.90%	1.01%	0.95%	1.06%	1.00%
6/18/2014	0.07%	0.82%	0.75%	0.97%	0.90%	1.02%	0.95%	1.07%	1.00%
6/25/2014	0.06%	0.81%	0.75%	0.96%	0.90%	1.01%	0.95%	1.06%	1.00%
7/2/2014	0.04%	0.79%	0.75%	0.94%	0.90%	0.99%	0.95%	1.04%	1.00%

Issue		DTF 2008A-2a		DTF 2008A-2b		DTF 2008B-3a		DTF 2008B-3b		DTF 2008B-3c	
Remarketing Agent		Goldman Sachs		Goldman Sachs		Goldman Sachs		Goldman Sachs		Goldman Sachs	
Maturity Date		11/01/26		11/01/31		11/01/28		11/01/30		11/01/34	
Liquidity/Insurer		None		None		None		None		None	
Par Outstanding (\$m)		84.86		84.86		35.00		54.47		44.74	
Swap Notional (\$m)		83.03		83.47		None		None		None	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
5/28/2014	0.06%					0.29%	0.23%	0.42%	0.42%	0.74%	0.74%
6/4/2014	0.05%	Not Applicable		Not Applicable		0.28%	0.23%	0.41%	0.41%	0.73%	0.73%
6/11/2014	0.06%					0.29%	0.23%	0.42%	0.42%	0.74%	0.74%
6/18/2014	0.07%	0.44%	0.37%	0.64%	0.57%	0.30%	0.23%	0.43%	-0.14%	0.75%	0.18%
6/25/2014	0.06%	0.44%	0.38%	0.64%	0.58%	0.29%	0.23%	0.42%	-0.16%	0.74%	0.16%
7/2/2014	0.04%	0.42%	0.38%	0.62%	0.58%	0.27%	0.23%	0.40%	-0.18%	0.72%	0.14%

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								
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%
6/4/2014	0.05%	0.48%	0.43%	0.62%	0.57%	0.47%	0.42%	0.69%	0.64%	0.75%	0.32%
6/11/2014	0.06%	0.48%	0.42%	0.62%	0.56%	0.47%	0.41%	0.69%	0.63%	0.75%	0.33%
6/18/2014	0.07%	0.48%	0.41%	0.62%	0.55%	0.47%	0.40%	0.69%	0.62%	0.75%	0.34%
6/25/2014	0.06%	0.48%	0.42%	0.62%	0.56%	0.47%	0.41%	0.69%	0.63%	0.75%	0.33%
7/2/2014	0.04%	0.48%	0.44%	0.62%	0.58%	0.47%	0.43%	0.69%	0.65%	0.75%	0.31%

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
5/28/2014	0.06%	0.55%	0.49%	0.80%	0.74%
6/4/2014	0.05%	0.55%	0.50%	0.80%	0.75%
6/11/2014	0.06%	0.55%	0.49%	0.80%	0.74%
6/18/2014	0.07%	0.55%	0.48%	0.80%	0.73%
6/25/2014	0.06%	0.55%	0.49%	0.80%	0.74%
7/2/2014	0.04%	0.55%	0.51%	0.80%	0.76%

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

Report Date 7/2/2014

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
6/21/2014	0.07%	0.11%	0.04%	0.06%	-0.01%
6/22/2014	0.07%	0.11%	0.04%	0.06%	-0.01%
6/23/2014	0.07%	0.11%	0.04%	0.06%	-0.01%
6/24/2014	0.07%	0.10%	0.03%	0.06%	-0.01%
6/25/2014	0.06%	0.09%	0.03%	0.06%	0.00%
6/26/2014	0.06%	0.08%	0.02%	0.05%	-0.01%
6/27/2014	0.06%	0.09%	0.03%	0.04%	-0.02%
6/28/2014	0.06%	0.09%	0.03%	0.04%	-0.02%
6/29/2014	0.06%	0.09%	0.03%	0.04%	-0.02%
6/30/2014	0.06%	0.08%	0.02%	0.03%	-0.03%

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
6/21/2014	0.07%	0.09%	0.02%	0.06%	-0.01%	0.07%	0.00%	0.07%	0.00%
6/22/2014	0.07%	0.09%	0.02%	0.06%	-0.01%	0.07%	0.00%	0.07%	0.00%
6/23/2014	0.07%	0.08%	0.01%	0.06%	-0.01%	0.06%	-0.01%	0.06%	-0.01%
6/24/2014	0.07%	0.08%	0.01%	0.05%	-0.02%	0.05%	-0.02%	0.06%	-0.01%
6/25/2014	0.06%	0.08%	0.02%	0.05%	-0.01%	0.05%	-0.01%	0.06%	0.00%
6/26/2014	0.06%	0.07%	0.01%	0.04%	-0.02%	0.05%	-0.01%	0.05%	-0.01%
6/27/2014	0.06%	0.06%	0.00%	0.04%	-0.02%	0.05%	-0.01%	0.04%	-0.02%
6/28/2014	0.06%	0.06%	0.00%	0.04%	-0.02%	0.05%	-0.01%	0.04%	-0.02%
6/29/2014	0.06%	0.06%	0.00%	0.04%	-0.02%	0.05%	-0.01%	0.04%	-0.02%
6/30/2014	0.06%	0.06%	0.00%	0.04%	-0.02%	0.04%	-0.02%	0.04%	-0.02%

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
6/21/2014	0.07%	0.07%	0.00%	0.06%	-0.01%
6/22/2014	0.07%	0.07%	0.00%	0.06%	-0.01%
6/23/2014	0.07%	0.06%	-0.01%	0.06%	-0.01%
6/24/2014	0.07%	0.06%	-0.01%	0.05%	-0.02%
6/25/2014	0.06%	0.06%	0.00%	0.05%	-0.01%
6/26/2014	0.06%	0.05%	-0.01%	0.04%	-0.02%
6/27/2014	0.06%	0.04%	-0.02%	0.04%	-0.02%
6/28/2014	0.06%	0.04%	-0.02%	0.04%	-0.02%
6/29/2014	0.06%	0.04%	-0.02%	0.04%	-0.02%
6/30/2014	0.06%	0.04%	-0.02%	0.04%	-0.02%

Report Date 6/30/2014

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
Outstanding Par (\$ M)	96.150	9.550	10.200	37.250
Swap Notional (\$m)	None	9.550	10.200	37.250
Final Maturity	11/1/2022	1/1/2030	1/1/2030	1/1/2030
Broker Dealer(s)	JP Morgan Merrill Lynch	JP Morgan Merrill Lynch	JP Morgan	JP Morgan Merrill Lynch
Insurer	Assured	Ambac	Ambac	Ambac
Auction Frequency	Tuesday	Monday	Tuesday	Wednesday
<i>May 19 thru May 23, 2014</i>	0.296%	0.408%	0.406%	0.408%
<i>May 26 thru May 30, 2014</i>	0.301%	0.413%	0.414%	0.413%
<i>June 2 thru June 6, 2014</i>	0.302%	0.415%	0.415%	0.418%
<i>June 9 thru June 13, 2014</i>	0.304%	0.419%	0.418%	0.416%
<i>June 16 thru June 20, 2014</i>	0.310%	0.424%	0.426%	0.421%
<i>June 23 thru June 27, 2014</i>	0.303%	0.418%	0.417%	0.415%
<i>June 30 thru July 3, 2014</i>	0.310%	0.427%	0.427%	0.428%
<i>Corresponding Libor Rate</i>	0.155%	0.155%	0.155%	0.156%
<i>Fail Rate</i>	200%	275%	275%	275%

28 & 35 DAY AUCTIONS

Issue	LIBOR Formula Fail Rate		
	TRB 2002B-2	COPs 2004A-4	COPs 2004A-5
Outstanding Par (\$ M)	95.525	34.950	3.700
Swap Notional (\$m)	None	34.950	3.700
Final Maturity	11/1/2022	1/1/2030	1/1/2030
Broker Dealer(s)	JP Morgan Merrill Lynch	JP Morgan	JP Morgan
Insurer	Assured	Ambac	Ambac
Auction Frequency	28-Days	35-Days	35-Days
<i>February 2014</i>	0.309%	0.425%	0.428%
<i>March 2014</i>	0.315%	0.425%	0.417%
<i>April 2014</i>	0.304%	0.417%	0.417%
<i>May 2014</i>	0.302%	0.415%	0.417%
<i>June 2014</i>	0.303%	0.415%	0.422%
<i>Corresponding Libor Rate</i>	0.151%	0.151%	0.154%
<i>Fail Rate</i>	200%	275%	275%

Report Date 7/2/2014

Type of Credit				Principal Iss.	Outstanding			Total	TIC ¹	Notes	
					Fixed	Variable	Synthetic				
Underlying Ratings	BPA Sale			Amount	Amount	Amount	Fixed	Outstanding			
(Moody's/S&P / Fitch/ Kroll)	Series	Date	Final Maturity				Amount				
MTA Transportation	2002A	5/9/02	11/15/2032	2,894.185	84.965	-	-	84.965	5.31		
Revenue Bonds	2002B	5/28/02	11/1/2022	210.500	-	191.675	-	191.675	1.49		
(A2/AA-/A)	2002D	5/29/02	11/1/2032	400.000	174.725	-	200.000	374.725	4.19		
	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	3.53		
	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	4.52		
	2005E	11/1/05	11/1/2035	250.000	-	100.000	150.000	250.000	3.65		
	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	4.14		
	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		
		6/26/2014	11/15/2036	500.000	500.000	-	-	500.000	3.32		
				Total	26,550.015	17,887.350	1,325.570	1,168.240	20,381.160	4.09	
										WATIC	
TBTA General	EFC 1996A	6/26/96	1/1/2030	28.445	4.150	-	-	4.150	5.85		
Revenue Bonds	2001B	12/18/01	1/1/2032	148.200	-	122.570	-	122.570	2.26		
(Aa3/AA-/AA-/ AA)	2001C	12/18/01	1/1/2032	148.200	-	122.565	-	122.565	2.46		
	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	2.37		

Type of Credit	Underlying Ratings (Moody's/S&P / Fitch/ Kroll)	BPA Sale		Principal Iss. Amount	Outstanding			Total Outstanding	TIC ¹	Notes
		Series	Date		Final Maturity	Fixed Amount	Variable Amount			
		2005A	5/10/05	11/1/2035	150.000	-	101.965	24.060	126.025	2.76
		2005B	7/6/05	1/1/2032	800.000	-	-	582.000	582.000	3.54
		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
		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
				Total	9,963.608	5,685.265	548.625	800.060	7,033.950	3.59
										WATIC
TBTA Subordinate Revenue Bonds (A1/A+ / A+ / AA-)		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	1.58
		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
				Total	3,348.950	1,470.455	201.020	95.300	1,766.775	3.67
										WATIC
MTA Dedicated Tax Fund Bonds (AA/AA-)		2002B	9/4/02	11/1/2022	440.000	116.050	311.800	-	427.850	1.73
		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	-	6.565	333.950	340.515	3.96
		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
				Total	5,978.565	4,340.965	452.575	333.950	5,127.490	3.82
										WATIC
MTA Certificates of Participation (2 Broadway) (Caa2/CC/NR)		2004A	9/21/04	1/1/2030	357.925	-	-	95.650	95.650	4.08
				Total	357.925	-	-	95.650	95.650	4.08
										WATIC
				All MTA Total	46,199.063	29,384.035	2,527.790	2,493.200	34,405.025	3.93
State Service Contract Bonds (AA-/AA-)		2002A	6/5/02	7/1/2031	1,715.755	250.710	-	-	250.710	5.29
		2002B	6/26/02	7/1/2031	679.450	35.850	-	-	35.850	4.93
				Total	2,395.205	286.560	-	-	286.560	5.25
										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.

Staff Summary

Subject Authorization to Issue Special Obligation Taxable Refunding Bonds, Series 2014
Department Finance
Department Head Name Robert E. Foran, Chief Financial Officer
Department Head Signature 
Project Manager Name Patrick J. McCoy, Director of Finance 

Date July 28, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

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

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 	2	Chief of Staff 

Purpose

The MTA Finance Department is seeking Board adoption of the annexed Bond Resolution Authorizing Special Obligation Taxable Refunding Bonds, Series 2014 (the “Bond Resolution”) and authorization for the issuance of bonds thereunder (the “Series 2014 Taxable Refunding Bonds”). Recent federal tax law guidance allows the MTA to exercise its retained early redemption rights on certain Transit Facilities and Commuter Facilities bonds previously defeased and escrowed to maturity (the “Defeased Bonds”). The proceeds of the Series 2014 Taxable Refunding Bonds will be used to purchase U.S. Treasury securities sufficient to pay off the Defeased Bonds in full at their early redemption date, currently expected to be within 45 days of the date of issuance of the Series 2014 Taxable Refunding Bonds, and to pay costs of issuance and related fees and expenses. The remaining proceeds will be available to pay operating and maintenance expenses of the Transit and Commuter systems. In addition, any remaining cash flow equal to the difference between (1) the total amount of the income stream produced by the U.S. Treasury securities (the “Defeasance Securities”) currently held in the defeasance escrow for the Defeased Bonds (that would have been the source of payment of principal and interest on the Defeased Bonds until their maturity) and (2) the amount of such income stream necessary to pay the principal and interest on the Series 2014 Taxable Bonds, will be available, over time, to be applied to the operating and maintenance needs of the Transit and Commuter systems. Subject to market conditions at the time of the issuance of the Series 2014 Taxable Refunding Bonds, the total amount of excess proceeds is estimated to be approximately \$32 million, with the potential for additional savings in 2020-2021. All proceeds and any additional savings will be applied to the operating and maintenance needs of the Transit and Commuter systems.

The Defeasance Securities will be transferred to the trustee for holders of the Series 2014 Taxable Refunding Bonds and will be used to pay principal and interest on the Series 2014 Taxable Refunding Bonds to maturity. The Series 2014 Taxable Refunding Bonds will not be secured by any other revenues or assets of the MTA or its affiliates or subsidiaries.

Discussion

The Defeasance Securities deposited in the escrow accounts relating to the Defeased Bonds during MTA’s debt reorganization in 2002 serve to defease a total of seven series of previously issued Transit Facilities and Commuter Facilities bonds by generating sufficient moneys to pay debt service on such bonds through their scheduled maturities. (These escrows were funded with cash

and therefore no refunding bonds were issued in 2002 for the purpose of defeasing these bonds.) MTA retained its right to redeem the Defeased Bonds on an early redemption date in the event such a redemption were to be permitted in the future. In 2013, the Internal Revenue Service issued proposed regulations that enable MTA to exercise its retained early redemption rights on the Defeased Bonds. MTA finance staff, in consultation with MTA's bond counsel and financial advisor, have determined that current law (1) permits this transaction provided that the proceeds of taxable bonds are the source of payment of the early redemption of the Defeased Bonds and (2) requires that the Defeasance Securities secure the Series 2014 Taxable Refunding Bonds.

MTA Board approval is being requested for the aforementioned transaction, including approval of the following:

- the adoption of the Bond Resolution which, among other things, authorizes the selection of underwriters for the Series 2014 Taxable Refunding Bonds, the preparation and delivery of a Preliminary Official Statement, Official Statement, bond purchase agreement and continuing disclosure agreement relating to the Series 2014 Taxable Refunding Bonds, and the taking of other standard actions relating to the issuance of such Bonds;
- the issuance and sale, in one or more series and subseries and from time to time, of the Series 2014 Refunding Taxable Bonds, which will be secured by and payable solely from the Defeasance Securities;
- using the proceeds from the sale of the Series 2014 Taxable Refunding Bonds to purchase U.S. Treasury securities sufficient to pay off the Defeased Bonds in full at their early redemption date or dates or to repay any interim borrowing incurred for such purpose, with the remainder of the proceeds used to pay of costs of issuance and related fees and expenses and to provide monies for the operating and maintenance expenses of the Transit and Commuter systems;
- the selection of the accelerated redemption date or dates for the Defeased Bonds;
- the appointment of the current escrow agent for the Defeased Bonds, which is currently in possession of the Defeasance Securities that will be transferred under the Bond Resolution to secure the payment of principal of and interest on the Series 2014 Taxable Refunding Bonds, as the Trustee for the Series 2014 Taxable Refunding Bonds;
- the purchase of U.S. Treasury securities pursuant to a direct purchase or competitive bidding process sufficient in amount to pay the Defeased Bonds in full at their early redemption date;
- the transfer of Defeasance Securities to the Bond Resolution funds and accounts to secure the Series 2014 Taxable Refunding Bonds;
- the application of any excess cash flows or proceeds generated from this transaction to the operating and maintenance needs of the Transit and Commuter Systems; and
- all other actions necessary and desirable to effectuate the transactions contemplated by the Bond Resolution.

Alternatives

MTA could choose to not issue the Series 2014 Taxable Refunding Bonds, which would eliminate the economic benefits described in this Staff Summary.

Recommendation

That the MTA Board (a) adopt the annexed Bond Resolution, authorizing the issuance of the Series 2014 Taxable Refunding Bonds, as well as all actions related to the payment of the Defeased Bonds at their early redemption date and the transferring of the securities currently securing the Defeased Bonds to secure the Series 2014 Taxable Refunding Bonds described above, including other costs of issuance and transaction costs, from time to time deemed necessary or desirable in connection therewith; and (b) authorize the issuance of the Series 2014 Taxable Refunding Bonds, the payment of the Defeased Bonds and such other

Staff Summary



related actions hereunder, which authorizations shall continue in effect without any further action by the Board until December 31, 2014, unless modified or repealed prior to that date.

METROPOLITAN TRANSPORTATION AUTHORITY

**BOND RESOLUTION AUTHORIZING SPECIAL OBLIGATION
TAXABLE REFUNDING BONDS, SERIES 2014**

Adopted July 28, 2014

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**BOND RESOLUTION AUTHORIZING SPECIAL OBLIGATION
TAXABLE REFUNDING BONDS, SERIES 2014**

BE IT RESOLVED by the Members of the Metropolitan Transportation Authority as follows:

ARTICLE I.

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01. Definitions. As used in this Resolution, unless a different meaning clearly appears from the context, the following terms shall have the following meanings:

Act means the Metropolitan Transportation Authority Act, being Title 11 of Article 5 of the New York Public Authorities Law, as from time to time amended;

Authority means the Metropolitan Transportation Authority, the corporation organized and existing under the Act, and any successor thereto.

Authorized Officer means, in the case of the Authority, the Chairman and the Vice Chairman, the Executive Director, the Comptroller, the Chief Financial Officer, the Secretary and any Assistant Secretary of the Authority, the Director of Finance, the Director of Treasury, and the Director of Budget and Financial Management of the MTA, and any other person authorized by the Authority to perform the act or sign the document in question; and in the case of the Trustee, the President, a Vice President, a Corporate Trust Officer, an Assistant Corporate Trust Officer, a Trust Officer or an Assistant Trust Officer of the Trustee, and when used with reference to any act or document also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the Board of Directors of the Trustee or the by-laws of the Trustee.

Bond or Bonds means any of the bonds of the Authority authorized and issued pursuant to this Resolution.

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

Bondholder or Holder of Bonds or Holder or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any Bond or Bonds.

Book Entry Bonds means Bonds authorized to be issued to and registered in the name of a Securities Depository directly or indirectly for the beneficial owners thereof.

Certificate of Determination means a certificate of an Authorized Officer of the Authority fixing terms, conditions and other details of Bonds in accordance with the delegation of power to do so under Section 2.02 hereof.

City means The City of New York.

Debt Service Fund means the Debt Service Fund established pursuant to Section 5.02(a) hereof.

DTC has the meaning set forth in Section 3.09 hereof.

Escrow Agent means The Bank of New York Mellon, having the duties, responsibilities and rights provided for as Escrow Agent in the Resolution, and its successor or successors and any other bank or trust company which may at any time be substituted in its place pursuant hereto.

Escrow Fund means the Escrow Fund established pursuant to Section 5.02(b) hereof.

Outstanding, when used with reference to Bonds, means, as of any date, all Bonds authenticated and delivered hereunder, except (i) any Bond cancelled by the Trustee at or prior to such date, (ii) any Bond deemed to have been paid in accordance with Section 9.01 hereof, and (iii) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to Article III or Section 4.05 hereof.

Proceeds Fund means the Proceeds Fund established pursuant to Section 5.03 hereof.

RANs means the Revenue Anticipation Notes (Working Capital Revolving Credit Facility), Series 2013 issued or to be issued pursuant to the Series 2013 Transportation Revenue Anticipation Note Resolution (Working Capital Revolving Credit Facility) adopted by the Authority on July 24, 2013.

Record Date means the fifteenth day (whether or not a business day) of the calendar month next preceding an interest payment date on the Bonds.

Redemption Price, when used with respect to a Bond, means the principal amount of such Bond payable upon redemption thereof pursuant to Article IV hereof.

Refunded Bonds means the bonds of the Authority of the series, maturities and principal amounts set forth in Schedule A hereto.

Refunded Bonds Commuter Facilities Escrow Agreement means the Multiple Series Commuter Facilities Revenue Bonds Escrow Agreement, dated May 30, 2002, between the Authority and The Bank of New York Mellon, as successor to JPMorgan Chase Bank, N.A., as trustee thereunder.

Refunded Bonds Escrow Agreements means, collectively, the Refunded Bonds Commuter Facilities Escrow Agreement and the Refunded Bonds Transit Facilities Escrow Agreement.

Refunded Bonds Transit Facilities Escrow Agreement means the Multiple Series Transit Facilities Revenue Bonds Escrow Agreement, dated May 30, 2002, between the

Authority and The Bank of New York Mellon, as successor to JPMorgan Chase Bank, N.A., as trustee thereunder.

Released Escrow Amounts has the meaning given such term in Section 2.01 hereof.

Released Escrow Securities means the escrow securities originally securing the Refunded Bonds which are released from the provisions of the Refunded Bonds Escrow Agreements in order to secure the payment of the principal and Sinking Fund Installments of and interest on the Bonds.

Resolution means this Bond Resolution Authorizing Special Obligation Taxable Refunding Bonds, Series 2014, as from time to time amended or supplemented in accordance with the terms and provisions hereof.

Securities Depository means the entity in whose name the Book Entry Bonds are registered.

Serial Bonds means the Bonds so designated in the Certificate of Determination.

Sinking Fund Installment means, as of any date of calculation and with respect to any Term Bonds, so long as any Term Bonds are Outstanding, the amount of money required by the Certificate of Determination to be paid on a single future July 1 or January 1 for the retirement of any Outstanding Bonds of said Series which mature after said future July 1 or January 1, but does not include any amount payable by the Authority by reason only of the maturity of a Bond, and said future July 1 or January 1 is deemed to be the date when a Sinking Fund Installment is payable and the date of such Sinking Fund Installment and said Outstanding Bonds are deemed to be Bonds entitled to such Sinking Fund Installment.

State means the State of New York.

Substituted Escrow Amounts has the meaning given such term in Section 2.01 hereof.

Substituted Escrow Securities means the escrow securities purchased by the Authority with the proceeds of the Bonds in order to provide for the payment of the principal of, premium, if any, and interest on the Refunded Bonds on the early redemption date as provided in Section 2.01 hereof.

Term Bonds means the Bonds so designated in the Certificate of Determination and payable from Sinking Fund Installments.

Trust Estate means, collectively, but subject to the terms and provisions of Section 5.01, all right, title and interest of the Authority in: (i) the proceeds of the sale of the Bonds, (ii) the Released Escrow Securities and any money received by the Trustee in respect thereof, and (iii) the Proceeds Fund and the Debt Service Fund and the moneys and investments on deposit therein from time to time to the extent permitted hereby.

Trustee means the bank or trust company appointed as Trustee and paying agent for the Bonds pursuant to Section 7.01 hereof, which shall also be the escrow agent under the Refunded

Bonds Escrow Agreements, and having the duties, responsibilities and rights provided for in the Resolution, and its successor or successors and any other bank or trust company which may at any time be substituted in its place pursuant hereto.

Section 1.02. Authority of this Resolution. This Resolution is adopted pursuant to the provisions of the Act.

Section 1.03. Resolution Constitutes Contract. In consideration of the purchase and acceptance of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, the Resolution shall be deemed to be and shall constitute a contract among the Authority, the Trustee and such Bondholders and the transfer, pledge and lien made herein and the covenants and agreement herein set forth to be performed by or on behalf of the Authority shall be for the equal and ratable benefit, protection and security of the legal holders of any and all such Bonds, all of which, regardless of time or times of their maturity, shall be of equal rank and without preference, priority, or distinction of any of the Bonds over any other thereof except as expressly provided herein or permitted hereby.

ARTICLE II.

AUTHORIZATION AND ISSUANCE OF BONDS

Section 2.01. Authorization of Bonds. There are hereby authorized to be issued Bonds of the Authority in an aggregate principal amount up to the maximum amount of Bonds that can be secured as provided herein to be designated as “Special Obligation Taxable Refunding Bonds, Series 2014” and there is hereby created a continuing pledge and lien as provided hereby to secure the payment of the principal and Sinking Fund Installments of and interest on all the Bonds. The Bonds shall be special obligations of the Authority payable solely from the Trust Estate and the Escrow Fund, as the case may be, all in the manner more particularly provided herein. The designation of the Bonds shall, in addition to the name “Special Obligation Taxable Refunding Bonds, Series 2014”, include such further or different designations as the Authority shall determine. Upon issuance of the Bonds, there shall be delivered to the Trustee the verification reports set forth in Section 2.03(f) hereof.

The Bonds shall be issued for the purpose of providing moneys for the purchase of securities (the “Substituted Escrow Securities”) meeting the requirements of the respective Refunded Bonds Escrow Agreements and any required cash amount, together sufficient to provide for the payment of the principal of and interest on the Refunded Bonds on the early redemption date or dates established by the Authority pursuant to the exercise of the retained early redemption rights retained by the Authority in respect of the Refunded Bonds referred to in Section (7) of the respective Refunded Bonds Escrow Agreements (such Substituted Escrow Securities and cash are referred to herein as the “Substituted Escrow Amounts”). The securities and cash currently securing the payment of the principal of and interest on the Refunded Bonds to maturity will be released from the lien and pledge of the Refunded Bonds Escrow Agreements (the “Released Escrow Securities”) and irrevocably transferred to the Escrow Agent for deposit to the Escrow Fund hereunder as security for the payment of the principal of and interest on the Bonds (such Released Escrow Securities and cash are referred to herein as the “Released Escrow Amounts”).

In addition, the proceeds of the Bonds may be used for the payment of costs of issuance of the Bonds and related fees and expenses and to provide moneys for the operation and maintenance needs of the Transit and Commuter Systems.

The Authority may use the proceeds of RANs to the extent necessary or desirable to accommodate the early purchase of the Substituted Escrow Securities or for other purposes authorized by this Resolution if such use of the proceeds of the RANs will result in a financial or other benefit to the Authority. The proceeds of the Bonds may be used to repay any such RANs.

The Bonds of the Authority shall not be a debt of the City or the State, nor shall the City or the State be liable thereon, nor shall the Bonds be payable out of any funds other than those of the Authority hereby transferred or pledged to the payment of the principal and Sinking Fund Installments of and interest on all the Bonds.

Section 2.02. Delegation of Authority. There is hereby delegated to each Authorized Officer of the Authority, subject to the limitations contained in the Resolution, the following power with respect to the Bonds:

(a) to determine whether and when to issue any Bonds, the amount of the Bonds to be applied to finance Substituted Escrow Securities or refinance the proceeds of RANs, and the amount of the proceeds of the Bonds, estimated to be necessary to pay the costs of issuance of the Bonds and capitalized interest, if any;

(b) to determine the uses of the proceeds of the Bonds not needed for the purposes set forth in Section 2.02(a), such uses to be consistent with the payment of operation and maintenance expenses of the transit and commuter systems of the Authority;

(c) to determine the principal amounts of the Bonds to be issued for the purposes set forth in this Resolution and whether such principal amounts constitute a separate series or a subseries of Bonds, which principal amounts (and the aggregate of all such series and subséries) shall not exceed the principal amounts permitted by this Resolution;

(d) to determine the maturity date and principal amount of each maturity of the Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Bonds shall be dated and the interest rate or rates of the Bonds or the manner of determining such interest rate or rates; provided, however, that the Bonds shall be subject to a maximum interest rate of not greater than 10% per annum;

(f) to determine the Redemption Price or Redemption Prices, if any, and the optional and mandatory redemption terms, if any, for the Bonds, including make-whole redemption provisions as deemed necessary or convenient in connection with the sale and delivery of the Bonds;

(g) to determine whether the sale of the Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Bonds to be paid by the purchaser or purchasers referred to in one or more bond purchase

agreements or a bank direct purchase agreement, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that, in the case of Bonds sold on a negotiated basis, the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Bonds;

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

(i) to determine the selection of calculation agents, verification agents, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements;

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

(k) to make such changes in or from the form of this Resolution as may be required by a rating agency in order to attain or maintain specific ratings on the Bonds;

(l) to make such changes in or from the form of this Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to provide for the purchase at public or private sale of the Substituted Escrow Securities necessary to provide for the payment of the principal of and premium, if any, and interest on the Refunded Bonds at the early redemption date thereof and to amend, modify or supplement the provisions of the Refunded Bonds Escrow Agreements and the duties, responsibilities and compensation of the escrow agent(s) under the Refunded Bonds Escrow Agreements in order to provide for the early redemption of the Refunded Bonds, and all other actions necessary and desirable to provide for the early redemption of the Refunded Bonds, the use of the proceeds of the Bonds not necessary for the purchase of the Substituted Escrow Securities and costs of issuance and related fees and expenses;

(n) to provide for the securing of the Bonds by the Trust Estate and by the Escrow Fund, as the case may be, including making determinations from time to time as to whether or not the reinvestment of certain Released Escrow Securities as currently provided in the Refunded Bonds Escrow Agreements needs to occur, and whether or not there needs to be created any additional escrow fund or fund(s) to secure the Bonds for the benefit of the holders thereof;

(o) to determine the form of the Bonds and the form of the Trustee's certificate of authentication thereon, and to include a form of such in a Certificate of Determination;

(p) subject to the provisions of Section 2.04 hereof, to provide directions for the application of the proceeds of the Bonds;

(q) to appoint the same bank that is acting as escrow agent under the Refunded Bonds Escrow Agreements as the Trustee and the Escrow Agent for the Bondholders;

(r) to use the proceeds of RANs in any manner necessary or convenient consistent with the provisions of this Resolution; and

(s) any other provisions deemed advisable by an Authorized Officer of the Authority not in conflict with the provisions of the Resolution.

Such Authorized Officer shall execute one or more Certificate of Determinations evidencing determinations or other actions taken pursuant to the authority granted in the Resolution, and any such Certificate of Determination shall be conclusive evidence of the action or determination of such Authorized Officer as stated therein. Determinations set forth in the related Certificate of Determination shall have the same effect as if set forth in this Resolution.

Section 2.03. Provisions for Issuance of Bonds. The Bonds authorized to be issued shall be executed by the Authority and delivered to the Trustee. Such Bonds shall from time to time and in such amounts as are directed by the Authority be authenticated by the Trustee and by it delivered to or upon the order of the Authority upon receipt of the consideration therefor and upon delivery to the Trustee of:

(a) A copy of the Resolution;

(b) Copies of each of the Refunded Bonds Escrow Agreements, certified by an Authorized Officer of the Authority, as well as all documents, reports and other requirements necessary to provide for the release of the Released Escrow Amounts from the Refunded Bonds Escrow Agreements;

(c) A copy of the Certificate of Determination executed in connection with such Bonds;

(d) A written order as to the delivery of such Bonds, signed by an Authorized Officer of the Authority, describing the Bonds to be delivered, designating the purchaser or

purchasers to whom such Bonds are to be delivered, and stating the consideration for such Bonds;

(e) A certificate of an Authorized Officer of the Authority stating that the Authority is not, and, as a result of the issuance of such Bonds, shall not be, in default in the performance of any of the covenants, conditions, agreements or provisions contained herein;

(f) A letter or written report prepared by a firm of certified public accountants verifying the accuracy of the arithmetical computations establishing that the Substituted Escrow Amounts deposited under the respective Refunded Bonds Escrow Agreements in substitution for the Released Escrow Amounts shall be sufficient to pay at the time of such deposit the principal of and interest on the Refunded Bonds on the early redemption date or dates established by the Authority pursuant to Section (7) of the respective Refunded Bonds Escrow Agreements and that the Released Escrow Amounts transferred to the Escrow Fund shall be sufficient to pay the principal and Sinking Fund Installments of and interest on the Bonds as the same shall become due;

(g) Unless the Trustee is a party thereto, a copy of the agreement, if any, between the Authority and the Securities Depository for any Book Entry Bonds; and

(h) An Opinion of Bond Counsel in customary form to the effect that (i) the Authority has the right and power under the Act to adopt the Resolution, and the Resolution has been duly and lawfully adopted by the Authority, is in full force and effect, and is valid and binding upon the Authority, and enforceable in accordance with its terms, and no other authorization for the Resolution is required as of the date thereof; (ii) the Resolution creates the valid pledge and lien which it purports to create of the Trust Estate in the manner and to the extent provided in Section 5.01; (iii) the Bonds are valid and binding obligations of the Authority, enforceable in accordance with their terms and the terms of the Resolution and entitled to the benefits of the Act as amended to the date of such Opinion of Bond Counsel, and (iv) such Bonds have been duly and validly authorized and issued in accordance with law and the Resolution; provided, however, that such opinion may be qualified to the extent that enforceability of rights and remedies may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally or as to the availability of any particular remedy.

Section 2.04. Deposit and Application of Proceeds. The proceeds, including accrued interest and premium, if any, received from the sale of any or all of the Bonds shall, simultaneously with the delivery of the Bonds to the purchaser thereof, be deposited into the Proceeds Fund for application to the purchase of the Substituted Escrow Securities to be deposited along with cash, if any, included in the respective Substitute Escrow Amounts in the respective Refunded Bonds Escrow Agreements; to the payment of costs of issuance of the Bonds; and to provide moneys for the operation and maintenance needs of the Transit and Commuter Systems; provided, however, that accrued interest may be deposited in the Debt Service Fund established hereunder and any accrued interest so deposited shall be invested only in non-callable, direct obligations of the United States of America (not including mutual funds or unit investment trusts) maturing at such times and in sufficient amounts and bearing interest at

such rates as necessary to pay the interest on the Bonds on the first interest payment date after the issuance of the Bonds.

Section 2.05. Official Statement.

1. The use of a Preliminary Official Statement in substantially the form presented to the Board at this meeting is hereby approved. The distribution in connection with the offering and sale of the Bonds of a Preliminary Official Statement in such form, with such changes, insertions and omissions as an Authorized Officer of the Authority deems advisable, is hereby authorized. An Authorized Officer of the Authority may deem such Preliminary Official Statement “final” in accordance with SEC Rule 15c2-12.

2. Any Authorized Officer of the Authority is hereby authorized to execute and deliver, in the name and on behalf of the Authority, a final Official Statement in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as said Authorized Officer deems advisable, and to permit the distribution of said Official Statement in connection with the offering and sale of the Bonds.

Section 2.06. Bond Purchase Agreement. The use of a Bond Purchase Agreement, by and between the Authority and Jefferies LLC and Wells Fargo Bank, National Association (or an affiliate), as representative of the underwriters of the Bonds named therein, in substantially the form of the most recent bond purchase agreement used in connection with the issuance and sale of Transportation Revenue Bonds is hereby approved, except that there shall be appropriate revisions therein reflecting this Resolution and the security for the Bonds consistent with the Preliminary Official Statement presented to the Board at this meeting. Any Authorized Officer of the Authority is hereby authorized to execute said agreement in the name and on behalf of the Authority substantially in such form, with such changes, insertions and omissions as may be approved by said Authorized officer, said execution being conclusive evidence of such approval.

Section 2.07. Continuing Disclosure Agreement. The use of a Continuing Disclosure Agreement, by and between the Authority and the Trustee, providing for the Authority’s compliance with SEC Rule 15c2-12 as generally described in Attachment 2 to the form of Preliminary Official Statement presented to the Board at this meeting. Any Authorized Officer of the Authority is hereby authorized to execute said agreement in the name and on behalf of the Authority substantially in the form used in prior financings of the Authority, with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive evidence of such approval.

Section 2.08. Execution of Documents. Any Authorized Officer of the Authority is hereby authorized to execute and deliver, in the name and on behalf of the Authority, any and all documents and instruments, and to do and cause to be done any and all acts and things, said Authorized Officer deems necessary or advisable in connection with the offering, sale and issuance of the Bonds and to carry out the transactions contemplated hereby. Any Authorized Officer may execute and deliver one or more Certificates of Determination in connection with the issuance and delivery of the Bonds and any refunding bonds permitted by Section 2.09 hereof and any amendments to this Resolution.

Section 2.09. Additional Obligations. The Authority reserves the right to issue bonds, notes or any other obligations pursuant to other and separate resolutions of the Authority, so long as such bonds, notes or other obligations are not entitled to a charge or lien or right prior or equal to the charge or lien created hereby, or prior or equal to the rights of the Authority and Holders of Bonds provided hereby or with respect to the moneys and investments and earnings on such investments pledged hereunder. Notwithstanding the foregoing, the Authority may issue bonds secured by the Trust Estate on a parity with the Bonds to refund all or any portion of the Bonds provided that it files with the Trustee prior to issuance thereof the same documents required by the provisions of Section 2.03 hereof, taking into consideration the Bonds, if any, to remain outstanding after the issuance of such refunding bonds and the refunding bonds to be issued.

ARTICLE III.

GENERAL TERMS AND PROVISIONS OF BONDS

Section 3.01. Place and Medium of Payment. Except as otherwise provided in the Certificate of Determination, principal and Redemption Price, if any, on the Bonds shall be payable to the registered owner of the Bond when due upon presentation of such Bond at the principal corporate trust office of the Trustee. The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts (or to the extent permitted by law, in any other coin or currency authorized pursuant to a Certificate of Determination).

Bonds shall be issued in the form of fully registered Bonds without coupons. Bonds, the certificate of authentication, if any, and the form of assignment shall be in substantially the form provided for in the Certificate of Determination with such appropriate variations, omissions, substitutions and insertions as are permitted or required hereby or thereby or are required by law, and may have such letters, numbers or other marks of identification and such legends and endorsements placed thereon as may be required to comply with any applicable laws or rules or regulations, or as may, consistent herewith, be determined by the Authorized Officers of the Authority executing such Bonds, as evidenced by their execution of the Bonds. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of such Bond, or as multiple pages (with or without such a reference). Bonds may be typewritten, printed, engraved, lithographed or otherwise produced.

Bonds shall be dated, and shall bear or not bear interest, as provided in the Certificate of Determination authorizing such Bonds.

Section 3.02. Legends. The Bonds may contain, or have endorsed thereon, such provisions, specifications and descriptive words not inconsistent herewith as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, or otherwise, as may be determined by the Authority.

Section 3.03. Execution and Authentication. The Bonds shall be executed in the name of the Authority by the manual or facsimile signature of an Authorized Officer or in such

other manner as may be required by law or specified in a Certificate of Determination. In case any of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the persons who signed such Bonds had not ceased to hold such offices. Any Bond may be signed on behalf of the Authority by such persons as at the actual time of the execution of such Bond shall be duly authorized or hold the proper office in the Authority, although at the date of the Bonds such persons may not have been so authorized or have held such office.

Bonds shall bear thereon a certificate of authentication, executed manually by the Trustee. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under the Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the Authority shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under the Resolution and that the Holder thereof is entitled to the benefits of the Resolution.

Section 3.04. Interchangeability of Bonds. Bonds, upon surrender thereof at the office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the Holder or his duly authorized attorney, may, at the option of such Holder, be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate of any other authorized denomination.

Section 3.05. Negotiability, Transfer and Registry. All the Bonds issued under the Resolution shall be negotiable, subject to the provisions for registration and registration of transfer contained in the Resolution and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Authority shall maintain and keep, at the office of the Trustee, books for the registration and registration of transfer of Bonds; and, upon presentation thereof for such purpose at said office and under such reasonable regulations as it or the Trustee may prescribe, the Authority shall register or cause to be registered therein, and permit to be transferred thereon, the registration of any Bond entitled to registration or registration of transfer. So long as any of the Bonds remain Outstanding, the Authority shall make all necessary provision to permit the exchange of Bonds at the office of the Trustee.

Section 3.06. Transfer of Bonds. The transfer of each Bond shall be registrable only upon the books of the Authority, which shall be kept by the Trustee, by the Holder thereof in person or by his attorney authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee executed by the Holder or his authorized attorney. Upon the registration of transfer of any such Bond, the Authority shall issue in the name of the transferee a new Bond of the same aggregate principal amount, maturity and interest rate as the surrendered Bond.

The Authority and the Trustee may deem and treat the person in whose name any Outstanding Bond shall be registered upon the books of the Authority as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of; or on account of the principal and Redemption Price, if any, of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon his order

shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Authority nor the Trustee shall be affected by any notice to the contrary. The Authority agrees to indemnify and save the Trustee harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, unless acting in bad faith or with negligence under the Resolution, in so treating such registered owner.

Section 3.07. Regulations with Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging Bonds or registering the transfer of Bonds is exercised, the Authority shall execute and the Trustee shall deliver Bonds in accordance with the provisions of the Resolution. All Bonds surrendered in any such exchanges or registrations of transfer shall forthwith be canceled by the Trustee. For every such exchange or registration of transfer of Bonds, whether temporary or definitive, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

Section 3.08. Bonds Mutilated, Destroyed, Lost or Stolen. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Authority shall execute, and thereupon the Trustee shall deliver, a new Bond of like tenor, maturity, interest rate and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the Authority and the Trustee that such Bond has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Authority and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Authority and the Trustee may prescribe and paying such expenses as the Authority and Trustee may incur. All Bonds so surrendered to the Trustee shall be canceled by it. If any such Bond shall have matured, or if such Bond shall have been called for redemption or a redemption date pertaining thereto shall have passed, instead of issuing a new Bond the Authority may cause the same to be paid without surrender thereof upon indemnity satisfactory to the Authority and the Trustee. Any such new Bonds issued pursuant to this Section 3.08 in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Authority, whether or not the Bonds so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under the Resolution, in any money or securities held by the Authority or the Trustee for the benefit of the Holders of Bonds.

Section 3.09. Book Entry Bonds. The Authority may employ a book-entry-only system of registration with respect to any Bonds and may utilize the procedures regarding such registration set forth in this Section 3.09, as such procedures may be modified or superseded pursuant to the Certificate of Determination authorizing such Bonds. Any provisions of the Resolution inconsistent with book-entry-only Bonds shall not be applicable to such book-entry-only Bonds.

Any Authorized Officer is hereby authorized to take all actions required for the Bonds to be eligible under the rules and regulations of The Depository Trust Company (“DTC”), 55 Water Street, New York, New York, for investment and trading as uncertificated securities. DTC is hereby appointed as the initial Securities Depository for the Bonds, with Cede & Co., a nominee

thereof, being the initial registered owner of the Bonds. In the event that any Securities Depository resigns or is removed, any Authorized Officer may select a substitute Securities Depository. The Authority and the Trustee, and any agent of the Authority or the Trustee, may treat any Securities Depository in whose name any Bonds is registered as the owner of such Bond for all purposes under the Resolution. For so long as the Securities Depository is the registered owner of the Bonds, procedures with respect to the transmission of notices and the transfer of ownership of, redemption of and payment of principal or Redemption Price, if any, of and interest on such Bonds so held shall be in accordance with arrangements among the Trustee, the Authority and the Securities Depository.

So long as the Bonds are registered in the name of the Securities Depository, the Authority and the Trustee shall have no responsibility or obligation to any Securities Depository participant, indirect participant or beneficial owner of the Bonds. Without limiting the immediately preceding sentence, the Authority and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of any Securities Depository or any Securities Depository participant or indirect participant with respect to any beneficial ownership interest in the Bonds, (ii) the delivery to any Securities Depository participant, indirect participant, beneficial owner or any other person, other than the Securities Depository, of any notice with respect to the Bonds, including any notice of redemption or tender, or (iii) the payment to any Securities Depository participant, indirect participant, beneficial owner or any other person, other than the Securities Depository, of any amount with respect to the principal of or Redemption Price or interest on the Bonds.

The Authority, in its sole discretion and without the consent of any other person, may terminate the services of any Securities Depository with respect to any Bonds. Notice of such termination shall be given by the Authority to the Trustee prior to or simultaneously with such termination. In the event the book-entry only system is discontinued with respect to the Bonds, principal and Redemption Price of and interest on the Bonds shall be paid as provided in the Resolution.

Consistent with DTC book-entry provisions, one or more typewritten certificates shall be prepared for each maturity of the Bonds and registered in the name of the Securities Depository. There shall be no physical distribution of bond or other certificates to beneficial owners of such Bonds. In the event that the Bonds do not qualify to be held by the Securities Depository or that either the Authority determines to discontinue the book-entry only system or DTC determines to discontinue providing its service with respect to the Bonds and there is no successor Securities Depository, the bond or other certificates shall be delivered in the form required by the Resolution.

Unless otherwise directed by an Authorized Officer, "CUSIP" identification numbers will be imprinted on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the Bonds. As a convenience to the Holders of the Bonds, the Authority and the Trustee may use such CUSIP numbers in any notices to the Holders of the Bonds, including any notices of redemption of the Bonds. Failure on the part of the Authority or the Trustee to use such CUSIP numbers in any notice to Holders of the Bonds shall not constitute an Event of Default or any similar violation of the Authority's contract with

such Holders. The Authority will promptly notify the Trustee of any change in the CUSIP numbers.

ARTICLE IV.

REDEMPTION OF BONDS

Section 4.01. Authorization of Redemption. The Bonds shall be subject to optional redemption at the discretion of the Authority as provided in a Certificate of Determination. Term Bonds subject to mandatory redemption prior to maturity from Sinking Fund Installments shall be redeemable, in accordance with this Article IV, at such times, at such Redemption Prices and upon such terms as may otherwise be specified herein or in the Certificate of Determination.

Section 4.02. Sinking Fund Redemptions. Whenever by the terms hereof the Trustee is required to redeem Bonds from Sinking Fund Installments the Trustee shall select the Bonds of the maturities to be redeemed in the manner provided in Section 4.03 hereof, give the notice of redemption and pay out of moneys available therefor the Redemption Price thereof, together with interest accrued to the redemption date, to the Trustee in accordance with the terms of this Article IV.

Section 4.03. Selection of Bonds to Be Redeemed. In the event of redemption of less than all the Outstanding Bonds of like tenor, maturity and interest rate, the Trustee shall select, as directed by the Authority (as to the timing of such selection, manner of such selection or otherwise) or otherwise in such manner as the Trustee in its discretion shall deem appropriate and fair, the numbers of the Bonds to be redeemed and portions of any thereof to be redeemed in part. Bonds of denominations equal or less than the minimum authorized denomination thereof may be redeemed only as a whole. Bonds of denominations of more than the minimum authorized denomination thereof may be redeemed either as a whole or in part (which, if redeemed in part, must assure that the portion of the Bond which is not redeemed is an authorized denomination). For the purposes of this Section 4.03, Bonds, or portions thereof, which have theretofore been selected for redemption shall not be deemed Outstanding.

Section 4.04. Notice of Redemption. When redemption of Bonds is required by the Resolution pursuant to Section 4.02, the Trustee shall give notice, in the name of the Authority, of the redemption of such Bonds, which notice shall specify the CUSIP numbers, maturities and, if any maturity shall include Bonds bearing different interest rates and all Bonds of such maturity are not being redeemed, the interest rate of the Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds of any like tenor, maturity and interest rate are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed, and, in the case of Bonds to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed, and, if applicable, that such notice is conditional and the conditions that must be satisfied. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and

after such date interest thereon shall cease to accrue and be payable. Such notice shall be given not less than 30 days nor more than 45 days, or for such other period as may be specified in a Certificate of Determination, before the redemption date, to the Holders of any Bonds or portions of Bonds which are to be redeemed. Failure so to give any such notice to any particular Holder shall not affect the validity of the proceedings for the redemption of Bonds not owned by such Holder and failure of any Holder to receive such notice shall not affect the validity of the proposed redemption of Bonds. The Authority may provide notices of redemption at such additional times as it may determine necessary or appropriate. Notices of redemption shall be sent by first class mail, postage prepaid.

The Certificate of Determination may provide for the delivery of a conditional notice of redemption in the case of Bonds subject to optional redemption.

Section 4.05. Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 4.04, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Bonds, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date. If there shall be called for redemption less than all of a Bond, the Authority shall execute and cause to be delivered, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, at the option of the Owner thereof, Bonds of like tenor, maturity and interest rate in any of the authorized denominations. If, on the redemption date, money for the redemption of all the Bonds or portions thereof of any like tenor, maturity and interest rate to be redeemed, together with interest to the redemption date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Bonds or portions thereof of such maturity and interest rate so called for redemption shall cease to accrue. If said money shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

ARTICLE V.

PLEDGE OF TRUST ESTATE; DEBT SERVICE FUND; PROCEEDS FUND

Section 5.01. Pledge of Trust Estate. There are hereby pledged for the payment of the principal and Redemption Price of, and interest on, and Sinking Fund Installments for, the Bonds, in accordance their terms and the provisions of the Resolution, all right, title and interest of the Released Escrow Amounts on deposit in the Escrow Fund and all right, title and interest of the Authority in the Trust Estate, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution. The pledge created by this Section 5.01 shall in all respects secure on a pari passu basis all of the Bonds, and any refunding bonds permitted by Section 2.09 hereof, and, except as expressly so stated, nothing contained in the Resolution shall be deemed to confer on the Holders of any Bonds any rights in the Trust Estate or the Escrow Fund superior or inferior to the Holders of any

other Bonds. The pledge created by this Section 5.01 shall be valid and binding from the date of issuance of the Bonds, and the Trust Estate and the Escrow Fund shall immediately be subject to the lien of such pledge without any physical delivery thereof or any further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof. Subject to the provisions of the first sentence of this Section 5.01, the Escrow Fund and the Trust Estate is and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the Resolution, and, with respect to the Trust Estate, all corporate action on the part of the Authority to that end has been duly and validly taken. All Funds established under this Resolution shall be held by the Trustee or the Escrow Agent, as the case may be, separate and apart from all other funds and moneys of the Authority and the Trustee and there shall be no commingling of any of the funds or moneys on deposit in the Funds established hereunder with the funds or moneys on deposit in any of the other Funds established hereunder or with any other funds or moneys of the Authority or the Trustee.

Section 5.02. Debt Service Fund and Escrow Fund.

(a) There is hereby established the Debt Service Fund which shall be held and maintained by the Trustee. On the day of issuance of the Bonds, contemporaneous with the deposit of the Substituted Escrow Amounts with the escrow agents under the Refunded Bonds Escrow Agreements, the Released Escrow Amounts shall be concurrently released from the escrows by the escrow agents under the Refunded Bonds Escrow Agreements and transferred to the Trustee for deposit to the Debt Service Fund. Promptly upon the receipt thereof, the Trustee shall irrevocably transfer the Released Escrow Amounts to the Escrow Agent for deposit into the Escrow Fund.

(b) Separate and apart from the Debt Service Fund and the Trust Estate, there is hereby established the Escrow Fund which shall be held and maintained by the Escrow Agent. On the day of issuance of the Bonds, the Trustee shall irrevocably transfer the Released Escrow Amounts to the Escrow Agent as provided in Section 5.02(a) hereof. The Escrow Fund shall be a special and irrevocable trust fund to be held by the Escrow Agent. The deposit of the Released Escrow Amounts in the Escrow Fund shall constitute an irrevocable deposit of such amounts in trust solely for the payment of the principal and Redemption Price of and interest on the Bonds and any refunding bonds permitted by Section 2.09 hereof on and prior to the redemption date or maturity date thereof, as the case may be, and the principal of and interest earnings on such Released Escrow Amounts shall be used solely for such purposes, except as otherwise permitted by Schedule B hereto. The trusts hereby created shall be irrevocable. The terms and provisions relating to the Escrow Fund are set forth in Schedule B hereto.

(c) The parties hereto intend that the transfer of the Released Escrow Amounts to the Escrow Agent for deposit into the Escrow Fund shall constitute an absolute and irrevocable transfer and not a loan or pledge. Notwithstanding anything to the contrary set forth in this Resolution, if a court of competent jurisdiction determines that the transfer of the Released Escrow Amounts to the Escrow Agent for deposit into the Escrow Fund constitutes a loan or a pledge and not an absolute and irrevocable transfer, then the parties hereto intend that the Escrow Fund shall be treated as part of the Trust Estate and pledged in accordance with Section 5.01

above as if the Escrow Fund had been included within the definition of “Trust Estate” in Section 1.01 above.

Section 5.03. Proceeds Fund. The Trustee shall deposit into the Proceeds Fund the net proceeds of the sale of the Bonds. The Trustee shall use the moneys on deposit in the Proceeds Fund to fund the Substitute Escrow Amounts on the date of issuance and sale of the Bonds. All remaining amounts on deposit in the Proceeds Fund shall be paid to, or at the direction of, the Authority to pay for the costs of issuance of the Bonds and to pay operation and maintenance expenses of the transit and commuter systems of the Authority.

ARTICLE VI.

PARTICULAR COVENANTS

The Authority covenants and agrees with the Holders of the Bonds as follows:

Section 6.01. Payment of Bonds. The Authority shall duly and punctually pay or cause to be paid from the Trust Estate and the Escrow Fund as provided in this Resolution the principal, Sinking Fund Installments and Redemption Price of and interest on every Bond, on the dates and at the places and in the manner provided in the Bonds according to the true intent and meaning thereof.

Section 6.02. Extension of Payments of Bonds. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payments of any claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in case the maturity of any of the Bonds or the time for payment of such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any Event of Default, to the benefit of the Resolution or to any payment out of the Trust Estate, except subject to the prior payment of the principal of all Bonds Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest.

Section 6.03. Power to Issue Bonds and Make Pledges. The Authority is duly authorized pursuant to law to create and issue the Bonds, to adopt this Resolution and to pledge the moneys, securities and funds purported to be pledged by this Resolution in the manner and to the extent provided in this Resolution. The moneys, securities and funds so pledged are and shall be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by this Resolution, and all corporate action on the part of the Authority to that end has been duly and validly taken. The Bonds and the provisions of this Resolution are and shall be the valid and legally enforceable obligations of the Authority in accordance with their terms and the terms of this Resolution. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the moneys, securities and funds under this Resolution and all the rights of the Bondholders under this Resolution against all claims and demands of all persons whomsoever.

Section 6.04. Further Assurances. To the extent permitted by law, the Authority from time to time shall make, do, execute, adopt, acknowledge and deliver, and take all and

every such further acts, deeds, conveyances, assignments, resolutions, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights and interests in the Trust Estate and the Escrow Fund so assigned, or intended so to be, or which the Authority or the Escrow Agent may become bound to pledge or assign.

Section 6.05. Accounts and Reports. The Escrow Agent shall keep proper books of record and account relating to the Released Escrow Amounts and the debt service relating to the Bonds. A copy of each record and account shall be filed semi-annually after each interest payment date on the Bonds with the Authority and the Trustee and the Trustee shall send a copy thereof to any Holder filing with the Trustee a written request therefor.

Section 6.06. Creation of Liens. The Authority shall not create or cause to be created any lien or charge prior or equal to that of the Bonds on the Trust Estate or any lien or charge on the Escrow Fund.

Section 6.07. Offices for Payment and Registration of Bonds. Except as otherwise provided in the Resolution, the Authority shall at all times maintain one or more offices or agencies in the City and State where Bonds may be presented for payment, registration, transfer or exchange, and where notices, demands and other documents may be served upon the Authority in respect of the Bonds or of the Resolution. The Authority may appoint the Trustee as its agent to maintain such office or agency for the payment, redemption, registration, transfer or exchange of Bonds and for the service upon the Authority of such notices, demands and other documents. The Authority may also maintain one or more offices or agencies outside of the City or State for the same purposes.

Section 6.08. General. The Authority shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Authority under the provisions hereof in accordance with the terms of such provisions and, to the extent material to the interests of the Holders, the Act.

Upon the date of issuance of the Bonds, all conditions, acts and things required by the statutes of the State and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds, shall exist, have happened and have been performed and the issuance of such Bonds, together with all other indebtedness of the Authority, shall be within every debt and other limit prescribed by the laws of the State.

Section 6.09. Agreement of the State; No Bankruptcy. In accordance with Section 1271 of the Act, the Authority does hereby include the pledge and agreement of the State with the Holders of the Bonds that the State will not limit or alter the denial of authority under subdivision 9 of Section 1269 of the Act, or the rights vested in the Authority by the Act to fulfill the terms of any agreement made with such Holders, or in any way impair the rights and remedies of such Holders until such agreements, bonds, notes and obligations with such Holders, together with the interest thereon, and all costs and expenses for which the Authority is liable in connection with any action or proceeding by or on behalf of such Holders, are fully met and discharged.

ARTICLE VII.

CONCERNING THE TRUSTEE

Section 7.01. Appointment and Acceptance of Trustee. On or prior to the delivery of the Bonds, the Authority shall appoint a Trustee. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Authority a written acceptance thereof.

Section 7.02. Duties, Liabilities and Rights of the Trustee.

(a) Prior to the occurrence of an Event of Default of which an Authorized Officer of the Trustee has written notice or actual knowledge, and after the curing or waiver of any Event of Default which may have occurred:

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Resolution, and no implied covenants or obligations shall be read into the Resolution against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Resolution; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee is under a duty to examine same to determine whether or not they conform to the requirements of the Resolution.

(b) In case an Event of Default of which an Authorized Officer of the Trustee has written notice or actual knowledge has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Resolution, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use in the conduct of such person's own affairs.

(c) No provision of the Resolution shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

1. this subsection (c) shall not be construed to limit the effect of subsection (a) of this Section 7.02;
2. the Trustee is not and shall not be liable for any error of judgment made in good faith by an Authorized Officer of the Trustee, unless it is proven that the Trustee was negligent in ascertaining the pertinent facts;
3. the Trustee is not and shall not be liable with respect to any action taken or omitted to be taken by it in good faith (i) in accordance with the direction of the Holders of the applicable percentage of Bonds then Outstanding relating to the time, method and place of conducting any proceeding for

any remedy available to the Trustee, or (ii) which it believes to be authorized or within its rights or powers under the Resolution;

4. no provision of the Resolution shall require the Trustee to expend or risk its own funds or otherwise incur any personal or financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, for which it has not received a satisfactory indemnity;
5. the Trustee may rely on any document believed by it to be genuine and to have been signed or presented by the proper person and shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit;
6. the Trustee shall not be charged with knowledge of an Event of Default unless an Authorized Officer of the Trustee shall have received written notice from a Holder or the Authority or have actual knowledge; provided that the Trustee shall be deemed to have actual knowledge of any failure to pay principal or Redemption Price of or interest on Bonds when due;
7. the Trustee shall not be under any obligation, to take any action that is discretionary hereunder;
8. neither the Trustee nor any of its directors, officers, employees or agents shall be personally liable for any action taken, suffered or omitted by the Trustee in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon the Trustee by the Resolution;
9. the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians, or nominees and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, attorney, custodians or nominees appointed with due care by it hereunder; and
10. the Trustee may request that the Authority deliver a certificate of an Authorized Officer setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant hereto, which certificate may be signed by any person authorized to sign such a certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

(d) Whether or not expressly so provided, every provision of the Resolution relating to the conduct or affecting the liability of or affording protection to the Trustee is subject to the provisions of this Section 7.02.

Section 7.03. Property Held in Trust. All moneys and investments conveyed to or held by the Trustee at any time pursuant to the terms hereof shall be and hereby are assigned, transferred and set over unto the Trustee in trust for the purposes and under the terms and conditions hereof.

Section 7.04. Evidence on Which Trustee May Act. The Trustee shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel of its selection, who may or may not be counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, omitted to be taken or suffered by it under the Resolution in good faith and in accordance therewith.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of the Resolution; but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

Except as otherwise expressly provided in the Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Authority to the Trustee shall be sufficiently executed if executed in the name of the Authority by an Authorized Officer.

Section 7.05. Compensation. The Authority shall pay to the Trustee from time to time such compensation as shall be agreed to in writing between the Trustee and the Authority for all services rendered under the Resolution (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under the Resolution. Notwithstanding the foregoing, the Trustee shall have no lien and will not assert any lien whatsoever on the Released Escrow Amounts or amounts on deposit in the Debt Service Fund for the payment of any such compensation, expenses, charges, counsel fees or other disbursements, except to the extent of any surplus as provided in Section 5.02(f) hereof. To the extent permitted by law, the Authority further agrees to indemnify and save the Trustee and its officers, directors, agents, and employees harmless against any and all liabilities, losses, damages, claims or expenses which it may incur in the acceptance, exercise and performance of its powers and duties hereunder and which are not due to its willful misconduct, negligence or bad faith. The obligations of this Section 7.05 shall survive the discharge of the Resolution. No obligation of the Authority to make any payment to the Trustee shall have the benefit of any lien on or pledge or assignment of the Trust Estate or the Escrow Fund.

The Trustee shall notify the Authority promptly of any claim for which it may seek indemnity. The Authority shall defend the claim and the Trustee shall cooperate in the defense.

The Trustee may have separate counsel and the Authority shall pay the reasonable fees and expenses of such counsel.

Section 7.06. Permitted Acts. The Trustee may become the Holder of any Bonds or any other obligations of the Authority, with the same rights it would have if it were not a Trustee. To the extent permitted by law and pursuant to the Resolution, the Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Holders of Bonds or the holders of any other obligations of the Authority or to effect or aid in any reorganization growing out of the enforcement of the Bonds or any other obligations the Authority or the Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

Section 7.07. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by the Resolution by giving not less than 60 days' written notice to the Authority and mailing notice thereof to the Holders of the Bonds, specifying the date when such resignation shall take effect, at least 45 days prior to the effective date, provided that such resignation shall take effect upon *the later of* (i) the day specified in such notice and (ii) the day a successor shall have been appointed by the Authority or the Holders of Bonds as provided in Section 7.09 and shall have qualified therefor.

Section 7.08. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Holders of a majority in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Authority. In addition, so long as no Event of Default shall have occurred and be continuing hereunder and the Trustee is not pursuing any right or remedy available to it pursuant to the Resolution, the Trustee may be removed by the Authority at any time for failure to provide reasonably acceptable services, failure to charge reasonably acceptable fees or any other reasonable cause, all as determined by a certificate of an Authorized Officer filed with the Trustee. Any such removal shall not be effective until a successor shall have been appointed by the Authority or the Holders of Bonds as provided in Section 7.09 and shall have qualified therefor.

Section 7.09. Successor Trustee. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the Holders of a majority in principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and acknowledged by such Holders of Bonds or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee; provided, nevertheless, that unless a successor Trustee shall have been appointed by the Holders of Bonds as aforesaid, the Authority by a duly executed written instrument signed by an Authorized Officer of the Authority shall therewith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the Holders of Bonds as authorized in this Section 7.09. The Authority shall mail notice of any such appointment made by it to all Holders within 20 days

after such appointment. Any successor Trustee appointed by the Authority shall, immediately and without further act, be superseded by a Trustee appointed by the Holders of Bonds.

If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section 7.09 within 45 days after the Trustee shall have given to the Authority written notice as provided in Section 7.07 or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, the Trustee or the Holder of any Bond may, at the expense of the Authority, apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Any Trustee appointed under the provisions of this Section 7.09 in succession to the Trustee shall be a bank that is organized under the laws of the State or is a national banking association organized under the laws of the United States of America, doing business and having a corporate trust office in The City of New York, and having a capital and surplus aggregating at least \$100 million, if there be such a Bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

Section 7.10. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under the Resolution shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all money, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor Trustee, and, upon the payment of all of its charges hereunder, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under the Resolution, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Authority be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Authority.

Section 7.11. Merger or Consolidation of the Trustee. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Trustee may sell or transfer all or substantially all of its municipal corporate trust business, provided such person shall be a bank that is organized under the laws of the State or is a national banking association organized under the laws of the United States of America, doing business and having a corporate trust office in The City of New York, and having a capital and surplus aggregating at least \$100 million, and shall be authorized by law to

perform all the duties imposed upon it by the Resolution, shall be the successor to such Trustee without the execution or filing of any paper or the performance of any further act.

Section 7.12. Continuing Disclosure Agreements. The Trustee shall be entitled to the same rights and the same degree of indemnification in its execution and performance of each continuing disclosure agreement entered into pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 as amended, as it is under the Resolution.

ARTICLE VIII.

DEFAULTS AND REMEDIES

Section 8.01. Events of Default. An event of default shall exist under this Resolution (an “event of default”) if:

(a) default is made in the payment of the principal, Redemption Price, Sinking Fund Installment or interest on any Bond after the same shall become due and payable; or

(b) the Authority shall default in the due and punctual performance or observance of any other of the covenants, agreements or conditions on its part contained in the Resolution, or in the Bonds, and such default shall continue for a period of thirty (30) days after written notice thereof requiring the same to be remedied shall have been given to the Authority by the Trustee, provided, that if the failure stated in the notice cannot be remedied within the applicable period, the Trustee shall not unreasonably withhold its consent to an extension of such time if corrective action has been instituted by the Authority within such period and is being diligently pursued; or

(c) the pledge created in Section 5.01 shall, at any time and for any reason, cease to be in full force and effect or a final judgment shall be rendered which shall declare the pledge to be null and void, or shall declare that the pledge does not establish in any material respect the lien it purports to establish, or that the pledge is not for the benefit of the Holders of the Bonds.

Section 8.02. Powers of Trustee in Respect of an Event of Default. In the event that any event of default specified in Section 8.01 shall occur and be continuing, the Trustee may, and, upon written request of the Holders of a majority in aggregate principal amount of the Bonds then Outstanding, shall, in its name:

- (a) by suit, action or proceeding in accordance with the civil practice law and rules enforce all rights of the Holders of Bonds;
- (b) bring suit upon the Bonds against the Authority;
- (c) by action or suit, require the Authority to account as if it were the trustee of an express trust for the Holders of the Bonds; or
- (d) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Bonds.

The remedies conferred upon or reserved to the Trustee in respect of any event of default are not intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or now or hereafter existing at law or in equity or by statute; provided, however, that the Trustee or the Holders of the Bonds shall not have the right to declare all Bonds to be immediately due and payable. No delay or omission to exercise any right or power accruing upon any event of default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice as may be expressly required herein.

The Trustee shall, in addition to the foregoing powers, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incidental to the general representation of Holders of Bonds in the enforcement and protection of their rights.

The Authority covenants that if an event of default shall have happened and shall not have been remedied, the books of record and account of the Authority and all other records relating to the Trust Estate shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys and, upon demand of the Trustee, the Authority will account, as if it were the trustee of an express trust, for the Trust Estate for such period as shall be stated in such demand.

Section 8.03. Priority of Payments After Default. In the event that the funds held by the Trustee shall be insufficient for the payment of interest and principal or Redemption Price then due on the Bonds, such funds (excluding funds held for the payment or redemption of particular Bonds which have theretofore become due at maturity or by call for redemption) and any other money received or collected by the Trustee, after making provision for the payment of any expenses necessary in the opinion of the Trustee to preserve the continuity of the amounts to be received under the Resolution or otherwise to protect the interest of the Holders of the Bonds, and for the payment of the charges and expenses and liabilities incurred and advances made by the Trustee in the performance of its duties under the Resolution, shall be applied as follows:

Unless the principal of all of the Bonds shall have become due and payable,

First: To the payment to the persons entitled thereto of all installments of interest then due with respect to Bonds in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installments due on the same date, then to the payment thereof ratably, according to the amounts due on such installments and interest components, to the persons entitled thereto, without any discrimination or preference, except as to the difference in the respective rates of interest specified in such Bonds; and

Second: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and,

if the amount available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal and Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

If the principal of all of the Bonds shall have become due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

The provisions of this Section 8.03 are in all respects subject to the provisions of Section 6.02.

Section 8.04. Termination of Proceedings. In case any proceedings taken by the Trustee on account of any event of default shall have been discounted or abandoned for any reason, then in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 8.05. Bondholders' Direction of Proceedings. Anything in this Resolution to the contrary notwithstanding, the Holders of the majority in principal amounts of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Resolution, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Section 8.06. Limitation on Rights of Bondholders. No Holder of any Bond shall have any right to institute any suit, action or other proceeding hereunder, or for the protection or enforcement of any right under this Resolution or any right under law unless such Holder shall have given written notice of the event of default or breach of duty on account of which such suit, action or proceeding is to be taken, and unless the Holders of not less than twenty-five per centum (25%) in principal amount of the Bonds then outstanding shall have made written request of the Trustee after the right to exercise such powers of right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers herein granted or granted under the law or to institute such action, suit or proceeding in its name and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers under this Resolution or for any other remedy hereunder or under law. It is understood and intended that no one or more Holders of the Bonds hereby secured shall have any right in

any manner whatever by his or their action to affect, disturb or prejudice the security of this Resolution, or to enforce any right hereunder or under law with respect to the Bonds or this Resolution, except in the manner herein provided, and that all proceedings shall be instituted, had and maintained in the manner herein provided and for the benefit of all Holders of the Outstanding Bonds. Notwithstanding the foregoing provisions of this Section 8.06 or any other provisions of this Article VIII, the obligation of the Authority shall be absolute and unconditional to pay the principal of and interest on the Bonds to the respective Holders thereof at the respective due dates thereof, and nothing herein shall affect or impair the right of action, which is absolute and unconditional, of such Holders to enforce such payment.

Anything to the contrary notwithstanding contained in this Section 8.06, or any other provision of this Resolution, each Holder of any Bond by his acceptance thereof shall be deemed to have agreed that any court in its discretion may require, in any suit for the enforcement of any right or remedy under the Resolution, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the reasonable costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in any such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this paragraph shall not apply to any suit instituted by the Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding at least twenty-five per centum (25%) in principal amount of the Bonds Outstanding, or to any suit instituted by any Bondholder for the enforcement of the payment of the principal of or interest on any Bond on or after the respective due dates thereof expressed in such Bond.

Section 8.07. Possession of Bonds by Trustee Not Required. All rights of action hereunder or under any of the Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the production thereof on the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Holders of such Bonds to which such action relates, subject to the provisions hereof.

Section 8.08. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 8.09. No Waiver of Default. No delay or omission of the Trustee or of any Holder of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Article VIII to the Trustee and the Holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds, shall, waive any default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit,

action or proceeding instituted by it under the provisions of the Resolution or before the completion of the enforcement of any other remedy hereunder; but no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

Section 8.10. Notice of Event of Default. The Trustee shall give to the Bondholders notice of each event of default hereunder known to the Trustee within fifteen (15) days after knowledge of the occurrence thereof, unless such event of default shall have been remedied or cured before the giving of such notice. Such notice of event of default shall be given by the Trustee by mailing written notice thereof to all registered Holders of Bonds as the names and addresses of such Holders appear upon the books, for registration and transfer of Bonds as kept by the Trustee.

ARTICLE IX.

DEFEASANCE

Section 9.01. Defeasance. If the Authority shall pay or cause to be paid to the Holders of all Bonds then Outstanding the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the Resolution, then, at the option of the Authority, expressed in an instrument in writing signed by an Authorized Officer and delivered to the Trustee, the covenants, agreements and other obligations of the Authority to the Holders of Bonds shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Authority, execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction and the Trustee shall pay over or deliver to the Authority all money, securities and funds held by it pursuant to the Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

Outstanding Bonds or any portions thereof for the payment or redemption of which money shall have been set aside and shall be held in trust by the Trustee shall at the respective maturity or redemption dates thereof be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this Section 9.01. Outstanding Bonds or any portions thereof shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this Section 9.01, (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail as provided in Article IV notice of redemption on said date of such Bonds, (b) there shall have been irrevocably deposited with the Trustee either money in an amount which shall be sufficient, or Defeasance Securities (as defined in a Certificate of Determination) the principal of and the interest on which when due will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall be sufficient, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, to pay when due, the principal or Redemption Price, if applicable, and interest due and to become due on such Bonds or such portions thereof on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event such Bonds are not by their terms maturing or are not subject to redemption within the next succeeding 60 days, the Authority shall have given the

Trustee in form satisfactory to it irrevocable instructions to mail, as soon as practicable, a notice to the Holders of such Bonds that the deposit required by (b) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section 9.01 and stating such maturity or redemption date upon which money is to be available for the payment of the principal or Redemption Price, if applicable, on such Bonds. Neither Defeasance Securities nor money deposited with the Trustee pursuant to this Section 9.01 nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; provided, however, that any money on deposit with the Trustee, (i) to the extent such money will not be required at any time for such purpose, shall be paid over to the Authority as received by the Trustee, free and clear of any trust, lien or pledge securing said Bonds or otherwise existing under the Resolution, and (ii) to the extent such money will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient, together with any money available to the Trustee for such purpose, to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Notwithstanding any other provision hereof, the Authority may at the time of defeasance elect to retain the right to redeem or require the tender of any obligations deemed paid pursuant to this Section 9.01. The Trustee shall, at the direction of the Authority, select the Bonds or portions thereof that are deemed to have been paid in advance of the redemption of such Bonds.

Anything in the Resolution to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the principal or Redemption Price of or interest on any of the Bonds which remains unclaimed for two (2) years after the date when such principal, Redemption Price or interest, respectively, has become due and payable, either at stated maturity dates or by call for earlier redemption, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when such principal, Redemption Price, or interest, respectively, became due and payable, shall, at the written request of the Authority, be repaid by the Trustee to the Authority, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Holders of Bonds shall look only to the Authority for the payment of such principal, Redemption Price, or interest, respectively. Notwithstanding the foregoing or anything in the Resolution to the contrary, any money held by the Trustee in trust for the payment and discharge of any Bonds which remains unclaimed after such money was to be applied to the payment of such Bonds in accordance with the Resolution may be applied in accordance with the provisions of the Abandoned Property Law of the State, being Chapter 1 of the Consolidated Laws of the State or any successor provision thereto, and upon such application, the Trustee shall thereupon be released and discharged with respect thereto and the Holders of Bonds shall look only to the Authority or the Comptroller of the State for the payment of such Bonds. Before being required to make any such payment to the Authority or to apply such money in accordance with the Abandoned Property Law of the State, the Trustee shall, at the expense of the Authority, cause to be mailed to the Holders entitled to receive such money a notice that said money remains unclaimed and that, after a date named in said notice, which date shall be not less than thirty (30) days after the date of the mailing, the balance of such money then unclaimed will be returned to the Authority or applied in accordance with the Abandoned Property Law of the State, as the case may be.

ARTICLE X.

EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOFS OF HOLDERSHIP OF BONDS

Section 10.01. Evidence of Signatures of Bondholders and Ownership of Bonds.

Any request, consent or other instrument which the Resolution may require or permit to be signed and executed by a Holder or Holders of Bonds may be in one or more instruments of similar tenor, and shall be signed or executed by such Holder or Holders of Bonds in person or by his or their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of an instrument appointing any such attorney, or the holding or owning by any person of such Bonds, shall be sufficient for any purpose hereof (except as otherwise herein expressly provided) if made as in this Section 10.01 provided, but the Trustee may nevertheless in its discretion require further or other proof in cases where it deems the same desirable.

The fact and date of the execution by any Holder of Bonds or his attorney of such instrument may be proved by the certificate, which need not be acknowledged or verified, of any officer of a bank or trust company satisfactory to the Trustee or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The authority of the person or persons executing any such instrument on behalf of a corporate Holder of Bonds may be established without further proof if such instrument is signed by a person purporting to be the president or a vice president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary.

The ownership of Bonds and the amount, numbers and other identification, and date of holding or owning the same shall be proved by the registry books. Any request, consent or vote of the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done or omitted to be done by the Authority or the Trustee in accordance therewith.

ARTICLE XI.

MISCELLANEOUS

Section 11.01. Modification or Amendment. No material modification or amendment of this Resolution or any resolution amendatory hereof or supplemental hereto, may be made without the consent in writing of the Holders of a majority or more in principal amount of the Bonds then Outstanding; provided, however, that no modification or amendment shall permit (i) a change in the maturity of such Bonds or (ii) a reduction in the rate of interest thereon or in the amount of the principal obligation or (iii) a change in the obligation to pay the principal of and interest on the Bonds as the same shall become due from the Released Escrow Amounts or (iv) a reduction in the percentage of holders of such Bonds, required above, for such modifications or amendments, without the consent of all of the Holders of such Bonds. No such modification or amendment shall be made unless the Trustee shall have received written

notification from each other rating service if then rating the Bonds that such modification or amendment will not result in a reduction or withdrawal of the then applicable rating on the Bonds by such rating service.

Section 11.02. Preservation and Inspection of Documents. All documents received by the Trustee from the Authority or from Holders of Bonds under the provisions hereof shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, any Holders of Bonds and their agents and their representatives, any of whom may make copies thereof; provided, however, that with respect to inspection by a Holder of Bonds a written request of such Holder of Bonds must have been received by the Trustee at least five (5) business days prior to the date of inspection.

Section 11.03. Moneys and Funds Held for Particular Bonds. The amounts held by the Trustee or the Escrow Agent for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on the Bonds due on any date with respect to particular Bonds shall, pending such payment, be set aside and held in trust by it for the Holders of such Bonds entitled thereto, and for the purposes hereof such principal, Sinking Fund Installments, if any, or Redemption Price of and interest on such Bonds due after such date thereof, shall no longer be considered to be unpaid. Upon the payment in full of the Bonds at the applicable redemption or maturity date and the amounts, if any, owed to the Trustee hereunder, all remaining moneys held by the Trustee or the Escrow Agent shall be released to the Authority.

Section 11.04. Cancellation of Bonds. The Trustee shall forthwith cancel all Bonds which have been paid by it and may destroy such Bonds and deliver a certificate to that effect to the Authority. No such Bonds shall be deemed Outstanding Bonds hereunder and no Bonds shall be issued in lieu thereof.

Section 11.05. No Recourse under Resolution or on the Bonds. All covenants, stipulations, promises, agreements and obligations of the Authority contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and not of any member, officer or employee of the Authority in his individual capacity. No recourse shall be had for the payment of the principal, Sinking Fund Installments, if any, or interest on the Bonds or for any claims based thereon or on the Resolution against any member, officer or employee of the Authority or any person executing the Bonds, all such liability, if any, being expressly waived and released by every Holder of Bonds by the acceptance of the Bonds.

Section 11.06. Parties of Interest. Nothing herein, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or party other than the Authority, Trustee and the Holders of the Bonds any rights, remedies or claims hereunder or by reason hereof or under or by reason of any covenant, condition or stipulation thereof. All covenants, stipulations, promises and agreements herein contained by or on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, Trustee and the Holders from time to time of the Bonds.

Section 11.07. Severability of Invalid Provisions. If any one or more of the covenants, stipulations, promises, agreements or obligations provided herein on the part of the Authority or the Trustee to be performed should be held to be contrary to law, then such

covenant or covenants, stipulation or stipulations, promise or promises, agreement or agreements, or obligation or obligations shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations herein contained and shall in no way affect the validity of the other provisions hereof or of the Bonds.

Section 11.08. Headings. Any headings preceding the text of the several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part hereof nor shall they affect its meaning, construction or effect.

Section 11.09. Governing Laws. The Resolution shall be governed by and construed in accordance with the laws of the State.

Section 11.10. Effective Date. This Resolution shall take effect immediately upon its adoption.

SCHEDULE A

REFUNDED BONDS

Commuter Facilities Revenue Bonds Series	Maturity Date (July 1)	Outstanding Par Amount	Interest Rate
1997B	2017	\$10,020,000	5.000%
1997B	2020	11,595,000	5.000
1997B	2024	18,380,000	5.125
1997D	2015	7,460,000	5.000
1997D	2016	7,860,000	5.000
1997D	2017	2,630,000	5.125
1997D	2022	15,310,000	5.125
1998B	2018	20,975,000	4.875
1998B	2026	98,025,000	4.750

Transit Facilities Revenue Bonds Series	Maturity Date (July 1)	Outstanding Par Amount	Interest Rate
1998B	2018	\$20,430,000	4.875%
1998B	2026	95,175,000	4.750

SCHEDULE B

TERMS AND PROVISIONS OF ESCROW FUND

1. All terms defined in the Resolution and used in this Schedule B shall have the meanings assigned to them by the Resolution; provided that the term “Escrow Securities” shall mean only direct obligations of, or obligations the full and timely payment of which is unconditionally guaranteed by, the United States of America which shall not be subject to redemption or be prepayable prior to maturity and shall not include mutual funds and unit investment trusts which invest in such obligations.

2. The Escrow Agent is hereby directed to purchase, and the Escrow Agent agrees to purchase, with amounts held in the Escrow Fund, the securities described in Schedule C to the respective Refunded Bonds Escrow Agreements, at the times specified in said Exhibit, to the extent such securities are available for purchase. As more particularly detailed in a Certificate of Determination, upon the receipt of an opinion of Bond Counsel to the effect that a revision or cancellation of the purchase of the securities described in such Schedule Cs will not adversely affect the exclusion from gross income for Federal income tax purposes of interest on the Refunded Bonds from gross income for Federal income tax purposes, the Escrow Agent shall revise or cancel the purchase of the securities described in such Schedule Cs consistent with the opinion of Bond Counsel. If, in the opinion of Bond Counsel, the purchase of the securities described in such Schedule Cs may be revised or cancelled, and Bond Counsel has delivered the opinion described in the preceding sentence, taking into consideration the availability of such excess amounts, the Authority may provide for the redemption of the Bonds from any excess amounts remaining as a result of such revisions or cancellation as provided in the Certificate of Determination.

3. Upon receipt by the Escrow Agent of a certification from a nationally recognized independent certified public accountant or a firm of such accountants that the principal of and interest on the moneys and securities on deposit in the Escrow Fund, together with other moneys available for such purpose on deposit in the Escrow Fund, shall be sufficient to pay without reinvestment, when due, the principal or Redemption Price of and interest on the Bonds through maturity, any moneys remaining on deposit in the Escrow Fund in excess of such amounts on each July 1 after payment of principal and Sinking Fund Installments of and interest on the Bonds on such July 1, and not needed for the payment of principal and Sinking Fund Installments of and interest on the Bonds on any subsequent interest payment date shall be applied by the Escrow Agent to the payment or prepayment of fees and expenses of the Trustee and the Escrow Agent due under the Resolution, and any remainder shall be held by the Escrow Agent in the Escrow Fund and invested in Escrow Securities maturing on or prior to the next interest payment date.

4. Other than as provided in paragraph 3 hereof, prior to any other withdrawal from the Escrow Fund of moneys not needed to pay the principal or Redemption Price of and interest due or to become due on the Bonds through redemption or maturity, the Authority shall provide to the Trustee and the Escrow Agent (a) a certification from a nationally recognized independent certified public accountant or a firm of such accountants that after any such withdrawal the principal of and interest on the moneys and securities on deposit in the Escrow Fund, together

with other moneys available for such purpose on deposit in the Escrow Fund, shall be sufficient to pay without reinvestment, when due, the principal or Redemption Price of and interest on the Bonds and (b) if applicable, an opinion of nationally recognized bond counsel addressed to the Authority and the Escrow Agent that such withdrawal will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds.

5. As of the date of delivery of the Bonds, the Authority will represent, warrant, and certify to the Escrow Agent that the Released Escrow Securities deposited in the Escrow Fund are Escrow Securities and that the Released Escrow Amounts mature at such times and in such amounts such that, based solely upon calculations and certifications made to it by a verification agent, the maturing principal of and the interest on the Released Escrow Amounts will be sufficient to pay when due the principal or Redemption Price, if applicable, of and interest due and to become due on the Bonds, on and prior to the redemption date or maturity date thereof.

6. The deposit of the Released Escrow Amounts in the Escrow Fund shall constitute an irrevocable deposit of Escrow Securities and cash, if any, in trust solely for the payment of the principal and Redemption Price of and interest on the Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and the principal of and interest earnings on such Released Escrow Amounts shall be used solely for such purposes, except as permitted in paragraphs (3) and (4) hereof.

7. There shall be no substitution of any securities for any other Released Escrow Securities at any time held in the Escrow Fund unless such substituted securities are Escrow Securities, and then only upon the written request of the Authority, which shall be accompanied by (i) the written opinion of Bond Counsel to the effect that such substitution can be made without affecting adversely either the security for or the exclusion from gross income for Federal income tax purposes of interest on the Refunded Bonds, and (ii) the written verification of a nationally recognized independent certified public accountant or a firm of such accountants satisfactory to the Authority that the principal and interest from such substitute Released Escrow Securities, together with any other amounts available in the Escrow Fund, including, but not limited to, non-substituted Released Escrow Securities, will be sufficient to pay without reinvestment, when due, the principal or Redemption Price of and interest on the Bonds.

8. The Escrow Agent is hereby instructed to take, and the Escrow Agent hereby agrees that it will take, all the actions required to be taken by it under the Resolution, including the timely transfer of moneys to the paying agent under the Resolution, in order to effectuate this Resolution. The Escrow Agent hereby agrees to apply the Released Escrow Amounts in accordance with the provisions of the Resolution. Any liability of the Escrow Agent for the payment of the principal and Redemption Price of and interest on the Bonds shall be limited to the application of the Released Escrow Amounts and the interest earnings thereon available for such purposes in the Escrow Fund.

9. The trusts hereby created shall be irrevocable and the holders of the Bonds shall have an express lien on all Released Escrow Amounts deposited in the Escrow Fund and the interest earnings thereon until paid out, used and applied in accordance with this Schedule B.

10. This Schedule B is made pursuant to and in furtherance of the Resolution and for the benefit of the holders from time to time of the Bonds and it shall not be repealed, revoked, altered or amended without the written consent of a majority in aggregate principal amount of such holders and the written consent of the Escrow Agent; provided, however, that the Authority and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Schedule B as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Schedule B, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Schedule B;
- (b) to grant to or confer upon the Escrow Agent for the benefit of the holders of the Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent;
- (c) to subject to the Escrow Fund additional funds, securities or properties; and
- (d) to make any changes required in connection with any initial rating of the Bonds by any rating agency.

11. Prior to entering into an amendment or agreement relating to clause (d) above, if any rating agency shall have assigned a rating to the Bonds, the Escrow Agent shall receive notice in writing from such rating agency to the effect that such amendment or agreement will not, by itself, result in the withdrawal or reduction of the ratings on the Bonds assigned by such rating agency.

12. The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds with respect to compliance with paragraph (10), including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Bonds, or that any instrument executed hereunder complies with the conditions and provisions of paragraph (10).

13. The Authority shall give prior written notice and draft legal documents of any repeal, revocation, severance, alteration or amendment of this Schedule B or of the Resolution with respect to any modification or amendment affecting the Bonds to any rating agency that is then rating the Bonds.

14. The Escrow Agent shall have no duties or responsibilities with respect to the Escrow Fund and the Released Escrow Amounts other than those expressly set forth in this Escrow Agreement.

15. In consideration of the services rendered by the Escrow Agent under this Resolution, the Authority agrees to and shall pay to the Escrow Agent its proper fees and expenses, including all reasonable expenses, charges, counsel fees and other disbursements incurred by it or by its attorneys, agents and employees in and about the performance of their powers and duties hereunder, from any moneys of the Authority lawfully available therefor and the Escrow Agent shall have no lien and will not assert any lien whatsoever upon any of the moneys in the Escrow Fund for the payment of such proper fees and expenses or for any other

reason except as provided in paragraph (6) hereof. The Escrow Agent shall not be required to expend or risk any of its own funds in the performance of its duties hereunder. The Escrow Agent shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct; and shall not be liable for errors in judgment made in good faith unless it has been negligent in ascertaining pertinent facts. The Authority further agrees to defend, indemnify and save the Escrow Agent harmless against and from any claims, liabilities, losses, cash and expenses (including but not limited to attorneys' fees and expenses) which the Escrow Agent may incur (a) in the exercise and performance of its powers and duties hereunder and which are not due to its negligence or willful misconduct or (b) due to the negligence, misconduct or default of the Authority.

16. The Escrow Agent shall have no responsibility with respect to the validity or sufficiency of this Escrow Agreement, or with respect to the validity of any of the Refunded General Revenue Bonds. The Escrow Agent may conclusively rely and shall be protected in acting or refraining from acting upon any written opinion, notice, certification, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties. In the administration of this Escrow Agreement and the Escrow Fund hereunder, the Escrow Agent may execute any of its powers and perform its duties hereunder directly or through agents or attorneys and may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Escrow Agent shall not be liable or responsible for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled persons or for misconduct or negligence of agents appointed with due care.

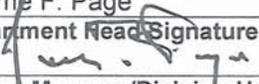
17. The Escrow Agent shall have the right but not the obligation to require and receive such written certifications or instructions from the Authority as the Escrow Agent reasonably deems necessary before taking any action hereunder.

18. The Escrow Fund and this Schedule B shall terminate when all Bonds and interest thereon have been paid and discharged. Upon such termination, all moneys remaining in the Escrow Fund shall be released to the Authority.

19. In no event shall the Escrow Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Escrow Agent shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

20. If an event of default shall have happened and shall not have been remedied, the books of record and account and all other records relating to the Escrow Fund shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys.

Staff Summary

Subject Addition of Outside Counsel to Approved Panel
Department MTA Office of General Counsel
Department Head Name Jerome F. Page
Department Head Signature 
Project Manager/Division Head Jerome F. Page/Helene Fromm/Rhonda Moll

Date July 28, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	7/28/14			
2	Board	7/28/14			

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

Purpose:

To obtain Board approval to add the law firms listed on Attachment A to MTA's panel of outside counsel available for assignment to all types of matters except personal injury or property damage, Federal Employers' Liability Act and Workers' Compensation (there being a separate panel of firms for matters in those PI-related subject areas). The fifteen listed firms, all of which are either New York State certified Minority/Women Business Enterprises ("MWBEs") (or are pending MWBE certification), or qualify as small business concerns ("SBCs"), were selected through a competitive Request for Proposal ("RFP") process conducted pursuant to Section 2879(3)(b)(i) of the Public Authorities Law (the "Discretionary Procurement Law"). The RFP sought proposals from certified MWBE or SBC law firms (including sole practitioners) interested in providing legal services for employment-related and civil rights matters up to \$200,000 per assignment as permitted by the Discretionary Procurement Law.

Discussion:

In employment-related and civil rights matters involving MTA or its constituent agencies, legal representation is provided by in-house counsel employed within the agency legal departments, and, on an as needed basis, by outside law firms included on the all-agency approved counsel panel. Seeking to expand participation by qualified MWBE firms and/or SBC law firms, MTA issued an RFP in March 2014, pursuant to the Discretionary Procurement Law, seeking proposals from MWBE and SBC law firms interested in providing legal services for employment-related and civil rights matters.

To maximize MWBE and SBC firm participation in the RFP, in addition to advertising the RFP in the *New York Law Journal* and the *New York State Contract Reporter*, MTA sent notice of the RFP to all New York State MWBE law firms listed in the State MWBE registry, placed ads in the *Minority Commerce Weekly*, as well as the *Connecticut Law Tribunal*, *Amsterdam News*, *El Diario*, *New York Post* and *New York Times*. MTA also provided notice of the RFP to a number of minority and women's bar associations, and separately sent notices of the RFP to law firms that attended two information sessions organized by the MTA Department of Diversity and Civil Rights prior to the release of the RFP, as well as to law firms identified by a Lexis search as having 5 to 10 employees and practicing in the areas of employment law and civil rights within the metropolitan region, including three Connecticut counties.

A total of 61 proposals were submitted in the requested practice areas (36 for employment-related matters and 25 for civil rights matters) by thirty-seven firms, including many MWBE certified firms. Twenty-four firms proposed for both areas. The fifteen firms recommended for addition to the panel, identified on Attachment A, include eleven firms certified as NYS certified MWBEs (including one that was certified after submitting its proposal) and two firms that are in the process of obtaining certification.

The fifteen firms were selected competitively. Proposals received were initially reviewed and individually scored by a committee of MTA in-house counsel who represent MTA agencies in civil rights and employment matters and by a lawyer working for the Department of Diversity and Civil Rights. The numerical ratings from that committee were reviewed by a Selection Panel, which consisted of the General Counsels of MTAHQ, NYCT, MTA Bus, Metro-North, LIRR, MTACC and the MTA Chief Diversity Officer. The Selection Panel is recommending to the Board that the fifteen firms identified on Attachment A be added to the all-agency non-PI outside counsel panel. (The RFP criteria, which were used to evaluate the proposals, were (i) the qualifications and experience of the firm and of the particular attorneys who would be handling the MTA's matters; (ii) the cost of legal services and disbursements, including such factors as rates, discounts, staffing, cost-effectiveness, and proposals for alternative fee arrangements; (iii) the firm's equal employment opportunity profile and commitment to diversity, including its status as an MWBE and/or its history of hiring, training, developing, promoting and retaining minority and women attorneys; and (iv) the overall quality of the response and the firm's demonstration of a clear understanding of the MTA's mission.)

Upon Board approval of these additions and the execution of retainers, the firms listed on Attachment A may be contractually assigned the handling of particular employment-related, civil rights and other non-PI matters. It is a goal of the MTA to obtain quality legal representation in all such matters at the most cost-efficient rates achievable. The retainers to be executed by the approved firms accordingly will provide for rates no greater than 80% of an attorney's or a paralegal's normal and customary rates.

As in the past, it is requested that the Board's approval of the firms listed on Attachment A also entail the approved use of a successor firm, in the event a firm on the list should subsequently merge into another firm, or a partner or principal lawyer in charge of an MTA matter at one of the listed firms moves to a different firm.

Recommendation:

It is recommended that the Board approve the appointment of the firms listed on Attachment A to the non-PI approved outside counsel panel and authorize the MTA's execution of retainers with those firms as set forth above.

Attachment A

Law Firms Added to MTA All-Agency Outside Counsel Panel for Other than Tort/FELA/WC Pursuant to RFP # 14038

Biedermann Hoenig Semprivo

Charles Leonard Mitchell, Esq.*

Crumbie Law Group LLC**

Gonzalez Saggio & Harlan LLP*

Greenwald Doherty LLP

Jane N. Barrett & Associates, L.L.C.*

Krez & Flores, LLP*

Morris Duffy Alonso & Faley, LLP*

Pugh, Jones and Johnson, P.C.*

Roach Bernard, PLLC*

Rush & Sabbatino, PLLC*

Shapiro, Beilly & Aronowitz LLP*

Stacy Gray, P.C.**

Towne, Ryan & Partners, P.C.*

Wong Fleming*

*Certified New York State MBE, WBE or MWBE Firm

**Certification Pending

Staff Summary

Subject MTA 2010-2014 Capital Plan Amendment
Department Administration
Department Head Name Craig Stewart
Department Head Signature 
Project Manager Name Stephen Berrang, Stephanie DeLisle

Date July 28, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

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

Internal Approvals			
Order	Approval	Order	Approval
4	Chairman/CEO		
3	Chief of Staff		
2	Chief Financial Officer		
1	Legal		

Narrative

Purpose:

To obtain MTA Board approval of the proposed amendment to select elements of the MTA Disaster Recovery, i.e., "Sandy," and New York City Transit (NYCT) portions of the MTA 2010-2014 Capital Plan and a change in the funding plan, for subsequent submission to the Capital Program Review Board (CPRB) for their approval, as provided by statute.

Discussion:

Background: On April 28, 2010, the MTA Board approved a proposed \$23.812 billion 2010-2014 Capital Plan. The CPRB deemed it approved on June 1, 2010. (The MTA Bridges and Tunnels 2010-2014 Capital Plan is not included in this discussion because it does not require CPRB approval.) On December 21, 2011, the MTA Board approved an amendment that reduced the plan to \$22.195 billion. This amendment, deemed approved by the CPRB on March 27, 2012, provided full funding for the plan through future efficiency initiatives and revised financing. The amendment did not identify specific savings at the project level, but noted that the savings would be identified in a future amendment and were expected to be achieved without impacts to customer benefits. On December 19, 2012, the MTA Board approved an amendment to the Plan adding projects totaling \$3.977 billion for the repair and restoration of MTA agency assets damaged as a result of Superstorm Sandy, which struck the region on October 29, 2012. This amendment resulted in a \$26.172 billion overall plan that was deemed approved by the CPRB on January 22, 2013. On July 24, 2013, the MTA Board approved an amendment to the Plan adding mitigation projects totaling \$5.674 billion to help protect the system against future storms and disruptions. That amendment also provided updated, project-level detail on the \$22.195 billion core program budget; it resulted in a \$31.849 billion overall plan that was deemed approved by the CPRB on August 26, 2013.

Proposed 2010-2014 Capital Plan Amendment: This amendment proposes reallocating the budgets of select plan elements primarily to reflect revised project estimates for work in the Disaster Recovery Repair and Mitigation, i.e., "Sandy," Programs. In addition, several elements in NYCT's program are adjusted to reflect new projects or revised project estimates. For some elements, the result is a budget increase near or more than 10% over the CPRB-approved budget. Last, there is a change to the funding plan relating to a Railroad Rehabilitation & Improvement Financing (RRIF) loan. The overall \$31.849 billion plan envelope remains unchanged.

Sandy Recovery Program (Attachment A): Based on experience from continued project scope development and design as well as ongoing construction, agencies have refined their projections of needs to repair damage from Superstorm Sandy. For example, NYCT's strategy of bundling repair work in under-river tubes allows for efficiencies of repairs along the right-of-way. Further assessment reveals need for increased allocations in areas such as Track and Shops and Yards. In addition, repairs to cars did not require capital investment. Adjustments in Long Island Rail Road (LIRR) elements reflect updated scopes and estimates. Several elements are more than 10% over the CPRB-approved element budget as a result of these changes. However, the total \$3.977 billion CPRB-covered Sandy recovery allocation is not affected.

Sandy Mitigation Program (Attachment B): The proposed changes align the Sandy Mitigation program with estimates supporting the MTA's application in March 2014 for funding under the FTA's Tier III Competitive Resiliency grant program. The MTA submitted 17 priority projects in the application, estimated at \$3.9 billion in federal and local funds. Though formal design has not begun for these projects, agencies developed scopes and order-of-magnitude estimates for them in preparation for the application. This resulted in lower priorities in several NYCT areas but increased priorities in the NYCT Stations and Shops and Yards areas and in the LIRR Yards area. To reflect this, \$269.2 million is moved from NYCT and MTA Bus to LIRR. Also, several elements are more than 10% over the CPRB-approved element budget as a result of these changes. However, the total \$5.674 billion CPRB-covered mitigation allocation is unchanged.

NYCT Core Program (Attachment C): Programmatic changes and updated project estimates result in several elements in NYCT's program to be near or more than 10% over the CPRB-approved element budget. These elements include:

- **Disabled Accessibility:** Two new projects providing full ADA accessibility at two stations on the Sea Beach Line created in a separate Board action. Funding comes from an existing reserve in the Passenger Stations category.
- **Other Station Improvements:** A new \$110 million project is added for initial work to reconstruct NYCT's Cortlandt St. station on the Broadway-7th Ave. line. This station was destroyed in the 2001 attacks on the World Trade Center and is to be rebuilt in coordination with redevelopment of the site. Funding for this work includes \$80 million from savings from various projects and \$30 million from a project to improve transportation infrastructure in the Church St. Corridor of the World Trade Center site.
- **Communications:** A new project for additional station Help Points was created in a separate Board action, and revised cost estimates were identified for existing projects for Help Points, PA/CIS and PSLAN network. Funding for these comes from program savings that NYCT has experienced, notably through favorable bids.
- **Service Vehicles:** Designs for future projects and a revised estimate for a work train purchase were identified. Funding for these comes from program savings that NYCT has experienced, notably through favorable bids.

Impacts on Funding (Attachment D):

The federal RRIF loan assumption is reduced by \$2.2 billion and MTA Bonds increased by an equal amount. This change allows MTA to issue MTA bonds in the capital markets or to be pledged to the Federal Railroad Administration (FRA) as security for the RRIF loan. MTA's application for an ESA RRIF Loan, originally submitted in April 2011, as amended in January 2014 to include positive train control projects, remains before the FRA. Note that repayment of the \$2.2 billion RRIF Loan was previously included against the MTA's legislated bond cap, and the proposed change should not impact MTA creditworthiness or bond ratings. Further, MTA's Financial Plan conservatively assumes that the original \$2.2 billion ESA RRIF Loan would be accomplished at the prevailing MTA Transportation Revenue Bond interest rate.

Alternatives:

There are no viable alternatives. This amendment is necessary to enable vital capital projects to address core needs, promote recovery from Superstorm Sandy, and enhance system resiliency to better withstand future climate events and disruptions. Pursuant to the Public Authorities Law, plan element increases exceeding 10% require CPRB approval; the proposed changes include such increases. Without CPRB approval of the changes, certain work may be halted.

Recommendation:

That the MTA Board of Directors approves the proposal to amend the CPRB portion of the MTA 2010-2014 Capital Plan as described and authorize the proposal to be submitted to the CPRB for their approval.

Attachment A
MTA 2010-2014 Capital Plan Amendment
MTA Disaster Recovery Program: Repair Element Changes
(\$ in millions)

Agency	Element	Category – Element Description	CPRB Approved Plan July 2013	Proposed Plan	Change
NYCT	E-T01-02	Subway Cars – Subway Cars Repairs: Sandy	\$4.0	-	(\$4.0)
NYCT	E-T04-02	Passenger Stations – Station Repairs: Sandy	\$280.0	\$250.0	(\$30.0)
NYCT	E-T05-02	Track – Track/Switch Repairs: Sandy	\$205.0	\$335.0	\$130.0 *
NYCT	E-T06-02	Line Equipment – Line Equipment Repairs: Sandy	\$330.0	\$290.0	(\$40.0)
NYCT	E-T07-02	Line Structures – Line Structure Repairs: Sandy	\$96.0	\$50.0	(\$46.0)
NYCT	E-T08-02	Signals & Communications – Signal/Comm Repairs: Sandy	\$654.0	\$475.0	(\$179.0)
NYCT	E-T10-02	Shops & Yards – Shops & Yards Repairs: Sandy	\$750.0	\$919.0	\$169.0 *
LIRR	E-L04-02	Line Structures – Line Structure Repairs: Sandy	\$75.6	\$76.3	\$0.7
LIRR	E-L05-02	Communications & Signals – Comm/Signal Repairs: Sandy	\$56.4	\$60.8	\$4.4
LIRR	E-L06-02	Shops and Yards – Shop & Yard Repairs: Sandy	\$64.9	\$56.1	(\$8.8)
LIRR	E-L09-02	Miscellaneous – Miscellaneous Repairs: Sandy	\$6.0	\$9.7	\$3.7 *
Net Change					-

Numbers may not total due to rounding

*Indicates proposed element allocation is greater than 10% over CPRB-approved level

Attachment B
MTA 2010-2014 Capital Plan Amendment
MTA Disaster Recovery Program: Mitigation Element Changes
(\$ in millions)

Agency	Element	Category – Element Description	CPRB Approved Plan July 2013	Proposed Plan	Change
NYCT	E-T04-03	Passenger Stations – Station Mitigation: Sandy	\$184.0	\$592.5	\$408.5 *
NYCT	E-T06-03	Line Equipment – Line Equipment Mitigation: Sandy	\$800.0	\$410.3	(\$389.7)
NYCT	E-T07-03	Line Structures – Lines Structure Mitigation: Sandy	\$1,893.4	\$525.0	(\$1,368.4)
NYCT	E-T08-03	Signals & Communications – Signal/Comm Mitigation: Sandy	\$850.0	\$385.0	(\$465.0)
NYCT	E-T10-03	Shops & Yards – Shops & Yards Mitigation: Sandy	\$325.0	\$1,779.3	\$1,454.3 *
NYCT	E-T16-03	Miscellaneous/Emergency – Miscellaneous Mitigation: Sandy	\$137.7	\$148.4	\$10.7
SIR	E-S07-03	Staten Island Railway – SIR Mitigation: Sandy	\$100.0	\$226.0	\$126.0 *
MTA Bus	E-U03-03	Bus Company Projects – Bus Company Mitigation: Sandy	\$45.5	-	(\$45.5)
LIRR	E-L04-03	Line Structures – Line Structure Mitigation: Sandy	\$4.0	\$9.9	\$5.9 *
LIRR	E-L06-03	Shops and Yards – Shop & Yard Mitigation: Sandy	\$85.0	\$348.3	\$263.3 *
Net Change					-

Numbers may not total due to rounding

*Indicates proposed element allocation is greater than 10% over CPRB-approved level

Attachment C
MTA 2010-2014 Capital Plan Amendment
New York City Transit Program Element Changes
(\$ in millions)

Agency	Element	Category – Element Description	CPRB Approved Plan July 2013	Proposed Plan	Change
NYCT	T-604-12	Passenger Stations – Station Work	\$1,393.2	\$1,333.3	(\$59.9)
NYCT	T-604-13	Passenger Stations – Disabled Accessibility	\$244.1	\$291.6	\$47.5 *
NYCT	T-604-14	Passenger Stations – Other Station Improvements	\$137.6	\$217.6	\$80.0 *
NYCT	T-607-03	Line Structures – Line Structure Rehabilitation	\$508.9	\$468.9	(\$40.0)
NYCT	T-608-06	Signals & Communications – Communications Systems	\$728.8	\$800.4	\$71.6
NYCT	T-609-04	Traction Power – Power Distribution	\$132.6	\$130.5	(\$2.1)
NYCT	T-613-02	Service Vehicles – Service Vehicles	\$103.0	\$128.8	\$25.8 *
NYCT	Various	Project Savings	N/A	N/A	(\$102.9)
SIR	S-607-01	Staten Island Railway – SIR Miscellaneous	\$118.9	\$98.9	(\$20.0)
Net Change					-

Numbers may not total due to rounding

*Indicates proposed element allocation is greater than 10% over CPRB-approved level

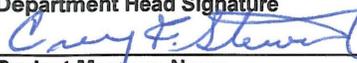
Attachment D
MTA 2010-2014 Capital Plan Amendment
Funding Plan Changes
(\$ in millions)

Funding Plan	CPRB Approved Plan July 2013	Proposed Plan	Change
Federal Formula, Flexible and Misc.	\$5,827	\$5,827	-
Federal High Speed Rail	295	295	-
Federal Security	221	221	-
Federal RRIF Loan	2,200	-	(2,200)
MTA Bus Federal Formula/Match	148	148	-
City Capital Funds	762	762	-
State Assistance	770	770	-
MTA Bonds	10,503	12,703	2,200
Other	1,472	1,472	-
Superstorm Sandy Recovery Funds			-
• Insurance and federal reimbursement (including interim MTA borrowing) *	8,732	8,732	-
• Pay-as-you-go capital	160	160	-
• MTA Bonds	758	758	-
Total 2010-2014 CPRB Plan	\$31,849	\$31,849	-

* Subject to future federal appropriation and guidance.

Numbers may not total due to rounding

Staff Summary

Subject 2010-2014 Capital Plan Amendment – B&T Repair Program
Department Administration
Department Head Name Craig Stewart
Department Head Signature 
Project Manager Name Stephen Berrang 

Date July 28, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

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

Internal Approvals			
Order	Approval	Order	Approval
4	Executive Director/CEO		
3	Chief of Staff		
2	Chief Financial Officer		
1	Legal		

Narrative

Purpose:

To obtain MTA Board approval of the proposed amendment to the MTA Bridges and Tunnels (B&T) Sandy Repair portion of the MTA 2010-2014 Capital Plan.

Discussion:

Background: On April 28, 2010, the MTA Board approved a proposed \$26.265 billion 2010-2014 Capital Plan, which included a \$2.453 billion B&T program. On December 21, 2011, the MTA Board approved an amendment that reduced the plan to \$24.274 billion, which included a \$2.079 billion B&T program. This amendment provided full funding for the plan through future efficiency initiatives and revised financing. The amendment did not identify specific savings at the project level, but noted that the savings would be identified in a future amendment and were expected to be achieved without impacts to customer benefits. On December 19, 2012, the MTA Board approved an amendment to the 2010-2014 Capital Plan adding projects totaling \$4.755 billion for the repair and restoration of MTA agency assets damaged as a result of Superstorm Sandy, which struck the region on October 29, 2012. The B&T share of the repair program totaled \$778 million. The amendment resulted in a \$29.029 billion overall plan. On July 24, 2013, the MTA Board approved an amendment to the 2010-2014 Capital Plan adding mitigation projects totaling \$5.770 billion to help protect the system against future storms and disruptions. The B&T share of the mitigation program totaled \$96 million. This amendment also provided updated, project-level detail on the \$24.274 billion core program budget. The amendment resulted in a \$34.801 billion overall plan.

Proposed 2010-2014 Capital Plan Amendment - B&T Repair Program: This amendment is administrative in nature and reallocates the budgets of the B&T Sandy repair elements to reflect revised project estimates and other ongoing developments. The amendment does not change the overall \$778 million B&T repair program envelope, nor the aim to carry out all necessary repairs, the majority of which are required at the Hugh L. Carey and Queens Midtown Tunnels. Furthermore, there are no changes required to the B&T Sandy mitigation program.

The development of the initial budget for B&T Sandy repair work was based on preliminary visual inspections of damaged elements at the bridges and tunnels. Order-of-magnitude estimates to repair and restore elements were developed using information from prior project costs and engineering estimates. As in-depth inspections were carried out and designs were developed, the damages and budget estimates were further refined. The proposed budget changes reflect these updated figures and are detailed in the Attachment.

Impacts on Funding:

This amendment does not alter the funding plan for the 2010-2014 Capital Plan.

Alternatives:

There are no viable alternatives to the proposed action. This amendment is necessary to progress vital capital projects that will enable B&T to recover from Superstorm Sandy, notably at the Hugh L. Carey and Queens Midtown Tunnels.

Recommendation:

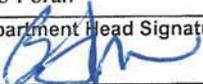
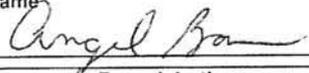
That the MTA Board of Directors approves the proposal to amend the B&T Sandy Repair portion of the MTA 2010-2014 Capital Plan.

Attachment
MTA 2010-2014 Capital Plan B&T Recovery Amendment
Recovery Program Element Changes
(\$ in millions)

Agency	Element	Description	CPRB Approved Plan July 2013	Proposed Plan	Change
B&T	E-D01-02	Structures – Structure Repairs: Sandy	\$393.8	\$399.6	\$5.8
B&T	E-D02-02	Roadways & Decks – Roadway/Deck Repairs: Sandy	\$137.0	\$25.5	(\$111.4)
B&T	E-D04-02	Utilities – Utilities Repairs: Sandy	\$217.0	\$304.3	\$87.3
B&T	E-D05-02	Buildings & Sites – Building Site Repairs: Sandy	\$29.7	\$32.5	\$2.8
B&T	E-D06-02	Miscellaneous – Miscellaneous: Sandy	-	\$15.5	\$15.5
Net Change					-

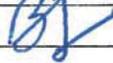
Numbers may not total due to rounding

Staff Summary

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

Date July 23, 2014
Vendor Name Various
Contract Number Various
Contract Manager Name Various
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	7/28/2014			
2	Board	7/28/2014			

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 F: Personal Services Contracts	4	\$33,092,621.00
Schedule H: Modification to Personal Services & Misc. Sv. Contracts	1	\$ 4,500,000.00
SUBTOTAL	5	\$37,592,621.00

MTAHQ presents the following procurement actions for Ratification:

	1	\$ 567,976.50
TOTAL	6	\$38,160,597.50

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

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

BOARD RESOLUTION

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 2014
COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Majority Vote:

F. Personal Service Contracts

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

1. **KPMG LLP** \$2,614,840 Staff Summary Attached
All Agency Procure to Pay Process Review (NTE)
Contract No. 14006-2-0100

Competitively negotiated – 8 proposals – 120 months

To recommend that the Board approve the award of a competitively negotiated, all-agency personal services contract to KPMG LLP to examine the Procure to Pay (P2P) processes across the MTA Agency Procurement Groups and thereby recommend how to make the processes as efficient, effective, and consistent as possible while using the capabilities inherent in the Procurement modules of PeopleSoft 9.2 or by recommending bolt-on(s) or an alternate, integration ready P2P solution. (In any alternate solution PeopleSoft remains the ERP platform and enterprise system of record). The award is for a period of 8 months from August 2014 through March 2015 for an amount of \$2,114,840 with a contingency of \$500,000 for a total not-to-exceed amount of \$2,614,840. Negotiations have resulted in a not to exceed contract and the originally proposed hourly rates ranging from \$76.92 to \$290.60 were negotiated down to a range of \$76.92 to \$ 273.86 representing a reduction of 0% to 5.7%. These rates are equal to or lower than the Federal Government rates. Based on the above, the negotiated hourly rates are considered fair and reasonable.

2. **World Energy Solutions, Inc.** \$0.00 Staff Summary Attached
E-Reverse Auction for Natural Gas (NTE)
Contract No. 14254-0100

Pilot — 12 months

To recommend that the Board approve the authorization for MTA to conduct (a) a one year experimental pilot program that will test the cost effectiveness and feasibility of an e-reverse auction competitive RFP process for the procurement of natural gas; (b) the award of a professional services contract to World Energy to provide technical and subject matter expertise and related services for, and to assist in the implementation of this experimental pilot program, (c) the award and execution of one or more natural gas supply contracts resulting from the e-reverse auction RFP process (such awards to be reported to the Board after contract execution); and (d) MTA to waive the all-agency procurement guidelines in connection with such reverse auctions. World Energy will not receive any compensation from MTA. Instead, each vendor awarded a natural gas supplier contract will compensate World Energy no more than \$0.09 per dekatherm of natural gas for the first million dekatherms of natural gas and no more than \$0.085 per dekatherm after the first million. This would result, for example, in compensation of approximately \$140,000 for a contract to supply MTA with natural gas for 1.6 million dekatherms of natural gas which, under current practices, might cost the agencies approximately \$14,250,000, inclusive of delivery charges. If the MTAHQ elects to not award a contract to a natural gas supplier at any point in this process, World Energy will not be entitled to any compensation. World Energy will work with MTA staff to design and implement the pilot program. All procurement decisions will be made by MTA procurement staff.

METROPOLITAN TRANSPORTATION AUTHORITY
COMPETITIVE PROCUREMENTS

3. **New York State Technology Enterprise Corporation (NYSTEC)** **\$250,000**
(not-to-exceed)
Disaster Recovery Services for Rail Control Data Center
Contract No. 14250-0100

New York State Contract Ride – 8 months

MTA seeks to ride New York State Contract Number CMR524A to provide services to conduct a risk assessment review of the Rail Control Center (RCC) data center and to develop disaster recovery plans that are needed during emergencies. Continuous availability of IT services for RCC operations is essential for sustaining subway service. Events such as black outs and hurricanes significantly affect the availability of IT services and hence this review includes a review of current readiness of IT infrastructure and equipment. Post-Sandy reviews highlighted the importance of developing continuity plans for the RCC data center. MTA requires technical consultants with varied experience and specialized skills for conducting resiliency assessment and for developing continuity plans.

The technical consultant will work with MTA to achieve the following goals: (i) a comprehensive risk assessment review of RCC Data center and back up command center (ii) conduct business impact surveys with the Rail Control Center management for establishing recovery priorities and (iii) develop a detailed recovery plans and procedures that would enable continuity of IT services. The hourly rate for these services, which range from a low of \$98.10 to a high of \$242.20, is the same rates established under the current New York State contract. There is no prior contract for these services with which this cost can be compared; however, these rates are within the same range of rates MTA has paid under other consultant contracts. Therefore, the not-to-exceed cost of \$250,000 is considered fair and reasonable.

4. **The McKissack Group, Inc.** **\$30,227,781** Staff Summary Attached
Independent Engineering Services for (Total)
MTA's Capital Program
Contract No. 08072-0100, S/A #3

Base plus previous change orders = \$31,246,940

To recommend that the Board: (i) approve a supplemental agreement to exercise the remaining three (the fourth year was previously exercised), one-year options of a previously Board-approved, competitively awarded, personal services contract with The McKissack Group, Inc. (formerly known as McKissack + Delcan (a joint venture)) in the amount of \$30,227,781. The base contract was for a three-year period from January 1, 2009 through December 31, 2011, with options to renew for four additional one-year periods at MTA's sole discretion in the amount of \$23,258,548 for the initial three years; and (ii) authorize the withdrawal of Delcan from the McKissack + Delcan joint venture. The IEC contract was initially entered between the MTA and a joint venture of McKissack + Delcan. Effective March 28, 2014, Delcan was acquired by an affiliate of the Parsons Corporation. To avoid any potential conflict of interest, it is proposed that Delcan withdraw from the Joint Venture. The MTA Office of Civil Rights established a 10% goal for MBE and 5% goal for WBE Participation. This contract has consistently met or exceeded these goals, and these MWBE requirements will continue through the option years. The rates are the same rates negotiated under the base agreement, therefore, they are deemed fair and reasonable.

METROPOLITAN TRANSPORTATION AUTHORITY
COMPETITIVE PROCUREMENTS

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.)

- | | | | |
|----|---|--------------------------------|--------------------------------------|
| 5. | All-Agency Organizational and Professional Development Programs
Contract Nos. 12194-0100 thru 1700 | \$4,500,000
(not-to-exceed) | <i><u>Staff Summary Attached</u></i> |
| | a. ATS Consulting | | |
| | b. Balancing Life's Issues | | |
| | c. Beverly Hyman | | |
| | d. Complete Learning Solutions | | |
| | e. Contract Trainers | | |
| | f. Curt Schleier | | |
| | g. Esta, Inc. | | |
| | h. French & Associaes | | |
| | i. GothamCulture | | |
| | j. KiThoughtbridge | | |
| | k. Kleiman & Associates | | |
| | l. Krieger | | |
| | m. PeopleNRG | | |
| | n. Phillip Vassallo | | |
| | o. Research Foundation City College of New York | | |
| | p. Stephanie Twin | | |
| | q. Technology Transfer | | |

Base Amount = \$2,309,100

To recommend that the Board approve an amendment to a previously Board-approved, competitively negotiated, personal services contract for additional funding in the amount of \$4,500,000 to continue to provide all agency organizational and professional development services with a focus on building and sustaining a safety culture and training new and re-training current employees, because of the unprecedented number of retirements anticipated by the Agencies.

Due to unforeseen training initiatives that were required as a result of several recent high profile accidents, funds were depleted faster than anticipated. The rates that all the firms charge are the same rates negotiated under the current three-year contract, therefore, they are deemed fair and reasonable. No goals were assigned by the Department of Diversity and Civil Rights for these contracts.

Staff Summary

Schedule F: Personal Service Contracts

Item Number:					
Dept & Dept Head Name: CFO/Bob Foran					
Division & Division Head Name: Business Service Center/Wael Hibri <i>Angel Foran for Wael Hibri</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Finance	7/28/2014	X		
2	Board	7/28/2014	X		
Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement <i>[Signature]</i>	4	Diversity and Civil Rights <i>[Signature]</i>		
2	Business Service Center <i>[Signature]</i>	5	Legal <i>[Signature]</i>		
3	CFO <i>[Signature]</i>				

SUMMARY INFORMATION	
Vendor Name: KPMG LLP	Contract Number: 14006-0100
Description: All Agency Procure to Pay "P2P" Process Review	
Total Amount: \$2,614,840	
Contract Term (including Options, if any) August 2014 – March 2015	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

To recommend that the Board approve the award of a competitively negotiated, all-agency personal services contract to KPMG LLP to examine the Procure to Pay (P2P) processes across the MTA Agency Procurement Groups and thereby recommend how to make the processes as efficient, effective, and consistent as possible while using the capabilities inherent in the Procurement modules of PeopleSoft 9.2 or by recommending bolt-on(s) or an alternate, integration ready P2P solution. (In any alternate solution PeopleSoft remains the ERP platform and enterprise system of record). The award is for a period of 8 months from August 2014 through March 2015 for an amount of \$2,114,840 with a contingency of \$500,000 for a total not-to-exceed amount of \$2,614,840.

II. DISCUSSION

In 2007, the MTA began developing and installing an MTA-wide PeopleSoft Enterprise Resource Planning (ERP) system (PeopleSoft 9.0) across the agencies and established the Business Service Center to manage the enterprise-wide PeopleSoft platform and to centralize certain transactions such as accounts payable, accounts receivable, general accounting, human resources administration, benefits administration, employment administration, and pension administration.

Currently, all agencies are using PeopleSoft for basic Procurement functions, Finance (including payroll, accounts payable, accounts receivable and general accounting), Human Resources and Benefits. Metro-North Railroad, MTA Bus and Staten Island Railway use the PeopleSoft Inventory module, while Long Island Rail Road and New York City Transit have separate Inventory systems that integrate with PeopleSoft. Currently MTA is operating PeopleSoft 9.0. The upgrade to PeopleSoft 9.2 will begin in 2014.

Procure to Pay or "P2P" includes but is not limited to all activities associated with purchasing and paying for goods and services including requisitioning, sourcing, advertising for and the distribution of solicitations, maintaining a bidders list and associated quote groups, receiving necessary approvals, the use of procurement methodologies (including sealed bid, request for proposals, request for quotes, e-procurement, sole source, procurement cards, etc.), establishing contracts and associated contract releases, the design, generation and handling of purchase orders and vouchers, creating receipts for matching, the receipt of invoices, and the accounts payable process. The P2P process also includes capital reimbursement of operating expenses and the interagency transfer of funds.

Since the implementation of PeopleSoft as the MTA ERP there has been no all agency P2P process evaluation performed, particularly to evaluate the effectiveness of the use of PeopleSoft Procurement technology or other possible P2P solutions.

Staff Summary

The consultant will therefore determine, for the current P2P process at each Agency, HQ, and the MTA, the purpose and function of each step in the process and the baseline cost in time and money; evaluate the potential for improved effectiveness or efficiency in the P2P processes that could result from both the greater use of PeopleSoft 9.2 functionality and changes in the processes at each Agency and HQ, or from the use of bolt on software or an alternative fit for purpose procurement solution; and estimate the savings that would result when compared to the baseline cost in time and money. Lastly, the consultant will prepare and submit an implementation plan that lays out the detailed steps necessary for the MTA as a whole, HQ and for each Agency individually, to change its P2P processes from the current state to the new processes.

In order to provide these services 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 twenty-one (21) firms including five (5) M/WBE Firms. Five (5) proposals were received. The Selection Committee, consisting of representatives from MTA Headquarters, MTA New York City Transit, MTA Bus, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Bridges & Tunnels, and MTA Capital Construction evaluated the proposals and recommended that all five firms be invited in for oral presentations. Based on the oral presentations, the committee short-listed to three firms; namely, Huron Consulting Services LLC, IBM, and KPMG LLP. The Selection Committee determined that KPMG LLP was the most technically qualified and best suited to perform the services identified by the RFP. MTA has conducted a responsibility review and other due diligence on KPMG LLP and has deemed them to be responsible for award.

Negotiations have resulted in a not to exceed contract and the originally proposed hourly rates ranging from \$76.92 to \$290.60 were negotiated down to a range of \$76.92 to \$ 273.86 representing a reduction of 0% to 5.7%. These rates are equal to or lower than the Federal Government rates. Based on the above, the negotiated hourly rates are considered fair and reasonable.

III. D/M/WBE INFORMATION

The MTA's Department of Diversity and Civil Rights established 10% MBE and 10% WBE goals for these contracts

IV. IMPACT ON FUNDING

Funding for this contract is available in the Business Service Center Operating Budget.

V. ALTERNATIVES

1. Perform the Services In-house. This is not a feasible alternative. MTA does not possess the internal resources or the expertise to provide these services.
2. Do not Approve Award of the Contract. This alternative is not practical or efficient. A procure to pay process review is necessary to streamline and consolidate business processes across the agencies.

Staff Summary

Schedule F: Personal Service Contracts

Item Number:					
Dept & Dept Head Name:					
CFO/Bob Foran					
Division & Division Head Name:					
Fredericka Cuenca					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Finance	7/28/2014	X		
2	Board	7/28/2014	X		
Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement 	4	Diversity and Civil Rights 		
2	CFO 	5	Legal 		
3	Strategic Initiative				
Narrative					

SUMMARY INFORMATION	
Vendor Name:	Contract Number:
World Energy Solutions, Inc.	14254-0100
Description:	
E-Reverse Auction for Natural Gas	
Total Amount:	
\$0.00	
Contract Term (including Options, if any)	
August 1, 2014 thru July 31, 2015	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type:	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type:	
<input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: (Pilot)	
Funding Source:	
<input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

To recommend that the Board approve the authorization for MTA to conduct (a) a one year experimental pilot program that will test the cost effectiveness and feasibility of an e-reverse auction competitive RFP process for the procurement of natural gas; (b) the award of a professional services contract to World Energy to provide technical and subject matter expertise and related services for, and to assist in the implementation of this experimental pilot program, (c) the award and execution of one or more natural gas supply contracts resulting from the e-reverse auction RFP process (such awards to be reported to the Board after contract execution); and (d) MTA to waive the all-agency procurement guidelines in connection with such reverse auctions.

II. DISCUSSION

Currently, the operating agencies, without competition or negotiations, purchase natural gas directly from local utilities such as National Grid and Con Edison and pay the applicable utility's tariff rate. However, there are many alternate suppliers of natural gas active in the regional marketplace and MTA believes that its cost for natural gas will be reduced by purchasing through a competitive, reverse auction process.

In order to test the cost of purchasing natural gas supplies in the open market, MTA proposes an experimental competitive procurement of a portion of the operating agencies' requirements. MTAHQ will undertake a two phase competitive Request for Proposals process. In the prequalification phase, natural gas suppliers will submit their qualifications for review. Suppliers considered to be qualified to meet the agencies' requirements will be authorized to participate in the e-reverse auction phase that will be conducted over the internet. In an e-reverse auction of this type, suppliers compete primarily based on their commodity price without disclosure of the number or identify of the competing firms, however, they are aware of the lowest active bid.

In order to conduct this pilot, MTAHQ will enter into an agreement with World Energy Solutions, Inc., a leading energy management service which will provide expertise regarding natural gas suppliers as well as the electronic auction technology. World Energy has delivered substantial cost savings to its clients by facilitating competitive natural gas procurements for private firms, public institutions and government agencies, such as the Port Authority of New York and New Jersey.

Staff Summary

Under the proposed one year experimental pilot program, MTA will engage World Energy to conduct one or more e-reverse auctions. MTA anticipates competitively procuring approximately 65% of the agencies' natural gas consumption (such total consumption being approximately 2.4 million dekatherms per annum, which, at current rates, would cost approximately \$22 million, inclusive of delivery charges).

Under the experimental pilot program, World Energy will perform the following services, under the supervision of MTA and operating agency staff:

- i) Educate and inform MTA staff regarding natural gas markets and procurement strategies
- ii) Invite natural gas suppliers to register, apply for prequalification, and participate in the competition;
- iii) Educate natural gas suppliers on how to use World Energy's e-procurement platform, how to apply for prequalification, and how to participate in the e-reverse auction competition;
- iv) Develop procurement documents that will be sent to potentially interested natural gas suppliers.
- v) Operate as a central point for communications to and from natural gas suppliers;
- vi) Conduct one or more natural gas e-reverse auctions;
- vii) Assist in evaluating pricing received relative to: (a) the other auction competitors and (b) the price MTA would expect to pay from "business as usual" pricing from local utilities; and
- viii) Following award of supplier contracts, provide a semi-annual and annual savings report to compare the cost of competitively procured natural gas to what would have been paid to local utilities.

The e-reverse auction will be held over the internet via World Energy's e procurement platform.

In order to minimize risk, it is currently expected that MTAHQ staff will award one or more contracts upon completion of the e-reverse auction process, only if the resulting pricing is lower than the "business as usual" pricing from local utilities. In those instances where the pricing is not favorable, it is expected that MTA will continue the past practice of purchasing natural gas from local utilities.

World Energy will not receive any compensation from MTA. Instead, each vendor awarded a natural gas supplier contract will compensate World Energy no more than \$0.09 per dekatherm of natural gas for the first million dekatherms of natural gas and no more than \$0.085 per dekatherm after the first million. This would result, for example, in compensation of approximately \$140,000 for a contract to supply MTA with natural gas for 1.6 million dekatherms of natural gas which, under current practices, might cost the agencies approximately \$14,250,000, inclusive of delivery charges. If the MTAHQ elects to not award a contract to a natural gas supplier at any point in this process, World Energy will not be entitled to any compensation. World Energy will work with MTA staff to design and implement the pilot program. All procurement decisions will be made by MTA procurement staff.

III. D/M/WBE INFORMATION

No D/M/WBE goals were established by the MTA Office of Civil Rights for this contract.

IV. IMPACT ON FUNDING

MTA is conducting this experimental competitive procurement in order to test whether there are savings opportunities. MTA does not anticipate negative impact on funding at this time.

V. ALTERNATIVES

1. Perform the Services In-house. This is not a feasible alternative. MTA does not possess the internal resources to provide these services.

2. Do not Approve Award of the Contract. The alternative to competitively procuring natural gas supply would be to continue to purchase natural gas from local utilities, absent competition or negotiations.

RESOLUTION

WHEREAS, e-reverse auctions are a competitive process for soliciting and receiving proposals electronically, competitively negotiating in real-time on-line with the vendors competing for the procurement, and then awarding the contract, which has been widely used by private industry and some governmental agencies in the United States to obtain bottom-line savings and procurement efficiencies;

WHEREAS, e-reverse auctions have gained popularity with the emergence of internet-based software and are used today by many businesses to purchase a variety of commodities and services in an effort to realize (1) lower prices through real-time on-line competition among multiple vendors; (2) administrative cost savings through paperless electronic bidding; and (3) instantaneous price analysis;

WHEREAS, the Metropolitan Transportation Authority ("MTA") desires to undertake a one year pilot program on behalf of itself and its agencies to test the cost effectiveness, practicability and feasibility of utilizing an e-reverse auction competitive RFP process for the procurement of natural gas;

WHEREAS, conducting such a pilot program will enable the MTA to determine the extent to which the e-reverse auction process for the purchase of natural gas can yield substantial cost savings by reducing the prices paid for natural gas;

NOW THEREFORE, the Board resolves as follows:

1. The MTA is authorized to enter into a contract with World Energy Solutions, Inc. to provide e-reverse auction technical and functional services for the natural gas e-procurement pilot program authorized by this resolution.
2. It is in the public interest for the MTA to undertake a one year e-procurement pilot program coordinated by MTA, on behalf of itself and its subsidiary and affiliated agencies, through which an e-reverse auction competitive request for proposals method will be used to solicit and award contracts for a portion of the natural gas requirements of MTA and its affiliated and subsidiary agencies;
3. The solicitation of proposals through competitive e-reverse auction competitive requests for proposals is hereby authorized for the supply of a portion of the natural gas requirements of MTA and the agencies, as determined by MTA;
4. The MTA is authorized to award and execute one or more natural gas supplier contracts with natural gas suppliers selected for award as a result of a reverse auction, which award(s) shall be submitted to the Board for informational purposes.
5. The requirements of the All-Agency Procurement Guidelines and the All-Agency Guidelines for the Procurement of Services are hereby waived, to the extent necessary to implement the e-procurement for this pilot program.

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number:

Vendor Name (& Location): The McKissack Group, Inc. (formerly McKissack + Delcan, JV)	
Description: Independent Engineering Services for MTA's Capital Program	
Contract Term (including Options, if any): Jan 1, 2009 thru Dec. 31, 2011 (base) with 4 One Year Options	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source: <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: M. Wetherell/OCO and C. Stewart/Sr. Dir., Capital Programs	

Contract Number: 08072-0100	AWO/Modification # 3
Original Amount:	\$23,258,548
Prior Modifications:	\$7,988,392
Prior Budgetary Increases:	\$7,988,392
Current Amount:	\$ 31,246,940
This Request:	\$ 30,227,781
% of This Request to Current Amount:	96.7%
% of Modifications (including This Request) to Original Amount:	164.3%

Discussion:

To recommend that the Board: (i) approve a supplemental agreement to exercise the remaining three (the fourth year was previously exercised), one-year options of a previously Board-approved, competitively awarded, personal services contract with The McKissack Group, Inc. (formerly known as McKissack + Delcan (a joint venture)) in the amount of \$30,227,781. The base contract was for a three-year period from January 1, 2009 through December 31, 2011, with options to renew for four additional one-year periods at MTA's sole discretion in the amount of \$23,258,548 for the initial three years; and (ii) approve an amendment to authorize the withdrawal of Delcan from the McKissack + Delcan joint venture. The IEC contract was initially entered between the MTA and a joint venture of McKissack + Delcan. Effective March 28, 2014, Delcan was acquired by an affiliate of the Parsons Corporation. To avoid any potential conflict of interest, it is proposed that Delcan withdraw from the Joint Venture.

The MTA requires the continuation of services of a nationally recognized independent transit engineering firm to perform periodic monitoring and oversight on projects in the MTA's Capital Program as required by New York State Public Authorities Law 1263-4(b). Consultant services of the Independent Engineering Consultant (IEC) includes such tasks as may be required in order to provide the MTA Capital Program Oversight Committee (CPOC) with appropriate, high quality and professional observations, evaluations, recommendations and reports concerning key elements of the MTA Capital Program. These key elements include: Sandy related project monitoring, supplemental independent review of the Capital Program, quality of work; adherence to project/program budgets; adherence to schedules; adherence to project scopes and functional requirements; and effective program and project management controls. Work tasks expected from the IEC fall under such areas as Facilitating Risk Assessments, Project Monitoring, Design Review, Programmatic Review and D/M/WBE support. Other tasks may be assigned within the scope of this assignment, as may be determined by CPOC.

This contract is funded by each agency from within its capital program. The 2010-2014 Capital Program funds the oversight agenda for projects within that program. Subsequent capital programs, which are subject to MTA Board and Capital Program Review Board approval, will fund the oversight work anticipated for projects within those programs.

The MTA Office of Civil Rights established a 10% goal for MBE and 5% goal for WBE Participation. This contract has consistently met or exceeded these goals, and these MWBE requirements will continue through the option years.

The rates are the same rates negotiated under the base agreement, therefore, they are deemed fair and reasonable.

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number:

Page 1 of 1

Vendor Name (& Location): Various	Contract Number: 12194-0100 thru 1700	AWO/Modification # 1
Description: All-Agency Organizational and Professional Development Programs	Original Amount:	\$2,309,100
Contract Term (including Options, if any): April 1, 2013 through March 31, 2016	Prior Modifications:	\$ 0.00
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	\$ 0.00
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$2,309,100
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$4,500,000
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	194.8%
Requesting Dept/Div & Dept/Div Head Name: Margaret M. Connor-Human Resources	% of Modifications (including This Request) to Original Amount:	194.8%

DISCUSSION:

To recommend that the Board approve an amendment to a previously Board-approved, competitively negotiated, personal services contract with the following firms for additional funding in the amount of \$4,500,000 to continue to provide all agency organizational and professional development services with a focus on building and sustaining a safety culture and training new and re-training current employees, because of the unprecedented number of retirements anticipated by the Agencies.

- | | | |
|--------------------------------|--------------------------|--|
| 1. ATS Consulting | 8. French & Associates | 15. Research Foundation City College of New York |
| 2. Balancing Life's Issues | 9. GothamCulture | 16. Stephanie Twin |
| 3. Beverly Hyman | 10. KiThoughtbridge | 17. Technology Transfer |
| 4. Complete Learning Solutions | 11. Kleiman & Associates | |
| 5. Contract Trainers | 12. Krieger | |
| 6. Curt Schleier | 13. PeopleNRG | |
| 7. Esta, Inc. | 14. Phillip Vassallo | |

In March 2013, the Board approved a contract with the firms listed above to enable the agencies to provide the needed professional development and training. Training is required in the crucial areas such as: i) safety; ii) working in and managing a diverse workforce; iii) customer service; iv) project management; v) strategic planning; vi) managerial coaching; vii) writing and presentation skills, viii) implementation and integration of technological solutions into developing areas such as strategic talent and performance management and succession planning; and, ix) mediation and conflict resolution.

Due to unforeseen and augmented safety and NYS mandated training, and continually increasing performance management, succession planning and supervisor training initiatives, additional funding is required to provide this essential training and development. Regulatory entities such as the Federal Railway Administration (FRA) emphasized the importance of building and sustaining a culture that assures safety of the riding public. In order to continue to build our capability to transition the organization and to continue our emphasis on an even more focused safety culture, developing our leaders for the future, our employees will continue to require additional training in areas such as:

- Performing effectively in a safety-focused environment
- Managing talent effectively, including developing our leaders and ensuring succession for key positions.
- Increasing and improving manager effectiveness, in performance management, coaching staff; and mediating and resolving conflicts effectively.
- Improving customer service skills
- Improving skills needed to manage projects effectively
- Increasing skills and effectiveness in key skills such as writing and delivering effective presentations
- Integrating technological solutions in key talent processes such as talent management, performance management, and succession planning

Additionally, the MTA and its agencies also face the challenge of an aging workforce. There are an unprecedented number of retirements anticipated by the Agencies in the immediate future and the MTA must accelerate efforts to develop and train successors to fill gaps created as a result of the retirements.

ALTERNATIVES:

1. Use of in-house staff: This alternative is not feasible. MTA does not have sufficient in-house subject matter experts to develop and/or facilitate all of the required training. Consequently, utilizing external training resources is a more cost effective manner to deliver these necessary organizational and training development services.
2. Do not approve the award of these contracts. This would curtail MTA's ability to foster growth in safety, organizational and training development for its employees.

LIST OF PROCUREMENTS FOR BOARD APPROVAL, JULY 2014
PROCUREMENTS FOR RATIFICATION

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Two-Thirds Vote:

K. Ratifications of Completed Procurement Actions (Involving Schedules E-J)

(Staff Summaries required for unusually large or complex items which otherwise would require Board approval)

- | | |
|--|---------------------|
| 1. TCD Cellular Communications | \$567,976.50 |
| Multi-Agency Supply/Install/Remove and Repair Emergency Equipment on MTAPD Vehicles and Installation of Emergency Equipment on B&T Vehicles | (Total) |
| Contract Nos. 12073-0200 | |

Non-competitive

Board ratification is requested for an award made in March 2014 for \$567,976.50 to a Board approved multi-agency, competitively negotiated, miscellaneous service contract with TCD Cellular Communications which expires in 2016 and is one of two firms under this Contract. MTAPD and B&T required these services to supply, install and repair emergency equipment on police vehicles. Emergency equipment includes, but not limited to, emergency lighting, communication equipment (i.e. radios, computers, etc.), canine equipment and vehicle identification graphics, etc. MTA Police purchased a total of 104 new vehicles between February and March 2014. The equipment had to be purchased in a timely manner in order to take advantage of a federal government grant (i.e. Transportation Security Grant Program Funds), thus MTA Police directed TCD Cellular Communications to provide the equipment for the vehicles. This was the only provider under contract which was able to meet the necessary timeframe. Subsequently, the equipment could not be purchased using federal funds since the Base Contract was originally procured utilizing State terms and conditions.

Staff Summary

Item Number G					
Dept & Dept. Head Name: Procurement & Material Management, Alfred Muir – Chief Procurement Officer					
Division & Division Head Name:					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	7-21-14	X		
2	MFA Board Mtg.	7-23-14	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	V.P. & General Counsel		
X	Sr. V.P. Operations		V.P. Planning		
X	V.P. Finance & IT	X	V.P. Engineering		
	V. P. Capital Programs				

SUMMARY INFORMATION	
Vendor Name Sperry Rail, Inc.	Contract Number 9285-A
Description Ultrasonic Rail Testing and Joint Bar Detection Services	
Total Amount \$10,360,790	
Contract Term (including Options, if any) Five Year Contract –Metro-North led Joint Procurement with the Long Island Rail Road	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other: Sole Source	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION:

Approval is requested to award a negotiated five year competitively solicited miscellaneous service contract (single bid received) to Sperry Rail, Inc., to provide Ultrasonic Rail Testing and Joint Bar Detection Services along the right-of-way. This is a Metro-North led, joint procurement, with the Long Island Rail Road.

II. BACKGROUND & DISCUSSION:

Metro-North Railroad (MNR) and Long Island Rail Road (LIRR) require the latest state-of-the-art ultrasonic rail testing and joint bar detection services to improve track safety and to enhance the current standard of track inspection for approximately 750 mainline track miles. Currently, visual inspections of rail and track are performed by in-house personnel with some inspection services contracted out to a third party firm.

In accordance with MNR’s program for improved track safety, maintenance and inspection procedures, MNR and LIRR is beginning its utilization of the latest technologies to include ultrasonic rail testing and joint bar detection to identify and detect internal and external flaws and fractures in track and rail. The ultrasonic rail testing and joint bar detection systems are hi-rail mounted and can inspect at speeds of 30 mph upwards. In addition, the combined testing and inspection system utilizes a system to detect joint bar defects by utilizing crossfire ultrasonic testing and technology. This new technology provides a 3D image of rail defects rather than a flat image from the top of rail.

This program was developed in conjunction with the Federal Railroad Administration report as a result of recommendations made by the consulting firm Transportation Technology Center, Inc. (TTCI)

In requesting this Board authorization, MNR has complied with PAL§ 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers and with MTA All-Agency Procurement Guidelines for the purchase of

Staff Summary

sole source material. Advertisements were placed in the New York State Contract Reporter, The New York Post, El Diario and posted on the Metro-North website, which did not yield interest from other sources.

A total of five firms received a copy of this bid procurement item; a single bid response was received from Sperry Rail, Inc. Sperry Rail Inc. is the incumbent firm under the current five year MNR-led joint agency contract, which did not include the ultrasonic rail testing and joint bar detection services.

A comparison of the 2009 joint agency daily rate of \$3,080 for hi-rail truck testing under the current contract to the proposed daily rate of \$3,942 for the same service yielded an increase of 28%. Further, when comparing the daily rate of \$1,075 for hand testing under the current contract to the proposed daily rate of \$1,450 for the same service yielded an increase of 7%. The increase in pricing is attributed to meeting new requirements to include additional inspection and testing services and equipment for the implementation of new FRA requirements for track inspections and operations. The new guidelines far exceed previous standard track inspection services.

Sperry Rail is the pre-eminent and industry-wide provider and leader of this vital service to the Railroad industry. Their bid was negotiated by MNR Procurement and a price concession of 4% from their daily rate was obtained. The total award amount is not-to-exceed \$10,360,790 (MNR \$6,110,790 and LIRR \$4,250,000) over the five-year contract term. Pricing shall remain fixed for the five-year term of this agreement and is deemed fair and reasonable.

III. IMPACT ON FUNDING:

The total cost for the ultrasonic rail testing and joint bar detection services is not-to-exceed \$10,360,790 (MNR \$6,110,790 and LIRR \$4,250,000). This procurement is to be funded by each Railroad's Operating Budget.

IV. ALTERNATIVES:

There are no viable alternatives as each Railroad does not have the technical expertise, equipment or manpower to provide ultrasonic rail testing and/or joint bar detection services.

Schedule I: Modifications to Purchase and Public Works Contracts

Item Number: I

Vendor Name (& Location) Tutor Perini Corporation	Contract Number 15491	AWO/Modification # 001
Description Replace the AC Facility Houses on the Harlem River Lift Bridge	Original Amount:	\$29,880,000
Contract Term (including Options, if any)	Prior Modifications:	\$ 0.00
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Prior Budgetary Increases:	\$ 0.00
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$29,880,000
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$ 3,350,000
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	12%
Requesting Dept./Div & Dept./Div Head Name: Procurement & Material Management, Alfred Muir – Chief Procurement Officer	% of Modifications (including This Request) to Original Amount:	12%

Discussion and Background:

The Harlem River Lift Bridge (HRLB) AC Facility Houses control the power that operates this moveable draw bridge, which provides the only access in and out of Manhattan for all Metro-North trains traveling to and from Grand Central Terminal. Over 750 Metro-North trains and 200,000 commuters cross the bridge each day. In addition, the Harlem River Lift Bridge traverses a navigable waterway and therefore is subject to the requirements of the United States Coast Guard. Metro-North is mandated to provide unhindered access. This access requires the raising and lowering (opening and closing) of the bridge from time to time.

A construction contract was competitively solicited and awarded on July 31, 2013 to the Tutor Perini Corporation for the Rehabilitation of the Harlem River Lift Bridge. The work in this Contract was for cable and circuit breaker house replacement. The duration of the contract is for two years with 180 days allowed by the US Coast Guard for actual bridge closing when all work pertinent to the opening and closing of the bridge can be performed.

Procurement Action

Approval is requested for a contract change order in the not-to-exceed amount of \$3,350,000 for the construction of two new AC Facility Houses located on the Harlem River Lift Bridge.

Areas under the Harlem River Lift Bridge housing the power feeding equipment that operates the bridge opening mechanism were flooded during Superstorm Sandy (October 29, 2012). Sandy's storm surge damaged the two HRLB Facility Houses (Bronx & Manhattan), located on the land beneath the Bronx and Manhattan sides of the Bridge, and containing the power feeds to the controls that raise and lower this moveable Bridge. The damaged Facility Houses were temporarily repaired with equipment cobbled together from other sources (until the HRLB project can be completed). However, full replacement is required.

In January 2014, MNR sought and received from the FTA concurrence to award this change order to Tutor Perini due to the urgency to repair the facility houses and the unique conditions associated with the Rehabilitation of the Harlem River Lift Bridge. Under the present contract, the US Coast Guard granted MNR a permit for a 180 day bridge closure of the operation of the lift bridge so that the original contract repairs could be completed. The work for the new AC Facility Houses will be completed concurrently with the 180 day closure granted under the existing contract.

Were Metro-North to proceed under a new and fully-staged competitive procurement, it would needlessly delay this critical repair work by at least a year, possibly longer. In addition, the duration and cost of the construction work would be longer and more expensive with any contractor other than Tutor-Perini, as the new contractor would be required to fully mobilize, plan and procure equipment and not be able to take advantage of the existing outage and approval of the U.S. Coast Guard.

**Schedule I: Modifications to Purchase and
Public Works Contracts**

Fast tracking this effort as a change order is the most effective and efficient way to progress this critical repair work, and prevent failure of this vital infrastructure.

A contract change order has been negotiated with Tutor Perini in the not-to-exceed amount of \$3,350,000. This amount was negotiated and reduced from the original amount of \$3,574,978 for a savings of \$224,978. There will be no additional time added to this contract as a result of this change order as the work will be performed concurrently with the other work required during the 180 day bridge closure.

Funding is included in the MTA Capital Program through the FTA funded Sandy Emergency Relief Program.

Staff Summary



Item Number: 1

Vendor Name (& Location) Penta Corporation
Description Maintenance & Support of Audio Visual Paging System <u>Hardware Software</u>
Contract Term (including Options, if any) August 1, 2014 – July 31, 2019
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-Competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Sole Source:

Contact Number TBD	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$2,421,634	LIRR \$811,000 NYCT \$1,055,634 MNR \$555,000
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Engineering Department, Sean Nunes	
Contract Manager : Frederick J. Nielsen	

I. PURPOSE

LIRR, on behalf of itself, NYCT and MNR (the MTA Agencies), requests MTA Board approval of a Sole Source Miscellaneous Procurement Contract to Penta Corporation (Penta) to provide maintenance support services for all equipment and software for the LIRR’s Audio Visual Paging System (AVPS), NYC Transit’s Penta Communication Exchange Control System (PCX) and MNR’s Public Address (“PA”) System, over a five-year term. The total award amount is \$2,421,634 (NYCT: \$1,055,634/LIRR: \$811,000/MNR: \$555,000).

II. DISCUSSION

LIRR’s AVPS and MNR’s PA systems provide LIRR and MNR customers with train information system-wide. The train information is provided by visual displays and/or audio announcements indicating train arrivals/departures, delays, track changes, etc. The NYCT PCX system is comprised of ten cabinets that contain approximately 2,163 devices located at seven NYC Transit locations, including the Rail Control Center (RCC). This system is a sophisticated audio matrix switch that is a critical element of NYCT’s Department of Subways operation, allowing the RCC to control the radios, telephones, intercoms, consoles and all other communications devices within the RCC and from field locations using Penta equipment. This system allows both analog and digital voice traffic (calls) to enter the RCC communications system with zero percent blocking. The RCC communications system communicates with NYC Transit’s Department of Subways dispatchers and towers that in turn talk to train operators on a 24/7 basis. All three legacy systems, which have been in operation for more than ten years, require a maintenance agreement to ensure the proper functionality of the systems for the next five years so that critical, timely and accurate train information is transmitted to the MTA Agency customers.

Penta was both the developer of the software and the system integrator for all of these systems. The software components are proprietary to Penta. Sole source advertisements were placed in the New York State Contract Reporter, the New York Post, and on the MTA website, with no response of interest from any other vendor.

Staff Summary



Through negotiations, Penta has agreed to provide the services to the MTA Agencies at the pricing set forth in its General Services Administration (GSA) Contract with the Federal Government. This is the same pricing established in LIRR/NYCT's previous joint agency agreement executed in 2010. Pricing covers all parts and labor (on-site, off-site, telephone support, and emergency services, as needed) as well as preventative maintenance and remedial repairs. Services to be provided to the MTA Agencies also include initial system inspection, training support and general "Help Desk" type support to assist the agencies in resolving operational issues or functionality problems. Subsequent allowable price increases shall be subject to approval by GSA and MTA. The MTA Agencies have determined that the negotiated pricing is fair and reasonable. The other MTA agencies were notified of this joint procurement and have advised that they do not have a requirement for Penta services at this time.

III. M/WBE INFORMATION

The MTA Department of Diversity & Civil Rights assigned 0% MWBE Goals to this procurement.

IV. IMPACT ON FUNDING

The total cost for the five years of maintenance and support services shall not exceed \$2,421,634 and is funded through each MTA Agency's individual Operating Budget.

V. ALTERNATIVES

There are no alternatives to this award because the software is proprietary to Penta; and the MTA Agencies, therefore, do not have access to such proprietary information in order to maintain, update and/or modify their respective systems using in-house staff. In addition, continuing maintenance of the existing systems is much more economical than purchase of new systems.

Item Number 2

<p>Vendor Name (& Location) Schindler Elevator Corporation (New York, NY)</p> <p>Description Vertical Circulation Elements for the East Side Access Project</p> <p>Contract Term (including Options, if any): 2,290 Days</p> <p>Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive</p> <p>Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification</p> <p>Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:</p> <p>Requesting Dept/Div & Dept/Div Head Name: East Side Access, W. Goodrich, P.E.</p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Contract Number</td> <td style="width: 50%;">AWO/Modification #</td> </tr> <tr> <td>VM014</td> <td>7</td> </tr> <tr> <td colspan="2">Original Contract Amount: \$ 24,077,558</td> </tr> <tr> <td colspan="2">Original Option Amounts: \$ 46,121,874</td> </tr> <tr> <td colspan="2">Original Board Approved Amount: \$ 70,199,432</td> </tr> <tr> <td colspan="2">Prior Modifications: \$ 205,000</td> </tr> <tr> <td colspan="2">Exercised Options: \$ 337,784</td> </tr> <tr> <td colspan="2">Prior Budgetary Increases: \$ 0</td> </tr> <tr> <td colspan="2">Current Amount: \$ 24,620,342</td> </tr> <tr> <td>This Request</td> <td style="text-align: right;">\$ 6,630,187</td> </tr> <tr> <td>% of This Request to Current Amount:</td> <td style="text-align: right;">26.9%</td> </tr> <tr> <td>% of Modifications (including This Request) to Original Board Approved Amount:</td> <td style="text-align: right;">8.4%</td> </tr> </table>	Contract Number	AWO/Modification #	VM014	7	Original Contract Amount: \$ 24,077,558		Original Option Amounts: \$ 46,121,874		Original Board Approved Amount: \$ 70,199,432		Prior Modifications: \$ 205,000		Exercised Options: \$ 337,784		Prior Budgetary Increases: \$ 0		Current Amount: \$ 24,620,342		This Request	\$ 6,630,187	% of This Request to Current Amount:	26.9%	% of Modifications (including This Request) to Original Board Approved Amount:	8.4%
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% of Modifications (including This Request) to Original Board Approved Amount:	8.4%																								

Discussion:

The work under this Contract is a multi-phase effort for the engineering support, fabrication, installation, and, interim and long term service and maintenance of elevators and escalators for the LIRR East Side Access Project at Grand Central Terminal. The elevators and escalators are referred to within the Contract and herein as the Vertical Circulation Elements (VCE). In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC seeks Board approval of a modification to the Contract to adjust the Milestones and Access Restraints and to compensate the contractor for the associated Impact Costs.

The VM014 contractor will fabricate, deliver, install, and maintain all of the elevators and escalators for the East Side Access Project. The VM014 contract requires the contractor to, among other things, enter into subcontracts with certain ESA prime contractors to perform its work in coordination with the work of those prime contractors. In that regard, the VM014 contractor is obligated to enter into a subcontract with the contractor for CM014B, GCT Concourse and Facilities Fit-out to perform the VCE work required under that contract.

At the time of award of VM014 in September 2010, it was anticipated that CM014B would be awarded in February 2011 with VCE installation work by the VM014 Contractor to commence in September 2011 and be completed by August 2015. However, due to program wide delays resulting from, among other things, the cancellation of Contracts CM012 and CM012R, CM014B is currently in the solicitation phase with an award planned for the fourth quarter of this year. The current CM014B schedule has installation of VCE by the VM014 Contractor to commence in July 2015 (fabrication will begin in July 2014) with completion for the VM014 work in Contract CM014B to be in November 2019.

Revision of the VM014 Milestones and Access Restraints is thus required in order to align them with the revised schedule for CM014B. These adjustments will increase VM014’s contract work duration by 1,572 days which entitles the VM014 Contractor to Impact Costs for compensable delays in accordance with the Contract’s General Terms and Conditions. The Impact Costs include (i) increased wages attributable to work being performed by trades in a higher wage period; (ii) increased costs to purchase materials and, (iii) increased costs to manufacture the elevators and escalators.

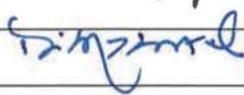
Item No. 2

Page 2 of 2

In addition, the installation and in-contract maintenance of nine escalators of the 48th St. Entrance which was originally planned to be performed under the subcontract with CM014B will now be performed under future Contract CM015. The revision of the milestones, access restraints and impact costs associated with this work will be negotiated with the VM014 Contractor when the CM015 package is finalized.

The Contractor proposed \$8,120,266 while MTACC's estimate was \$7,593,747. Negotiations were held and the parties agreed to a cost of \$6,630,187 for the CM014B related work, which is considered fair and reasonable.

Staff Summary

Subject ADA Accessibility: 3 Stations - Sea Beach and West End Lines
Department Capital Program Management
Department Head Name Frederick E Smith
Department Head Signature 
Program Officer Name Dilipkumar Patel 

Date June 3, 2014
Vendor Name TBD
Contract Number A36090, A36094
Table of Contents Ref #

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 Management 	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 two new projects to the 2010-2014 Capital Program:

- To provide ADA accessibility at the station complex comprising of New Utrecht Av station on the Sea Beach Line (BMT) and 62 St station on the West End Line (BMT); and
- To provide ADA accessibility at 8 Av Station on the Sea Beach Line (BMT).

Discussion: The approved 2010-2014 Capital Program includes Station Renewal projects at nine stations on the Sea Beach Line in Brooklyn (8 Av, Fort Hamilton Pkwy, New Utrecht Av, 18 Av, 20 Av, Bay Pkwy, Kings Hwy, Avenue U, and 86 St stations). The 2010-2014 Capital Program also includes related projects for Retaining Walls Remediation between the nine stations, and for the Rehabilitation of the Automated Fare Collection (AFC) Facilities at 8 Av station.

These projects will be packaged into two contracts:

- Contract #1:** Renewal of six stations (8 Av, Fort Hamilton Pkwy, New Utrecht Av, 18 Av, 20 Av, and Bay Pkwy stations), Retaining Walls Remediation in between these stations, and AFC Facilities work at 8 Av station.
- Contract #2,** Renewal of three stations (Kings Hwy, Avenue U, and 86 St stations) and Retaining Walls Remediation in between these stations.

Design for both of these contracts is 80 % complete. Final Design is scheduled for completion in July 2014 and award is forecasted for November 2014.

In conjunction with these projects, two new projects are now requested to be added to the 2010-2014 capital program:

- ADA: New Utrecht Av / Sea Beach and 62 St / West End:** This project will install a total of four ADA elevators. Two elevators (#1 and # 2) will be installed at New Utrecht Av station on the Sea Beach Line (BMT). This station is part of a complex that also includes the 62 St station on the West End Line (BMT), so two additional elevators (#3 and #4) at 62 St station. This will allow disabled customers to transfer between the Sea Beach and West End lines. The full time control house D-5 provides entrance to the both New Utrecht Av station and 62 St station. Elevators # 1 (3-stop elevator) will be installed at the northwest corner of the control house (D5) and it will travel to the southbound platform of New Utrecht Av station and to a new transfer bridge connecting to the 62 St station platforms thru the existing passageway. Elevator # 2 (2-stop elevator) will be installed at the northeast corner of the control house and it will travel to the northbound platform New Utrecht Av station. Elevator # 3 and # 4 will be installed at passageway connecting to the 62 St station platforms on West End Line. Elevator # 3 (2-stop elevator) will provide access to the northbound platform and Elevator # 4 (2-stop elevator) to the southbound platform of 62 St station.

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



Staff Summary

- 2. **ADA: 8 Av / Sea Beach:** This project will provide ADA access from the paid side of the control area (D-2) of the station to the northbound and southbound platforms. Two ADA ramps, one to each side of platform, will be constructed from the existing passageway between the stairs to northbound and southbound platforms, and will be located along the outside of the platforms. The ramps will be constructed on LIRR property adjacent to the northbound platform, and in the space available between private property and the southbound platform. Though the ramps will provide vertical accessibility to the platforms, full ADA accessibility of the station will depend on resolution of platform curvature issues.

These two ADA accessibility projects are also being designed by the Hennigson, Durham & Richardson (HDR) Architect & Engineering, PC/Daniel Frankfurt, JV, along with the Stations Renewal projects.

Alternatives: These projects are the best alternatives for providing ADA accessibility at these three stations.

Impact on Funding: A conceptual cost estimate of \$40 million for the design and construction of the new projects is indicated below, but needs to be revisited upon completion of Final Design and final Force Account estimates:

- ❖ \$28 million is estimated for ADA Accessibly work for the installation of four elevators at New Utrecht Av station on the Sea Beach Line (BMT) and the 62 St station on the West End Line.
- ❖ \$12 million is estimated for the construction of two ADA Ramps at 8 Av station on the Sea Beach Line.

Funding will be provided from program savings.

Recommendation: It is recommended that the MTA Board approve the addition of two new capital projects, currently estimated at a total of \$40 million, to provide ADA accessibility improvements discussed above at New Utrecht Av station on the Sea Beach line and 62 St station on the West End Line; and at 8 Av station on Sea Beach Line.

APPROVED FOR SUBMISSION TO THE BOARD

Carmen Bianco, President

6.26.14

Date

Schedule K: Ratification of Completed Procurement Actions

Item Number: 1

Vendor Name (& Location) Exton Capital Corp. d/b/a Emcom Systems (Trenton, NJ)	Contract Number 8108	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description Customer Assistance Intercom/Help Point Upgrade	Total Amount: \$898,500	
Contract Term (including Options, if any) Forty months	Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	Requesting Dept/Div & Dept/Div Head Name: Department of Subways, Joseph Leader	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive		
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Non-competitive		

Discussion:

This retroactive miscellaneous procurement contract with Exton Capital Corporation d/b/a as Emcom Systems (Emcom) is for the purchase of software licenses, implementation services, three years of software maintenance and support services, and limited hardware items for the upgrade of the existing Emcom central control call routing systems at the Rail Control Center (RCC) and the Back-up Command Center (BCC) in the amount of \$898,500.

In September 2003, the Board ratified an award to Emcom for a Presidium Software Supervision System to provide server and display applications for the Customer Assistance Intercom (CAI) Emergency System. This was in response to the declaration of an Immediate Operating Need to quickly deploy the CAI System. In March 2005, the Board approved a non-competitive contract to Emcom for various enhancements on these same systems, the purchase of additional user licenses, and to migrate the system from 370 Jay Street to the RCC.

NYC Transit's Electronic Maintenance Division (EMD) has requested this contract for the upgrade of software, implementation services, licensing, and limited hardware, all of which are essential in order to support the Help Point (HP) initiative and new IP-based CAIs. This contract also encompasses continued support of the existing analog CAIs currently installed system-wide. The new upgraded software will incorporate technology that will improve system redundancy for greater reliability necessary for emergency call equipment. This upgrade of the CAI system incorporates software that will allow faster communications between the riding public, as well as NYC Transit employees, directly with the RCC and BCC because it is part of a system that utilizes digital signaling rather than analog type. This upgrade is an integral part of the plan to enhance the Presidium Software Supervision System and is needed in order to support the roll out of the large number of HPs that are being deployed in subway stations, as well as to obtain system enhancements such as the ability to prioritize calls, configuration and diagnostic tools that can configure software, and perform remote diagnostics of HPs.

The initial CAI system and the central control call routing systems were supplied and configured by Emcom and, as such, EMD requested to move forward with Emcom as the provider of these services in order to retain the existing functionality of the original system while gaining necessary enhancements included in the newer version. Upgrading the system with Emcom will allow NYC Transit to continue utilizing the existing system hardware and network architecture, which will allow for the implementation of the HP initiative in an expeditious manner. A different provider would incur additional time and expense to develop and implement a new system. Due to the urgency, Emcom was directed to proceed with the upgrades on March 24, 2014 in order to meet the roll out schedule.

After several negotiating sessions, Emcom submitted a proposal of \$898,500. A fully-loaded weighted average hourly rate for labor, a major component of Emcom's proposal, compares favorably to those used by several other similar NYC Transit contracts. In addition, the cost is approximately 23% less than the NYS OGS contract price. Based on these comparisons, Procurement finds Emcom's proposal to be fair and reasonable. EMD concurs and recommends award.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 8

Vendor Name (& Location) Sprague Operating Resources, LLC (Portsmouth, NH)	
Description Furnish and deliver ULSD #2 fuel for buses to NYC Transit and MTA Bus Company	
Contract Term (including Options, if any) September 15, 2009 – September 14, 2014	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Department of Buses, Darryl C. Irick	

Contract Number 09B0053	AWO/Modification # 2
Original Amount:	\$ 693,364,637 (Est.)
Prior Modifications (not including option):	\$ (2,847,172)
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 690,517,465 (Est.)
This Request:	\$ 106,954,740 (Est.)
% of This Request to Current Amount:	15.5%
% of Modifications (including This Request) to Original Amount:	15.0%

Discussion:

This modification will add funding and extend the term of the existing contract 09B0053 with Sprague Operating Resources, LLC (Sprague) for 6½ months through March 31, 2015 to continue providing Ultra Low Sulfur Diesel #2 (ULSD) fuel for use in buses operated by the NYC Transit Department of Buses (DOB) and MTA Bus Company (MTABC). This extension of time will provide the necessary time for negotiations with multiple proposers under competitive Request for Proposal (RFP) 66522 for the award of the long-term replacement contract(s).

In June 2009, the Board approved the award of a five-year competitively negotiated contract to Sprague. Pricing is based on a weekly variable fuel price utilizing an average of the Platts US Marketscan report of fuel prices plus a differential. The differential, applied on a per gallon basis, is the competitive portion of the contract that consists of costs for terminal storage, additives, transportation and overhead (including administration and profit). Modification No.1 was awarded in April 2012 for a credit of \$2.8M as a result of an agency-wide action to reduce operational costs.

In September 2013, the Board approved an RFP Authorizing Resolution to allow the solicitation for a replacement contract for the next five-year period to be issued as RFP 66522. Procurement conducted an extensive outreach in order to stimulate new competition. Following the release of this RFP in January 2014, potential proposers submitted a significant number of complex questions resulting in revisions to the solicitation documents to enhance competition. Extending this contract to March 31, 2015 will facilitate site visits and extensive negotiations to obtain the best value and most competitive pricing. This extension will also permit sufficient time for the potential need to transition to new supplier(s) as well as mitigate the challenges associated with fuel formulation and delivery during winter months, which requires the fuel to comport with cold weather operating requirements.

This modification will also address a funding shortfall due to fuel prices remaining at higher averages exceeding \$3.00 per gallon (including differential fee) compared to the budgetary price per gallon of \$2.52 used at the time of award in 2009. It is estimated that the contract funding will be exhausted by August 10, 2014, and based on projected consumption and the increased price per gallon, will require \$20.8M to cover costs through the end of the original contract term.

Until RFP 66522 can be awarded, DOB and MTABC estimate that the extension period (September 15, 2014 to March 31, 2015) will require 26.3M gallons at approximately \$3.27 per gallon, for a total amount of \$86.1M which, combined with the funding required for the remainder of the contract term, totals an estimated \$106,954,740 for this modification.

Procurement attempted to secure a price concession but Sprague indicated it has significantly higher operating costs for the winter months, which include the use of additional additives and higher trucking costs than in summer months and as a result pricing will remain firm for the extension period. Based on the original competitive pricing received on the contract, this pricing is found to be fair and reasonable.

Schedule E: Miscellaneous Procurement Contracts

Item Number: **1 (Final)**

Vendor Name (& Location) Telvent USA, LLC
Description Maintenance and Repair of the Electronic Toll Registry
Contract Term (including Options, if any) Six years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

Contract Number 14-OPS-2924	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$49,718,488.00
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Toll Operations, Joe Gugliero	
Contract Manager Lynn Gore	

Discussion:

B&T is seeking Board approval under the All Agency Procurement Guidelines to award a miscellaneous procurement contract, Contract 14-OPS-2924, for Maintenance and Repair of the Electronic Toll Registry System to Telvent USA, LLC (Telvent) in the negotiated amount of \$49,718,488 over a period of six years.

The services of a contractor are required to maintain and repair the hardware and software components of the Electronic Toll Registry System throughout all of B&T’s facilities. Such services include: (i) performing maintenance required due to normal wear, tear and damage to the equipment; (ii) establishing and managing an inventory of spare parts; (iii) designing and implementing a preventive maintenance program; and (iv) providing on-call emergency services. B&T does not possess the resources required to perform these services. The service requirements were publicly advertised; three firms requested copies of the Request for Proposal (RFP) and one firm, Telvent, submitted a proposal. Our survey to determine why other firms did not participate in this procurement disclosed that: (i) the number of firms that perform this type of maintenance and repair work is limited and (ii) since the predominant feature of this contract focuses on on-site coverage and support, firms indicated that this type of labor-intensive project generally results in low margins compared with other projects such as those for design and development. One firm expressed interest, however, the company had no prior experience in maintaining electronic toll registry systems in the USA. Consequently, B&T determined that there would be no benefit in resoliciting this service. The proposal was evaluated against the criteria established in the RFP including the proposer’s understanding of the project, the firm’s record of performance, qualifications of the firm, proposed personnel, proposed schedule and cost. Telvent’s proposal included an advanced diagnostic and management system that will enable system-related problems to be detected and resolved promptly; a team comprised of key individuals who were responsible for the original system’s design; and, it offered methodology so that hardware and software support services can be performed at the maximum level of effectiveness and efficiency. Following the evaluation, the selection committee deemed Telvent’s proposal to be technically sufficient and recommended that negotiations be conducted.

Telvent proposed an amount of \$50,342,503 which includes contingencies for software development, spare parts and an incentive for lane availability. The user’s estimate is \$49,622,503. Based on negotiations the parties agreed to an amount of \$49,718,488 which is 0.19% higher than the estimate. The cost for services during the first year of this contract is 3.8% higher than the final year of the current contract (expiring on 7/31/14) for the same services. The labor rates and hours proposed were determined to be acceptable. Based on the above the negotiated price is considered fair and reasonable. Telvent LLC is deemed to be a responsible contractor.

The MTA DDCR has established goals of 10% MBE and 10% WBE for the referenced contract. This contract will not be awarded without approval of MTA DDCR. Telvent has achieved its previous M/WBE goals on its prior MTA contracts. Funding is available in the Operating Budget under GL #711420.

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

May 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
Revenue												
Farebox Revenue	\$479.6	\$488.8	\$9.2	1.9	\$0.0	\$0.0	\$0.0	-	\$479.6	\$488.8	\$9.2	1.9
Vehicle Toll Revenue	147.8	149.8	2.0	1.4	0.0	0.0	0.0	-	147.8	149.8	2.0	1.4
Other Operating Revenue	53.1	56.2	3.2	6.0	0.0	0.0	0.0	-	53.1	56.2	3.2	6.0
Capital & Other Reimbursements	(0.0)	0.0	0.0	*	133.2	161.4	28.2	21.2	133.2	161.4	28.2	21.2
Total Revenue	\$680.4	\$694.9	\$14.4	2.1	\$133.2	\$161.4	\$28.2	21.2	\$813.7	\$856.3	\$42.7	5.2
Expenses												
Labor:												
Payroll	\$368.1	\$408.9	(\$40.7)	(11.1)	\$48.2	\$49.5	(\$1.3)	(2.7)	\$416.3	\$458.3	(\$42.0)	(10.1)
Overtime	44.9	51.3	(6.4)	(14.3)	9.7	21.4	(11.7)	*	54.6	72.6	(18.1)	(33.1)
Health and Welfare	84.6	72.3	12.2	14.5	5.5	4.8	0.7	12.4	90.1	77.2	12.9	14.3
OPEB Current Payment	39.5	43.1	(3.5)	(8.9)	0.0	0.0	(0.0)	-	39.5	43.1	(3.5)	(8.9)
Pensions	46.8	45.7	1.1	2.3	3.5	3.8	(0.3)	(8.4)	50.3	49.5	0.8	1.6
Other Fringe Benefits	48.7	49.9	(1.2)	(2.5)	14.5	18.1	(3.7)	(25.5)	63.1	68.0	(4.9)	(7.8)
Reimbursable Overhead	(26.7)	(40.6)	13.8	51.7	26.6	40.4	(13.8)	(51.8)	(0.1)	(0.1)	0.0	37.5
Total Labor Expenses	\$605.8	\$630.5	(\$24.7)	(4.1)	\$108.0	\$138.1	(\$30.1)	(27.8)	\$713.8	\$768.6	(\$54.8)	(7.7)
Non-Labor:												
Electric Power	\$41.9	\$39.8	\$2.2	5.1	\$0.0	\$0.1	(\$0.0)	*	\$41.9	\$39.8	\$2.1	5.0
Fuel	23.1	25.0	(1.9)	(8.1)	0.0	0.0	0.0	-	23.1	25.0	(1.9)	(8.1)
Insurance	4.3	4.0	0.3	7.0	0.8	0.6	0.2	22.2	5.1	4.6	0.5	9.4
Claims	16.6	16.1	0.5	3.0	0.0	0.0	0.0	-	16.6	16.1	0.5	3.0
Paratransit Service Contracts	33.4	30.9	2.5	7.6	0.0	0.0	0.0	-	33.4	30.9	2.5	7.6
Maintenance and Other Operating Contracts	48.6	38.6	10.1	20.7	4.9	4.5	0.4	8.4	53.6	43.1	10.5	19.6
Professional Service Contracts	26.3	(2.4)	28.7	*	3.9	5.8	(1.9)	(48.8)	30.2	3.4	26.8	88.7
Materials & Supplies	43.2	46.6	(3.4)	(7.8)	14.8	11.5	3.3	22.2	58.0	58.1	(0.1)	(0.2)
Other Business Expenses	12.8	24.6	(11.8)	(91.8)	0.8	0.8	(0.1)	(11.3)	13.6	25.5	(11.9)	(87.3)
Total Non-Labor Expenses	\$250.4	\$223.2	\$27.2	10.9	\$25.2	\$23.4	\$1.8	7.3	\$275.6	\$246.6	\$29.0	10.5
Other Expense Adjustments:												
Other	3.6	3.8	(0.1)	(3.8)	0.0	0.0	0.0	-	3.6	3.8	(0.1)	(3.8)
General Reserve	0.0	0.0	0.0	-	0.0	0.0	0.0	-	0.0	0.0	0.0	-
Total Other Expense Adjustments	\$3.6	\$3.8	(\$0.1)	(3.8)	\$0.0	\$0.0	\$0.0	-	\$3.6	\$3.8	(\$0.1)	(3.8)
Total Expenses before Non-Cash Liability Adjs.	\$859.9	\$857.6	\$2.3	0.3	\$133.2	\$161.4	(\$28.2)	(21.2)	\$993.1	\$1,019.0	(\$25.9)	(2.6)
Depreciation	182.8	193.5	(10.6)	(5.8)	0.0	0.0	0.0	-	182.8	193.5	(10.6)	(5.8)
OPEB Obligation	32.8	29.1	3.7	11.3	0.0	0.0	0.0	-	32.8	29.1	3.7	11.3
Environmental Remediation	0.2	0.2	0.0	0.2	0.0	0.0	0.0	-	0.2	0.2	0.0	0.2
Total Expenses	\$1,075.7	\$1,080.3	(\$4.6)	(0.4)	\$133.2	\$161.4	(\$28.2)	(21.2)	\$1,209.0	\$1,241.7	(\$32.8)	(2.7)
Net Surplus/(Deficit) excluding Subsidies and Debt Service	(\$395.3)	(\$385.4)	\$9.9	2.5	\$0.0	\$0.0	\$0.0	0.0	(\$395.3)	(\$385.4)	\$9.9	2.5
Subsidies	422.7	343.9	(78.8)	(18.6)	0.0	0.0	0.0	-	422.7	343.9	(78.8)	(18.6)
Debt Service	159.8	104.3	55.5	34.7	0.0	0.0	0.0	-	159.8	104.3	55.5	34.7

-- 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
May 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
Revenue												
Farebox Revenue	\$2,297.7	\$2,303.1	\$5.4	0.2	\$0.0	\$0.0	\$0.0	-	\$2,297.7	\$2,303.1	\$5.4	0.2
Vehicle Toll Revenue	661.8	657.6	(4.2)	(0.6)	0.0	0.0	0.0	-	661.8	657.6	(4.2)	(0.6)
Other Operating Revenue	259.4	281.6	22.2	8.6	0.0	0.0	0.0	-	259.4	281.6	22.2	8.6
Capital & Other Reimbursements	(0.0)	0.0	0.0	*	623.1	604.6	(18.5)	(3.0)	623.1	604.6	(18.5)	(3.0)
Total Revenue	\$3,218.9	\$3,242.3	\$23.4	0.7	\$623.1	\$604.6	(\$18.5)	(3.0)	\$3,842.0	\$3,846.9	\$4.9	0.1
Expenses												
Labor:												
Payroll	\$1,790.9	\$1,826.7	(\$35.7)	(2.0)	\$232.1	\$200.3	\$31.8	13.7	\$2,023.0	\$2,026.9	(\$3.9)	(0.2)
Overtime	230.2	295.3	(65.1)	(28.3)	44.1	69.9	(25.8)	(58.4)	274.3	365.2	(90.9)	(33.1)
Health and Welfare	422.2	384.3	37.9	9.0	26.4	22.6	3.8	14.4	448.5	406.9	41.7	9.3
OPEB Current Payment	200.7	192.8	7.9	3.9	0.0	0.0	(0.0)	-	200.7	192.8	7.9	3.9
Pensions	240.8	238.6	2.2	0.9	16.6	17.5	(0.8)	(5.0)	257.4	256.0	1.4	0.5
Other Fringe Benefits	245.5	250.4	(4.9)	(2.0)	69.7	66.9	2.9	4.1	315.3	317.3	(2.0)	(0.6)
Reimbursable Overhead	(129.2)	(127.3)	(1.9)	(1.5)	128.8	126.7	2.1	1.7	(0.4)	(0.7)	0.2	60.5
Total Labor Expenses	\$3,001.1	\$3,060.8	(\$59.6)	(2.0)	\$517.8	\$503.7	\$14.1	2.7	\$3,518.9	\$3,564.5	(\$45.6)	(1.3)
Non-Labor:												
Electric Power	\$218.7	\$226.1	(\$7.4)	(3.4)	\$0.1	\$0.3	(\$0.2)	*	\$218.8	\$226.4	(\$7.6)	(3.5)
Fuel	119.4	122.2	(2.9)	(2.4)	0.0	0.0	0.0	20.0	119.4	122.3	(2.9)	(2.4)
Insurance	20.6	22.0	(1.4)	(6.9)	3.5	2.7	0.8	22.6	24.1	24.7	(0.6)	(2.6)
Claims	83.5	81.6	1.9	2.3	0.0	0.0	0.0	-	83.5	81.6	1.9	2.3
Paratransit Service Contracts	163.4	147.1	16.3	10.0	0.0	0.7	(0.7)	-	163.4	147.8	15.6	9.6
Maintenance and Other Operating Contracts	222.4	197.6	24.8	11.1	22.1	21.9	0.2	0.7	244.5	219.5	24.9	10.2
Professional Service Contracts	127.0	98.2	28.8	22.6	20.1	25.3	(5.2)	(25.9)	147.1	123.6	23.5	16.0
Materials & Supplies	215.8	221.6	(5.8)	(2.7)	57.7	44.8	12.9	22.3	273.4	266.4	7.1	2.6
Other Business Expenses	68.9	73.7	(4.8)	(7.0)	1.8	5.1	(3.2)	*	70.7	78.8	(8.1)	(11.4)
Total Non-Labor Expenses	\$1,239.6	\$1,190.1	\$49.4	4.0	\$105.3	\$100.9	\$4.5	4.3	\$1,344.9	\$1,291.0	\$53.9	4.0
Other Expense Adjustments:												
Other	18.2	14.7	3.5	19.4	0.0	0.0	0.0	-	18.2	14.7	3.5	19.4
General Reserve	0.0	0.0	0.0	-	0.0	0.0	0.0	-	0.0	0.0	0.0	-
Total Other Expense Adjustments	\$18.2	\$14.7	\$3.5	19.4	\$0.0	\$0.0	\$0.0	-	\$18.2	\$14.7	\$3.5	19.4
Total Expenses before Non-Cash Liability Adjs.	\$4,258.9	\$4,265.6	(\$6.7)	(0.2)	\$623.1	\$604.6	\$18.5	3.0	\$4,882.0	\$4,870.2	\$11.9	0.2
Depreciation	902.8	925.8	(23.0)	(2.5)	0.0	0.0	0.0	-	902.8	925.8	(23.0)	(2.5)
OPEB Obligation	538.8	530.0	8.8	1.6	0.0	0.0	0.0	-	538.8	530.0	8.8	1.6
Environmental Remediation	1.8	4.1	(2.3)	*	0.0	0.0	0.0	-	1.8	4.1	(2.3)	*
Total Expenses	\$5,702.2	\$5,725.4	(\$23.2)	(0.4)	\$623.1	\$604.6	\$18.5	3.0	\$6,325.4	\$6,330.0	(\$4.6)	(0.1)
Net Surplus/(Deficit) excluding Subsidies and Debt Service	(\$2,483.4)	(\$2,483.1)	\$0.2	0.0	\$0.0	\$0.0	\$0.0	*	(\$2,483.4)	(\$2,483.1)	\$0.2	0.0
Subsidies	3,485.2	3,430.4	(54.8)	(1.6)	0.0	0.0	0.0	-	3,485.2	3,430.4	(54.8)	(1.6)
Debt Service	959.1	915.6	43.4	4.5	0.0	0.0	0.0	-	959.1	915.6	43.4	4.5

-- 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
May 2014
(\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable)		Reason for Variance	Favorable (Unfavorable)		Reason for Variance
		\$	%		\$	%	
Farebox Revenue	NR	9.2	1.9	NYCT was favorable by \$7.3M mainly due to higher fare media liability revenue, consistent with the March 2013 fare increase. The LIRR and MNR were favorable by \$1.4M and \$0.3M, respectively, mostly due to higher ridership and yields.	5.4	0.2	NYCT was favorable by \$7.3M mainly due to higher fare media liability revenue, consistent with the March 2013 fare increase. The LIRR was favorable by \$4.4M due to higher ridership and yields. These results were partially offset by unfavorable variances at MNR of (\$5.3M) caused by weather and the residual effects of previous service interruptions; and \$1.0M at MTA Bus, due to weather.
Vehicle Toll Revenue	NR	2.0	1.4	Toll revenues were favorable due to higher traffic.	(4.2)	(0.6)	Toll revenues were unfavorable mainly due to lower traffic resulting from inclement winter weather.
Other Operating Revenue	NR	3.2	6.0	Favorable results are primarily due to higher Transit Adjudication Bureau (TAB) fees and paratransit Urban Tax revenues -- \$1.1M at NYCT, timing at the Transit Museum and higher 2 Broadway rental income -- \$0.9M at MTA HQ, a positive shift in the market value of the invested asset portfolio -- \$0.6M at FMTAC, higher E-ZPass administrative fees and wireless communication equipment rental fees at the Hugh L. Carey Tunnel and the Queens Midtown Tunnel -- \$0.3M at B&T, and higher net GCT retail revenue -- \$0.3M at MNR.	22.2	8.6	Operating revenue reflects the impacts of a positive shift in the market value of the invested asset portfolio -- \$8.5M at FMTAC, higher advertising revenue and paratransit Urban Tax revenues -- \$8.1M at NYCT; receipt of FEMA Loss Recovery funds and higher E-ZPass administrative fees -- \$4.7M at B&T, timing at the Transit Museum -- \$2.1M at MTA HQ, higher net GCT retail revenues -- \$0.7M at MNR, and higher miscellaneous and rental revenue -- \$0.3M at the LIRR. These results were partially offset by an unfavorable variance resulting from the timing of Sandy recoveries -- (\$2.2M) at MTA Bus.
Payroll	NR	(40.7)	(11.1)	NYCT and SIR had unfavorable variances of (\$37.4M) and (\$1.9M) respectively, mainly due to retroactive pattern labor accrual adjustments, consistent with the recent TWU labor contract settlement. MTA HQ was (\$3.2M) unfavorable primarily due to retroactive wages for MTA Police consistent with the settlement with the Police Benevolent Association (PBA). MTA Bus was (\$1.4M) unfavorable due to greater-than-budgeted miscellaneous base payments (e.g. sick, maternity leave, vacation, etc.) and reimbursable underruns. These results were partially offset by favorable variances of \$1.1M at the LIRR, MNR, and B&T, mostly attributable to vacancies.	(35.7)	(2.0)	NYCT and SIR were unfavorable by (\$38.4M) and (\$1.4M) respectively, due to retroactive pattern labor accrual adjustments, consistent with the recent TWU labor contract settlement. MTA Bus was (\$5.2M) unfavorable due to greater-than-budgeted miscellaneous base payments (e.g. sick, maternity leave, vacation, etc.) and reimbursable underruns. MTAHQ was (\$5.2M) unfavorable primarily due to retroactive wages for MTA Police reflecting the impact of the PBA settlement. These results were partially offset by favorable variances of \$5.9M at B&T, \$4.9M at MNR, and \$3.6M at the LIRR, primarily due to vacancies.
Overtime	NR	(6.4)	(14.3)	Higher expenses primarily due to vacancy/absentee coverage and maintenance requirements for signal systems and track defect backlogs, requirements for unscheduled service, and the F Train derailment in Queens at NYCT (\$4.0M); FRA mandated maintenance of equipment training, increased track maintenance, additional coverage requirements due to lower employee availability, and the implementation of safety enhancements at MNR (\$1.6M); and higher vacancy/absentee coverage and bus maintenance requirements at MTA Bus (\$1.1M). These results were partially offset by lower vacancy/absentee coverage requirements of \$0.3M at MTA HQ. (See Overtime Decomposition Report for more details)	(65.1)	(28.3)	Approximately \$25.5M or 39% of the unfavorable YTD variance is attributable to weather emergencies, specifically, NYCT (\$16.5M), the LIRR (\$4.3M), MNR (\$2.6M), MTA Bus (\$1.7M), and B&T (\$0.5M). The remaining overage of \$39.6M mostly reflects the impact of increased coverage for vacancies/absenteeism, unscheduled service, and programmatic/routine maintenance, NYCT (\$28.4M), MNR (\$5.7M), MTA Bus (\$3.9M), and the LIRR (\$2.5M). Part of the overrun in programmatic/routine maintenance was also 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
May 2014
(\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable)		Reason for Variance	Favorable (Unfavorable)		Reason for Variance
		\$	%		\$	%	
Health and Welfare	NR	12.2	14.5	Results were due to a combination of vacancies, lower rates and timing: \$9.1M at NYCT, \$0.9M at MNR, \$0.7M at the LIRR, \$0.5M at B&T, and \$0.4M each at Bus and SIR.	37.9	9.0	Timing, vacancies, a prior year Medicare refund, and a lower cost drug program were responsible for a favorable variance of \$24.7M at NYCT. The LIRR and MNR were favorable by \$4.0M and \$3.0M, respectively, primarily due to higher vacancies and lower rates. Timing and higher vacancies were responsible for favorable variances of \$2.3M, \$2.2M, \$1.1M and \$0.5M at MTA Bus, B&T, MTA HQ, and SIR respectively.
OPEB - Current Payment	NR	(3.5)	(8.9)	NYCT and SIR were unfavorable by (\$3.4M) and (\$0.4M), respectively, due to timing. MNR was (\$0.3M) unfavorable due to additional retirees. This was offset by a favorable variance of \$0.8M at the LIRR due to lower rates and fewer retirees.	7.9	3.9	The LIRR and MTAHQ were \$3.9M and \$1.1M favorable, respectively, due to lower rates and fewer retirees. NYCT was favorable by \$3.4M primarily due to credits from a prior year claims settlement, a lower cost drug program, as well as a prior year Medicare refund. MTA Bus was \$0.5M favorable primarily due to timing. These results were partially offset by unfavorable variances of (\$0.6M) at MNR due to additional retirees, and (\$0.4M) at SIR due to timing.
Pensions	NR	1.1	2.3	Timing was responsible for favorable variances at the LIRR and MTAHQ of \$0.7M and \$0.4M, respectively.	2.2	0.9	Timing was responsible for favorable variances at the LIRR and MTAHQ of \$2.4M and \$0.8M, respectively, and an unfavorable variance of (\$1.2M) at NYCT that is partly overtime related. B&T was (\$0.3M) unfavorable.
Other Fringe Benefits	NR	(1.2)	(2.5)	NYCT was (\$1.4M) unfavorable mainly due to higher FICA payments resulting from retroactive pattern labor adjustments. Retroactive wages for MTA PD were responsible for an unfavorable variance of (\$0.8M) at MTA HQ from the PBA settlement. MTA BUS was (\$0.5M) unfavorable due to prior periods adjustments. These results were partially offset by favorable variances of \$1.1M at the LIRR mainly due to lower FELA indemnity payments and Rail Road Retirement taxes; and \$0.5M at MNR mostly due to lower employee claims.	(4.9)	(2.0)	NYCT was (\$9.0M) unfavorable mainly due to higher FICA payments resulting from retroactive pattern labor adjustments. SIR was (\$0.8M) unfavorable mostly due to higher Workers' Compensation payments. These results were partially offset by favorable variances of \$3.6M at the LIRR primarily due to FELA indemnity reserve adjustments and lower Railroad Retirement Taxes, \$0.8M at B&T, mostly due to higher vacancies and \$0.8M at MTA Bus due to timing.
Reimbursable Overhead	NR	13.8	51.7	The timing of project activity resulted in favorable variances of \$10.3M at NYCT and \$3.4M at MTA HQ.	(1.9)	(1.5)	Results reflect lower project activity, mostly due to adverse weather experienced in January and February: (\$7.5M) at MTA HQ, (\$0.4M) at both the LIRR and MNR, and (\$0.3M) at SIR. These results were partially offset by a favorable result of \$5.7M at NYCT due to higher project activity and \$1.0M at B&T which is mostly due to an understatement in the budget that will be corrected in the July Plan.
Electric Power	NR	2.2	5.1	Results were due to a combination of lower rates and consumption, as well as timing -- \$4.2M at MTA HQ, \$0.6M at MNR, \$0.3 at SIR; while timing was mostly responsible for an unfavorable variance of (\$2.6M) at NYCT, and higher rates and consumption (\$0.5M) at the LIRR.	(7.4)	(3.4)	Results were due to a combination of higher rates and consumption, as well as timing -- (\$8.0) at NYCT, (\$3.5M) at the LIRR, (\$0.3M) at MTA Bus, partially offset by favorable variances due to timing, \$3.6M MTA HQ, and \$0.3M at both B&T and SIR.

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

Generic Revenue or Expense Category	Nonreimb or Reimb	May		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)			Favorable (Unfavorable)		
		\$	%		\$	%	
Fuel	NR	(1.9)	(8.1)	Timing and higher consumption accounted for most of the unfavorable variances of (\$1.5M) at NYCT and (\$0.9M) at MNR. Partially offsetting these results was a favorable variance of \$0.3M at MTA Bus due to lower consumption.	(2.9)	(2.4)	Timing, higher rates and consumption accounted for most of the unfavorable variances of (\$2.1M) at NYCT, (\$1.5M) at MNR, (\$0.3M) at the LIRR and (\$0.3M) at B&T. Partially offsetting these results was a favorable variance of \$1.2M at MTA Bus mostly due to lower consumption.
Insurance	NR	0.3	7.0	Timing was responsible for the favorable variance at NYCT of \$0.4M and the unfavorable variance at FMTAC of (\$0.9M). Other variances were minor.	(1.4)	(6.9)	Timing was responsible for unfavorable variances at FMTAC and MTA HQ of (\$4.3M) and (\$0.6M), respectively, and favorable variances at NYCT and B&T of \$2.0M and \$0.8M, respectively. The LIRR was \$0.5M favorable due to lower liability insurance.
Claims	NR	0.5	3.0	Timing was responsible for a favorable variance of \$0.5M at MTA Bus, and FMTAC was favorable by \$0.3M. These results were partially offset by an unfavorable variance of (\$0.3M) at MNR due to higher payouts for the Spuyten Duyvil derailment claim.	1.9	2.3	Timing was responsible for favorable variances at MTA Bus and the LIRR of \$2.3M and \$0.7M, respectively. These results were partially offset by an unfavorable variance of (\$1.0M) at MNR due to higher payouts for Bridgeport and Spuyten Duyvil derailment claims.
Paratransit Service Contracts	NR	2.5	7.6	Lower expenses due to fewer trips.	16.3	10.0	Lower expenses due to fewer trips caused in part by adverse weather.
Maintenance and Other Operating Contracts	NR	10.1	20.7	B&T was \$6.5M favorable due to lower expenses for major maintenance and painting, EZ-Pass tags, Sandy-related repairs and the E-ZPass Customer Service Center. MTA HQ was \$6.4M favorable primarily due to the timing of a year-end accrual reversal that will be adjusted in June, and lower janitorial services costs. The LIRR was \$0.7M favorable due to the timing of expenses for vegetation management, elevator and escalator repair, communications, security and joint facilities. Partially offsetting these results were unfavorable variances of (\$3.0M) at NYCT related to the timing of auto purchases and building-related expenses and (\$0.5M) at MNR due to the timing of expenses for ferry services, tree trimming and non-revenue vehicle repairs.	24.8	11.1	The overall favorable result was mainly attributable to timing and curbed spending: \$13.2M at B&T for major maintenance and painting, Sandy-related repairs, E-ZPass tag costs and security; \$5.9M at MTA HQ primarily due to the timing of a year-end accrual reversal that will be adjusted in June, and lower janitorial services costs; \$4.3M at MNR related to maintenance contract costs and Genesis locomotive overhauls; \$4.1M at the LIRR for elevator & escalator maintenance, security, equipment rentals and joint facilities; and \$1.1M at MTA Bus due in part to facility maintenance. Partially offsetting these results was an unfavorable variance of (\$4.0M) at NYCT for maintenance and repair and building-related expenses.
Professional Service Contracts	NR	28.7	*	NYCT was favorable by \$22.0M primarily due to a retroactive chargeback of Worker's Compensation Board expenses resulting from new legislation. The remaining favorable results were primarily caused by timing: \$3.5M at MTA HQ for hardware and software purchases; \$2.1M at MNR for accounting adjustments, IT costs and training; \$0.8M at B&T for bond issuance expenses, consultants, engineering services and IT costs; and \$0.5M at the LIRR for IT and consulting services.	28.8	22.6	The overall favorable result was primarily caused by timing: \$16.6M at MTA HQ for hardware and software purchases, engineering services, consulting and legal services; \$5.2M at the LIRR for IT software purchases and consulting services; \$3.9M at MNR for IT expenses, training, medical services and advertising; and \$3.8M at NYCT primarily due to a retroactive chargeback of Worker's Compensation Board expenses resulting from new legislation. Partially offsetting these results was an unfavorable variance of (\$0.5M) at MTA Bus due to prior period accrual adjustments.

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

Generic Revenue or Expense Category	Nonreimb or Reimb	May		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)			Favorable (Unfavorable)		
		\$	%		\$	%	
Materials & Supplies	NR	(3.4)	(7.8)	Higher expenses were largely the result of higher chargeouts of material at the LIRR (\$2.6M), accrual adjustments for excess & obsolete inventory, station enhancements activity and the replacement of damaged diesel engine equipment at MNR (\$1.0M), and higher bus maintenance requirements at MTA Bus (\$0.4M). These results were partly offset by a favorable outcome of \$0.5M at NYCT due to timing.	(5.8)	(2.7)	Expense level reflects the impact of revised timing of maintenance material requirements at NYCT (\$9.4M) and higher expenses due to inclement weather, and bus maintenance requirements at MTA Bus (\$2.3M). These results were partially offset by favorable variances of \$5.6M at the LIRR due to lower material usage for fleet modifications and running repairs for the Multiple Unit and Diesel fleet, and seasonal fluctuations of chargeouts within the Wheel Shop, and \$0.3M at MNR due to timing.
Other Business Expenses	NR	(11.8)	(91.8)	MTAHQ was (\$10.5M) unfavorable due to the timing of the Verrazano Bridge Subsidy and NYCT was (\$0.9M) unfavorable mainly due to the timing of NYS Mobility Tax payments.	(4.8)	(7.0)	MTAHQ was (\$9.7M) unfavorable due to the timing of the Verrazano Bridge Subsidy. MTA Bus was (\$0.7M) unfavorable mainly due to mobility tax payments budgeted in Other Fringe Benefits and FMTAC was (\$0.6M) unfavorable due to higher general and administrative, commissions and safety loss expenses. These results were partially offset by favorable variances of \$3.6M at NYCT due to timing, lower MVM debit/credit card fees, and lower stationery expenses. The LIRR was \$2.0M 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 \$0.8M favorable mainly due to lower credit card fees.
Other Expense Adjustments	NR	(0.1)	(3.8)	Variance due to timing differences in project completions.	3.5	19.4	Variance due to timing differences in project completions.
Depreciation	NR	(10.6)	(5.8)	Timing differences in project completions and assets reaching beneficial use resulted in unfavorable variances of (\$8.5M) at NYCT, (\$1.4M) at the LIRR and (\$0.5M) at MTA Bus. Other agency variances were minor.	(23.0)	(2.5)	Timing differences in project completions and assets reaching beneficial use resulted in unfavorable variances of (\$12.5M) at NYCT, (\$7.2M) at the LIRR, (\$2.5M) at MTA Bus, and (\$0.4M) at MTAHQ.
Other Post-Employment Benefits	NR	3.7	11.3	The GASB adjustment reflects the value associated with the unfunded accrued liability for post employment health benefits.	8.8	1.6	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	28.2	21.2	The timing of project activity was responsible for the favorable variance of \$32.0M at NYCT and unfavorable variances of (\$5.9M) at MNR, (\$1.0M) at the LIRR, (\$0.5M) at MTACC, (\$0.4M) at MTABus and (\$0.3M) at B&T and SIR.	(18.5)	(3.0)	The timing of project activity was responsible for unfavorable variances of (\$14.4M) at MNR, (\$13.3M) at the LIRR, (\$4.6M) at MTACC, (\$3.9M) at MTAHQ and (\$0.9M) at MTA Bus and SIR and a favorable variance of \$19.7M at NYCT.
Payroll	R	(1.3)	(2.7)	The overall unfavorable variance reflects the timing of project activity -- (\$3.8M) unfavorable variance at NYCT, and favorable variances of \$0.8M at both the LIRR and MNR, and \$0.3M at MTA Bus.	31.8	13.7	The overall favorable variance reflects the timing of project activity caused in part by adverse weather, and vacancies -- \$17.6M at NYCT, \$6.6M at the LIRR, \$3.8M at MNR, \$1.0M at both MTA Bus and MTA CC, \$0.7M at MTAHQ, \$0.6M at B&T, and \$0.5M at SIR.

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

Generic Revenue or Expense Category	Nonreimb or Reimb	May		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)	%		Favorable (Unfavorable)	%	
Overtime	R	\$ (11.7)	% *	Higher expenses mostly reflect the impact of Subways requirements (principally in support of track work, service delivery, stations, signals and infrastructure) and Sandy-related work at NYCT (\$10.7M), higher-than-anticipated reimbursable work performed by MTA Police at MTA HQ (\$0.8M) and the timing of project activity at the LIRR (\$0.4M).	\$ (25.8)	% (58.4)	Higher expenses reflect the impact of Subways requirements (principally in support of track work, service delivery, car equipment, stations and signals) and Sandy-related work at NYCT (\$21.5M), and higher project activity levels at the LIRR (\$2.4M), and higher-than-anticipated reimbursable work performed by MTA Police at MTA HQ (\$2.0M).
Health and Welfare	R	0.7	12.4	Lower project activity was responsible for favorable variances at MNR and NYCT of \$0.3M each. Other agency variances were minor.	3.8	14.4	Lower project activity was responsible for favorable variances at NYCT, MNR and MTACC of \$1.8M, \$1.3M and \$0.4M, respectively. Other agency variances were minor.
Pensions	R	(0.3)	(8.4)	The LIRR was (\$0.7M) unfavorable due to timing. Other agency variances were minor.	(0.8)	(5.0)	Timing was responsible for an unfavorable variance of (\$2.4M) at the LIRR and favorable variances of \$0.7M at MNR, \$0.5M at MTACC, and \$0.3M at B&T.
Other Fringe Benefits	R	(3.7)	(25.5)	NYCT was (\$4.4M) unfavorable due to increased reimbursable labor costs. Other agency variances were minor.	2.9	4.1	Lower project activity was responsible for favorable variances at the LIRR, MTA CC and MNR of \$1.3M, \$1.1M and \$0.7M, respectively. These results were partially offset by an unfavorable variance of (\$0.3M) at NYCT which was mostly due increased reimbursable labor costs.
Reimbursable Overhead	R	(13.8)	(51.8)	The timing of project activity resulted in unfavorable variances of (\$10.3M) at NYCT and (\$3.4M) at MTA HQ.	2.1	1.7	The timing of project activity resulted in favorable variances of \$7.5M at MTA HQ, \$0.7M at MNR, \$0.4M at the LIRR, and \$0.3M at SIR, as well as unfavorable variances of (\$5.7M) at NYCT and (\$1.0M) at B&T .
Electric Power	R	(0.0)	*	Minor Variance	(0.2)	*	Minor Variance
Insurance	R	0.2	22.2	Minor variance.	0.8	22.6	The LIRR was favorable by \$0.6M due to lower project activity. Other agency variances were minor.
Paratransit Service Contracts	R	0.0	-	No variance.	(0.7)	-	Variance due to Interactive Voice Response System support costs
Maintenance and Other Operating Contracts	R	0.4	8.4	The timing of project activity accounted for the favorable variances of \$0.7M at the LIRR and \$0.6M at MNR. Partially offsetting these results was an unfavorable variance of (\$0.9M) at NYCT largely due to the timing of building maintenance and construction services expenses.	0.2	0.7	The timing of project activity accounted for most of the favorable variances of \$2.7M at the LIRR and \$1.4M at MNR. Partially offsetting these results was an unfavorable variance of (\$4.1M) at NYCT largely due to the timing of building maintenance and construction services expenses.
Professional Service Contracts	R	(1.9)	(48.8)	Overall variance was primarily due to timing: MTA HQ was unfavorable by (\$0.9M) primarily due to the West Side Yard projects. NYCT was unfavorable by (\$0.8M) due to IT-related expenses. MNR was unfavorable by (\$0.5M) due to revised project activity levels. Other agency variances were minor.	(5.2)	(25.9)	Overall, the variance was primarily due to timing: NYCT was unfavorable by (\$4.3M) due to IT hardware expenses, while MTA HQ was unfavorable by (\$2.6M) due to the West Side Yard projects. Partially offsetting these results were favorable variances of \$1.3M at the LIRR due to revised project activity levels and \$0.4M at MTA CC primarily due to engineering and consulting services.

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

Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable)		Reason for Variance	Favorable (Unfavorable)		Reason for Variance
		\$	%		\$	%	
Materials & Supplies	R	3.3	22.2	Changes in project activity levels, maintenance material requirements, and the timing of payments contributed to favorable results of \$3.9M at MNR and \$0.4M at the LIRR, and the unfavorable result of (\$1.0M) at NYCT.	12.9	22.3	Changes in project activity levels, maintenance material requirements, and the timing of payments contributed to favorable results of \$7.6M at MNR and \$5.4M at the LIRR.
Other Business Expenses	R	(0.1)	(11.3)	NYCT was (\$0.3M) unfavorable due to the timing of miscellaneous purchases. Other agency variances were minor.	(3.2)	*	NYCT was (\$2.7M) unfavorable mostly due to timing. MNR was (\$1.9M) 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 \$1.1M at MTACC also due to timing.
Subsidies	NR	(78.8)	(18.6)	The unfavorable variance for the month of \$78.8 million was mainly due to booking delays by MTA Accounting for PBT (\$63.8 million), as well as lower PMT (\$35.2 million) due to timing delays and to real differences reflecting collections that have not kept pace with the salary and wage projections used in formulating the Budget. This was offset by favorable Urban Tax transactions (\$17.3 million) due to stronger-than-expected real estate activity in NYC and City Subsidy to MTA Bus (\$4.3 million) due to timing.	(54.8)	(1.6)	The unfavorable YTD variance of \$54.8 million was mainly the result of lower PMT (\$105.1 million) transactions due to timing accrual delays and to real differences reflecting lower-than-budgeted collections, lower MRT transactions (\$27.7 million) due to weaker-than-expected mortgage activity and lower PBT (\$15.1 million) due to timing. This was partially offset by higher Urban Tax transactions (43.5 million) due to stronger-than-expected real estate activity in New York City, City Subsidy for MTA Bus (\$40.7 million) and CDOT (\$6.7 million) due to timing.
Debt Service	NR	55.5	34.7	The favorable variance of \$55.5 million is primarily due to the reversal of April's variance that was a result of the prefunding of Transportation Revenue Bonds (\$49.0 million), in addition to favorable timing of Dedicated Tax Fund deposits (\$8.8 million)	(54.8)	(1.6)	Favorable year-to-date variance of \$43.4 million is primarily due to lower than budgeted interest rates.

METROPOLITAN TRANSPORTATION AUTHORITY
Overtime Decomposition Report
Adopted Budget vs. Actuals
May 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 May 2014 (year-to-date).

2014 OVERTIME REPORTING - PRELIMINARY MAY RESULTS (NON-REIMBURSABLE)

Month

Total overtime was (\$6.4M), or (14%), unfavorable to the Adopted Budget.

Unscheduled Service was (\$4.7M) unfavorable primarily due to traffic, breakdowns and related ramp delays in the Department of Buses and train operators in induction training at NYCT.

Programmatic/Routine Maintenance was (\$4.0M) unfavorable, primarily due to the inspection, testing, and maintenance of signal systems, and remediation efforts on track defect backlogs at NYCT. Other factors driving the variance are on-going infrastructure, testing and repairs, higher training costs and federally mandated scheduled maintenance work due to weather related issues at MNR; the repair of track defects, the testing of high security switches, and general maintenance needs at the LIRR; and the accelerated completion of defects found on scheduled inspections at MTA Bus. 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 Maintenance was (\$1.4M) unfavorable due to emergency work performed as a result of the 65th Street F line Queens derailment at NYCT, and right-of-way maintenance work performed, resulting from the Yonkers mud slide and the Cos Cob fire at MNR.

Other was \$3.9M favorable primarily due to the timing of pay hours versus the general ledger at NYCT.

Year-to-Date

Total overtime was (\$65.1M), or (28%), unfavorable to the Adopted Budget.

Weather Emergencies was (\$25.5M) unfavorable and accounted for 39% of the total overtime variance. Specifically, Agency variances were: (\$16.5M) at NYCT, (\$4.3M) at

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

the LIRR, (\$2.6M) at MNR, (\$1.7M) at MTA Bus, and (\$0.5M) at B&T. January and February experienced 48.7 inches of snowfall, 33 inches more than the long-term average for winter months.

Vacancy/Absentee Coverage was (\$13.6M) 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, and lower requirements for vacation/sick coverage at MTA PD.

Unscheduled Service was (\$12.7M) unfavorable, primarily due to traffic congestion, breakdowns, and related ramp delays experienced in the NYCT 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.

Programmatic/Routine Maintenance was (\$12.2M) unfavorable, primarily due to the inspection, testing, and maintenance of signal systems, as well as track defect backlogs at the Department of Subways, and accelerated completion of defects found on scheduled inspections at NYCT's Department of Buses and MTA Bus. Other factors contributing to the variance are track rail testing, replacement of defective rails, the repair of track defects, the testing of high security switches, federally mandated scheduled maintenance work 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 Maintenance was (\$1.5M) unfavorable, mostly due to emergency work performed as a result of the 65th Street F line Queens derailment at NYCT, and right-of-way maintenance work performed resulting from the Yonkers mud slide and the Cos Cob fire at MNR.

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

	May			May Year-to-Date		
	Adopted Budget	Actuals	Var. - Fav./(Unfav)	Adopted Budget	Actuals	Var. - Fav./(Unfav)
NON-REIMBURSABLE OVERTIME						
<u>Scheduled Service</u>	\$16.0	\$16.3	(\$0.3) (1.8%)	\$79.4	\$80.0	(\$0.6) (0.7%)
<u>Unscheduled Service</u>	\$8.1	\$12.8	(\$4.7) (58.2%)	\$37.1	\$49.8	(\$12.7) (34.2%)
<u>Programmatic/Routine Maintenance</u>	\$11.9	\$15.9	(\$4.0) (33.6%)	\$62.1	\$74.3	(\$12.2) (19.6%)
<u>Unscheduled Maintenance</u>	\$0.2	\$1.5	(\$1.4) -811.2%	\$0.9	\$2.3	(\$1.5) -172.1%
<u>Vacancy/Absentee Coverage</u>	\$5.8	\$6.2	(\$0.4) -7.6%	\$27.2	\$40.8	(\$13.6) -50.0%
<u>Weather Emergencies</u>	\$0.9	\$0.5	\$0.3 38.0%	\$13.1	\$38.6	(\$25.5) *
<u>Safety/Security/Law Enforcement</u>	\$0.8	\$0.7	\$0.2 21.8%	\$4.5	\$3.6	\$0.9 20.4%
<u>Other</u>	\$1.2	(\$2.7)	\$3.9 *	\$5.9	\$5.9	(\$0.0) (0.2%)
Subtotal	\$44.9	\$51.3	(\$6.4) (14.3%)	\$230.2	\$295.3	(\$65.1) (28.3%)
REIMBURSABLE OVERTIME	\$9.7	\$21.4	(\$11.7)	\$44.1	\$69.9	(\$25.8)
TOTAL OVERTIME	\$54.6	\$72.6	(\$18.1)	\$274.3	\$365.2	(\$90.9)

* 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
May 2014
(\$ in millions)

	Current Month			Year-to-Date		
	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance
Accrued Subsidies:						
<i>Dedicated Taxes</i>						
Mass Transportation Operating Assistance Fund (MMTOA)	-	-	-	1,558.4	1,563.9	5.5
Petroleum Business Tax	\$57.8	(6.0)	(63.8)	\$244.0	228.94	(15.1)
MRT 1 (Gross)	23.0	23.9	0.9	114.9	103.2	(11.7)
MRT 2 (Gross)	10.4	7.7	(2.7)	52.0	36.0	(16.0)
Other MRT(b) Adjustments*	0.0	-	-	(2.5)	-	2.5
Urban Tax	44.1	61.4	17.3	220.3	263.8	43.5
Investment Income	0.0	-	-	0.3	0.3	-
	\$135.3	\$87.0	(\$48.3)	\$2,187.4	\$2,196.1	\$8.7
<i>New State Taxes and Fees</i>						
Payroll Mobility Taxes	178.4	143.2	(35.2)	695.8	590.7	(105.1)
Payroll Mobility Tax Replacement Funds	61.4	61.4	-	61.4	61.4	-
MTA Aid Taxes ¹	-	-	-	78.4	71.3	(7.1)
	\$239.9	\$204.7	(\$35.2)	\$835.7	\$723.4	(\$112.2)
<i>State and Local Subsidies</i>						
NYS Operating Assistance	-	-	-	187.9	187.9	-
NYC and Local 18b:						
New York City	-	-	-	1.9	1.9	-
Nassau County	-	-	-	11.6	11.6	-
Suffolk County	-	-	-	7.5	7.5	-
Westchester County	-	-	-	7.3	7.3	-
Putnam County	-	-	-	0.4	0.4	-
Dutchess County	-	-	-	0.4	0.4	-
Orange County	-	-	-	0.1	0.1	-
Rockland County	-	-	-	0.0	0.0	-
CDOT Subsidies	8.2	6.4	(1.8)	44.5	51.2	6.7
Station Maintenance	13.6	15.7	2.1	67.8	69.1	1.3
	\$21.7	\$22.1	\$0.4	\$329.5	\$337.5	\$7.9
Sub-total Dedicated Taxes & State and Local Subsidies	\$396.9	\$313.8	(\$83.1)	\$3,352.6	\$3,257.0	(\$95.6)
City Subsidy to MTA Bus	25.8	30.1	4.3	132.6	173.4	40.7
City Subsidy to SIRTOA	-	-	-	-	-	-
Total Dedicated Taxes & State and Local Subsidies	\$422.7	\$343.9	(\$78.8)	\$3,485.2	\$3,430.4	(\$54.8)
<i>Inter-Agency Subsidy Transactions</i>						
B&T Operating Surplus Transfer	56.9	55.9	(1.0)	224.0	226.2	2.2
	\$56.9	\$55.9	(\$1.0)	\$224.0	\$226.2	\$2.2
Total Accrued Subsidies	\$479.6	\$399.9	(\$79.8)	\$3,709.3	\$3,656.6	(\$52.6)

¹ 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)

May 2014

Accrued Subsidies	Variance \$	Variance %	Explanations
Dedicated Taxes			
Petroleum Business Tax	(63.8)	> (100%)	The unfavorable accrual variances for the month was due mostly to timing related differences in booking accruals. The YTD variance is closer to the Budget.
MRT(b) 1 (Gross)	0.9	4.0%	MRT-1 cash receipts were above the budget for the month due to slightly better mortgage activity than expectation; YTD receipts were unfavorable due to lower-than-expected mortgage activity through June.
MRT(b) 2 (Gross)	(2.7)	(26.0%)	MRT-2 cash receipts were below the budget for the month and YTD due to lower-than-expected mortgage activity.
Urban Tax	17.3	39.3%	Urban tax accruals were favorable for the month and YTD due to higher than expected real estate activity in New York City.
Payroll Mobility Taxes	(35.2)	(19.7%)	The unfavorable variances for the month and YTD were due partially to timing of booking accruals by MTA Accounting, and to real non-timing related differences that reflect collections that have not kept pace with the salary and wage projections that were used in formulating the 2014 Budget.
CDOT Subsidies	(1.8)	(21.8%)	The unfavorable variance for the month was primarily due to timing. The YTD variance was favorable.
Station Maintenance	2.1	15.8%	The favorable variance was due primarily to timing.
City Subsidy to MTA Bus	4.3	16.7%	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus.

Year-to-Date

Accrued Subsidies	Variance \$	Variance %	Explanations
Petroleum Business Tax	(15.1)	(6.2%)	See explanation for the month.
MRT(b) 1 (Gross)	(11.7)	(10.2%)	See explanation for the month.
MRT(b) 2 (Gross)	(16.0)	(30.8%)	See explanation for the month.
Urban Tax	43.5	19.7%	See explanation for the month.
Payroll Mobility Taxes	(105.1)	(15.1%)	See explanation for the month.
MTA Aid Taxes	(7.1)	(9.1%)	The unfavorable YTD variance is due primarily to the timing of accruals by MTA Accounting.
CDOT Subsidies	6.7	14.9%	The favorable YTD variance was due primarily to timing.
City Subsidy to MTA Bus	40.7	30.7%	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus.

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

DEBT SERVICE

(\$ in millions)

May 2014

	2014 Adopted Budget	Actual	Variance	% Variance	Explanation
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's 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%	
Total Debt Service	\$159.8	\$104.3	\$55.5	34.7%	
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)		
Total Debt Service	\$159.8	\$104.3	\$55.5	34.7%	

Notes:

- 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.
- 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.
- 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%	
Total Debt Service	\$959.1	\$915.6	\$43.4	4.5%	
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		
Total Debt Service	\$959.1	\$915.6	\$43.4	4.5%	

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 - 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
Cash Subsidies:																		
Dedicated Taxes																		
MMTOA ^(b)	\$99.5	\$100.6	\$1.1	\$50.7	\$51.0	\$0.3	\$0.3	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$150.5	\$152.0	\$1.5
Petroleum Business Tax	40.1	40.1	(0.1)	7.1	7.1	(0.0)	-	-	-	-	-	-	-	-	-	47.2	47.1	(0.1)
MRT ^(b) 1 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	23.0	18.6	(4.4)	23.0	18.6	(4.4)
MRT ^(b) 2 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	10.4	6.9	(3.5)	10.4	6.9	(3.5)
Other MRT ^(b) Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Urban Tax	44.1	43.8	(0.3)	-	-	-	-	-	-	-	-	-	-	-	-	44.1	43.8	(0.3)
Investment Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
	\$183.7	\$184.5	\$0.8	\$57.8	\$58.1	\$0.3	\$0.3	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0	\$33.4	\$25.5	(\$7.9)	\$275.2	\$268.4	(\$6.8)
New State Taxes and Fees	79.50%			20.50%														
Payroll Mobility Tax	141.8	113.9	(28.0)	36.6	29.4	(7.2)	-	-	-	-	-	-	-	-	-	178.4	143.2	(35.2)
Payroll Mobility Tax Replacement Funds	48.8	48.8	-	12.6	12.6	-	-	-	-	-	-	-	-	-	-	61.4	61.4	0.0
MTA Aid ^(c)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
	\$190.7	\$162.7	(\$28.0)	\$49.2	\$42.0	(\$7.2)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$239.9	\$204.7	(\$35.2)
State and Local Subsidies																		
NYS Operating Assistance	39.5	39.5	-	7.3	7.3	-	0.1	0.1	-	-	-	-	-	-	-	47.0	47.0	0.0
NYC and Local 18b:																		
New York City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Nassau County	-	-	-	-	2.9	2.9	-	-	-	-	-	-	-	-	-	0.0	2.9	2.9
Suffolk County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Westchester County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Putnam County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Dutchess County	-	-	-	-	0.1	0.1	-	-	-	-	-	-	-	-	-	0.0	0.1	0.1
Orange County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Rockland County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
CDOT Subsidies	-	-	-	8.2	-	(8.2)	-	-	-	-	-	-	-	-	-	8.2	0.0	(8.2)
Station Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
	\$39.5	\$39.5	\$0.0	\$15.5	\$10.3	(\$5.2)	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$55.1	\$50.0	(\$5.2)
Sub-total Dedicated Taxes & State and Local Subsidies	\$413.9	\$386.7	(\$27.2)	\$122.4	\$110.3	(\$12.1)	\$0.5	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0	\$33.4	\$25.5	(\$7.9)	\$570.2	\$523.0	(\$47.2)
City Subsidy to MTA Bus	-	-	-	-	-	-	-	-	-	\$18.5	101.9	83.4	-	-	-	18.5	101.9	83.4
Total Dedicated Taxes & State and Local Subsidies	\$413.9	\$386.7	(\$27.2)	\$122.4	\$110.3	(\$12.1)	\$0.5	\$0.5	\$0.0	\$18.5	\$101.9	\$83.4	\$33.4	\$25.5	(\$7.9)	\$588.7	\$624.9	\$36.2
Inter-Agency Subsidy Transactions																		
B&T Operating Surplus Transfer	19.8	23.8	4.0	27.8	32.1	4.3	-	-	-	-	-	-	-	-	-	47.6	55.9	8.4
	\$19.8	\$23.8	\$4.0	\$27.8	\$32.1	\$4.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$47.6	\$55.9	\$8.4
Total Cash Subsidies	\$433.7	\$410.5	(\$23.2)	\$150.2	\$142.5	(\$7.7)	\$0.5	\$0.5	\$0.0	\$18.5	\$101.9	\$83.4	\$33.4	\$25.5	(\$7.9)	\$636.3	\$680.9	\$44.6

¹ Metropolitan Mass Transportation Operating Assistance Fund
² 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

Cash Subsidies:	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
Dedicated Taxes																		
MIMTOA ⁽⁴⁾	\$99.5	100.6	1.1	\$50.7	51.0	0.3	\$0.3	0.4	0.0	\$0.0	0.0	0.0	\$0.0	0.0	0.0	\$150.5	152.0	1.5
Petroleum Business Tax	199.8	219.0	19.2	35.3	38.6	3.4	-	0.0	-	-	0.0	-	-	0.0	-	235.0	257.6	22.6
MRT ⁽⁵⁾ 1 (Gross)	-	0.0	-	-	0.0	-	-	0.0	-	-	0.0	-	114.9	102.0	(12.9)	114.9	102.0	(12.9)
MRT ⁽⁵⁾ 2 (Gross)	-	0.0	-	-	0.0	-	-	0.0	-	-	0.0	-	52.0	37.1	(14.9)	52.0	37.1	(14.9)
Other MRT ⁽⁵⁾ Adjustments	-	0.0	-	-	0.0	-	-	0.0	-	-	0.0	-	(1.3)	0.0	1.3	(1.3)	0.0	1.3
Urban Tax	220.3	303.1	82.8	-	0.0	-	-	0.0	-	-	0.0	-	-	0.0	-	220.3	303.1	82.8
Investment Income	-	0.0	-	0.3	0.0	(0.3)	-	0.0	-	-	0.0	-	-	0.0	-	0.3	0.0	(0.3)
	\$519.6	\$622.7	\$103.1	\$86.2	\$89.6	\$3.4	\$0.3	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0	\$165.7	\$139.1	(\$26.6)	\$771.9	\$851.8	80.0
New State Taxes and Fees																		
Payroll Mobility Tax	553.2	513.7	(39.5)	142.6	132.5	(10.2)	0.1	0.1	-	-	-	-	-	-	-	696.0	646.3	(49.6)
Payroll Mobility Tax Replacement Funds	48.8	48.8	-	12.6	12.6	-	-	-	-	-	-	-	-	-	-	61.4	61.4	0.0
MTA Aid ⁽⁶⁾	62.3	56.7	(5.6)	16.1	14.6	(1.5)	-	-	-	-	-	-	-	-	-	78.4	71.3	(7.1)
	\$664.4	\$619.2	(\$45.1)	\$171.3	\$159.7	(\$11.6)	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$835.8	\$779.1	(56.7)
State and Local Subsidies																		
NYS Operating Assistance	39.5	39.5	-	7.3	7.3	-	-	-	-	-	-	-	-	-	-	46.8	46.8	0.0
NYC and Local 18b:																		
New York City	-	-	-	0.5	-	(0.5)	-	-	-	-	-	-	-	-	-	0.5	-	(0.5)
Nassau County	-	-	-	2.9	5.8	2.9	-	-	-	-	-	-	-	-	-	2.9	5.8	2.9
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	(0.0)	-	-	-	-	-	-	-	-	-	0.1	0.1	(0.0)
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	-	-	-	44.5	54.3	9.8	-	-	-	-	-	-	-	-	-	44.5	54.3	9.8
Station Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0
	\$39.5	\$39.5	\$0.0	\$59.2	\$75.2	\$16.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$98.7	\$114.7	16.0
Sub-total Dedicated Taxes & State and Local Subsidies	\$1,223.5	\$1,281.5	\$58.0	\$316.7	\$324.5	\$7.8	\$0.5	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0	\$165.7	\$139.1	(\$26.6)	\$1,706.4	\$1,745.6	39.3
City Subsidy to MTA Bus	-	-	-	-	-	-	-	-	-	120.3	175.9	55.60	-	-	-	120.3	175.9	55.6
Total Dedicated Taxes & State and Local Subsidies	\$1,223.5	\$1,281.5	\$58.0	\$316.7	\$324.5	\$7.8	\$0.5	\$0.5	\$0.0	\$120.3	\$175.9	\$55.6	\$165.7	\$139.1	(\$26.6)	\$1,826.6	\$1,921.5	94.9
Inter-Agency Subsidy Transactions																		
B&T Operating Surplus Transfer	83.3	88.8	5.53	127.4	146.8	19.4	-	-	-	-	-	-	-	-	-	210.7	235.6	24.9
	\$83.3	\$88.8	\$5.5	\$127.4	\$146.8	\$19.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$210.7	\$235.6	24.9
Total Cash Subsidies	\$1,306.8	\$1,370.4	\$63.5	\$444.0	\$471.3	\$27.3	\$0.5	\$0.5	\$0.0	\$120.3	\$175.9	\$55.6	\$165.7	\$139.1	(\$26.6)	\$2,037.3	\$2,157.1	119.8

¹ Metropolitan Mass Transportation Operating Assistance Fund
² 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)

May 2014

Cash Subsidies	Variance \$	Variance %	Explanations
Dedicated Taxes			
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.
Payroll Mobility Tax	(35.2)	(19.7%)	Most of the unfavorable variance for the month and YTD appeared to be real and not timing-related; analysis of tax collection data from the State indicates that the growth in these collections has not kept pace with the salary and wage growth projections that were used to formulate the 2014 Budget.
Nassau County	2.9	>100%	The favorable variance was due to the timing of payment.
Dutchess County	0.1	>100%	The favorable variance was due to the timing of payment.
CDOT Subsidies	(8.2)	(100.0%)	The unfavorable variances for the month was primarily due to timing. YTD receipts were favorable.
City Subsidy to MTA Bus	83.4	> 100%	The favorable variances for the month and YTD were mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus.
B&T Operating Surplus Transfer	8.4	17.6%	The favorable variances for the month and YTD were due mostly to the timing of transfers.

Year-to-Date

Cash Subsidies	Variance \$	Variance %	Explanations
Petroleum Business Tax	22.6	9.6%	The YTD favorable variance appeared to be primarily due to timing, reflecting a "catch-up" from last year (2013 receipts were \$6.7 million unfavorable) and early receipt of 2014 collections that were expected in the second half of the year.
MRT ^(b) 1 (Gross)	(12.9)	-11.2%	See explanation for the month.
MRT ^(b) 2 (Gross)	(14.9)	-28.7%	See explanation for the month.
Urban Tax	82.8	37.6%	See explanation for the month.
MTA Aid Taxes	(49.6)	(7.1%)	See explanation for the month.
MTA Aid ^(c)	(7.1)	(9.1%)	The unfavorable YTD variance was due primarily to payment timing differences reflecting delays in transfer of funds prior to remittal to the MTA.
New York City	(0.5)	<100%	The unfavorable YTD variance was due to the timing of payment.
Suffolk County	1.9	>100%	The favorable YTD variance was due to the timing of payment.
Westchester County	1.8	>100%	The favorable YTD variance was due to the timing of payment.
Putnam County	0.1	>100%	The favorable YTD variance was due to the timing of payment.
CDOT Subsidies	9.8	21.9%	See explanation for the month.
City Subsidy to MTA Bus	55.6	46.2%	See explanation for the month.
B&T Operating Surplus Transfer	24.9	11.8%	See explanation for the month.

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

Category	Adopted Budget	Actual	Favorable/ (Unfavorable)
Total Positions	68,243	66,961	1,282
NYC Transit	47,140	46,707	433
Long Island Rail Road	7,047	6,864	183
Metro-North Railroad	6,404	6,170	234
Bridges & Tunnels	1,746	1,550	196
Headquarters	1,765	1,639	126
Staten Island Railway	297	288	9
Capital Construction Company	140	115	25
Bus Company	3,704	3,628	76
Non-reimbursable	61,307	59,931	1,376
NYC Transit	42,201	41,310	891
Long Island Rail Road	6,072	6,025	47
Metro-North Railroad	5,764	5,712	52
Bridges & Tunnels	1,658	1,462	196
Headquarters	1,704	1,587	117
Staten Island Railway	268	261	7
Capital Construction Company	-	-	-
Bus Company	3,640	3,574	66
Reimbursable	6,936	7,030	(94)
NYC Transit	4,939	5,397	(458)
Long Island Rail Road	975	839	136
Metro-North Railroad	640	458	182
Bridges & Tunnels	88	88	-
Headquarters	61	52	9
Staten Island Railway	29	27	2
Capital Construction Company	140	115	25
Bus Company	64	54	10
Total Full Time	68,061	66,680	1,381
NYC Transit	46,974	46,445	529
Long Island Rail Road	7,047	6,864	183
Metro-North Railroad	6,403	6,169	234
Bridges & Tunnels	1,746	1,550	196
Headquarters	1,765	1,639	126
Staten Island Railway	297	288	9
Capital Construction Company	140	113	27
Bus Company	3,689	3,612	77
Total Full-Time Equivalents	182	281	(99)
NYC Transit	166	262	(96)
Long Island Rail Road	-	-	-
Metro-North Railroad	1	1	-
Bridges & Tunnels	-	-	-
Headquarters	-	-	-
Staten Island Railway	-	-	-
Capital Construction Company	-	2	(2)
Bus Company	15	16	(1)

Note: Totals may differ due to rounding

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

Function/Agency	Adopted Budget	Actual	Favorable/ (Unfavorable)
Administration	4,278	4,043	235
NYC Transit	1,788	1,795	(7)
Long Island Rail Road	657	629	28
Metro-North Railroad	599	512	87
Bridges & Tunnels	84	82	2
Headquarters	965	870	95
Staten Island Railway	25	23	2
Capital Construction Company	16	14	2
Bus Company	144	118	26
Operations	30,003	29,576	427
NYC Transit	22,547	22,318	229
Long Island Rail Road	2,353	2,325	28
Metro-North Railroad	1,814	1,795	19
Bridges & Tunnels	769	616	153
Headquarters	-	-	-
Staten Island Railway	91	93	(2)
Capital Construction Company	-	-	-
Bus Company	2,429	2,429	-
Maintenance	30,322	29,851	471
NYC Transit	20,905	20,704	201
Long Island Rail Road	3,902	3,800	102
Metro-North Railroad	3,881	3,770	111
Bridges & Tunnels	403	393	10
Headquarters	-	-	-
Staten Island Railway	155	148	7
Capital Construction Company	-	-	-
Bus Company	1,076	1,036	40
Engineering/Capital	1,927	1,838	89
NYC Transit	1,274	1,291	(17)
Long Island Rail Road	135	110	25
Metro-North Railroad	110	93	17
Bridges & Tunnels	221	190	31
Headquarters	-	-	-
Staten Island Railway	26	24	2
Capital Construction Company	124	101	23
Bus Company	37	29	8
Public Safety	1,713	1,653	60
NYC Transit	626	599	27
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
Total Positions	68,243	66,961	1,282

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

FUNCTION/OCCUPATIONAL GROUP	Adopted Budget	Actual	Variance Favorable/ (Unfavorable)
Administration	4,278	4,043	235
Managers/Supervisors	1,727	1,499	228
Professional, Technical, Clerical	2,518	2,522	(4)
Operational Hourlies	32	22	10
Operations	30,003	29,576	427
Managers/Supervisors	3,428	3,307	121
Professional, Technical, Clerical	989	977	12
Operational Hourlies	25,587	25,292	294
Maintenance	30,322	29,851	471
Managers/Supervisors	5,367	5,162	205
Professional, Technical, Clerical	1,866	1,789	77
Operational Hourlies	23,090	22,901	189
Engineering/Capital	1,927	1,838	89
Managers/Supervisors	551	497	54
Professional, Technical, Clerical	1,354	1,319	35
Operational Hourlies	22	22	-
Public Safety	1,713	1,653	60
Managers/Supervisors	309	297	12
Professional, Technical, Clerical	147	127	20
Operational Hourlies	1,257	1,229	28
Total Positions	68,243	66,961	1,282
Managers/Supervisors	11,381	10,761	620
Professional, Technical, Clerical	6,874	6,733	141
Operational Hourlies	49,987	49,466	521

(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:	05/01/14	05/01/14	05/01/14	01/01/14	01/01/14	01/01/14
To Date:	05/31/14	05/31/14	05/31/14	05/31/14	05/31/14	05/31/14
Opening Balance	-\$110.035	\$175.308	\$65.273	\$190.129	\$179.796	\$369.925
RECEIPTS						
Interest Earnings	-0.007	0.028	0.021	0.027	0.065	0.091
New York State						
State and regional mass transit taxes - MMTOA	51.000	101.000	152.000	54.920	97.080	152.000 *
MTTF	7.071	40.067	47.138	38.643	218.977	257.619
Total Dedicated Taxes Received	58.071	141.067	199.138	93.563	316.056	409.619
Less DTF Debt Service	1.139	5.275	6.414	26.042	125.105	151.147
Net Dedicated Taxes for Operations	56.932	135.792	192.724	67.521	190.951	258.473
Payroll Mobility Tax	36.840	169.925	206.765	92.851	506.883	599.734
MTA Aid Trust Taxes	0.000	0.000	0.000	0.000	0.000	0.000
Operating Assistance - 18b	7.313	39.668	46.981	7.313	39.668	46.981
NYS School Fares	0.000	6.313	6.313	0.000	12.626	12.626
Additional Mass Transp Operating Assistance	0.000	n/a	0.000	0.000	n/a	0.000
Total - New York State	\$101.085	\$351.698	\$452.783	\$167.685	\$750.128	\$917.813
Local						
Dutchess County						
Operating Assistance - 18b	\$0.095	n/a	\$0.095	\$0.095	n/a	\$0.095
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
Nassau County						
Operating Assistance - 18b	2.896	n/a	2.896	5.792	n/a	5.792
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	43.760	43.760	n/a	303.108	303.108
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	0.000	n/a	0.000	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	0.000	n/a	0.000	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	0.000	n/a	0.000	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	0.000	n/a	0.000	3.671	n/a	3.671
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
Total - Local	\$2.991	\$43.760	\$46.751	\$13.595	\$303.108	\$316.703

(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:	05/01/14	05/01/14	05/01/14	01/01/14	01/01/14	01/01/14
To Date:	05/31/14	05/31/14	05/31/14	05/31/14	05/31/14	05/31/14
<u>MTA Bridges and Tunnels- Surplus Transfers</u>	32.144	23.794	55.938	146.766	88.844	235.610
Total Subsidy and Other Receipts	\$136.220	\$419.252	\$555.472	\$328.046	\$1,142.080	\$1,470.127
<u>MTA Sources for Interagency Loans</u>						
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
Total Receipts and Loans Received	\$136.213	\$419.279	\$555.492	\$328.073	\$1,142.145	\$1,470.218

Continued on Next Page

Continued on Next Page

(millions)

	<u>Current Month Stabilization Fund</u>			<u>Year to Date Stabilization Fund</u>		
	<u>Commuter (General Fd)</u>	<u>Transit (TA Stab)</u>	<u>Total</u>	<u>Commuter (General Fd)</u>	<u>Transit (TA Stab)</u>	<u>Total</u>
From Date:	05/01/14	05/01/14	05/01/14	01/01/14	01/01/14	01/01/14
To Date:	05/31/14	05/31/14	05/31/14	05/31/14	05/31/14	05/31/14
<u>Brought forward from prior page</u>						
Opening Balance	-\$110.035	\$175.308	\$65.273	\$190.129	\$179.796	\$369.925
Total Receipts and Loans Received	136.213	419.279	555.492	328.073	1,142.145	1,470.218
Total Cash and Receipts Available	\$26.178	\$594.587	\$620.765	\$518.202	\$1,321.940	\$1,840.143
<u>DISBURSEMENTS</u>						
<u>Revenue Supported Debt Service</u>	12.599	29.570	42.169	191.106	324.228	515.334
<u>Agency Operations</u>						
MTA Long Island Railroad	71.050	0.000	71.050	293.850	0.000	293.850
MTA Metro-North Rail Road	20.013	0.000	20.013	110.730	0.000	110.730
MTA New York City Transit	0.000	502.100	502.100	0.000	933.895	933.895
MTA NYCT for SIRTOA	0.000	0.232	0.232	0.000	1.132	1.132
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	\$103.662	\$531.902	\$635.564	\$595.687	\$1,259.256	\$1,854.942
<u>Repayment of Interagency Loans</u>						
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	\$103.662	\$531.902	\$635.564	\$595.687	\$1,259.256	\$1,854.942
<u>STABILIZATION FUND BALANCE</u>	<u>-\$77.484</u>	<u>\$62.685</u>	<u>-\$14.799</u>	<u>-\$77.484</u>	<u>\$62.685</u>	<u>-\$14.799</u>
<u>Ending Loan Balances</u>						
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
<u>End of Month NYCT Operating Fund borrowing from MTA Invest Pool not included in Ending Loan Balances above</u>	n/a	\$636.008	\$636.008	n/a	\$636.008	\$636.008
<u>Total Loan Balances (including negative Operating and Stabilization Fund Balances)</u>				\$77.484	\$836.008	\$913.492

* 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
MAY 2014

FAREBOX RECOVERY RATIOS		
	2014 <u>Adopted Budget</u>	2014 <u>YTD Actual</u>
New York City Transit	38.0%	43.1%
Staten Island Railway	12.2%	11.0%
Long Island Rail Road	31.5%	31.4%
Metro-North Railroad	42.5%	43.5%
Bus Company	<u>30.9%</u>	<u>29.5%</u>
MTA Agency Average	37.2%	40.6%

FAREBOX OPERATING RATIOS		
	2014 <u>Adopted Budget</u>	2014 <u>YTD Actual</u>
New York City Transit	59.3%	64.2%
Staten Island Railway	17.7%	15.3%
Long Island Rail Road	45.5%	46.9%
Metro-North Railroad	59.8%	58.2%
Bus Company	<u>37.1%</u>	<u>35.5%</u>
MTA Agency Average	56.0%	59.0%

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 May, 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**

Friday, July 11, 2014

Metropolitan Transportation Authority

May

Revenue Passengers	2012	2013	Percent Change	2014	Percent Change
MTA New York City Transit	209,359,911	211,398,239	0.97%	212,700,673	0.62%
MTA New York City Subway	148,496,485	150,755,402	1.52%	152,755,845	1.33%
MTA New York City Bus	60,863,426	60,642,837	-0.36%	59,944,828	-1.15%
MTA Staten Island Railway	410,031	381,077	-7.06%	386,537	1.43%
MTA Long Island Rail Road	7,172,588	7,112,429	-0.84%	7,250,532	1.94%
MTA Metro-North Railroad	7,242,998	7,198,299	-0.62%	7,169,735	-0.40%
<i>East of Hudson</i>	7,094,282	7,061,066	-0.47%	7,028,443	-0.46%
Harlem Line	2,318,904	2,326,618	0.33%	2,295,131	-1.35%
Hudson Line	1,399,291	1,396,805	-0.18%	1,381,606	-1.09%
New Haven Line	3,376,087	3,337,643	-1.14%	3,351,706	0.42%
<i>West of Hudson</i>	148,716	137,233	-7.72%	141,292	2.96%
Port Jervis Line	93,989	85,089	-9.47%	85,922	0.98%
Pascack Valley Line	54,727	52,144	-4.72%	55,370	6.19%
MTA Bus Company	10,957,840	11,257,915	2.74%	11,187,051	-0.63%
MTA Bridges & Tunnels	25,192,764	25,045,252	-0.59%	25,673,491	2.51%
Total All Agencies	235,143,368	237,347,958	0.94%	238,694,528	0.57%
(Excludes Bridges & Tunnels)					
Weekdays:	22	22		21	
Holidays:	1	1		1	
Weekend Days:	8	8		9	
Days	31	31		31	

Friday, July 11, 2014

Metropolitan Transportation Authority

May

Revenue Passengers Year to Date	2012	2013	Percent Change	2014	Percent Change
MTA New York City Transit	986,698,228	991,169,109	0.45%	991,416,363	0.02%
MTA New York City Subway	700,171,894	704,973,709	0.69%	716,007,795	1.57%
MTA New York City Bus	286,526,334	286,195,399	-0.12%	275,408,567	-3.77%
MTA Staten Island Railway	1,943,130	1,770,922	-8.86%	1,794,304	1.32%
MTA Long Island Rail Road	33,937,782	33,620,912	-0.93%	34,096,516	1.41%
MTA Metro-North Railroad	34,293,701	33,939,042	-1.03%	33,643,157	-0.87%
East of Hudson	33,593,638	33,305,523	-0.86%	32,976,175	-0.99%
Harlem Line	11,078,258	11,037,976	-0.36%	10,918,840	-1.08%
Hudson Line	6,507,803	6,470,377	-0.58%	6,419,065	-0.79%
New Haven Line	16,007,577	15,797,170	-1.31%	15,638,270	-1.01%
West of Hudson	700,063	633,519	-9.51%	666,982	5.28%
Port Jervis Line	439,055	393,238	-10.44%	405,262	3.06%
Pascack Valley Line	261,008	240,281	-7.94%	261,720	8.92%
MTA Bus Company	51,488,118	52,769,776	2.49%	50,973,480	-3.40%
MTA Bridges & Tunnels	115,828,526	114,182,054	-1.42%	112,399,305	-1.56%
Total All Agencies	1,108,360,959	1,113,269,760	0.44%	1,111,923,820	-0.12%
(Excludes Bridges & Tunnels)					
Weekdays:	105	106		103	
Holidays:	4	4		4	
Weekend Days:	43	41		44	
Days	152	151		151	

Friday, July 11, 2014

Metropolitan Transportation Authority

May

12 Month Averages	2012	2013	Percent Change	2014	Percent Change
MTA New York City Transit	194,864,729	193,913,647	-0.49%	198,781,033	2.51%
MTA New York City Subway	138,692,450	138,282,007	-0.30%	143,215,817	3.57%
MTA New York City Bus	56,172,279	55,631,640	-0.96%	55,565,217	-0.12%
MTA Staten Island Railway	386,328	356,080	-7.83%	353,662	-0.68%
MTA Long Island Rail Road	6,901,253	6,786,393	-1.66%	6,988,309	2.98%
MTA Metro-North Railroad	6,969,059	6,883,247	-1.23%	6,923,552	0.59%
<i>East of Hudson</i>	6,835,170	6,754,425	-1.18%	6,789,411	0.52%
Harlem Line	2,236,445	2,217,299	-0.86%	2,235,878	0.84%
Hudson Line	1,333,125	1,317,972	-1.14%	1,318,854	0.07%
New Haven Line	3,265,600	3,219,154	-1.42%	3,234,679	0.48%
<i>West of Hudson</i>	133,889	128,822	-3.78%	134,141	4.13%
Port Jervis Line	83,350	81,148	-2.64%	82,949	2.22%
Pascack Valley Line	50,539	47,675	-5.67%	51,192	7.38%
MTA Bus Company	10,136,859	10,179,955	0.43%	10,262,907	0.81%
MTA Bridges & Tunnels	23,840,229	23,413,736	-1.79%	23,562,063	0.63%
Total All Agencies	219,258,227	218,119,322	-0.52%	223,309,464	2.38%
(Excludes Bridges & Tunnels)					
Weekdays:	22	22		21	
Holidays:	1	1		1	
Weekend Days:	8	8		9	
Days	31	31		31	

Friday, July 11, 2014

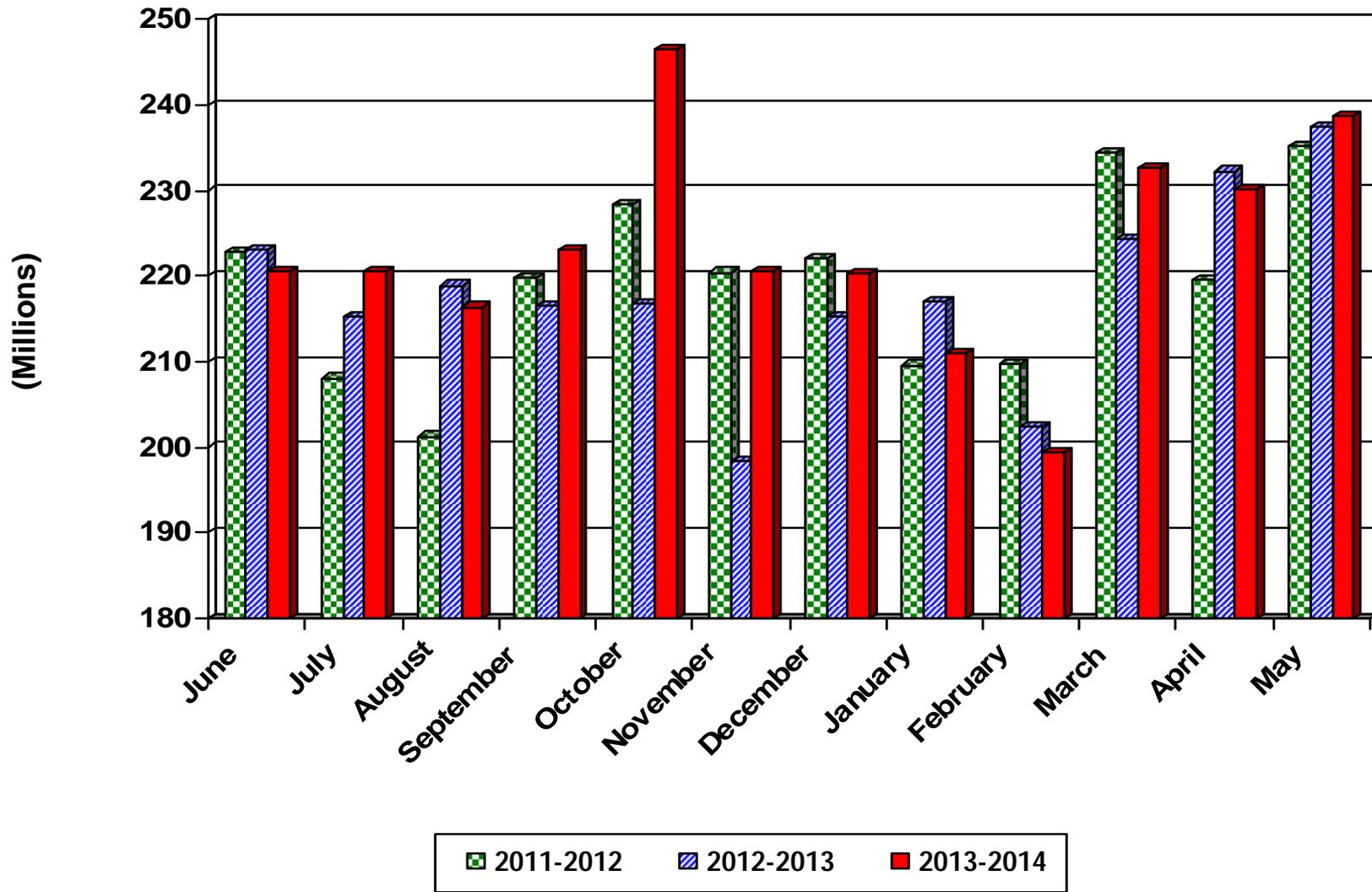
Metropolitan Transportation Authority

May

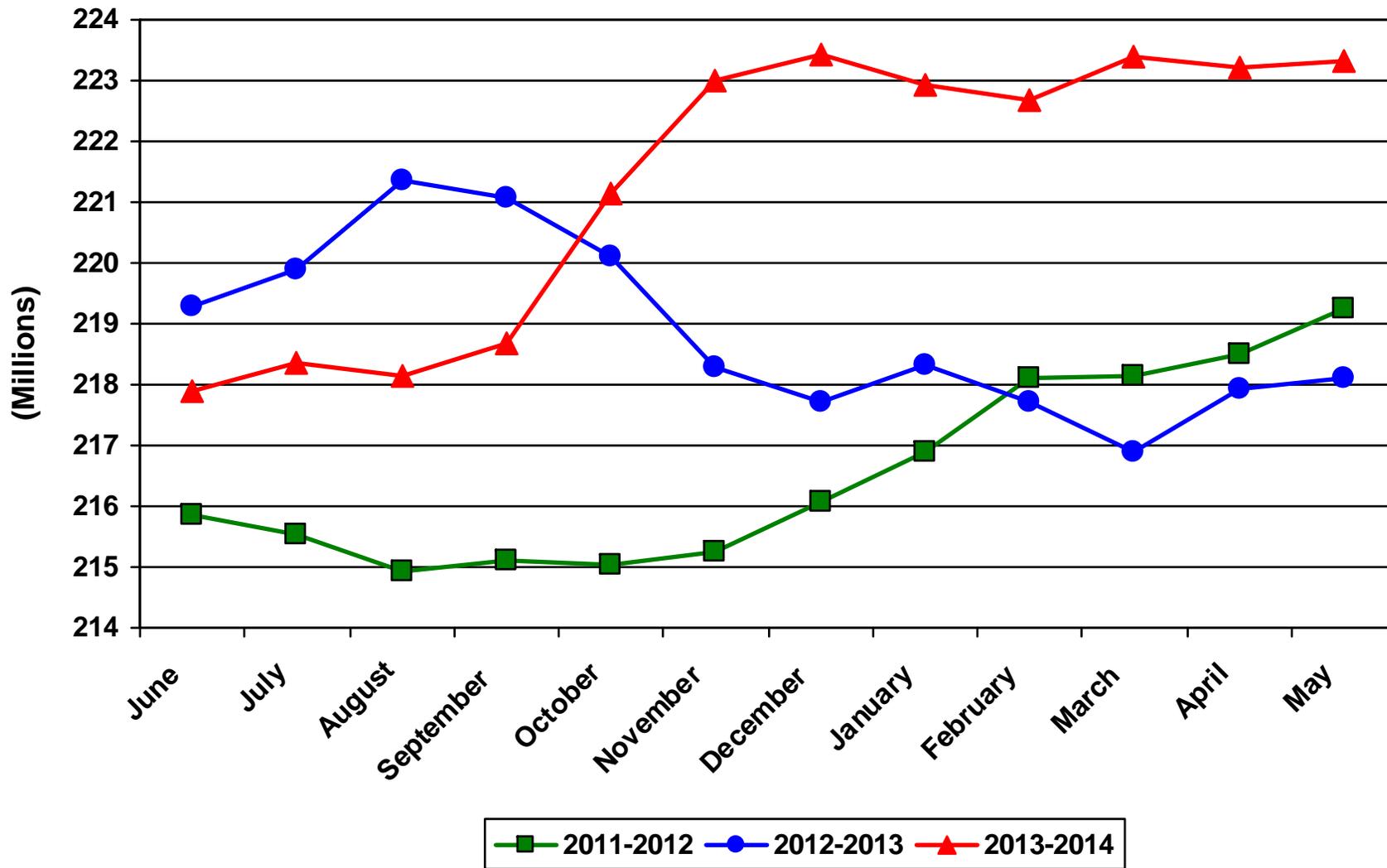
Average Weekday Passengers	2012	2013	Percent Change	2014	Percent Change
MTA New York City Transit	7,839,588	7,952,469	1.44%	8,081,284	1.62%
MTA New York City Subway	5,557,889	5,664,205	1.91%	5,810,751	2.59%
MTA New York City Bus	2,281,700	2,288,264	0.29%	2,270,533	-0.77%
MTA Staten Island Railway	16,842	15,784	-6.28%	16,337	3.50%
MTA Long Island Rail Road	288,384	286,442	-0.67%	302,178	5.49%
MTA Metro-North Railroad	285,774	286,024	0.09%	291,060	1.76%
<i>East of Hudson</i>	279,003	279,778	0.28%	284,329	1.63%
Harlem Line	91,782	92,633	0.93%	93,578	1.02%
Hudson Line	54,880	55,108	0.42%	55,684	1.05%
New Haven Line	132,341	132,037	-0.23%	135,067	2.29%
<i>West of Hudson</i>	6,771	6,247	-7.74%	6,731	7.76%
Port Jervis Line	4,280	3,874	-9.48%	4,094	5.66%
Pascack Valley Line	2,491	2,372	-4.77%	2,638	11.18%
MTA Bus Company	418,369	432,244	3.32%	431,848	-0.09%
MTA Bridges & Tunnels	831,734	834,831	0.37%	849,816	1.79%
Total All Agencies	8,848,957	8,972,963	1.40%	9,122,706	1.67%
(Excludes Bridges & Tunnels)					
Weekdays:	22	22		21	
Holidays:	1	1		1	
Weekend Days:	8	8		9	
Days	31	31		31	

Friday, July 11, 2014

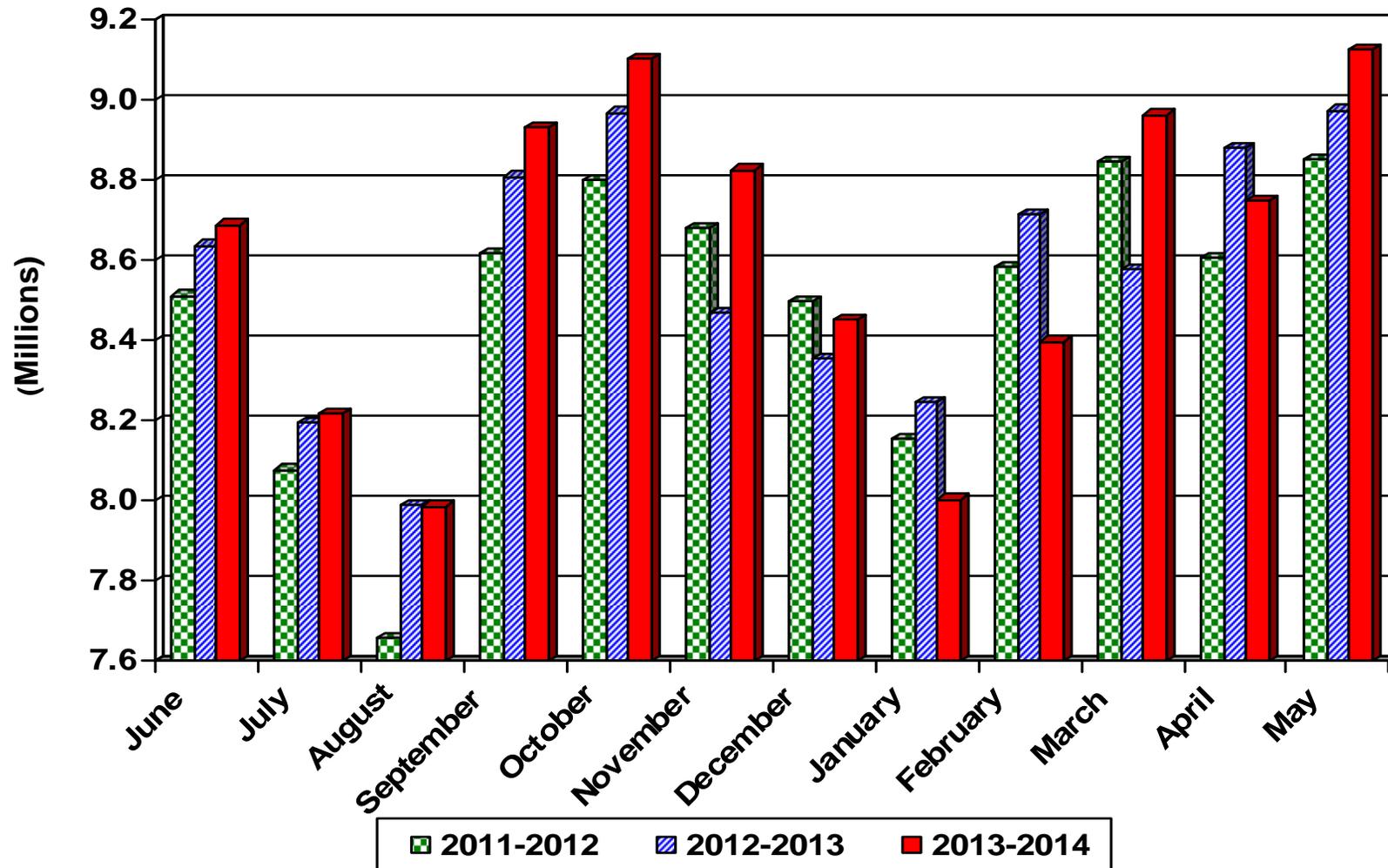
Metropolitan Transportation Authority Revenue Passengers



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
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%	232,611,096	3.74%
April	219,593,763	232,297,024	5.78%	230,118,496	-0.94%
May	235,143,368	237,347,958	0.94%	238,694,528	0.57%
12 Month Ave	219,258,227	218,119,322	-0.52%	223,309,464	2.38%
Year-to-Date	1,108,360,959	1,113,269,760	0.44%	1,111,923,820	-0.12%

12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	223,378,794	3.00%
April	218,504,024	217,935,607	-0.26%	223,197,250	2.41%
May	219,258,227	218,119,322	-0.52%	223,309,464	2.38%

Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	8,003,880	-2.92%
February	8,584,526	8,712,340	1.49%	8,397,245	-3.62%
March	8,842,851	8,576,124	-3.02%	8,960,976	4.49%
April	8,607,145	8,878,080	3.15%	8,748,775	-1.46%
May	8,848,957	8,972,963	1.40%	9,122,706	1.67%

MTA New York City Transit

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	195,344,365	206,817,977	5.87%	204,847,534	-0.95%
May	209,359,911	211,398,239	0.97%	212,700,673	0.62%
12 Month Ave	194,864,729	193,913,647	-0.49%	198,781,033	2.51%
Year-to-Date	986,698,228	991,169,109	0.45%	991,416,363	0.02%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	194,194,940	193,743,787	-0.23%	198,672,497	2.54%
May	194,864,729	193,913,647	-0.49%	198,781,033	2.51%
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	7,618,738	7,867,227	3.26%	7,752,103	-1.46%
May	7,839,588	7,952,469	1.44%	8,081,284	1.62%

MTA New York City Subway

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	139,080,375	146,912,790	5.63%	147,907,313	0.68%
May	148,496,485	150,755,402	1.52%	152,755,845	1.33%
12 Month Ave	138,692,450	138,282,007	-0.30%	143,215,817	3.57%
Year-to-Date	700,171,894	704,973,709	0.69%	716,007,795	1.57%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	138,141,120	138,093,764	-0.03%	143,049,113	3.59%
May	138,692,450	138,282,007	-0.30%	143,215,817	3.57%
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	5,427,522	5,589,663	2.99%	5,607,703	0.32%
May	5,557,889	5,664,205	1.91%	5,810,751	2.59%

MTA New York City Bus

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	56,263,990	59,905,187	6.47%	56,940,221	-4.95%
May	60,863,426	60,642,837	-0.36%	59,944,828	-1.15%
12 Month Ave	56,172,279	55,631,640	-0.96%	55,565,217	-0.12%
Year-to-Date	286,526,334	286,195,399	-0.12%	275,408,567	-3.77%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	56,053,819	55,650,023	-0.72%	55,623,384	-0.05%
May	56,172,279	55,631,640	-0.96%	55,565,217	-0.12%
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	2,191,216	2,277,564	3.94%	2,144,400	-5.85%
May	2,281,700	2,288,264	0.29%	2,270,533	-0.77%

Metropolitan Transportation Authority

May

MTA Bus Company

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	10,054,362	11,045,951	9.86%	10,561,169	-4.39%
May	10,957,840	11,257,915	2.74%	11,187,051	-0.63%
12 Month Ave	10,136,859	10,179,955	0.43%	10,262,907	0.81%
Year-to-Date	51,488,118	52,769,776	2.49%	50,973,480	-3.40%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	10,113,419	10,154,949	0.41%	10,268,813	1.12%
May	10,136,859	10,179,955	0.43%	10,262,907	0.81%
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	400,164	427,969	6.95%	404,350	-5.52%
May	418,369	432,244	3.32%	431,848	-0.09%

Friday, July 11, 2014

MTA Staten Island Railway

Revenue Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	364,882	365,207	0.09%	360,998	-1.15%
May	410,031	381,077	-7.06%	386,537	1.43%
12 Month Ave	386,328	356,080	-7.83%	353,662	-0.68%
Year-to-Date	1,943,130	1,770,922	-8.86%	1,794,304	1.32%

12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	385,997	358,493	-7.13%	353,207	-1.47%
May	386,328	356,080	-7.83%	353,662	-0.68%

Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	15,800	15,520	-1.77%	14,972	-3.53%
May	16,842	15,784	-6.28%	16,337	3.50%

MTA Long Island Rail Road

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	6,858,130	6,961,659	1.51%	7,189,777	3.28%
May	7,172,588	7,112,429	-0.84%	7,250,532	1.94%
12 Month Ave	6,901,253	6,786,393	-1.66%	6,988,309	2.98%
Year-to-Date	33,937,782	33,620,912	-0.93%	34,096,516	1.41%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	6,865,138	6,791,406	-1.07%	6,976,801	2.73%
May	6,901,253	6,786,393	-1.66%	6,988,309	2.98%
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	286,139	281,100	-1.76%	289,571	3.01%
May	288,384	286,442	-0.67%	302,178	5.49%

MTA Metro-North Railroad

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	6,824,170	-1.97%
April	6,972,024	7,106,230	1.92%	7,159,018	0.74%
May	7,242,998	7,198,299	-0.62%	7,169,735	-0.40%
12 Month Ave	6,969,059	6,883,247	-1.23%	6,923,552	0.59%
Year-to-Date	34,293,701	33,939,042	-1.03%	33,643,157	-0.87%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	6,921,533	0.67%
April	6,944,531	6,886,972	-0.83%	6,925,932	0.57%
May	6,969,059	6,883,247	-1.23%	6,923,552	0.59%
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	268,835	-1.87%
February	275,694	272,440	-1.18%	270,975	-0.54%
March	282,429	283,836	0.50%	279,347	-1.58%
April	286,303	286,265	-0.01%	287,779	0.53%
May	285,774	286,024	0.09%	291,060	1.76%

East of Hudson

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	6,831,738	6,973,347	2.07%	7,018,716	0.65%
May	7,094,282	7,061,066	-0.47%	7,028,443	-0.46%
12 Month Ave	6,835,170	6,754,425	-1.18%	6,789,411	0.52%
Year-to-Date	33,593,638	33,305,523	-0.86%	32,976,175	-0.99%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	6,809,710	6,757,193	-0.77%	6,792,129	0.52%
May	6,835,170	6,754,425	-1.18%	6,789,411	0.52%
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	279,630	280,222	0.21%	281,399	0.42%
May	279,003	279,778	0.28%	284,329	1.63%

Harlem Line

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	2,235,081	2,286,516	2.30%	2,303,958	0.76%
May	2,318,904	2,326,618	0.33%	2,295,131	-1.35%
12 Month Ave	2,236,445	2,217,299	-0.86%	2,235,878	0.84%
Year-to-Date	11,078,258	11,037,976	-0.36%	10,918,840	-1.08%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	2,228,530	2,216,656	-0.53%	2,238,502	0.99%
May	2,236,445	2,217,299	-0.86%	2,235,878	0.84%
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	92,081	92,340	0.28%	92,964	0.68%
May	91,782	92,633	0.93%	93,578	1.02%

Hudson Line

Revenue Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	1,334,926	1,355,099	1.51%	1,384,546	2.17%
May	1,399,291	1,396,805	-0.18%	1,381,606	-1.09%
12 Month Ave	1,333,125	1,317,972	-1.14%	1,318,854	0.07%
Year-to-Date	6,507,803	6,470,377	-0.58%	6,419,065	-0.79%

12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	1,328,947	1,318,179	-0.81%	1,320,121	0.15%
May	1,333,125	1,317,972	-1.14%	1,318,854	0.07%

Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	54,535	54,378	-0.29%	55,355	1.80%
May	54,880	55,108	0.42%	55,684	1.05%

New Haven Line

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	3,261,731	3,331,732	2.15%	3,330,212	-0.05%
May	3,376,087	3,337,643	-1.14%	3,351,706	0.42%
12 Month Ave	3,265,600	3,219,154	-1.42%	3,234,679	0.48%
Year-to-Date	16,007,577	15,797,170	-1.31%	15,638,270	-1.01%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	3,252,233	3,222,358	-0.92%	3,233,507	0.35%
May	3,265,600	3,219,154	-1.42%	3,234,679	0.48%
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	133,014	133,503	0.37%	133,080	-0.32%
May	132,341	132,037	-0.23%	135,067	2.29%

West of Hudson

Revenue Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	140,001	4.80%
April	140,286	132,883	-5.28%	140,302	5.58%
May	148,716	137,233	-7.72%	141,292	2.96%
12 Month Ave	133,889	128,822	-3.78%	134,141	4.13%
Year-to-Date	700,063	633,519	-9.51%	666,982	5.28%

12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	133,184	2.14%
April	134,821	129,779	-3.74%	133,803	3.10%
May	133,889	128,822	-3.78%	134,141	4.13%

Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	6,109	8.94%
February	6,537	5,893	-9.85%	6,159	4.50%
March	6,849	6,356	-7.20%	6,659	4.77%
April	6,673	6,043	-9.44%	6,380	5.58%
May	6,771	6,247	-7.74%	6,731	7.76%

Metropolitan Transportation Authority

May

Port Jervis Line

Revenue Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	84,471	2.43%
April	88,819	82,564	-7.04%	85,808	3.93%
May	93,989	85,089	-9.47%	85,922	0.98%
12 Month Ave	83,350	81,148	-2.64%	82,949	2.22%
Year-to-Date	439,055	393,238	-10.44%	405,262	3.06%

12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	82,609	0.24%
April	84,775	81,889	-3.40%	82,879	1.21%
May	83,350	81,148	-2.64%	82,949	2.22%

Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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	2.77%
March	4,271	3,922	-8.16%	4,017	2.40%
April	4,224	3,755	-11.10%	3,902	3.92%
May	4,280	3,874	-9.48%	4,094	5.66%

Metropolitan Transportation Authority

May

Pascack Valley Line

Revenue Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	55,530	8.61%
April	51,467	50,319	-2.23%	54,494	8.30%
May	54,727	52,144	-4.72%	55,370	6.19%
12 Month Ave	50,539	47,675	-5.67%	51,192	7.38%
Year-to-Date	261,008	240,281	-7.94%	261,720	8.92%

12 Month Averages

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	50,575	5.40%
April	50,046	47,890	-4.31%	50,923	6.33%
May	50,539	47,675	-5.67%	51,192	7.38%

Average Weekday Passengers

Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%	2,406	14.76%
February	2,453	2,245	-8.48%	2,409	7.31%
March	2,578	2,433	-5.61%	2,642	8.58%
April	2,449	2,288	-6.58%	2,478	8.31%
May	2,491	2,372	-4.77%	2,638	11.18%

Metropolitan Transportation Authority

May

MTA Bridges & Tunnels

Revenue Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	23,651,425	23,638,588	-0.05%	23,845,079	0.87%
May	25,192,764	25,045,252	-0.59%	25,673,491	2.51%
12 Month Ave	23,840,229	23,413,736	-1.79%	23,562,063	0.63%
Year-to-Date	115,828,526	114,182,054	-1.42%	112,399,305	-1.56%
12 Month Averages					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	23,836,239	23,426,029	-1.72%	23,509,710	0.36%
May	23,840,229	23,413,736	-1.79%	23,562,063	0.63%
Average Weekday Passengers					
Service Month	2011-2012	2012-2013	Percentage Change	2013-2014	Percentage Change
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%
April	808,640	801,771	-0.85%	806,027	0.53%
May	831,734	834,831	0.37%	849,816	1.79%

Friday, July 11, 2014

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	*			
Jun-2015	May-2016	\$2.927	246,153	*			

* 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 July 3, 2014

	(\$ in millions)		
	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>Ultra Low Sulfur Diesel</u>			
Current Prices vs. February Plan	(\$4.657)	(\$5.328)	(\$0.445)
Impact of Hedge	<u>1.515</u>	<u>1.740</u>	<u>0.000</u>
Net Impact: Fav/(Unfav)	(\$3.142)	(\$3.589)	(\$0.445)
<u>Compressed Natural Gas</u>			
Current Prices vs. February Plan	(\$14.799)	\$5.920	\$7.325
Impact of Hedge	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Net Impact: Fav/(Unfav)	(\$14.799)	\$5.920	\$7.325
<u>Summary</u>			
Current Prices vs. February Plan	(\$19.456)	\$0.592	\$6.880
Impact of Hedge	<u>1.515</u>	<u>1.740</u>	<u>0.000</u>
Net Impact: Fav/(Unfav)	(\$17.941)	\$2.331	\$6.880

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

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JULY 2014
MTA REAL ESTATE
FINANCE COMMITTEE AGENDA ITEMS

1. ACTION ITEMS

MTA METRO-NORTH RAILROAD

License amendment with the City of Yonkers, relating to use of the outdoor space at the Yonkers Train Station

MTA LONG ISLAND RAIL ROAD

License agreement with Answer Vending for the provision of snack and beverage vending services at MTA Long Island Rail Road stations and employee facilities

METROPOLITAN TRANSPORTATION AUTHORITY

Exercise of lease renewal option for MTACC at 333 West 34th Street, New York, NY

2. INFORMATION ITEMS

- a. Status report on month-to-month licenses
- b. Status report on agreements entered into directly by the Real Estate Department
- c. Status report on Grand Central Terminal Vanderbilt Hall events
- d. Status report on Grand Central Terminal Graybar Passage retail kiosks
- e. Permit with the City of Yonkers the use of the park and arcade area at Metro-North's Yonkers Station

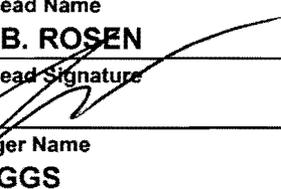
Legal Name	Popular Name	Abbreviation
New York City Transit Authority	MTA New York City Transit	NYC Transit
The Long Island Rail Road Company	MTA Long Island Rail Road	LIRR
Metropolitan Suburban Bus Authority	MTA Long Island Bus	LI Bus
Metro-North Commuter Railroad Company	MTA Metro-North Railroad	MNR
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).

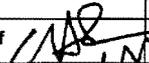
MTA METRO NORTH RAILROAD

Staff Summary

Subject LICENSE AMENDMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name ALICIA BIGGS

Date JULY 28, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/28/14			
2	Board	7/28/14			

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

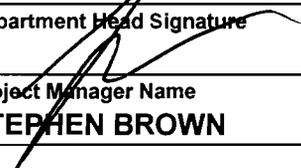
AGENCY: MTA Metro-North Railroad ("Metro-North")
 LICENSEE: City of Yonkers (the "City")
 LOCATION: Park and arcade area located at southwest end of Yonkers Station Building
 ACTION REQUESTED: Approval of terms
 TERM: Until terminated by Metro-North (minimum 30 days' notice)
 COMPENSATION: One dollar, payment waived
 COMMENTS:

In December 2003, Metro-North entered into a license agreement with the City for the maintenance, securing, landscaping, cleaning and overall care of the Metro-North-controlled park plaza located on the east side of the Yonkers Station. To date, the City has maintained the space as a park area only. Recently, the City approached MTA Real Estate with a request to modify the license agreement to add the covered walkway (arcade) at the south end of the Yonkers Station to the licensed area and to permit the City to use the expanded licensed area to stage farmers markets, movie screenings, art exhibitions and other community events. The proposed addition of the arcade to the licensed area and the use of the expanded licensed area for such community events (each of which will require pre-approval by Metro-North) will have no impact on Metro-North operations. The City will be restricted to sublicensing the licensed area for nonprofit and public uses.

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

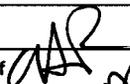
MTA LONG ISLAND RAIL ROAD

Staff Summary

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name STEPHEN BROWN

Date JULY 28, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/28/14	X		
2	Board	7/28/14	X		

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

AGENCY: MTA Long Island Rail Road ("LIRR")
 LICENSOR: Answer Vending, Inc. ("Answer")
 LOCATION: LIRR stations and employee facilities
 ACTIVITY: License agreement for beverage and snack vending machines
 ACTION REQUESTED: Approval of terms
 TERM: Ten years, terminable on 60 days' notice by LIRR
 COMPENSATION: Minimum annual guaranteed compensation ("MAG"): MAG will total approximately \$1.0 million over 10 years (PV of \$683,055 at a 7% discount rate), as shown below:

Year	Annual	Monthly
1	\$25,000	\$2,083.33
2	\$88,000	\$7,333.33
3	\$105,000	\$8,750.00
4	\$113,000	\$9,416.67
5	\$113,000	\$9,416.67
6	\$113,000	\$9,416.67
7	\$113,000	\$9,416.67
8	\$113,000	\$9,416.67
9	\$113,000	\$9,416.67
10	\$113,000	\$9,416.67

Exclusivity payments: In addition to the MAG, Answer will make (1) payments totaling \$15,000 over the term (PV of \$9,947) to be LIRR's exclusive vending machine provider; 2) payments of \$41,000 in year 1, increasing to \$50,000 in subsequent years (totaling \$491,000 over the term, PV of \$342,768) for so long as M&M Mars remains the exclusive LIRR vending machine snack provider (contract is year-to-year); and 3) payments of \$60,000 per year (totaling \$600,000 over the term, PV of \$424,415) for so long as Pepsi-Cola is the exclusive LIRR vending machine beverage provider (contract is five years with a five-year option).

Electrical upgrade contributions: Answer will also make a contribution of \$300,000 toward the cost of work to be undertaken by LIRR forces to bring power to the vending machine locations, where required, paid in installments of \$75,000 at the beginning of each of the first four years of the term (PV of \$254,040). Should LIRR wish to expand the program to

Staff Summary

FINANCE COMMITTEE MEETING Answer Vending, Inc. (Cont'd)

contributions towards LIRR's electrical work of up to \$10,000 per year in years 5-8 of the contract.

Variable compensation: In addition to the foregoing payments, Answer will be required to make variable compensation payments equal to the higher of following two components when either exceeds the MAG for any license year:

1. Machine Based Compensation ("MBC"): MBC will be based on the number of machines in operation in a given license year, multiplied by an annual fixed compensation per machine as set forth in the following table:

Years	Beverage		Snack	
	Annual	Monthly	Annual	Monthly
1-5	\$960	\$80	\$600	\$50
6-10	\$1,008	\$84	\$630	\$52

2. Percentage Compensation: Percentage compensation will be calculated by multiplying the annual gross sales for all vending machines by 28%.

COMMENTS:

In response to an RFP for vending machine services covering passenger stations throughout LIRR's operating territory, MTA Real Estate received proposals from Answer, Gilly Vending and M&R Wholesale. The RFP sought to secure a vendor to provide snack and beverage vending machines at 80 LIRR stations (phased over 3-4 years), with the option of LIRR adding up to 43 additional stations over the course of the agreement.

Answer's financial proposal was superior to those of Gilly Vending and M&R Wholesale with respect both to fixed payments and the rate at which LIRR would participate in sales revenues. Moreover, M&R Wholesale's submission was unresponsive; it would only have provided for service at 23 of the 80 specified stations, was incomplete in various respects and was not accompanied by a required deposit.

Since 2010, Answer has successfully provided vending machine services at MTA Metro-North stations and employee facilities, and throughout the initial installation phases and subsequent years of operation under its Metro-North contract Answer has been a reliable contract counterparty and maintained a high level of service. Based on Answer's average sales at its Metro-North machines, it is anticipated that over the term the above-described variable compensation to LIRR could exceed \$1.4 million on a present value basis (approximately \$749,000 over the present value of the MAG over the term). Thus, the total compensation under the Answer proposal, estimated at \$2.46 million on a present value basis, is projected not only to fully offset LIRR's electric installation costs (budgeted at \$1.4 million, although, based on experience under the Metro-North contract, the actual electrical installation costs may well be lower) but also to provide substantial net revenue to LIRR while providing a new amenity for LIRR customers.

The installation of the vending machines at the initial 80 stations is projected to occur in three phases over 3-4 years, although based on experience with the Metro-North agreement the installation process could take significantly less time than that. As in Metro-North's contract with Answer, LIRR will reserve the right to (1) require Answer to relocate or remove machines as necessary as determined by LIRR; (2) require Answer to provide healthy snack and beverage options; and (3) require Energy Star or other environmentally friendly vending machines.

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

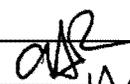
METROPOLITAN TRANSPORTATION AUTHORITY

Staff Summary

Subject EXERCISE OF RENEWAL OPTION
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name ANDREW D. GREENBERG

Date July 28, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/28/14	X		
2	Board	7/28/14	X		

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

AGENCY: Metropolitan Transportation Authority ("MTA")

LANDLORD: ARC NY333W3401, LLC (American Realty Capital, principal), successor to 333 West 34th Street LLC (SL Green, principal)

LOCATION: 333 West 34th Street, New York, New York (the, "Premises")

ACTIVITY: Exercise of renewal option

ACTION REQUESTED: Approval of terms

TERM: Six Months – 2/1/15 through 7/31/15

PREMISES: Approximately 17,503 rentable square feet (12,198 usable square feet) of office space comprising a portion of the 5th floor

COMPENSATION:

<u>MONTH</u>	<u>RENT PER MONTH</u>
2/1/15 - 2/28/15	\$79,210.02
3/1/15 – 7/31/15	\$81,471.02

COMMENTS

The MTA leases the Premises for use as a field office for MTACC and MTACC consultant employees engaged in the management of the #7 Line extension project (the "Project"). The initial term of the subject lease (the "Lease") is scheduled to expire on January 31, 2015. (The approved September 2010 staff summary is attached.)

MTACC has advised that, in light of the current Project Schedule, it will be necessary to exercise the single, six-month renewal option that is provided for in the Lease (the "Renewal Option"). At the end of such six-month period, the Premises have been committed to the subject building's other tenant, but MTACC expects to be in a position to vacate the Premises at that time.

The rent during the renewal period is in accordance with the Lease, based on the rent that will be payable by such other tenant, net of real estate taxes. Hudson Yards Development Corporation is providing the funding for the construction and administration of the Project, including the rent under the current lease and the proposed lease renewal. With the exception of rent, all other terms and conditions of the Lease remain unchanged.

Based on the foregoing, MTA Real Estate requests authorization to exercise the Renewal Option on the above-described terms and conditions.

Staff Summary

Subject LEASE
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name ANDREW GREENBERG

Date SEPTEMBER 27, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/27/10	X		
2	Board	9/29/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal
3	Chief of Staff		
2	Managing Director		
	Civil Rights		

Narrative

AGENCY/TENANT: Metropolitan Transportation Authority ("MTA")
LANDLORD: 333 West 34 SLG Owner LLC (SL Green, principal)
LOCATION: 333 West 34th Street, New York, New York
ACTIVITY: Office space for MTA Capital Construction Company ("MTACC"), to house construction management field office for 7 line extension project
ACTION REQUESTED: Approval of terms
SPACE: Approximately 17,503 rentable sq. ft. ("rsf") / approximately 12,198 usable sq. ft. ("usf") of office space comprising part of the 5th floor
POSSESSION: On delivery of the space with Landlord's Work (see below), to be substantially complete no later than January 1, 2011
RENT COMMENCEMENT: One month from possession
TERM: To commence on possession and expire January 31, 2015
BASE RENT: Tenant responsible for fixed annual Net Rent, payable as follows:

Gross Base Rent	Net Rent*	Net Rent per rsf
\$545,918.57	\$452,277.52	\$25.84

* Landlord will create a separate condominium unit and tax lot coinciding with the space to be leased to MTA. The foregoing Net Rent amounts were derived by subtracting the current taxes (\$5.25 per rsf) from the Gross Base Rent. Such amounts will be subject to a one-time adjustment to reflect the City of New York's final assessment for its fiscal year 2010/2011.

REAL PROPERTY TAXES: Tenant will not be responsible for any tax payments until the condominium unit is created, at which point it will become responsible for reimbursing the Landlord for 100% of any taxes attributable to the condominium unit. It is anticipated that the MTA will exercise its tax exemption at that time, or as soon thereafter as possible.

Staff Summary

CAPITAL CONSTRUCTION/PLANNING/REAL ESTATE COMMITTEE MEETING 333 West 34 SLG Owner LLC (Cont'd)

OPERATING EXPENSE ESCALATION:	Tenant to pay its proportionate share of increases in operating expenses over a 2011 base calendar year
RENEWAL OPTION:	One 6-month extension option at fair market rent (net of real property taxes)
UTILITIES:	Tenant will be responsible for the cost of electricity via submeter, at Landlord's actual cost with no mark-up. All other utilities are included in base rent.
SERVICES:	Cleaning, HVAC service, building security and building messenger center will be provided by Landlord and included in base rent. Landlord will provide access to its emergency generator in consideration of Tenant paying Tenant's proportionate share of associated actual costs and expenses. Supplemental air-conditioning will be provided at a cost of \$400 per ton per year. If so requested, Landlord will provide up to a maximum of \$55,000 of fixtures, furniture and equipment, to be repaid by Tenant as additional rent over the term at 5% interest. Landlord will also provide, at no additional cost to Tenant, approximately 200 square feet of basement storage space.
MAINTENANCE & REPAIR:	Maintenance and repair of building common areas, common building systems and all structural components of the building will be performed by Landlord and included in base rent. Tenant will be responsible for all non-structural repairs within the leased space.
LANDLORD'S WORK:	The space is already built-out. Landlord will make certain agreed upon modifications at its own cost.
SECURITY DEPOSIT:	None

COMMENTS:

MTACC requires a field office to house approximately 84 MTACC and MTACC consultant employees engaged in the management of the #7 line extension project (the "Project"). This office needs to be in close proximity to the Project site and possession is required by 1/1/11. It is expected that 90% occupancy will be achieved on possession and the remainder will be occupied by the end of the first quarter of 2011. Hudson Yards Development Corporation is providing the funding for the construction and administration of the Project, including the rent under the proposed lease.

Historically, MTACC construction contracts have typically required contractors to provide space in their field offices for MTACC and MTACC consultant personnel; and space for such personnel is included in the field office for the first phase of the Project, located at 21 Penn Plaza, which is being provided by the phase 1 contractor at such contractor's cost pursuant to a lease in the phase 1 contractor's name that commenced in 2007 and is scheduled to expire in 2012. However, as the next phase of the Project will be undertaken pursuant to multiple construction contracts, MTACC determined that it would be most efficient and cost effective to manage such contracts from one centralized field office and thereby eliminate redundancies and avoid contractor mark-ups.

To accommodate MTACC's short time frame for possession, search criteria included an open space layout containing an existing fit-out that could largely be re-used, thereby avoiding the cost and time required for extensive alterations and/or furniture procurements.

Site visits were conducted at eleven potential locations. Evaluations based on operational needs, cost and space configurations yielded a short list consisting of three buildings: (a) 21 Penn Plaza; (b) 450 West 33rd Street; and (c) 333 West 34th Street. However, shortly after the site tour, the owners of 21 Penn Plaza decided to enter into a lease with another tenant; and the owner of 450 West 33rd Street expressed concerns regarding whether it could meet our timeline and were uncertain of the extent to which it could fund needed improvements. Thus, 333 West 34th Street became the only viable alternative, although it required MTACC to squeeze into approximately 10% less square footage than had been programmed.

Staff Summary

CAPITAL CONSTRUCTION/PLANNING/REAL ESTATE COMMITTEE MEETING **333 West 34 SLG Owner LLC (Cont'd)**

COMMENT: (Cont'd)

333 West 34th Street already houses the MTA Business Services Center, and it will therefore be possible to document the lease quickly and inexpensively through a modification of the BSC lease and to achieve economies by sharing certain BSC infrastructure. And, of the aforementioned prospective landlords, only the owner of 333 West 34th Street was able and willing to create a separate condominium unit to lease to the MTA, which will allow the MTA to take advantage of its tax exempt status and thereby significantly lower its occupancy costs. All costs of creating the condominium unit are to be included in the base rent. Accordingly, the rent at 333 West 34th Street will be only \$25.84 per rsf (as under the BSC lease), significantly lower than the asking rents at the other properties surveyed.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease modification agreement with 333 West 34 SLG Owner LLC on the above-described terms and conditions.

FOR REFERENCE PURPOSES ONLY

INFORMATION ITEMS

Memorandum



Metropolitan Transportation Authority

State of New York

Date July 28, 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: JULY 2014

AGENCY	LOCATION (STATION)	TENANT/USE	SF	DATE OF AGREEMENT	MONTHLY COMPENSATION	COMMENT
1. NYCT	WTC Station 8 th Ave. Line, Manhattan	Fakhrul Alam/Newsstand	420	January 2004	\$155.14	Special site conditions will require interim tenancy until there is a station rehab.
2. NYCT	179 th 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 publically offered.

Memorandum



Metropolitan Transportation Authority

State of New York

Date July 28, 2014

To Members of the Finance Committee

From Jeffrey B. Rosen, Director, Real Estate

Re **Report on Agreements Entered into Directly by the Real Estate Department with tenants in good standing or through the RFP or RTN process with a 5-year revenue stream, which does not exceed \$150,000, or 10-year stream not in excess of \$300,000**

Attached is a listing of agreements entered into directly by the Real Estate Department during the preceding month, pursuant to the Board's April 26, 2007 resolution.

That resolution delegates authority to the Chairman, Executive Director, and Director of Real Estate to enter into lease or license agreements with tenants on behalf of the MTA and its agencies.

For each such agreement, the term may not exceed ten years, and aggregate compensation may not exceed \$300,000, or \$150,000 for five-year agreements. The resolution similarly delegates authority to renew license agreements with tenants in good standing with the same limitations.

**REPORT ON AGREEMENTS ENTERED INTO DIRECTLY BY THE REAL ESTATE DEPARTMENT
PURSUANT TO BOARD POLICY**

July, 2014

Agency/Project Manager	Renewal/RFP Generated	Lessee	Location/Use	Term	Rental		Annual Increase	Size/Weekday Ridership	Price/SF	
					Year	Rent			Year	PSF
NYCT/A. Espinoza	RFP	Zakir Enterprise, Inc.	3 Ave – East 149 St, Bronx / Newsstand	10 years	1	\$109,200.00	--	117 square feet / 24,001 passengers	1	\$933.33
					2	\$113,568.00	4.00%		2	\$970.67
					3	\$118,110.72	4.00%		3	\$1,009.49
					4	\$122,835.14	4.00%		4	\$1,049.87
					5	\$127,748.52	4.00%		5	\$1,091.87
					6	\$132,858.46	4.00%		6	\$1,135.54
					7	\$138,172.69	4.00%		7	\$1,180.96
					8	\$143,699.58	4.00%		8	\$1,228.20
					9	\$149,447.50	4.00%		9	\$1,277.33
					10	\$155,425.29	4.00%		10	\$1,328.42

List of all proposals:

Proposer name:	NPV @ 9% discount rate:
Zakir Enterprise, Inc.	\$935,936
Fakhrul Alam	\$818,407
AMH Newsstand Inc	\$743,592
Mohammed E. Khan	\$530,076
Unique Candy Corp	\$524,234
Mofazzar Hossain	\$467,899
Main News Inc.	\$449,188
Nonak Trading Inc	\$375,801
Sakina Akter	\$354,829

Memorandum



Metropolitan Transportation Authority

State of New York

Date July 28, 2014

To Members of the Finance Committee

From Jeffrey B. Rosen, Director, Real Estate

Re **GCT's Vanderbilt Hall Events Forecast**

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.

July 2014 Event Forecast

Event	Date	Description	Space	Use
Taste of the Terminal	July 7, 14, 21, 28	JLL produced event where GCT tenants can sample and sell products	Vanderbilt Hall	Public
Bayer	July 8 - 10	The science of health exhibit and interactive workshop for kids	Vanderbilt Hall	Public
Intern Event	7/17	As per Liz Rivera	Vanderbilt Hall	Public
Puma	7/25	An event to promote the Arsenal v Red Bulls game. Mini soccer field set up for the Arsenal team to demo skills	Vanderbilt Hall	Public
Marvel	7/29	Super hero "training" for kids	Vanderbilt Hall	Public
Boys and Girls Club	July 30 or 31	Possible live-stream performance and Nick Cannon as emcee. Exhibits showcasing B&G Club	Vanderbilt Hall	Public

Memorandum



Metropolitan Transportation Authority

State of New York

Date July 28, 2014
To Members of the Finance Committee
From Jeffrey B. Rosen, Director, Real Estate
Re **GCT – Graybar Passage Retail Kiosks**

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 July 2014

Licensee	License Dates	Use	Monthly Compensation
Abby May	7/1/2014-10/31/2014	The retail sale of licensee produced jewelry	7/1/2014 \$2500 8/1/2014 \$2500 9/1/2014 \$2500 10/1/2014 \$2500

Staff Summary

Subject CITY OF YONKERS
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name ALICIA BIGGS

Date JULY 28, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/28/14		X	

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

AGENCY: MTA Metro-North Railroad ("Metro-North")
PERMITTEE: City of Yonkers
LOCATION: The park and arcade area located at the southwest end of the Yonkers Station Building
ACTIVITY: Permit for Community Day Events
TERM: Friday, June 20th, 2014 – 2pm - 8pm
 Friday, June 27th, 2014 – 2pm - 8pm
 Friday, July 4th, 2014 – 2pm - 8pm
 Friday, July 11th, 2014 – 2pm - 8pm
 Friday, July 18th, 2014 – 2pm - 8pm
 Friday, July 25th, 2014 – 2pm - 8pm

COMPENSATION: One dollar, payment waived

COMMENTS:

Pursuant to Board policy governing short-term licensing of railroad facilities for municipal and non-profit activities, the City of Yonkers was granted permission to utilize the park along with the covered walkway (arcade) located at the southwest end of the Yonkers Station Building from 2pm to 8pm each Friday beginning June 20th, 2014 to July 25th, 2014 for certain special community events. The park is currently licensed to the City of Yonkers under an agreement dated December 11th, 2003. However, that agreement limits the City to the maintenance, security, landscaping, cleaning and overall care of the park. That agreement will be amended, subject to Board approval, to allow the City to utilize the park in the future for these special activities.

MTA-Legal approved the permit as to form, and the City of Yonkers has agreed to provide the appropriate insurance coverage and indemnification.