



**Metropolitan Transportation Authority**

# Finance Committee Meeting February 2016

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## Committee Members

T. Prendergast, Chair  
F. Ferrer, Vice Chair  
J. Ballan  
J. Banks, III  
R. Bickford  
A. Cappelli  
J. Kay  
C. Moerdler  
M. Pally  
J. Sedore, Jr.  
P. Trottenberg  
E. Watt\*  
C. Wortendyke  
N. Zuckerman\*

**Finance Committee Meeting**  
2 Broadway, 20th Floor Board Room  
New York, NY 10004  
Monday, 2/22/2016  
12:00 - 1:15 PM ET

**1. PUBLIC COMMENTS PERIOD**

**2. APPROVAL OF MINUTES – JANUARY 25, 2016**

*Finance Committee Minutes - Page 4*

**3. 2016 COMMITTEE WORK PLAN**

*2016 Work Plan - Page 12*

**4. BUDGETS/CAPITAL CYCLE**

**BudgetWatch (Handout)**

**Finance Watch**

*Finance Watch - Page 20*

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

**Action Items**

*Approval of Swap Amendment and Novation - Page 32*

*Extention of Owner Controlled Insurance for East Side Access - Page 35*

*Mortgage Recording Tax - Escalation Payments to Dutchess, Orange and Rockland Counties - Page 37*

*2015 TBTA Operating Surplus - Page 39*

**Report and Information Items**

February Financial Plan 2016-2019 (Exhibit Book)

**Procurements**

*MTAHQ Procurement Report - Page 49*

*MTAHQ Competitive Procurements - Page 51*

**6. METRO-NORTH RAILROAD & LONG ISLAND RAIL ROAD**

*MNR & LIRR Procurements - Page 62*

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

*MTACC Action Item - Page 66*

*NYCT Procurements - Page 68*

## **8. BRIDGES AND TUNNELS**

*B & T Procurements - Page 72*

## **9. FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY (No Items)**

## **10. MTA CONSOLIDATED REPORTS**

*Statement of Operations - Page 78*

*Overtime - Page 87*

*Report on Subsidies - Page 90*

*Positions - Page 96*

*Subsidy, Interagency Loans and Stabilization Fund Transactions - Page 99*

*Farebox Recovery Ratios - Page 102*

*MTA Ridership - Page 103*

*Fuel Hedge Program - Page 127*

## **11. REAL ESTATE AGENDA**

### **Action Items**

*Real Estate Action Items - Page 130*

### **Report and Information Items**

*Real Estate Info Items - Page 164*

Date of next meeting: Monday, March 21st at 12:30 pm

Minutes of the MTA Finance Committee Meeting  
January 25, 2016  
2 Broadway, 20th Floor Board Room  
New York, NY 10004  
12:30 PM

The following Finance Committee members attended:

Hon. Fernando Ferrer, Vice Chair  
Hon. Jonathan A. Ballan  
Hon. Charles G. Moerdler  
Hon. Mitchell H. Pally  
Hon. Carl V. Wortendyke  
Hon. Neil Zuckerman

The following Finance Committee members did not attend:

Hon. Thomas F. Prendergast, Chairman  
Hon. John H. Banks III  
Hon. Robert C. Bickford  
Hon. Allen P. Cappelli  
Hon. Jeffrey A. Kay  
Hon. James L. Sedore, Jr.  
Hon. Polly Trottenberg  
Hon. Ed Watt

The following Board Members were also present:

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

The following MTA staff attended:

Robert Foran  
Douglas Johnson  
Marcia Tannian  
Jeffrey Rosen

Vice Chair Fernando Ferrer called the January 25, 2016 meeting of the Finance Committee to order at 12:35 PM.

### **I. Public Comments**

There was one public speaker. Mr. Murray Bodin discussed two items related Metro-North, including the acquisition of property in Sleepy Hollow and horn-blowing around the Harlem-125<sup>th</sup> Street Station.

### **II. Approval of Minutes**

The Committee approved the minutes to its prior meeting held on December 14, 2015.

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

There were no changes to the Committee Work Plan.

### **IV. Budgets/Capital Cycle**

#### **A. BudgetWatch**

Mr. Douglas Johnson presented BudgetWatch and noted that reporting in BudgetWatch for January is a flash report that captures preliminary operating revenues, subsidies and debt service compared with the final estimate that was approved by the Board in December. Mr. Johnson noted expenses are too preliminary to be meaningful to report this month. Operating expenses will be reported in future months.

**Operating Revenues:** Overall passenger and toll revenues were slightly favorable by \$18.9 million, or 0.3%. Specifically, NYCT revenues were better than the final estimate by \$13.9 million, or 0.3%, primarily due to higher subway, bus, and paratransit revenues. Commuter rail also showed slightly favorable revenue. Toll revenues were favorable due to increased traffic from unseasonably mild weather and continued low fuel prices.

**Debt Service:** Debt service expenses were \$9.3 million, or 0.4%, favorable due to low short term variable interest rates.

**Subsidies:** Mr. Johnson reported that MMTOA receipts were on target, and Petroleum Business Tax (PBT) receipts were \$5.7 million, or 0.9% favorable. The Payroll Mobility Taxes (PMT) was \$5.9 million, or 0.4%, unfavorable. Mr. Johnson reported that for the MTA Aid Trust receipts (licenses, registration taxes and auto rentals), the November Forecast was reduced by \$8 million to reflect the impact that transportation network companies, such as Uber, are having on taxi receipts. Final results for 2015 indicate that overall impact of these app-based services is somewhat higher than projected in the November Plan; however; it is believed that the majority of the \$9 million variance reported in BudgetWatch involves timing differences between the receipt of these companies by the State and the transfer to MTA. Finally, Mr. Johnson discussed real estate taxes that have been on an upswing since they bottomed out in 2009 and 2010. Mr. Johnson noted that in November, the final estimate was increased by \$80 million, however compared with that forecast, actual revenues were \$57 million, or 3.3% lower. Mr. Johnson further noted that the receipts have significant month to month variability, and that preliminary January 2016 results were \$19 million favorable.

**Overall:** Overall net results were in line with the final estimate, favorable passenger and toll revenues and lower debt service were offset by lower collections of real estate taxes and MTA Aid.

#### **B. FinanceWatch**

Ms. Marcia Tannian presented FinanceWatch (see pages 20 through 30 of the Committee book for the complete FinanceWatch report).

**New Money/Refundings:** Ms. Tannian reported on the recent transaction, priced the prior week, (details will be included in next month's FinanceWatch). Due to favorable market conditions, the transaction, Triborough Bridge and Tunnel Authority Revenue Bonds, Series 2016A, was upsized to include \$300 million par new money and \$241.2 million refunding bonds, for total issuance of \$541.2 million. Ms. Tannian reported the par value on the refunded bonds was \$256 million, the present value savings achieved was \$34.6 million, or 13.5% of refunded par. Ms. Tannian noted there was great response from retail investors as well as institutional investors, and the transaction resulted in tight spreads, historically tighter for the TBTA credit. All-in True Interest Cost (TIC) was 3.24% for the entire issuance. Citigroup led the transaction together with special co-senior managers Cabrera Capital Markets, an MBE firm, and Academy Securities, Inc. a Service Disabled Veteran-Owned (SDVO) firm. Ms. Tannian noted that the State Bond Issuance Charge (BIC) was waived for the refunding portion of the issuance.

**Refunding:** Ms. Tannian noted that statistics on the issuance of \$330.4 million of Transportation Revenue Refunding Bonds, Series 2015F transaction, reported by Mr. McCoy in December, are included in FinanceWatch. Ms. Tannian highlighted that the all-in TIC for that issuance was 3.22%.

**Remarketing:** Ms. Tannian reported on \$148.5 million TBTA Subordinate Revenue Variable Rate Refunding Bonds transaction, which remarketed Subseries 2013D-2a, \$58.0 million and 2013D-2b, \$90.5 million. Both subseries were converted from floating rate notes to variable rate demand obligations in a weekly mode. Both subseries are supported by letters of credit (LOCs) from Bank of America, N.A., which are set to expire on December 14, 2018.

**BAN takeout – Green Bonds:** Ms. Tannian reported on the upcoming transaction, in which MTA is exploring issuing “green bonds,” that will pay off \$500 million in Transportation Revenue Bond Anticipation Notes (BAN), Series 2015A. Ms. Tannian noted that MTA is continuing to work toward certification from the Climate Bonds Initiative (CBI), (for more information on this organization see their website <http://www.climatebonds.net/>), and that the goal is to widen the investor pool. Ms. Tannian highlighted that this will be an all MWBE/SDVO managed transaction with Ramirez & Co., an MBE firm leading the transaction along with special co-senior managers Stern Brothers, a WBE firm, and Drexel Hamilton, LLC, a SDVO firm.

**Fuel Hedge:** Ms. Tannian reported that on December 17, 2015, MTA executed a hedge for ultra-low sulfur diesel fuel, for approximately 2.88 million gallons, with Goldman, Sachs & Co./J. Aron at all-in price of \$1.48/gallon. Two of MTA's eligible commodity counterparties participated in competitive bidding: Goldman, Sachs & Co./ J Aron and Macquarie Group (a new eligible counterparty). J.P. Morgan Ventures Energy Corporation declined to bid and Merrill Lynch Commodities Inc. was not invited due to ratings. The hedge covers the period from December 2016 through November 2017.

**Discussion:** Mr. Moerdler inquired regarding the impact of low fuel prices on hedges already undertaken and reporting on the results. Mr. Robert Foran responded that while some hedges were entered at higher prices, overall hedging is for 50% of those fuel needs, and while some hedges were locked-in at higher prices, newer hedges are getting favorable bids. Mr. Foran noted that purpose of fuel hedges is for budget certainty and confirmed that the hedges are on a rolling basis. He further noted that additional details on fuel hedges are reported monthly and available in the Committee book (see pages 109 through 111 of the Committee book). Mr. Ballan inquired whether

staff had the flexibility needed to respond to hedging opportunities. Mr. Foran noted the strategy remains the same that 50% of the specified fuel is being hedged for budget certainty.

Mr. Ballan inquired regarding the status of the senior manager rotation after the upcoming transactions. Ms. Tannian noted that the TBTA transaction led by Citigroup was the end of the rotation from the approved list and that staff is working on the new RFP, which will be issued soon. Mr. Ballan further inquired regarding the status of the green bond certification. Ms. Tannian highlighted that the process is close to an end, and noted staff is working with CBI toward certification, the verification agent, Sustainalytics, has verified that the projects are in compliance with the CBI climate bond standards, and documents are being finalized.

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

### **A. Action Items**

Mr. Johnson reported that there were two action items. Ms. Tannian presented the action items (see pages 32 through 36 of the Committee book).

#### **1. Approval of Remarketing Agents**

Ms. Tannian reported the action item is to add Mitsubishi UFJ Securities and Arbor Research & Trading, LLC, and its related alternative trading system, Clarity, to the existing approved pool of variable rate remarketing agents. Ms. Tannian noted that Mitsubishi UFJ Securities is a broker/dealer affiliate of The Bank of Tokyo-Mitsubishi, which is currently providing LOCs for three subseries of MTA/TBTA bonds.

#### **2. Commercial Bank Authorization Update**

Ms. Tannian reported the action item is expand its existing authorization to maintain a list and select from a list of qualified commercial banks, in order to use the pool of banks for new working capital and new letters of credit, as well as for substitutions of letters of credit.

**Discussion:** Mr. Ballan inquired whether all the banks listed are on the staff summary are on the current qualified list. Mr. Foran indicated that all the banks listed are from the list of qualified commercial banks. Ms. Tannian noted that staff works closely with MTA's Financial Advisor, PFM, to identify commercial banks and keep the list updated. Mr. Moerdler inquired for further clarification regarding the purpose of the list. Mr. Foran commented that the list of banks are pre-qualified in a sense for efficiency in processing, so as new opportunities and needs arise for new credit facilities, the list of banks already identified will be used for soliciting bids for those new credit facilities.

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

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

Mr. Johnson noted there were two Report and Information Items.

#### **1. 2015 Year End Review by the Finance Department**

**2015 Year End Review:** Ms. Tannian presented the 2015 Year End Review, an annual report to the Finance Committee. Some highlights from the report are discussed below (see the full 2015 Year End Review presentation posted on the MTA website under the January Finance Committee materials: <http://web.mta.info/mta/budget/pdf/FinanceYearEndReport2015forWeb.pdf>).

Overall indebtedness, as of December 31, 2015, is \$35.9 billion, consisting of \$29.0 billion, or 80.8%, in fixed-rate, \$2.45 billion, or 7.7% in synthetic fixed-rate, \$2.75 billion, or 6.8% in unhedged variable rate, and \$1.7 billion, or 4.7%, in BANs. Of the \$35.9 billion outstanding, approximately \$21.9 billion is Transportation Revenue bonds, which remains the workhorse credit for MTA. An estimated all-in TIC for the total portfolio is 3.69%. Ms. Tannian highlighted MTA generally uses a thirty-year level debt service in its transactions, but outstanding debt service has a dramatic drop after 2032. She indicated it may be possible to level out the debt in out-years by issuing longer bonds to match assets with longer average useful lives, and the use of the BAN strategy may help with this effort. During 2015, \$6.8 billion in transactions were completed, including \$2.9 billion of new money. Approximately \$912.1 million was amortized during the year, so net increase was \$1.99 billion compared to 2014. Ms. Tannian noted that while floating rate notes remain in the portfolio, much of the variable rate activity in 2015 was with bank supported variable rate obligations via LOCs.

Ms. Tannian highlighted the BAN strategy that MTA has undertaken in 2015, in which BANs are issued for new money proceeds and then retired with the issuance of long-term bonds. The strategy provides transparency and insight into use of the proceeds and assets being financed, which assists in better matching assets that have longer average useful lives with longer-term bonds when the BANs are retired. Additionally, transparency into use of proceeds assists with assessing the private use calculation in order to comply with federal regulations, and will be useful for purposes of reporting requirements associated with green bonds.

Ms. Tannian noted the regular communications and outreach with rating agencies provided by the Finance Department, including seeking an upgrade on MTA's Transportation Revenue credit pursuant to Moody's revised methodology, which resulted in an upgrade to 'A1' rating and engaging Kroll Bond Rating Agency to rate the Transportation Revenue credit, which resulted in an 'AA+' rating. In addition, the Finance Department regularly provides investor outreach throughout the year, including presentations at investor conferences and hosting investor tours and conferences. In 2015, MTA hosted an investor tour of the new 34<sup>th</sup> Street-Hudson Yards station, with more than 80 attendees from across the country representing some of MTA's largest institutional investors, as well as liquidity providers and underwriters.

Ms. Tannian highlighted that for M/WBE firms it is anticipated that these firms will earn \$3.89 million or 37.06% of total compensation and SDVO firms are anticipated to earn just over \$672,000, or 6.41% of total compensation, so both are on targets for State Fiscal Year 2015-16 are expected to be met.

**Discussion:** Mr. Ballan indicated he agrees with issuing longer term bonds for assets with long useful lives and maximize the length of the bonds. Mr. Foran noted that the State needs to approve most of MTA's debt and had generally preferred a thirty-year debt structure, but has approved longer bonds when MTA could demonstrate that the assets being financed do have longer economic useful life, and the BAN strategy provides the transparency into the use of the proceeds

to provide this information. Mr. Moerdler inquired regarding variable rate debt. Mr. Foran noted that bank supported variable rate with high quality banks provided attractive rates, and also confirmed that weekly and daily mode obligations are not auction securities. Mr. Moerdler further inquired regarding class action lawsuits within the financial industry and whether MTA is pursuing these actions. Mr. Jerome Page indicated that to his knowledge he is aware that MTA legal has reviewed some of the lawsuits, but he would need to consult with the litigation team to know the status. Mr. Ballan inquired regarding the investor tour and whether MTA's Financial Advisor, PFM organizes it. Ms. Tannian indicated the Finance Department is responsible, and noted that staff is grateful to the assistance of all the agencies and other departments that assist in the tour and conference. Mr. Ballan commented on the amount of funds that go to the State BIC.

## **2. Consolidated MTA Financial Statements as of and for the Nine-Month Period Ended September 30, 2015**

Mr. Johnson noted the second item is a draft of the Independent Auditor's Review Report of MTA Financial Statements for the third quarter, which will be presented and voted on at the Audit Committee later in the day (see the draft, which is available on the MTA website under the January Finance Committee materials).

### **C. Procurements**

Mr. Johnson reported there were four competitive procurements for MTA Headquarters for miscellaneous personal services contracts for a total of \$12,882,000 (see pages 37 through 44 of the Committee book).

**Discussion:** Mr. Moerdler inquired whether the procurements were competitively bid and expressed displeasure at the process. Mr. Angel Barbosa, Chief Procurement Officer, indicated that the procurements were extensions or modifications. Mr. Wael Hibri responded to questions regarding the Medgate procurement for its health management system.

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

Mr. Johnson reported one ratification for a multi-agency, non-competitively negotiated, miscellaneous procurement contract to Intergraph Corporation for \$888,635 (see page 45 of the Committee book).

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

## **VI. Metro-North Railroad**

There were no items for Metro-North.

## **VII. LIRR**

### **A. Procurements**

Mr. Johnson reported there were four procurements for LIRR, three of which are in the Committee book and one that was a walk-in. The procurements in the book are for contract modifications,

totaling \$172 million, a competitive RFP process totaling \$3.8 million, and approval to use the RFP process for services relating to the Main Line Ronkonkoma Branch (see pages 46 through 50 of the Committee book). The walk-in procurement was a request for approval to award a competitive services contract of \$663.1 million for Grand Central Terminal station caverns and track work as part of the East Side Access project.

**Discussion:** Mr. Albert inquired regarding the Railwork Transit contract modification (the item for \$3.8 million) and the plans to replace the tracks and their impact on service. Mr. Dennis Mahon, Chief Procurement Officer, LIRR, responded and clarified the plans that there are track outages required. Mr. Pally inquired whether the first contractor remains working on the project. Mr. Mahon confirmed that it would prove difficult to have two contractors working on the same tracks at the same time, so it is more efficient and less impact to have the same contractor doing the work. Both Mr. Moerdler and Mr. Ballan expressed concern regarding the process. Mr. Ferrer discussed risk management related to procurement for the East Side Access project, and raised a concern regarding having one contractor handling all aspects of the project.

The Committee voted to recommend the procurement items before the Board for approval. Both Mr. Moerdler and Mr. Ballan opposed the Railwork Transit procurement item.

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

### **A. Procurement**

Mr. Johnson reported there was one non-competitive sole-source procurement for the purchase of inventory and non-inventory replacement signal and switch system parts for an estimated total of \$5,275,000 (see page 52 of the Committee book).

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

## **IX. Bridges and Tunnels**

### **A. Procurement**

Mr. Johnson reported there was one non-competitive procurement for personal services for a total of \$3,358,517 (see page 54 of the Committee book).

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

## **X. FMTAC**

There were no items for FMTAC.

## **XI. MTA Consolidated Reports**

This month's consolidated reports includes Mid-Year Forecast and November Forecast vs. Actual Results. The report includes statements 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 56 through 111 of the Committee book).

## **XII. Real Estate Agenda**

### **A. Action Items**

Mr. Rosen reported there were five action items and gave additional clarification on the item related to the acquisition of property from Sleepy Hollow Local Development Corporation (item (a)) (see pages 112 through 142 of the Committee book for all real estate action and information items).

**Discussion:** Mr. Ballan inquired whether there was any environmental risk in the acquisition of the property. Mr. Rosen indicated that environmental counsel had reviewed and there is no additional risk from its acquisition. Mr. Moerdler inquired regarding the plans for the use of the property, and whether a station would be constructed. Mr. Rosen indicated that to his knowledge he did not believe there were any immediate plans for construction of a station. Mr. Ballan sought clarification on the scoring of The Little Beet item for takeout food operation at retail space in Grand Central Terminal. Mr. Rosen provided an overview of the scoring process and noted the scoring committee does a good job of meeting the needs in the retail space. The Little Beet provides a 100% gluten-free menu. Mr. Ballan noted a concern regarding offering higher end, trendy meals in the retail space and not providing affordable food for customers.

The Committee voted to recommend the action items before the Board for approval. Both Mr. Ballan and Mr. Moerdler abstained from the vote on the item related to the acquisition of property from the Grand Hyatt Hotel.

## **XIII. Adjournment**

Upon motion duly made and seconded, the January 25, 2016 meeting of the Finance Committee was adjourned at 1:35 PM.

Respectfully submitted,

Marcia Tannian  
Assistant Director, Finance

# 2016 Finance Committee Work Plan

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## I. RECURRING AGENDA ITEMS

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

### Responsibility

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

## II. SPECIFIC AGENDA ITEMS

### Responsibility

### **March 2016**

#### *Action Items:*

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

#### *Other:*

MTA Prompt Payment Annual Report 2015

MTA Business Service  
Center  
MTA Proc., Agencies

Contract Change Order Report

### **April 2016**

#### *Action Item:*

MTA 2015 Annual Investment Report

MTA Treasury

#### *Other:*

Annual Report on Variable Rate Debt

MTA Finance

MTA Financial Statements Fiscal Year-End Twelve-Months  
Ended December 2015

MTA Comptroller

### **May 2016**

#### *Action Item:*

Station Maintenance Billings Approval

MTA Comptroller

#### *Other:*

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

MTA Labor

Annual FMTAC Meeting

MTA RIM

Annual FMTAC Investment Performance Report

MTA RIM

### **June 2016**

#### *Action Item:*

PWEF Assessment

MTA Capital Program Mgmt/  
MTA Div. Mgmt/Budget

#### *Other:*

Update on IT Transformation

MTA Information Technology

Update on Procurement Consolidation

MTA Procurement

Contract Change Order Report

MTA Proc., Agencies

MTA Financial Statements 1<sup>st</sup> Quarter for the Three-Months

Ended March 2016

MTA Comptroller

**July 2016**

2017 Preliminary Budget/July Financial Plan 2017-2020  
(Joint Session with MTA Board)

MTA Div. Mgmt/Budget

**September 2016**

2017 Preliminary Budget/July Financial Plan 2017-2020  
(materials previously distributed)

MTA Div. Mgmt/Budget

*Action Item:*

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

MTA Grant Mgmt.

*Other:*

Contract Change Order Report  
MTA Financial Statements 2<sup>nd</sup> Quarter for the Six-Months Ended  
June 2016

MTA Proc., Agencies

MTA Comptroller

**October 2016**

2017 Preliminary Budget/July Financial Plan 2017-2020  
(materials previously distributed)

MTA Div. Mgmt/Budget

*Other:*

Update on the Business Service Center  
Annual Review of MTA's Derivative Portfolio -  
Including Fuel Hedge  
MTA 2016 Semi-Annual Investment Report

MTA Business Service Center  
MTA Finance

MTA Treasury

**November 2016**

2017 Final Proposed Budget/November Financial Plan 2017-2020  
(Joint Session with MTA Board)

MTA Div. Mgmt/Budget

*Other:*

Station Maintenance Billing Update  
Review and Assessment of the Finance Committee Charter

MTA Comptroller  
MTA CFO

**December 2016**

Adoption of 2017 Budget and 2017-2020 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 Finance  
MTA Finance

MTA Finance

*Other:*

Draft 2017 Finance Committee Work Plan  
Contract Change Order Report

MTA Div. Mgmt/Budget  
MTA Proc., Agencies

**January 2017**

*Other:*

Special Report: Finance Department 2016 Year-End Review  
MTA Financial Statements 3<sup>rd</sup> Quarter for the Nine-Months  
Ended September 2016

MTA Finance

MTA Comptroller

## **February 2017**

### *Action Items:*

2016 TBTA Operating Surplus  
Mortgage Recording Tax – Escalation Payments to Dutchess,  
Orange and Rockland Counties

B&T/MTA

MTA Treasury, MTA  
Div. Mgmt/Budget

### *Other:*

February Financial Plan 2017-2020

MTA Div. Mgmt/Budget

## **DETAILS**

### **MARCH 2016**

#### *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 2015

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).

#### 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. All such contract change orders are reported to the Finance Committee; in addition, such capital contract change orders are reported to the CPOC Committee.

### **APRIL 2016**

#### *Action Item:*

#### MTA Annual Investment Report

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

MTA Financial Statements for the Twelve-Months Ended, December 2015

Included for information is a copy of the Independent Accountant's Audit Report of MTA Financial Statements for the Twelve-Months ended, December 31, 2015.

**MAY 2016**

*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.

## **JUNE 2016**

### *Action Item:*

#### PWEF Assessment

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

### *Other:*

#### IT Transformation

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

#### Update on Procurement Consolidation

Procurement Management will present progress made to date to promote Non-Core Procurement Consolidation. A general organizational overview will be provided and an outline of key milestones and project deliverables will be shared.

#### 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. All such contract change orders are reported to the Finance Committee; in addition, such capital contract change orders are reported to the CPOC Committee.

#### MTA Financial Statements for the Three-Months Ended, March 2016

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the Three-Months ended, March 31, 2016.

## **JULY 2016**

#### 2017 Preliminary Budget/July Financial Plan 2017-2020 (Joint Session with MTA Board)

The Chief Financial Officer and MTA Budget Division will present an updated forecast for 2016, a Preliminary Budget for 2017, and an updated Financial Plan for 2017-2020.

## **SEPTEMBER 2016**

#### 2017 Preliminary Budget/July Financial Plan 2017-2020

Public comment will be accepted on the 2017 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.

*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. All such contract change orders are reported to the Finance Committee; in addition, such capital contract change orders are reported to the CPOC Committee.

MTA Financial Statements for the Six-Months Ended, June 2015

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the Six-Months ended, June 30, 2015.

**OCTOBER 2016**

2017 Preliminary Budget/July Financial Plan 2017-2020

Public comment will be accepted on the 2016 Preliminary Budget.

*Other:*

Update on Business Service Center

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

Annual Review of MTA's Derivative Portfolio – Including Fuel Hedge

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

MTA 2016 Semi-Annual Investment Report

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

**NOVEMBER 2016**

2017 Final Proposed Budget/November Financial Plan 2017-2020 (Joint Session with MTA Board)

The Chief Financial Officer and MTA Budget Division will present an updated forecast for 2016, a Final Proposed Budget for 2017, and an updated Financial Plan for 2017-2020.

*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, 2016.

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.

## **DECEMBER 2016**

### Adoption of 2017 Budget and 2017-2020 Financial Plan

The Committee will recommend action to the Board on the Final Proposed Budget for 2017 and 2017-2020 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 New Money Bonds.

Board approval to allow for the issuance of new money bonds to fund existing approved bond financed capital projects under the Transportation Revenue Bond Obligation Resolution, the Dedicated Tax Fund Obligation Resolution, and in the case of Bridge & Tunnel Capital Projects, the Triborough Bridge and Tunnel Authority Senior and Subordinate Obligation Resolutions.

### 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 2017 Finance Committee Work Plan

The MTA Chief Financial Officer will present a proposed 2017 Finance Committee Work Plan that will address major issues, SBP and budget process issues, and reports required by statute.

### 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. All such contract change orders are reported to the Finance Committee; in addition, such capital contract change orders are reported to the CPOC Committee.

## **JANUARY 2017**

#### *Other:*

### Special Report: Finance Department 2016 Year-End Review

The MTA Finance Department will present a report that summarizes financing activities for 2016.

### MTA Financial Statements for the Nine-Months Ended, September 2016

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the Nine-Months ended, September 30, 2016.

## **FEBRUARY 2017**

### *Action Items:*

#### 2016 TBTA Operating Surplus

MTA Bridges and Runnels should be prepared to answer questions on a staff summary requesting (1) transfer of TBTA 2016 Operating Surplus and Investment Income, (2) advances of TBTA 2017 Operating Surplus, and (3) the deduction from 2017 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 2017-2020

The MTA Division of Management and Budget will present for information purposes a revised 2017-2020 Financial Plan reflecting any technical adjustments from the Adopted Budget and the incorporation of certain "below-the-line" policy actions into the baseline.

# FinanceWatch

February 22, 2016

## Financing Activity

### New Money and Refunding

#### \$541,240,000 Triborough Bridge and Tunnel Authority General Revenue Bonds, Series 2016A

On January 28, 2016, MTA issued \$541.240 million of Triborough Bridge and Tunnel Authority General Revenue Bonds, Series 2016A. The proceeds from the transaction were used to finance bridge and tunnel projects and to advance refund the following series of bonds:

<u>Issues and Series</u>	<u>Refunded Par (\$m)</u>
TBTA General Revenue Bonds, Series 2006A	61.285
TBTA General Revenue Bonds, Series 2007A	78.490
TBTA General Revenue Bonds, Series 2008B	31.925
TBTA General Revenue Bonds, Series 2008C	26.150
TBTA General Revenue Bonds, Series 2009A	5.040
TBTA General Revenue Refunding Bonds, Series 2011A	34.990
TBTA General Revenue Refunding Bonds, Series 2012A	11.665
TBTA General Revenue Refunding Bonds, Series 2013C	4.970
TBTA General Revenue Bonds, Series 2014A	<u>1.505</u>
Total	<u>256.020</u>

The Series 2016A bonds were issued as tax-exempt fixed-rate bonds with a final maturity of November 15, 2046.

The refunding resulted in a net present value savings of \$34.57 million or 13.50% of the par amount of the refunded bonds. The transaction was led by book-running senior manager Citigroup, together with special co-senior managers Cabrera Capital Markets, a MBE firm; and Academy Securities, Inc., a Service Disabled Veteran-Owned firm. Nixon Peabody LLP and D. Seaton and Associates served as co-bond counsel, and Public Financial Management, Inc. served as financial advisor.

#### Transactions Summary Statistics

	<u>New Money</u>	<u>Refunding</u>	<u>Combined</u>
<i>Par Amount:</i>	\$300.000 million	\$241.240 million	\$541.240 million
<i>Premium:</i>	\$58.784 million	\$46.022 million	\$104.806 million
<i>All-in TIC:</i>	3.60%	2.58%	3.24%
<i>Average Coupon:</i>	4.99%	4.36%	4.78%
<i>Average Life:</i>	19.26 years	12.15 years	16.09 years
<i>PV Savings (\$):</i>	N/A	\$34.573 million	\$34.573 million
<i>PV Savings (%):</i>	N/A	13.50% <sup>(1)</sup>	13.50% <sup>(1)</sup>
<i>Final Maturity:</i>	11/15/2046	11/15/2035	11/15/2046
<i>Underwriter's Discount:</i>	\$4.75 (\$1,426,106)	\$4.43 (\$1,068,544)	\$4.61 (\$2,494,650)

<i>State Bond Issuance Fee:</i>	\$8.33 (\$2,499,008)	\$0 <sup>(2)</sup>	\$4.62 (\$2,499,008)
<i>Cost of Issuance:</i>	\$2.19 (\$657,646)	\$2.21 (\$531,912)	\$2.20 (\$1,189,558)
<i>Ratings</i>		Aa3/AA-/AA-/AA	
<i>Senior Managers:</i>		Citigroup	
<i>Special Co-Senior Managers:</i>		Academy Securities Inc.	
		Cabrera Capital Markets, LLC	

(1) MTA's Bond and Other Debt Obligations Refunding Policy states that a refunding must achieve an aggregate NPV savings of 3.0% of the par amount of the refunded bonds.

(2) MTA received a waiver from making this payment from the State Division of the Budget.

### **\$782,520,000 Transportation Revenue Green and Refunding Green Bonds, Series 2016A**

On February 18, 2016, MTA successfully priced \$782.500 million of Transportation Revenue Green and Refunding Green Bonds, Series 2016A. This issue was MTA's inaugural issuance of Climate Bonds Initiative (CBI) certified green bonds. Verification of MTA's 2010-2014 Capital Program by CBI certified verifier, Sustainalytics, is noted in the disclosure. MTA engaged in radio and internet marketing of the issue, and also held an institutional investor call. These efforts facilitated MTA's goal to broaden the investor base of the Transportation Revenue Bonds. The proceeds from the transaction will be used to pay off the existing outstanding 2015A Bond Anticipation Notes, in the amount of \$500 million and to advance refund \$72.345 million of Transportation Revenue Bonds, Series 2006A and \$293.680 million of Transportation Revenue Bonds, Series 2008C (for an aggregate amount of \$366.025 million). The Series 2016A bonds were issued as \$444.560 Transportation Revenue Green Bonds, Series 2016A-1 and \$337.960 Transportation Revenue Refunding Green Bonds, Series 2016A-2. The Series 2016A-1 and Series 2016A-2 bonds were both issued as tax-exempt fixed-rate bonds with final maturities of November 15, 2056 and November 15, 2028, respectively.

The refunding resulted in a net present value savings of \$68.49 million or 18.71% of the par amount of the refunded bonds. This transaction was led by book-running senior manager Ramirez & Co., Inc., together with special co-senior managers Stern Brothers & Co., a WBE firm, and Drexel Hamilton, LLC, a Service Disabled Veteran-Owned firm. Nixon Peabody LLP and D. Seaton and Associates served as co-bond counsel, and Public Financial Management, Inc. served as financial advisor.

#### Transactions Summary Statistics

	<u>Series 2016A-1</u>	<u>Series 2016A-2</u>	<u>Combined</u>
<i>Par Amount:</i>	\$444.560 million	\$337.960 million	\$782.520 million
<i>Premium:</i>	\$62.043 million	\$76.293 million	\$138.336 million
<i>All-in TIC:</i>	4.05%	2.07%	3.54%
<i>Average Coupon:</i>	4.92%	4.95%	4.93%
<i>Average Life:</i>	26.06 years	8.46 years	18.46 years
<i>PV Savings (\$):</i>	N/A	\$68.488 million	\$68.488 million
<i>PV Savings (%):</i>	N/A	18.71% <sup>(1)</sup>	18.71% <sup>(1)</sup>
<i>Final Maturity:</i>	11/15/2056	11/15/2028	11/15/2056

<i>Underwriter's Discount:</i>	\$5.23 (\$2,326,461)	\$4.39 (\$1,485,018)	\$4.87 (\$3,811,479)
<i>State Bond Issuance Fee:</i>	\$8.33 (\$3,703,197)	\$0 <sup>(2)</sup>	\$8.33 (\$3,703,197)
<i>Cost of Issuance:</i>	\$1.29 (\$573,568)	\$1.39 (\$470,632)	\$1.33 (\$1,044,199)
<i>Ratings</i>		A1/AA-/A/AA+	
<i>Senior Managers:</i>		Ramirez & Co., Inc.	
<i>Special Co-Senior Managers:</i>		Drexel Hamilton, LLC.	
		Stern Brothers & Co.	

<sup>(1)</sup> MTA's Bond and Other Debt Obligations Refunding Policy states that a refunding must achieve an aggregate NPV savings of 3.0% of the par amount of the refunded bonds.

<sup>(2)</sup> MTA received a waiver from making this payment from the State Division of the Budget.

## **Upcoming Financings**

### **Refundings**

#### **\$500,000,000 Dedicated Tax Fund Refunding Bonds, Series 2016A**

In March 2016, MTA plans to issue long-term fixed-rate bonds to refund existing bonds that meet the Board approved refunding criteria. This transaction will be led by book-running senior manager Wells Fargo Securities, together with special co-senior managers: Goldman, Sachs & Co.; BofA Merrill Lynch; MBE firms Loop Capital Markets and Rice Financial Products Company; and Service Disabled Veteran-Owned firm Academy Securities, Inc. Nixon Peabody LLP and D. Seaton and Associates will serve as co-bond counsel, and Public Financial Management, Inc. will serve as financial advisor.

### **Fuel Hedging Program**

#### **\$3,745,930 Diesel Fuel Hedge**

On January 27, 2016, MTA executed a 2,935,682 gallon ultra-low sulfur diesel fuel hedge with Goldman, Sachs & Co./ J Aron at an all-in price of \$1.276/gallon. The following MTA existing approved commodity counterparties, participated in bidding on the transaction: Goldman, Sachs & Co./ J Aron, J.P. Morgan Ventures Energy Corporation, and Macquarie Group. The hedge covers the period from January 2017 through December 2017.

**METROPOLITAN TRANSPORTATION AUTHORITY  
NOVEMBER FINANCIAL PLAN - Final Forecast**

**Debt Service**

Jan-16

(\$ in millions)

	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>% Var</b>	<b>Explanation</b>
Dedicated Tax Fund:					
NYC Transit	\$33.3	\$30.2	\$3.1		
Commuter Railroads	6.8	6.4	\$0.4		
<b>Dedicated Tax Fund Subtotal</b>	<b>\$40.1</b>	<b>\$36.6</b>	<b>\$3.5</b>	<b>8.8%</b>	Timing of new money bond issuances and lower than budgeted variable rates.
MTA Transportation Revenue:					
NYC Transit	\$84.1	\$71.3	\$12.8		
Commuter Railroads	51.9	45.0	\$6.9		
MTA Bus	1.8	2.4	(\$0.5)		
SIRTOA	0.1	0.1	\$0.1		
<b>MTA Transportation Revenue Subtotal</b>	<b>\$138.0</b>	<b>\$118.7</b>	<b>\$19.2</b>	<b>13.9%</b>	Timing of new money bond issuances and lower than budgeted variable rates.
MTA Transportation Revenue BANs:					
NYC Transit	\$0.1	\$0.0	\$0.1		
Commuter Railroads	0.0	0.0	\$0.0		
MTA Bus	0.0	0.0	\$0.0		
<b>MTA Transp Revenue BANs Subtotal</b>	<b>\$0.1</b>	<b>\$0.0</b>	<b>\$0.1</b>	<b>100.0%</b>	Timing of new money bond issuances and lower than budgeted variable rates.
2 Broadway COPs:					
NYC Transit	\$1.6	\$1.5	\$0.1		
Bridges & Tunnels	0.2	0.2	\$0.0		
MTA HQ	0.2	0.2	\$0.0		
<b>2 Broadway COPs Subtotal</b>	<b>\$2.0</b>	<b>\$1.9</b>	<b>\$0.1</b>	<b>4.0%</b>	
TBTA General Resolution (2):					
NYC Transit	\$14.8	\$13.9	\$1.0		
Commuter Railroads	7.0	6.5	\$0.5		
Bridges & Tunnels	21.5	19.5	\$2.0		
<b>TBTA General Resolution Subtotal</b>	<b>\$43.3</b>	<b>\$39.9</b>	<b>\$3.4</b>	<b>7.9%</b>	Timing of new money bond issuances and lower than budgeted variable rates.
TBTA Subordinate (2):					
NYC Transit	\$6.1	\$7.0	(\$0.9)		
Commuter Railroads	2.7	3.1	(\$0.4)		
Bridges & Tunnels	2.4	2.8	(\$0.3)		
<b>TBTA Subordinate Subtotal</b>	<b>\$11.2</b>	<b>\$12.8</b>	<b>(\$1.6)</b>	<b>-13.9%</b>	Timing of debt service deposits.
<b>Total Debt Service</b>	<b>\$234.8</b>	<b>\$209.9</b>	<b>\$24.9</b>	<b>10.6%</b>	
Debt Service by Agency:					
NYC Transit	\$140.0	\$123.8	\$16.2		
Commuter Railroads	\$68.5	\$61.0	\$7.5		
MTA Bus	\$1.8	\$2.4	(\$0.5)		
SIRTOA	0.1	0.1	0.1		
Bridges & Tunnels	24.2	22.5	1.7		
MTAHQ	0.2	0.2	0.0		
<b>Total Debt Service</b>	<b>\$234.8</b>	<b>\$209.9</b>	<b>\$24.9</b>	<b>10.6%</b>	

**Notes:**

(1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.

(2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.

(3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

Totals may not add due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY  
NOVEMBER FINANCIAL PLAN - Final Forecast**

**Debt Service**

**January 2016 Year-to-Date**

(\$ in millions)

	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>% Var</b>	<b>Explanation</b>
Dedicated Tax Fund:					
NYC Transit	\$33.3	\$30.2	\$3.1		
Commuter Railroads	6.8	6.4	\$0.4		
<b>Dedicated Tax Fund Subtotal</b>	<b>\$40.1</b>	<b>\$36.6</b>	<b>\$3.5</b>	<b>8.8%</b>	Timing of new money bond issuances and lower than budgeted variable rates.
MTA Transportation Revenue:					
NYC Transit	\$84.1	\$71.3	\$12.8		
Commuter Railroads	51.9	45.0	\$6.9		
MTA Bus	1.8	2.4	(\$0.5)		
SIRTOA	0.1	0.1	\$0.1		
<b>MTA Transportation Revenue Subtotal</b>	<b>\$138.0</b>	<b>\$118.7</b>	<b>\$19.2</b>	<b>13.9%</b>	Timing of new money bond issuances and lower than budgeted variable rates.
MTA Transportation Revenue BANs:					
NYC Transit	\$0.1	\$0.0	\$0.1		
Commuter Railroads	0.0	0.0	\$0.0		
MTA Bus	0.0	0.0	\$0.0		
<b>MTA Transp Revenue BANs Subtotal</b>	<b>\$0.1</b>	<b>\$0.0</b>	<b>\$0.1</b>	<b>100.0%</b>	Timing of new money bond issuances and lower than budgeted variable rates.
2 Broadway COPs:					
NYC Transit	\$1.6	\$1.5	\$0.1		
Bridges & Tunnels	0.2	0.2	\$0.0		
MTA HQ	0.2	0.2	\$0.0		
<b>2 Broadway COPs Subtotal</b>	<b>\$2.0</b>	<b>\$1.9</b>	<b>\$0.1</b>	<b>4.0%</b>	
TBTA General Resolution (2):					
NYC Transit	\$14.8	\$13.9	\$1.0		
Commuter Railroads	7.0	6.5	\$0.5		
Bridges & Tunnels	21.5	19.5	\$2.0		
<b>TBTA General Resolution Subtotal</b>	<b>\$43.3</b>	<b>\$39.9</b>	<b>\$3.4</b>	<b>7.9%</b>	Timing of new money bond issuances and lower than budgeted variable rates.
TBTA Subordinate (2):					
NYC Transit	\$6.1	\$7.0	(\$0.9)		
Commuter Railroads	2.7	3.1	(\$0.4)		
Bridges & Tunnels	2.4	2.8	(\$0.3)		
<b>TBTA Subordinate Subtotal</b>	<b>\$11.2</b>	<b>\$12.8</b>	<b>(\$1.6)</b>	<b>-13.9%</b>	Timing of debt service deposits.
<b>Total Debt Service</b>	<b>\$234.8</b>	<b>\$209.9</b>	<b>\$24.9</b>	<b>10.6%</b>	
Debt Service by Agency:					
NYC Transit	\$140.0	\$123.8	\$16.2		
Commuter Railroads	\$68.5	\$61.0	\$7.5		
MTA Bus	\$1.8	\$2.4	(\$0.5)		
SIRTOA	0.1	0.1	0.1		
Bridges & Tunnels	24.2	22.5	1.7		
MTAHQ	0.2	0.2	0.0		
<b>Total Debt Service</b>	<b>\$234.8</b>	<b>\$209.9</b>	<b>\$24.9</b>	<b>10.6%</b>	

**Notes:**

(1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.

(2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.

(3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

Totals may not add due to rounding.

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

Issue		TRB 2005E-2	TRB 2005E-3	TRB 2005D-1	TRB 2002G-1g	TRB 2012G-2					
Remarketing Agent		J.P.Morgan	Loop Capital	Merrill Lynch	Goldman	TD Securities					
Liquidity Provider		J.P.Morgan	Bank of Montreal	Helaba	TD Bank	TD Bank					
Liquidity/Insurer		LoC	LoC	LoC	LoC	LoC					
Par Outstanding (\$m)		75.00	75.00	150.00	42.55	125.00					
Swap Notional (\$m)		45.00	45.00	150.00	39.21	125.00					
Date	SIFMA	Spread to		Spread to		Spread to		Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA
12/23/2015	0.01%	0.01%	0.00%	0.02%	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%
12/30/2015	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/6/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/13/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/20/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/27/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%

**Transportation Revenue Bonds**

**Dedicated Tax Fund Bonds**

Issue		TRB 2015E-2	TRB 2015E-3	TRB 2015E-4	DTF 2002B-1				
Remarketing Agent		Citigroup	Loop Capital	Loop Capital	Morgan Stanley				
Liquidity Provider		Bank of Tokyo	Bank of the West	Bank of the West	State Street Bank				
Liquidity/Insurer		LoC	LoC	LoC	LoC				
Par Outstanding (\$m)		250.00	200.00	50.00	150.00				
Swap Notional (\$m)		0.00	0.00	0.00	None				
Date	SIFMA	Spread to		Spread to		Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA
12/23/2015	0.01%	0.01%	0.00%	0.01%	0.00%	0.02%	0.01%	0.01%	0.00%
12/30/2015	0.01%	0.01%	0.00%	0.01%	0.00%	0.02%	0.01%	0.01%	0.00%
1/6/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/13/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/20/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.02%	0.01%	0.01%	0.00%
1/27/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.02%	0.01%	0.01%	0.00%

**TBTA General Revenue Bonds**

Issue		TBTA 2005B-3	
Remarketing Agent		Morgan Stanley	
Liquidity Provider		Tokyo Mitsubishi	
Liquidity/Insurer		SBPA	
Par Outstanding (\$m)		192.20	
Swap Notional (\$m)		192.20	
Date	SIFMA	Spread to	
		Rate	SIFMA
12/23/2015	0.01%	0.01%	0.00%
12/30/2015	0.01%	0.01%	0.00%
1/6/2016	0.01%	0.01%	0.00%
1/13/2016	0.01%	0.01%	0.00%
1/20/2016	0.01%	0.01%	0.00%
1/27/2016	0.01%	0.01%	0.00%

Issue		TBTA 2001B	TBTA 2001C	TBTA 2003B-1	
Remarketing Agent		Citigroup	Citigroup	PNC Capital	
Liquidity Provider		State Street	JP Morgan	PNC Bank	
Liquidity/Insurer		LoC	SBPA	LoC	
Par Outstanding (\$m)		117.81	117.80	81.91	
Swap Notional (\$m)		None	None	2.05	
Date	SIFMA	Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA
12/22/2015	0.01%	0.01%	0.00%	0.01%	0.00%
12/29/2015	0.01%	0.01%	0.00%	0.01%	0.00%
1/5/2016	0.01%	0.01%	0.00%	0.01%	0.00%
1/12/2016	0.01%	0.01%	0.00%	0.01%	0.00%
1/19/2016	0.01%	0.01%	0.00%	0.01%	0.00%
1/26/2016	0.01%	0.01%	0.00%	0.01%	0.00%

Issue		TBTA 2005A	TBTA SUB 2013D-2a	TBTA SUB 2013D-2b	
Remarketing Agent		TD Securities	BofA Merrill	BofA Merrill	
Liquidity Provider		TD Bank	BofA Merrill	BofA Merrill	
Liquidity/Insurer		LoC	LoC (Taxable)	LoC (Taxable)	
Par Outstanding (\$m)		118.68	58.02	90.45	
Swap Notional (\$m)		23.23	N/A	N/A	
Outstanding (\$m)	SIFMA	Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA
12/22/2015	0.01%	0.01%	0.00%	0.42%	0.41%
12/29/2015	0.01%	0.01%	0.00%	0.42%	0.41%
1/5/2016	0.01%	0.01%	0.00%	0.40%	0.39%
1/12/2016	0.01%	0.01%	0.00%	0.40%	0.39%
1/19/2016	0.01%	0.01%	0.00%	0.40%	0.39%
1/26/2016	0.01%	0.01%	0.00%	0.40%	0.39%

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

**Transportation Revenue Bonds**

Issue		TRB 2012A-2	TRB 2012A-3	TRB 2014D-2	TRB 2015A-2				
Remarketing Agent		N/A	N/A	N/A	N/A				
Initial Purchase Date		05/15/16	04/01/19	11/15/2017	6/1/2020				
Liquidity/Insurer		None	None	None	None				
Par Outstanding (\$m)		50.00	50.00	165.00	250.00				
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
12/23/2015	0.01%	0.28%	0.27%	0.51%	0.50%	0.37%	0.36%	0.59%	0.58%
12/30/2015	0.01%	0.28%	0.27%	0.51%	0.50%	0.37%	0.36%	0.59%	0.58%
1/6/2016	0.01%	0.28%	0.27%	0.51%	0.50%	0.37%	0.36%	0.59%	0.58%
1/13/2016	0.01%	0.28%	0.27%	0.51%	0.50%	0.37%	0.36%	0.59%	0.58%
1/20/2016	0.01%	0.28%	0.27%	0.51%	0.50%	0.37%	0.36%	0.59%	0.58%
1/27/2016	0.01%	0.28%	0.27%	0.51%	0.50%	0.37%	0.36%	0.59%	0.58%

**Dedicated Tax Fund Bonds**

Issue		DTF 2002B-3a	DTF 2002B-3b	DTF 2002B-3c	DTF 2002B-3d				
Remarketing Agent		N/A	N/A	N/A	N/A				
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	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
12/23/2015	0.01%	0.76%	0.75%	0.91%	0.90%	0.96%	0.95%	1.01%	1.00%
12/30/2015	0.01%	0.76%	0.75%	0.91%	0.90%	0.96%	0.95%	1.01%	1.00%
1/6/2016	0.01%	0.76%	0.75%	0.91%	0.90%	0.96%	0.95%	1.01%	1.00%
1/13/2016	0.01%	0.76%	0.75%	0.91%	0.90%	0.96%	0.95%	1.01%	1.00%
1/20/2016	0.01%	0.76%	0.75%	0.91%	0.90%	0.96%	0.95%	1.01%	1.00%
1/27/2016	0.01%	0.76%	0.75%	0.91%	0.90%	0.96%	0.95%	1.01%	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)		83.74	84.86	35.00	54.47	44.74					
Swap Notional (\$m)		82.04	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
12/23/2015	0.01%	0.39%	0.38%	0.59%	0.58%	0.38%	0.37%	0.37%	0.36%	0.46%	0.45%
12/30/2015	0.01%	0.39%	0.38%	0.59%	0.58%	0.38%	0.37%	0.37%	0.36%	0.46%	0.45%
1/6/2016	0.01%	0.39%	0.38%	0.59%	0.58%	0.38%	0.37%	0.37%	0.36%	0.46%	0.45%
1/13/2016	0.01%	0.39%	0.38%	0.59%	0.58%	0.38%	0.37%	0.37%	0.36%	0.46%	0.45%
1/20/2016	0.01%	0.39%	0.38%	0.59%	0.58%	0.38%	0.37%	0.37%	0.36%	0.46%	0.45%
1/27/2016	0.01%	0.39%	0.38%	0.59%	0.58%	0.38%	0.37%	0.37%	0.36%	0.46%	0.45%

**TBTA General Revenue Bonds**

Issue		TBTA SUB 2000ABCD-3	TBTA SUB 2000ABCD-4	TBTA SUB 2000ABCD-5			
Remarketing Agent		N/A	N/A	N/A			
Initial Purchase Date		1/1/2017	1/1/2018	1/1/2019			
Liquidity/Insurer		None	None	None			
Par Outstanding (\$m)		36.60	38.85	18.85			
Swap Notional (\$m)		21.66	22.99	11.15			
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
12/23/2015	0.01%	0.26%	0.25%	0.36%	0.35%	0.45%	0.44%
12/30/2015	0.01%	0.26%	0.25%	0.36%	0.35%	0.45%	0.44%
1/6/2016	0.01%	0.26%	0.25%	0.36%	0.35%	0.45%	0.44%
1/13/2016	0.01%	0.26%	0.25%	0.36%	0.35%	0.45%	0.44%
1/20/2016	0.01%	0.26%	0.25%	0.36%	0.35%	0.45%	0.44%
1/27/2016	0.01%	0.26%	0.25%	0.36%	0.35%	0.45%	0.44%

Report Date 1/29/2016

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

**Transportation Revenue Bonds**

Issue		TRB 2002D-2a	TRB 2002D-2b	TRB 2002G-1c			
Remarketing Agent		N/A	N/A	N/A			
Initial Purchase Date		5/15/2017	5/15/2018	11/1/2016			
Liquidity/Insurer		Assured	Assured	None			
Par Outstanding (\$m)		100.00	100.00	13.26			
Swap Notional (\$m)		100.00	100.00	12.22			
Date	67% of 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR
12/23/2015	0.28%	0.64%	0.36%	0.77%	0.49%	0.85%	0.57%
12/30/2015	0.28%	0.64%	0.35%	0.77%	0.48%	0.85%	0.57%
1/6/2016	0.28%	0.77%	0.48%	0.90%	0.61%	0.98%	0.69%
1/13/2016	0.28%	0.77%	0.48%	0.90%	0.61%	0.98%	0.69%
1/20/2016	0.28%	0.77%	0.48%	0.90%	0.61%	0.98%	0.69%
1/27/2016	0.29%	0.77%	0.48%	0.90%	0.61%	0.98%	0.69%

Issue		TRB 2002G-1d	TRB 2002G-1f	TRB 2002G-1h	TRB 2011B				
Remarketing Agent		N/A	N/A	N/A	N/A				
Initial Purchase Date		11/1/2017	11/1/2018	11/1/2016	11/1/2017				
Liquidity/Insurer		None	None	None	None				
Par Outstanding (\$m)		13.80	42.58	56.89	99.56				
Swap Notional (\$m)		12.72	39.24	52.43	46.56				
Date	67% of 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR
12/23/2015	0.28%	0.99%	0.71%	0.64%	0.36%	1.01%	0.73%	0.51%	0.23%
12/30/2015	0.28%	0.99%	0.71%	0.64%	0.36%	1.01%	0.73%	0.51%	0.23%
1/6/2016	0.28%	1.12%	0.83%	0.77%	0.48%	1.14%	0.85%	0.64%	0.35%
1/13/2016	0.28%	1.12%	0.83%	0.77%	0.48%	1.14%	0.85%	0.64%	0.35%
1/20/2016	0.28%	1.12%	0.83%	0.77%	0.48%	1.14%	0.85%	0.64%	0.35%
1/27/2016	0.29%	1.12%	0.83%	0.77%	0.48%	1.14%	0.85%	0.64%	0.35%

Issue		TRB 2012G-1	TRB 2012G-3	TRB 2012G-4			
Remarketing Agent		N/A	N/A	N/A			
Initial Purchase Date		11/1/2019	11/1/2016	11/1/2017			
Liquidity/Insurer		None	None	None			
Par Outstanding (\$m)		84.45	75.00	73.40			
Swap Notional (\$m)		84.45	75.00	73.40			
Date	67% of 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR
12/23/2015	0.28%	0.46%	0.18%	0.86%	0.58%	1.00%	0.72%
12/30/2015	0.28%	0.46%	0.18%	0.86%	0.58%	1.00%	0.72%
1/6/2016	0.28%	0.59%	0.30%	0.99%	0.70%	1.13%	0.84%
1/13/2016	0.28%	0.59%	0.30%	0.99%	0.70%	1.13%	0.84%
1/20/2016	0.28%	0.59%	0.30%	0.99%	0.70%	1.13%	0.84%
1/27/2016	0.29%	0.59%	0.30%	0.99%	0.70%	1.13%	0.84%

**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		11/1/2016	1/3/2017	2/1/2019	12/1/2018	1/1/2017					
Liquidity/Insurer		None	None	None	None	None					
Par Outstanding (\$m)		27.00	37.50	38.70	43.80	45.20					
Swap Notional (\$m)		27.00	37.50	38.70	43.80	45.20					
Date	67% of 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR
12/23/2015	0.28%	0.46%	0.18%	0.68%	0.40%	0.56%	0.28%	0.74%	0.46%	0.81%	0.53%
12/30/2015	0.28%	0.46%	0.18%	0.68%	0.40%	0.56%	0.28%	0.74%	0.46%	0.81%	0.53%
1/6/2016	0.28%	0.59%	0.30%	0.81%	0.52%	0.69%	0.40%	0.87%	0.58%	0.94%	0.65%
1/13/2016	0.28%	0.59%	0.30%	0.81%	0.52%	0.69%	0.40%	0.87%	0.58%	0.94%	0.65%
1/20/2016	0.28%	0.59%	0.30%	0.81%	0.52%	0.69%	0.40%	0.87%	0.58%	0.94%	0.65%
1/27/2016	0.29%	0.59%	0.30%	0.81%	0.52%	0.69%	0.40%	0.87%	0.58%	0.94%	0.65%

Issue		TBTA 2003B-2	TBTA 2008B-2		
Remarketing Agent		N/A	NA		
Initial Purchase Date		12/3/2019	11/15/2021		
Liquidity/Insurer		None	None		
Par Outstanding (\$m)		46.05	63.65		
Swap Notional (\$m)		1.15	N/A		
Date	67% of 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR
12/23/2015	0.28%	0.51%	0.23%	0.66%	0.38%
12/30/2015	0.28%	0.51%	0.23%	0.66%	0.38%
1/6/2016	0.28%	0.64%	0.35%	0.79%	0.50%
1/13/2016	0.28%	0.64%	0.35%	0.79%	0.50%
1/20/2016	0.28%	0.64%	0.35%	0.79%	0.50%
1/27/2016	0.29%	0.64%	0.35%	0.79%	0.50%

Report Date 1/29/2016

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

**Transportation Revenue Bonds**

Issue		TRB 2005D-2	TRB 2005E-1	TRB 2015E-1	TRB 2015E-5				
Dealer		Morgan Stanley	Jefferies	US Bancorp	US Bancorp				
Liquidity Provider		Helaba	Bank of Montreal	US Bank	US Bank				
Type of Liquidity		LoC	LoC	LoC	LoC				
Par Outstanding (\$m)		100.00	100.00	100.00	50.00				
Swap Notional (\$m)		100.00	60.00	None	None				
Date	SIFMA	Spread to		Spread to		Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA
1/20/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/21/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/22/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/23/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/24/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/25/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/26/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/27/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/28/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/29/2016	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%

**TBTA General Revenue Bonds**

**Dedicated Tax Fund Bonds**

Issue		TBTA 2002F	TBTA 2003B-3	TBTA 2005B-2	DTF 2008A-1				
Dealer		JP Morgan	US Bancorp	Wells Fargo	RBC Capital				
Liquidity Provider		Helaba	US. Bank	Wells Fargo	RBC				
Type of Liquidity		LoC	LoC	LoC	LoC				
Par Outstanding (\$m)		187.70	52.41	192.20	168.60				
Swap Notional (\$m)		187.70	1.31	192.20	165.51				
Date	SIFMA	Spread to		Spread to		Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA
1/20/2016	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/21/2016	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/22/2016	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/23/2016	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/24/2016	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/25/2016	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/26/2016	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/27/2016	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/28/2016	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%
1/29/2016	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%

Report Date 1/29/2016

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

**WEEKLY AUCTIONS**

Issue	LIBOR Formula Fail Rate	LIBOR Formula Fail Rate		
	TRB 2002B-1	COPs 2004A-1	COPs 2004A-2	COPs 2004A-3
<b>Outstanding Par (\$ M)</b>	91.250	9.550	7.150	26.675
<b>Swap Notional (\$m)</b>	None	9.550	7.150	26.675
<b>Final Maturity</b>	11/1/2022	1/1/2030	1/1/2030	1/1/2030
<b>Broker Dealer(s)</b>	JP Morgan Merrill Lynch	JP Morgan Merrill Lynch	JP Morgan	JP Morgan Merrill Lynch
<b>Insurer</b>	Assured	Ambac	Ambac	Ambac
<b>Auction Frequency</b>	Tuesday	Monday	Tuesday	Wednesday
<i>Dec. 14 thru Dec. 18, 2015</i>	<b>0.701%</b>	<b>0.947%</b>	<b>0.694%</b>	<b>0.990%</b>
<i>Dec. 21 thru Dec. 25, 2015</i>	<b>0.835%</b>	<b>1.154%</b>	<b>1.148%</b>	<b>1.159%</b>
<i>Dec. 28 thru Jan. 1, 2016</i>	<b>0.848%</b>	<b>1.160%</b>	<b>1.166%</b>	<b>1.176%</b>
<i>Jan. 4 thru Jan. 8, 2016</i>	<b>0.844%</b>	<b>1.162%</b>	<b>1.161%</b>	<b>1.165%</b>
<i>Jan. 11 thru Jan. 15, 2016</i>	<b>0.849%</b>	<b>1.166%</b>	<b>1.167%</b>	<b>1.170%</b>
<i>Jan. 18 thru Jan. 22, 2016</i>	<b>0.850%</b>	<b>1.170%</b>	<b>1.169%</b>	<b>1.170%</b>
<i>Jan. 25 thru Jan. 29, 2016</i>	<b>0.861%</b>	<b>1.184%</b>	<b>1.184%</b>	<b>1.177%</b>
<i>Corresponding Libor Rate</i>	<b>0.431%</b>	<b>0.431%</b>	<b>0.431%</b>	<b>0.428%</b>
<i>Fail Rate</i>	<b>200%</b>	<b>275%</b>	<b>275%</b>	<b>275%</b>

**28 & 35 DAY AUCTIONS**

Issue	LIBOR Formula Fail Rate		
	TRB 2002B-2	COPs 2004A-4	COPs 2004A-5
<b>Outstanding Par (\$ M)</b>	90.625	24.575	2.550
<b>Swap Notional (\$m)</b>	None	24.575	2.550
<b>Final Maturity</b>	11/1/2022	1/1/2030	1/1/2030
<b>Broker Dealer(s)</b>	JP Morgan Merrill Lynch	JP Morgan	JP Morgan
<b>Insurer</b>	Assured	Ambac	Ambac
<b>Auction Frequency</b>	28-Days	35-Days	35-Days
<i>August 2015</i>	<b>0.386%</b>	<b>0.542%</b>	<b>0.548%</b>
<i>September 2015</i>	<b>0.377%</b>	<b>0.534%</b>	<b>0.541%</b>
<i>October 2015</i>	<b>0.463%</b>	<b>0.536%</b>	<b>0.542%</b>
<i>November 2015</i>	<b>0.843%</b>	<b>0.872%</b>	<b>1.136%</b>
<i>Dec. 2015/Jan.2016</i>	<b>0.851%</b>	<b>1.170%</b>	<b>1.170%</b>
<i>Corresponding Libor Rate</i>	<b>0.425%</b>	<b>0.426%</b>	<b>0.426%</b>
<i>Fail Rate</i>	<b>200%</b>	<b>275%</b>	<b>275%</b>

**Report Date 1/29/2016**

Type of Credit	Underlying Ratings (Moody's/S&P/Fitch/Kroll)	Series	BPA Sale Date	Series Original Final Maturity	Principal Iss. Amount	Outstanding			Total Outstanding	TIC <sup>1</sup>	Notes
						Fixed Amount	Variable Amount	Synthetic Fixed Amount			
MTA Transportation Revenue Bonds (A1/AA-/A/AA+)		2002B	5/28/02	11/1/2022	210.500	-	181.875	-	181.875	1.37	
		2002D	5/29/02	11/1/2032	400.000	174.725	-	200.000	374.725	4.47	
		2002G	11/19/02	11/1/2026	400.000	-	13.255	155.815	169.070	4.02	
		2003A	5/8/03	11/15/2032	475.340	86.330	-	-	86.330	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	38.065	-	-	38.065	4.76	
		2005B	6/22/05	11/15/2035	750.000	163.685	-	-	163.685	4.80	
		2005C	10/19/05	11/15/2016	150.000	11.415	-	-	11.415	4.19	
		2005D	11/1/05	11/1/2035	250.000	-	-	250.000	250.000	4.41	
		2005E	11/1/05	11/1/2035	250.000	-	100.000	150.000	250.000	3.32	
		2005G	12/7/05	11/1/2026	250.000	233.540	-	-	233.540	4.34	
		2006A	7/13/06	11/15/2035	475.000	370.770	-	-	370.770	4.89	
		2006B	12/13/06	11/15/2036	717.730	301.265	-	-	301.265	4.52	
		2007A	6/27/07	11/15/2037	425.615	361.245	-	-	361.245	4.84	
		2007B	12/6/07	11/15/2037	415.000	353.945	-	-	353.945	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	353.180	-	-	353.180	3.21	
		2008C	10/17/08	11/15/2013	550.000	448.195	-	-	448.195	6.68	
		2009A	10/6/09	11/15/2039	502.320	435.745	-	-	435.745	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	625.620	-	-	625.620	4.29	
		2010C	6/30/10	11/15/2040	510.485	467.720	-	-	467.720	4.27	
		2010D	11/23/10	11/15/2040	754.305	689.080	-	-	689.080	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	360.755	-	-	360.755	4.95	
		2011B	9/13/11	11/1/2041	99.560	-	53.005	46.555	99.560	2.04	
		2011C	11/2/11	11/15/2028	197.950	188.795	-	-	188.795	3.99	
		2011D	11/30/11	11/15/2046	480.165	442.530	-	-	442.530	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	230.770	-	-	230.770	3.85	
		2012C	4/18/12	11/15/2047	727.430	703.365	-	-	703.365	4.22	
		2012D	6/28/12	11/15/2032	1,263.365	1,173.845	-	-	1,173.845	3.51	
		2012E	7/13/12	11/15/2042	650.000	613.570	-	-	613.570	3.91	
	2012F	9/20/12	11/15/2030	1,268.445	1,097.650	-	-	1,097.650	3.17		
	2012G	11/7/12	11/1/2032	359.450	-	-	357.850	357.850	4.16		
	2012H	11/9/12	11/15/2042	350.000	331.620	-	-	331.620	3.70		
	2013A	1/17/13	11/15/2043	500.000	477.210	-	-	477.210	3.79		
	2013B	3/22/13	11/15/2043	500.000	476.255	-	-	476.255	4.08		
	2013C	6/11/2013	11/15/2043	500.000	476.395	-	-	476.395	4.25		
	2013D	7/11/2013	11/15/2043	333.790	321.685	-	-	321.685	4.63		
	2013E	11/15/2013	11/15/2043	500.000	483.840	-	-	483.840	4.64		
	2014A	2/28/2014	11/15/2044	400.000	393.690	-	-	393.690	4.31		
	2014B	4/17/2014	11/15/2044	500.000	484.165	-	-	484.165	4.38		
	2014C	6/26/2014	11/15/2036	500.000	488.960	-	-	488.960	3.32		
	2014D	11/4/2014	11/15/2044	500.000	335.000	165.000	-	500.000	2.98		
	2015A	1/28/2015	11/15/2045	850.000	582.930	250.000	-	832.930	2.79		
	2015B	3/19/2015	11/15/2055	275.055	273.485	-	-	273.485	4.29		
	2015A BANS	6/25/2015	3/1/2016	500.000	500.000	-	-	500.000	0.37		
	2015C	8/18/2015	11/15/2035	550.000	550.000	-	-	550.000	3.68		
	2015D	9/17/2015	11/15/2035	407.695	407.695	-	-	407.695	3.61		
	2015E	9/10/2015	11/15/2050	650.000	-	650.000	-	650.000	0.63		
	2015B BANS	12/10/2015	2/1/2018	700.000	700.000	-	-	700.000	0.55		
	2015F	12/17/2015	11/15/2036	330.430	330.430	-	-	330.430	3.21		
				<b>Total</b>	<b>26,352.755</b>	<b>19,254.890</b>	<b>1,513.135</b>	<b>1,160.220</b>	<b>21,928.245</b>	<b>3.76</b>	
										<b>WATIC</b>	
TBTA General Revenue Bonds (Aa3/AA-/AA-/AA)		EFC 1996A	6/26/96	1/1/2030	28.445	0.630	-	-	0.630	5.85	
		2001B	12/18/01	1/1/2032	148.200	-	117.805	-	117.805	2.10	
		2001C	12/18/01	1/1/2032	148.200	-	117.800	-	117.800	1.83	
		2002F	11/8/02	11/1/2032	246.480	-	-	187.695	187.695	3.57	
		2003B	12/9/03	1/1/2033	250.000	-	175.860	4.505	180.365	1.88	
		2005A	5/10/05	11/1/2035	150.000	-	95.445	23.230	118.675	2.38	
		2005B	7/6/05	1/1/2032	800.000	-	-	576.600	576.600	3.71	
	2006A	6/8/06	11/15/2035	200.000	4.975	-	-	4.975	4.72		

Type of Credit	Underlying Ratings (Moody's/S&P / Fitch/ Kroll)	Series	BPA Sale Date	Series Original Final Maturity	Principal Iss. Amount	Outstanding			Total Outstanding	TIC <sup>1</sup>	Notes
						Fixed Amount	Variable Amount	Synthetic Fixed Amount			
		2007A	6/13/07	11/15/2037	223.355	48.300	-	-	48.300	4.84	
		2008A	3/13/08	11/15/2038	822.770	598.210	-	-	598.210	4.93	
		2008B	3/13/08	11/15/2038	252.230	142.715	63.650	-	206.365	3.69	
		2008C	7/16/08	11/15/2038	629.890	461.335	-	-	461.335	4.72	
		2009A	2/11/09	11/15/2038	475.000	392.295	-	-	392.295	4.77	
		2009B	9/10/09	11/15/2039	200.000	200.000	-	-	200.000	3.63	
		2010A	10/20/10	11/15/2040	346.960	317.305	-	-	317.305	3.45	
		2011A	10/4/11	1/1/2028	609.430	517.320	-	-	517.320	3.59	
		2012A	6/6/12	11/15/2042	231.490	205.285	-	-	205.285	3.69	
		2012B	8/3/12	11/15/2032	1,236.898	1,350.660	-	-	1,350.660	2.66	
		2013B	1/29/13	11/15/2030	257.195	257.195	-	-	257.195	2.25	
		2013C	4/18/2013	11/15/2043	200.000	188.180	-	-	188.180	3.71	
		2014A	2/6/2014	11/15/2044	250.000	239.440	-	-	239.440	4.28	
		2015A	5/15/2015	11/15/2050	225.000	221.925	-	-	221.925	4.18	
		2015B	11/16/2015	11/15/2045	65.000	65.000	-	-	65.000	3.88	
		2016A	1/28/2016	11/15/2046	541.240	541.240	-	-	541.240	3.24	
		<b>Total</b>			<b>8,537.783</b>	<b>5,752.010</b>	<b>570.560</b>	<b>792.030</b>	<b>7,114.600</b>	<b>3.54</b>	
											WATIC
<b>TBTA Subordinate Revenue Bonds (A1/A+/ A+/ AA-)</b>		2000ABCD	11/01/00	1/1/2019	263.000	-	38.500	55.800	94.300	4.56	
		2002E	10/23/02	11/15/2032	756.095	139.825	-	-	139.825	5.34	
		2003A	2/27/03	11/15/2032	500.170	5.050	-	-	5.050	4.91	
		2008D	7/16/08	11/15/2028	491.110	354.045	-	-	354.045	4.69	
		2013A	1/11/2013	11/15/2032	761.600	752.795	-	-	752.795	3.13	
		2013D Taxable	12/19/2013	11/15/2032	313.975	163.275	148.470	-	311.745	2.40	
		<b>Total</b>			<b>3,085.950</b>	<b>1,414.990</b>	<b>186.970</b>	<b>55.800</b>	<b>1,657.760</b>	<b>3.60</b>	
											WATIC
<b>MTA Dedicated Tax Fund Bonds (AA/AA)</b>		2002B	9/4/02	11/1/2022	440.000	40.175	311.800	-	351.975	2.04	
		2004A	2/26/04	11/15/2018	250.000	67.295	-	-	67.295	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	29.005	-	-	29.005	3.77	
		2006A	6/7/06	11/15/2035	350.000	212.945	-	-	212.945	4.18	
		2006B	10/25/06	11/15/2036	410.000	270.125	-	-	270.125	4.28	
		2008A	6/24/08	11/1/2031	352.915	-	6.165	331.020	337.185	4.17	
		2008B	8/6/08	11/1/2034	348.175	197.205	134.210	-	331.415	2.35	
		2009A	3/12/09	11/15/2039	261.700	233.850	-	-	233.850	5.55	
		2009B	4/23/09	11/15/2030	500.000	452.930	-	-	452.930	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	462.005	-	-	462.005	3.91	
		2011A	3/23/11	11/15/2021	127.450	74.890	-	-	74.890	2.99	
		2012A	10/16/12	11/15/2032	1,065.335	989.095	-	-	989.095	3.07	
		2015A BANS	9/17/15	6/1/2016	500.000	-	-	-	500.000	0.28	
		<b>Total</b>			<b>6,478.565</b>	<b>4,073.980</b>	<b>452.175</b>	<b>331.020</b>	<b>5,357.175</b>	<b>3.56</b>	
											WATIC
<b>MTA Certificates of Participation (2 Broadway) (Caa2/CC/NR)</b>		2004A	9/21/04	1/1/2030	357.925	-	-	70.500	70.500	4.12	
		<b>Total</b>			<b>357.925</b>	<b>-</b>	<b>-</b>	<b>70.500</b>	<b>70.500</b>	<b>4.12</b>	
											WATIC
		<b>All MTA Total</b>			<b>44,812.978</b>	<b>30,495.870</b>	<b>2,722.840</b>	<b>2,409.570</b>	<b>36,128.280</b>	<b>3.68</b>	
<b>State Service Contract Bonds (AA/AA)</b>		2002A	6/5/02	7/1/2031	1,715.755	163.190	-	-	163.190	5.29	
		2002B	6/26/02	7/1/2031	679.450	18.655	-	-	18.655	4.93	
		<b>Total</b>			<b>2,395.205</b>	<b>181.845</b>	<b>-</b>	<b>-</b>	<b>181.845</b>	<b>5.25</b>	
											WATIC
<b>MTA Special Obligation Bonds Aaa</b>		2014	6/5/02	7/1/2031	348.910	328.360	-	-	328.360	2.66	
					<b>348.910</b>	<b>328.360</b>	<b>-</b>	<b>-</b>	<b>328.360</b>	<b>2.66</b>	
											WATIC
		<b>Grand Total</b>			<b>47,557.093</b>	<b>31,006.075</b>	<b>2,722.840</b>	<b>2,409.570</b>	<b>36,638.485</b>	<b>3.68</b>	

**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

<b>Subject</b> Transfer of three existing 2 Broadway COPs interest rate swaps to new counterparties and assumption by TBTA of payment obligations, with an Interagency Agreement to reimburse TBTA
<b>Department</b> Finance
<b>Department Head Name</b> Robert E. Foran, Chief Financial Officer
<b>Department Head Signature</b> 
<b>Project Manager Name</b> Patrick J. McCoy, Director of Finance 

<b>Date</b> February 24, 2016
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	2/22/16			
2	Board	2/24/16			

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

**PURPOSE:**

To obtain MTA and MTA Bridges and Tunnels (“TBTA”) Board approval of new forms of International Swaps and Derivatives Association, Inc. (“ISDA”) Master Agreements and related documents found in the Exhibits Book module on Directors Desk, authorization for the Director of Finance to complete the negotiation of such documentation, and approval of an Interagency Agreement also in the Exhibits Book. This authorization is to permit the transfer and modification of three existing 2 Broadway interest rate swaps (the “2 Broadway Swaps”) to new counterparties, and to transfer the obligations of MTA and MTA New York City Transit (“NYCTA”) under two of the swaps to TBTA, with MTA and NYCTA agreeing to repay TBTA for their share of the amounts due pursuant to an Interagency Agreement.

These actions are intended to reduce risk in MTA’s derivative portfolio by modifying the agreements to a LIBOR based structure, resulting in improved liquidity; and also by diversifying to two counterparties, both of which are rated higher than the incumbent counterparty.

**BACKGROUND:**

On September 22, 2004, in connection with the execution and delivery of variable rate 2 Broadway Certificates of Participation (the “COPs”) to fund improvements to 2 Broadway, MTA, NYCTA and TBTA entered into the 2 Broadway Swaps with UBS AG in order to synthetically fix the interest rate on the COPs through the final maturity of January 1, 2030. Since 2004, certain of the COPs have been refunded due to the ongoing failure of the auction rate market. Simultaneous with the refundings, related portions of the 2 Broadway Swaps have been re-associated with other MTA and TBTA bond issues. Currently, \$313.1 million aggregate notional amount of the 2 Broadway Swaps remain outstanding.

## Staff Summary

MTA Finance in consultation with its outside swap counsel and swap advisor has negotiated terms with Wells Fargo Bank, N.A., and U.S. Bank National Association (the “Swap Counterparties”), each of which meets the requirements of the MTA and TBTA Policy for entering into Payment Agreements. Wells Fargo Bank, N.A. is rated Aa2, AA-, AA, and U.S. Bank National Association is rated A1, AA-, AA by Moody’s, Standard & Poor’s and Fitch respectively. Forms of ISDA Master Agreements and related documentation with the two new Swap Counterparties (the “Master Agreements”) can be found in the Exhibits Book module on Directors Desk. New Confirmations and related documentation will be entered into that provide for the transfer, also referred to as a novation, of the three existing 2 Broadway Swaps so that after the transfer TBTA will be one party to these swaps and UBS AG will have transferred its rights and obligations under these swaps to the new Swap Counterparties and the terms of the transferred swaps will have been modified to achieve improved liquidity (collectively, the “Novation Documentation”).

The original COPs and swaps are insured by Ambac Assurance Corporation which was necessary principally for the issuance of the COPs, which were unrated. The core benefit of the insurance was achieved in the initial placement and pricing of the certificates and the swap. The new Swap Counterparties have requested that the novated swaps not be insured by Ambac. Staff does not believe that the swap insurance policy provides MTA with any ongoing benefit, as such, documentation providing for the termination of the swap portion of the original insurance provided by Ambac Assurance Corporation on behalf of MTA, NYCTA and TBTA for the three existing 2 Broadway Swaps (collectively, the “Termination Documentation”) will be entered into in connection with the novation of the swaps.

All Novation Documentation and Termination Documentation will take the form of standard industry documentation for the various components necessary to complete the swap transfer. The Director of Finance of the MTA will complete the negotiation and execution of the Novation Documentation and the Termination Documentation.

All ongoing MTA obligations under the novated swaps will be performed by TBTA. Periodic payments due under the swaps to the new counterparties will be paid after the payment of senior lien and subordinate lien debt service on TBTA Bonds, but before the distribution of the operating surplus to MTA and NYCTA.

In order to maintain the proportional percentage of payments (based on occupancy of 2 Broadway) that MTA (on behalf of the Long Island Rail Road, and Metro-North Railroad), NYCTA and TBTA are currently responsible for paying under the 2 Broadway Swaps, it is necessary to enter into the Interagency Agreement, a form of which is in the Exhibits Book providing for reimbursement from MTA and NYCTA to TBTA for their allocable share of payments under the novated swaps.

MTA Finance in consultation with its Swap Advisor believes the transfer of the swap obligations from UBS AG to the new Swap Counterparties will (i) enhance and diversify the MTA’s overall counterparty exposure and (ii) simplify the terms of the existing swap thereby

## Staff Summary

achieving improved liquidity. While MTA seeks to execute this novation for these aforementioned benefits, MTA will not pay novation fees to any counterparty involved in the transaction and will seek to share in any market concession paid by UBS AG.

### **RECOMMENDATION**

It is recommended that the Board (A) approve the novation and all related documentation including, but not limited to (i) the Master Agreements, (ii) the form of Interagency Agreement, and (iii) the entering into of the Novation Documentation and the Termination Documentation, all in connection with the transfer and modification of the three existing 2 Broadway Swaps; and (B) authorize the Director of Finance to complete the negotiation and execution of the Novation Documentation and the Termination Documentation, and to make such changes to the Master Agreements and the Interagency Agreement and to execute and deliver such other documentation, in each case as determined by the Director of Finance to be necessary or appropriate in the process of completing the negotiations to allow for the transfer and modification of the three existing 2 Broadway Swaps.

# Staff Summary

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

Item Number:

Page 1 of 2

<b>Vendor Name (&amp; Location):</b> Willis of New York	<b>Contract Number:</b>	<b>AWO/Modification #</b> 7
<b>Description:</b> Extension of Owner Controlled Insurance for East Side Access	<b>Original Amount:</b>	\$93,000,000
<b>Contract Term (including Options, if any):</b>	<b>Prior Modifications:</b>	\$243,160,136
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Prior Budgetary Increases:</b>	\$
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Current Amount:</b>	\$336,160,136
<b>Solicitation Type:</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	<b>This Request:</b>	\$248,041,362
<b>Funding Source:</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	<b>% of This Request to Current Amount:</b>	74%
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Risk and Insurance Management / Phyllis Rachmuth	<b>% of Modifications (including This Request) to Original Amount:</b>	528%

### PURPOSE:

To obtain Board approval to extend the following insurance coverage components of the MTA's Owner Controlled Insurance Program (OCIP) for the East Side Access Project through March 31, 2021.

- Authorization to increase funding and extend OCIP General Liability, and Workers Compensation through March 31, 2021. Total additional funding is estimated at \$183.5 million.
- Authorization to increase funding and extend Excess Liability, Pollution Liability and Railroad Protective Liability through March 31, 2021. Total additional funding is estimated at \$62 million.
- Authorization to increase the maximum fee under the broker services contract with Willis of New York for OCIP services through December 1, 2022, by \$2,541,362.

### SUMMARY:

The MTACC East Side Access Project is currently insured through an MTA Owner Controlled Insurance Program (OCIP), which was approved by the Board on December 17, 1998. Willis of NY, the OCIP broker, selected through a competitive RFP process, subsequently marketed and placed OCIP policies in 1999, based upon the then-scheduled completion date and estimated third party construction costs. These policies were subsequently extended, with Board approval in 2010, to April 1, 2016. Through this request for approval, the Workers Compensation and General Liability coverage will be uniformly extended to April 1, 2021 and premiums will be adjusted to reflect an estimated third party construction cost of \$7.025 billion including Regional Investments. Authorization is also being sought to extend the Excess Liability, Pollution Liability and Railroad Protective Liability policies through March 31, 2021 upon their expirations. The broker service contract with Willis of NY will also require extension to match the new policy periods and allow for one year of runoff.

### DISCUSSION:

The East Side Access Project OCIP provides the MTA and each architect, engineer, contractor, and subcontractor working on the project with uniform Professional Liability (E&O), Environmental Liability, Workers Compensation (WC), General Liability (GL), Excess Liability, Railroad Protective Liability, and Builders Risk Insurance. Policies are underwritten by insurance companies with A.M. Best ratings of A or greater and/or equivalent financial strength. The carriers were competitively selected based upon policy terms, conditions, services and costs offered for this program. The original OCIP Program budget for all policies was \$93 million based upon a project cost of \$2.3 billion and project completion in 2010.

### Workers' Compensation and General Liability

The original OCIP for primary Workers Compensation and General Liability insurance was purchased to cover the period of April 1, 1999 to March 31, 2010. In March of 2010, the Board approved an extension of these policies to reflect a third party construction value of \$5.075 billion and construction completion by the first quarter of 2016. The current third party construction value including Regional investments is \$7.025 billion. Based on this revised information, Willis of New York was asked to market an extension for the program. Willis approached Liberty Mutual, the incumbent carrier, and ACE USA for the extension. Liberty Mutual offered the most favorable terms and conditions. Liberty has agreed to extend the program at rates 14% higher than expiring. ACE was 33.3% higher than expiring.

The Liberty quote extends coverage through March 31, 2021 at the revised construction value of \$7.025 billion. Liberty would not offer terms greater than five years and additional coverage may be necessary to complete the project. The extended coverage is quoted at a fixed rate premium of \$36,966,858 and a loss sensitive premium of \$98,548,000. Loss sensitive premiums would be held by the MTA Captive Insurance Company (FMTAC) to pay losses within the self-insured retentions of \$750,000 per claim Workers Compensation and \$1,900,000 per claim General Liability. Liberty will be paid in three equal installments of just over \$12.3 million over the next three years. The loss fund will be built up in four payments of almost \$25 million over the next four years. Final fixed rate premiums are subject to audit based upon actual payrolls. Loss sensitive premiums are based upon actual payrolls and incurred losses within the self-insured retention. The expected total cost is \$135.5 million.

The expiring policies with Liberty Mutual will exceed their original budget. The expiring policies are subject to additional premium and loss funding reserve charges of approximately \$48 million. Almost \$12 million in fixed premium is due this year and an additional \$6 million in fixed costs is projected to be due upon final audit. \$30 million is being set aside to pay additional losses. The expected total cost is \$48 million.

#### Excess Liability

The AIG Excess Liability policies expire on August 1, 2018. These policies were priced based upon a final construction value of \$5.75 billion. As the construction value increased, additional premium will be due upon expiration and is estimated to be \$5.2 million. Losses have also exceeded policy parameters triggering a penalty premium of \$20 million and exposing the project to trailing self-insured retentions which are estimated at \$18.8 million. The estimated cost to close the current policies is \$44 million. The cost to extend coverage to 2021 is estimated at \$16 million. The expected total cost is \$60 million.

#### Railroad Protective Liability

Railroad Protective insurance is required per agreement with Amtrak. The policy extension was marketed by Willis of NY. Three carriers quoted the program and the best terms and conditions were offered by ACE Westchester. The ACE quote provides for \$10 million in limits and will cover damage to Amtrak and other third party railroads, and injuries to non-force account MNR and LIRR flaggers. Total cost of the five year policy is estimated to be \$800,000.

#### Environmental

There are two environmental policies that expire in 2018. The cost to extend these policies to March 31, 2021 is estimated to be \$1.2 million.

#### Broker Service Contract

The Board has authorized Willis of New York to be the broker through completion of the project. The broker provides administrative service necessary for the ongoing management of the OCIP. The contract with Willis for the OCIP currently expires April 1, 2017. It is necessary to extend the broker service contract to coincide with the new policy periods and one additional year for policy run off services. The additional fees are priced at an annual administrative fee of \$402,210 for the six year period and an additional \$128,100 for the placement of the extension coverage, for a total of \$2,541,362. The Willis fees are only paid after they are earned and the contract is cancellable by the MTA at any time with 30 days advanced notice.

MTACC is obligated under its construction contracts to provide continuing Owner Controlled Insurance coverage. Risk and Insurance Management has been able to achieve favorable extension terms. MTA Risk and Insurance Management has weighed the risk of loss and the cost of available insurance and concluded that this program is reasonable, cost effective and in the best interests of the MTA.

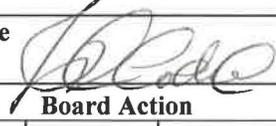
#### **IMPACT ON FUNDING:**

Insurance for the East Side Access Capital Project is currently budgeted at \$415 million. With the requested increase in authorization, the additional \$169.2 million plus contract contingency will need to be funded through project or program contingencies or reallocation of other funding.

#### **ALTERNATIVES:**

The alternative would be to require each construction contractor to carry their own Workers Compensation, General Liability, Excess Liability, Environmental Liability and Railroad Protective Liability for their work. This approach would not be cost effective as the additive cost of each contractor's policy would most likely exceed the cost of the MTA policy. Also, contractor insurance would expire upon completion of a contract leaving completed works without coverage. By purchasing a single insurance program, the MTA can cover all completed and active construction works of the East Side Access Project until construction completion under a

# Staff Summary

<b>Subject</b> Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties					
<b>Department</b> Chief Financial Officer / Treasury Department					
<b>Department Head Name</b> Robert E. Foran , Chief Financial Officer					
<b>Department Head Signature</b> 					
<b>Division Head Name</b> Josiane P Codio 					
<b>Board Action</b>					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	2/22/2016	X		
2	Board	2/24/2016	X		

<b>Date</b> February 22, 2016			
<b>Vendor Name</b>			
<b>Contract Number</b>			
<b>Contract Manager Name</b>			
<b>Table of Contents Ref #</b>			
<b>Internal Approvals</b>			
Order	Approval	Order	Approval
1	Legal 	2	Chief of Staff 

**I. Purpose**

To seek Finance Committee and MTA Board approval to authorize MRT-2 escalator payments to Dutchess, Orange and Rockland counties.

**II. Discussion**

The MTA statute requires that certain “mass transportation operating assistance” payments be made by the MTA to Dutchess, Orange and Rockland counties from MTA’s MRT-2 receipts. (These payments are made from funds established by PAL §1270-a, the Metropolitan Transportation Authority Special Assistance Fund, from which monies are transferred to the Metropolitan Transportation Authority Dutchess, Orange and Rockland Fund created by PAL §1270-b.) Under the statute, Dutchess and Orange Counties are each to receive no less than \$1.5 million annually, and Rockland County is to receive no less than \$2.0 million annually. The counties were paid these amounts in quarterly installments during 2015.

In addition to providing these minimum mass transportation operating assistance payments, the statute provides for an “escalator payment” based on the percentage by which total MRT-1 and MRT-2 receipts attributable to such county exceeds the receipts received in 1989 from such county. Pursuant to PAL §1270-a (4)(c), the MRT-1 increase is to be calculated as if the MRT-1 tax was 25 cents per \$100 of mortgage recorded and not the current 30 cents per \$100 of mortgage recorded. The escalator payment due each county based on the FY 2015 MRT receipts is determined as follows:

$$(FY2015 \text{ MRT Receipts} - FY1989 \text{ Base Year MRT Receipts}) / FY1989 \text{ Base Year MRT Receipts} = \text{Escalator Rate}$$

$$\text{Escalator Rate} \times \text{Minimum Mass Transit Operating Assistance Payment} = \text{Escalator Payment}$$

The results of the above formulas for each county are:

<u>County</u>	<u>1989 Base Year MRT Receipt</u>	<u>2015 MRT Receipts Adj.<sup>1</sup></u>	<u>Escalator Rate</u>	<u>Escalator Payments</u>
Dutchess Cty	\$3,569,702.51	\$5,197,276.36	45.59%	\$ 683,911.55
Orange Cty	\$4,433,935.06	\$5,903,707.37	33.15%	\$ 497,223.90
Rockland Cty	\$4,524,064.27	\$7,358,978.33	62.66%	<u>\$ 1,253,259.85</u>
			Total	<u>\$2,434,395.30</u>

### III. Recommendations

It is recommended that the Board authorize escalator payments totaling \$2,434,395.30 to Dutchess, Orange and Rockland counties from available funds on deposit in the MRT-2 Corporate Transportation Account.

<sup>1</sup> The actual 2015 gross receipts for each of the counties was:

Dutchess Cty	\$5,839,074.69
Orange Cty	\$6,597,617.89
Rockland Cty	\$8,184,773.19

# Staff Summary

<b>Subject:</b>	2015 TBTA Operating Surplus
<b>Department:</b>	Finance
<b>Department Head Name</b>	Mildred Chua <i>Handwritten signature</i>
<b>Department Head Signature</b>	<i>Handwritten signature</i> 2/12/16
<b>Project Manager Name</b>	Angelo Cerbone <i>Handwritten signature</i> 2/12/16

<b>Date</b>	February 12, 2016
<b>Vendor Name</b>	
<b>Contract Number</b>	
<b>Contract Manager Name</b>	
<b>Table of Contents Ref #</b>	

Board Action					
Order	To	Date	Approval	Info	Other
1	MTA B&T Committee	02/22/16			
2	MTA Finance Committee	02/22/16			
3	MTA Board	02/24/16			

Internal Approvals			
Order	Approval	Order	Approval
2	President <i>MS</i>		VP Staff Services
	Executive Vice President		VP Procurement & Materials
	General Counsel		VP Labor Relations
	VP Operations		VP & Chief Engineer

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	Chief Financial Officer <i>Handwritten signature</i>		Chief Technology Officer		Chief Health & Safety Officer		Chief EEO Officer
	Chief Security Officer		Chief Maintenance Officer		MTA Office of Civil Rights		Other

**PURPOSE:**

To obtain MTA Board approval of resolutions which will:

- Certify and transfer \$750,716,715 operating surplus to the MTA and NYCTA pursuant to Section 1219-a(2)(b) of the Public Authorities Law of the State of New York.
- Transfer \$182,604 representing 2015 investment income to the MTA pursuant to Section 569-c of the Public Authorities Law of the State of New York.
- Deduct from the operating revenues of the Triborough Bridge and Tunnel Authority for its fiscal year ending December 31, 2016 the amount of \$26,880,799, which amount shall be paid into the Necessary Reconstruction Reserve established by the Authority by resolution adopted March 29, 1968.
- Advance the 2016 TBTA Surplus as per attached Resolution.

**DISCUSSION:**

The attached calculation and letter from Deloitte & Touche LLP represents the Triborough Bridge and Tunnel Authority's operating surplus for fiscal year ending December 31, 2015. The amount of surplus available for transfer to the MTA and NYCTA is \$750,716,715. The amount of investment income that is surplus funds and available to transfer to MTA for fiscal year 2015 is \$182,604. It is also requested to set aside \$26,880,799 from operating revenues of the Triborough Bridge and Tunnel Authority for fiscal year ending December 31, 2016. This money will be used to pay for the cost and expense of current and anticipated necessary construction for the TBTA facilities.

**BUDGET IMPACT:** None.

**ALTERNATIVES:** None.

The legal name of MTA Bridges and Tunnels is Triborough Bridge and Tunnel Authority.

RESOLVED, that the Chairman and Chief Executive Officer be, and he hereby is, authorized to certify to the Mayor of the City of New York and to the Chairman of the Metropolitan Transportation Authority, that for the purposes of Section 1219-a (2) (e) of the Public Authorities Law of the State of New York, the amount of the Authority's operating surplus for its fiscal year ending December 31, 2015 is \$637,081,918.

RESOLVED, that this Authority hereby makes the following determination in respect of its operating surplus for its fiscal year ending December 31, 2015, for the purposes of Section 1219-a (2) (e) of the Public Authorities Law of the State of New York:

Operating Revenue	\$1,853,987,660
Operating Expense	<u>452,757,396</u>
	\$1,401,230,264
Establishment of Necessary Reconstruction Reserve Account	(26,382,176)
GASB Reserve	(0)
Debt Service on Bonds	(613,562,750)
Interest Income on Unexpended Bond Proceeds and Debt Service Fund	238,604
Purchase of Capital Assets Funded from Operations	(7,723,871)
Increase in Prepaid Expenses and other Adjustments)	<u>(2,900,752 )</u>
Operating Surplus	<u>\$ 750,716,715</u>

February 24, 2016

RESOLVED, that the amount of \$182,604 representing the Authority's investment income for the year 2015 is determined to be surplus funds of the Authority; and be it further

RESOLVED, that the amount of \$182,604 be transferred and paid over to Metropolitan Transportation Authority in a lump sum as soon as practicable pursuant to Section 569-c of the Public Authorities Law.

RESOLVED, that there be set aside and deducted from the operating revenues of the Triborough Bridge and Tunnel Authority for its fiscal year ending December 31, 2016 the amount of \$26,880,799 which amount shall be paid into the Necessary Reconstruction Reserve established by the Authority by resolution adopted March 29, 1968. Money credited to the Reserve, together with interest income earned thereon, are to be applied to the payment of the cost and expense of current and anticipated necessary construction of each of the TBTA Facilities within the meaning of the General Resolution Authorizing General Revenue Bonds (the "General Revenue Bond Resolution") of the Authority adopted on March 26, 2002.

RESOLVED, that the monies thus authorized will be advanced monthly during the fiscal year ending December 31, 2016 and used for the purposes of payment of the cost and expense of necessary construction of each of the TBTA Facilities.

RESOLVED, pursuant to the provisions of paragraphs (b), (c), and (d) of subdivision 2 of Section 1219-a of the Public Authorities Law, that the Chairman and Chief Executive Officer is authorized in his discretion, to advance to Metropolitan Transportation Authority and New York City Transit Authority monthly, out of funds in the General Fund created by the General Revenue Bond Resolution which are attributable to the operations of the 2016 fiscal year (other than funds arising out of the investment of monies of the Authority) and which have been released and paid over to the Authority free and clear of the lien and the pledge of the General Revenue Bond Resolution as provided in Section 506 thereof, an aggregate amount not to exceed 90% of the Chairman's estimate of the sum which that month's operations, if available, will contribute to the "operating surplus" of the Authority which he anticipates will or may be certified and transferred for the fiscal year in which such month falls; and

February 24, 2016

RESOLVED, that the monies thus authorized to be advanced monthly shall be apportioned between Metropolitan Transportation Authority and New York City Transit Authority and paid as follows:

1. The first \$1.8 million to New York City Transit Authority;
2. Fifty percentum of the remainder to New York City Transit Authority (less applicable bond service); and
3. The remainder to Metropolitan Transportation Authority (less applicable bond service).

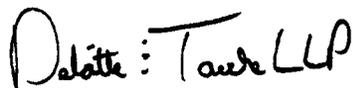
## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Members of the Board  
Metropolitan Transportation Authority  
New York, New York

We have performed the procedures enumerated in Exhibit B, which were agreed to by the Triborough Bridge and Tunnel Authority (the "Authority), a component unit of the Metropolitan Transportation Authority ("MTA"), the MTA and the New York City Transit Authority, solely to assist you in agreeing financial information presented in the Schedule of Operating Surplus for the year ended December 31, 2015 (Exhibit A) to the accounting records of the Authority. The Authority's management is responsible for the Authority's accounting records and the preparation of the Schedule of Operating Surplus (Exhibit A) and the Supporting Schedule to the Schedule of Operating Surplus (Exhibit C) for the year ended December 31, 2015. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of those procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures described in Exhibit B either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items contained within the Schedule of Operating Surplus set forth in the accompanying Exhibit A and the Supporting Schedule to the Schedule of Operating Surplus set forth in the accompanying Exhibit C. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.



February 12, 2016

## TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

### SCHEDULE OF OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2015

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OPERATING REVENUES (Note 2)	\$ 1,853,805,056
OPERATING EXPENSES (Note 3)	<u>(452,757,396)</u>
NET OPERATING REVENUE	1,401,047,660
INCREASE IN PREPAID EXPENSES AND OTHER ADJUSTMENTS (Note 3)	(2,900,752)
DEBT SERVICE ON BONDS (Note 4)	(613,562,750)
INTEREST INCOME ON UNEXPENDED BOND PROCEEDS AND DEBT SERVICE FUNDS (Note 5)	238,604
ESTABLISHMENT OF GASB 43 RESERVE ACCOUNT (Note 8)	-
PURCHASE OF CAPITAL ASSETS FUNDED FROM OPERATIONS (Note 6)	(7,723,871)
ESTABLISHMENT OF NECESSARY RECONSTRUCTION RESERVE ACCOUNT (Note 7)	<u>(26,382,176)</u>
OPERATING SURPLUS	<u>\$ 750,716,715</u>

See Independent Accountants' Report on Applying  
Agreed-Upon Procedures and accompanying notes.

## TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

### NOTES AND AGREED-UPON PROCEDURES PERFORMED IN CONNECTION WITH THE SCHEDULE OF OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2015 (Exhibit A)

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#### 1. OPERATING SURPLUS CALCULATION REQUIREMENTS

- The operating surplus is calculated based upon Section 1219-a (2)(e) of the New York Public Authorities Law (“PAL”) and various bond resolutions. This surplus is transferred to the Metropolitan Transportation Authority (“MTA”) and the MTA New York City Transit Authority (“Transit”). The initial \$24 million in operating surplus is provided to Transit and the balance is divided equally between Transit and the MTA. Transit and the MTA are operationally and legally independent of the Triborough Bridge and Tunnel Authority (the “TBTA”), however, Transit and the TBTA are included in the MTA’s consolidated financial statements because they operate under the direction of the MTA Board and the MTA is financially accountable for these entities.

#### 2. OPERATING REVENUES

- Agreed “Operating Revenues” (net of other revenues) of the TBTA appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger of the TBTA noting no differences. We discussed with management their policy for recording operating revenue and they indicated that operating revenues were recorded using the accrual basis of accounting. We have been informed that operating revenues excluded interest income.

#### 3. OPERATING EXPENSES

- Agreed the aggregated “Operating Expenses” of the TBTA appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger of the TBTA noting no differences. We discussed with management their policy for recording operating expenses and they indicated that operating expenses were recorded using the accrual basis of accounting.
- Agreed the following expense items to the general ledger: “Interest Expense on Bond Indebtedness” and “Reimbursement of Personnel Costs,” as noted on Exhibit C and noted no differences.
- Recalculated the “Increase in Prepaid Expenses and Other Adjustments” appearing in the general ledger and agreed it to the Schedule of Operating Surplus (Exhibit A). We inquired if the operating expense was adjusted to include amounts charged to prepaid expenses and deferred charges on a cash basis of accounting and we have been informed that the operating expenses were adjusted to include amounts charged to prepaid expenses and deferred charges on a cash basis of accounting. We inquired whether any cash adjustments were made for changes in accounts payable, accrued expenses, or accounts receivable and we have been informed that no cash adjustments were made for changes in accounts payable, accrued expenses or accounts receivable.

## TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

### NOTES AND AGREED-UPON PROCEDURES PERFORMED IN CONNECTION WITH THE SCHEDULE OF OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2015 (Exhibit A)

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#### 4. DEBT SERVICE ON BONDS

- Agreed “Debt Service on Bonds” appearing on the Schedule of Operating Surplus (Exhibit A) for the following bonds to the TBTA debt service schedules:
  - General Revenue Bonds, and
  - Subordinate Revenue Bonds.
- Agreed “Debt Service on Bonds” on the TBTA’s portion of debt service on the 2 Broadway Certificates of Participation to the TBTA debt service schedules.
- We noted that in all cases, the debt service represents interest paid and/or accrued applicable to calendar year 2015 and the principal payment due January 1, 2016, on all bond indebtedness and certificates.

#### 5. INTEREST INCOME ON UNEXPENDED BOND PROCEEDS AND DEBT SERVICE FUNDS

- Agreed the aggregated amount of “Interest Income on Unexpended Bond Proceeds and Debt Service Funds” appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger and noted no differences. We inquired if interest income is excluded from operating revenue on the Schedule of Operating Surplus and we have been informed that interest income is excluded from “Operating Revenues” on the Schedule of Operating Surplus.
- We inquired if interest income on the debt service fund consists of income from (1) the debt service funds established in connection with the 2 Broadway Certificates of Participation to the extent attributable to the TBTA’s portion of debt service thereon, and (2) the debt service funds established in connection with the TBTA Bonds from their respective dates of issuance and we have been informed that interest income on the debt service fund investments consists of income from (1) the debt service funds established in connection with the 2 Broadway Certificates of Participation to the extent attributable to the TBTA’s portion of debt service thereon, and (2) the debt service funds established in connection with the TBTA bonds from their respective dates of issuance. We inquired that this amount was included in the computation of operating surplus as a reduction of debt service cost (therefore increasing operating surplus) and we have been informed that this amount was included in the computation of operating surplus as a reduction of debt service cost therefore, increasing operating surplus. We inquired that unexpended bond proceeds consist of bond moneys on deposit with the TBTA until expended for either transit or commuter projects or on the TBTA’s bridges and tunnels and we have been informed that unexpended bond proceeds consist of bond moneys on deposit with the TBTA until expended for either transit or commuter projects or on the TBTA’s bridges and tunnels.

## TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

### NOTES AND AGREED-UPON PROCEDURES PERFORMED IN CONNECTION WITH THE SCHEDULE OF OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2015 (Exhibit A)

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#### 6. CAPITAL ASSETS FUNDED FROM OPERATIONS

- Agreed the amount of “Purchase of Capital Assets Funded From Operations,” which represents amounts paid and capitalized for vehicles and other fixed assets, appearing on the Schedule of Operating Surplus (Exhibit A) to the general ledger and noted no differences. We inquired that these amounts were funded from operations and that such amounts represent a reduction of operating surplus appearing on the Schedule of Operating Surplus and we have been informed that these amounts were funded from operations and that such amounts represent a reduction of operating surplus appearing on the Schedule of Operating Surplus (Exhibit A).

#### 7. NECESSARY RECONSTRUCTION RESERVE

- Agreed the amount appearing on the Schedule of Operating Surplus (Exhibit A) as “Establishment of Necessary Reconstruction Reserve Account” to the MTA Bridges and Tunnels Financial Plan 2016-2019 to set aside and reduce the operating surplus by \$26,382,176 and noted no differences. The Necessary Reconstruction Reserve Account was established by the TBTA by resolution adopted March 29, 1968. We inquired that this amount, together with interest income thereon, is to be used to fund reconstruction of present facilities within the meaning of TBTA’s General Revenue Bond Resolution and we have been informed that this amount, together with interest income thereon, is to be used to fund reconstruction of present facilities within the meaning of the TBTA’s General Revenue Bond Resolution.

#### 8. GASB 43 RESERVE

- Agreed the amount appearing on the Schedule of Operating Surplus (Exhibit A) as “Establishment of GASB 43 Reserve Account” of \$0, to the MTA Bridges and Tunnels Financial Plan 2016-2019 which was approved by the Finance Committee.

\* \* \* \* \*

## TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

### SUPPORTING SCHEDULE TO THE SCHEDULE OF OPERATING SURPLUS YEAR ENDED DECEMBER 31, 2015

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TOTAL REVENUES		\$ 1,853,987,660
LESS INTEREST INCOME		<u>182,604</u>
OPERATING REVENUES (Exhibit A)		<u>\$ 1,853,805,056</u>
TOTAL EXPENSES		\$ 818,226,266
LESS: Interest Expense on Bond Indebtedness	\$ 344,894,981	
Reimbursement of Personnel Costs	<u>20,573,889</u>	<u>365,468,870</u>
OPERATING EXPENSES (Exhibit A)		<u>\$ 452,757,396</u>
PREPAID EXPENSES AND OTHER ADJUSTMENTS:		
Balance December 31, 2014	\$ 22,684,065	
Balance December 31, 2015	<u>25,584,817</u>	
INCREASE IN PREPAID EXPENSES AND OTHER ADJUSTMENTS (Exhibit A)		<u>\$ 2,900,752</u>
DEBT SERVICE:		
TBTA	\$ 239,277,772	
MTA	118,099,587	
NYCTA	<u>255,946,787</u>	
Subtotal	613,324,146	
INTEREST INCOME ON UNEXPENDED BOND PROCEEDS AND DEBT SERVICE FUNDS	<u>238,604</u>	
TOTAL DEBT SERVICE ON BONDS (Exhibit A)		<u>\$ 613,562,750</u>

# Staff Summary

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

<b>Date</b> February 12, 2016
<b>Vendor Name</b> Various
<b>Contract Number</b> Various
<b>Contract Manager Name</b> Various
<b>Table of Contents Ref #</b> 

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	2/22/2016	X		
2	Board	2/24/2016	X		

Internal Approvals					
Order	Approval	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:**

**# of Actions    \$ Amount**

MTAHQ proposes to award Non-competitive procurements in the following categories:    None    None

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule F: Personal Service Contracts	3	\$149,742,703.00
Schedule G: Miscellaneous Service Contracts	3	\$ 3,910,800.00
<b>SUBTOTAL</b>	<b>6</b>	<b>\$153,653,503.00</b>

MTAHQ presents the following procurement actions for Ratification:

	None	None
<b>TOTAL</b>	<b>6</b>	<b>\$153,653,503.00</b>

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

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

## BOARD RESOLUTION

### METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

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

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

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

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

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

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

**LIST OF PROCUREMENTS FOR BOARD APPROVAL, FEBRUARY 2016**  
**COMPETITIVE PROCUREMENTS**

**METROPOLITAN TRANSPORTATION AUTHORITY**

*Procurements Requiring Majority Vote:*

**F. Personal Service Contracts**

Staff Summaries required for items greater than: \$100k Sole Source; \$250 other Non-Competitive, \$1 million Competitive

1. **Various** (see below) **\$115,000,000** **Staff Summary Attached**  
**All-Agency Enterprise Asset Management** (not-to-exceed)  
**Contract Nos. 15133-0100 thru 2000**

Competitively negotiated – 30 proposals – 60 months

To recommend that the Board approve the award of twenty (20) competitively negotiated, all-agency personal services retainer contracts to support and implement the next stage of MTA's Enterprise Asset Management (EAM) Program on an as-needed basis for a period of three (3) years with two additional one-year options from March 31, 2016 through March 30, 2021 in the not-to-exceed amount of \$115 million, to the below firms. Each contract will be awarded on a zero-dollar basis. Individual work assignments will be awarded through a mini-RFP competitive process among some or all firms. This new contract will incorporate Federal requirements (the FTA has promulgated new asset management requirements as a funding stipulation under the Moving Ahead for Progress in the Twenty-First Century (MAP-21) legislation) and support the next stage of the EAM implementation which may include the following tasks: asset management business architecture, strategy, and planning; business process review, re-engineering and standardization; life-cycle investment decision-making, etc. The twenty (20) selected firms originally proposed average hourly rates ranging from \$572.72 (Project Director) to \$51.27 (for Document Control Clerk). These hourly rates were negotiated down to a range of \$498.02 to \$17.98 representing a reduction of 13% to 65% and will remain fixed for the five year term. These rates are 5% higher to 59% lower than the current three-year old contract rates ranging from \$475 to \$43.28. Based on the above, these negotiated rates are considered fair and reasonable.

- |              |                   |                     |                         |
|--------------|-------------------|---------------------|-------------------------|
| 1. ABS Group | 6. ARMS           | 11. EAMS Group      | 16. Parsons Brinkerhoff |
| 2. Accenture | 7. Asset Analytix | 12. eVision         | 17. Nexus               |
| 3. AMCL      | 8. Atkins, PA     | 13. GDH             | 18. Palmer              |
| 4. Amey      | 9. Cambridge Sys  | 14. KPMG            | 19. Vesta               |
| 5. Arcadis   | 10. CH2M Hill     | 15. Life Cycle Eng. | 20. Argo                |

2. **CTC, Inc.** **\$6,110,335** **Staff Summary Attached**  
**Engineering Assessment of MTA Railway-Highway Grade Crossings** (not-to-exceed)  
**Contract No. 15350-0100**

Competitively negotiated – 6 proposals – 36 months

To recommend that the Board approve the award of a competitively negotiated, personal services contract to CTC, Inc. to provide an independent multidisciplinary engineering assessment of MTA railway-highway grade crossings for a period of three years from March 1, 2016 through February 28, 2019 in the not-to-exceed amount of \$6,110,335, which includes a contingency of \$555,485 for inspections and technical consulting, if required. In May 2015 CTC, Inc. was

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

engaged to assess five grade crossings in MNR territory (in both New York and Connecticut). The subsequent assessment and reports identified engineering and procedures improvements that would enhance safety at MTA railway-highway grade crossings. Due to the need to continue these critical safety assessments in a timely manner, the MTA recommended and the Board ratified a non-competitive, six-month, personal services contract with CTC to assess twenty (20) additional crossings. At that time, The Board was advised that, concurrently, a competitive RFP process for the remainder of the crossings would be conducted and presented to the Board for approval at a later date. As a result of negotiations CTC, Inc. initially proposed \$9,584 per assessment which was negotiated down to \$6,800 representing a savings of \$2,784 or 29% and is the same price CTC charged the MTA under the prior six-month agreement. Additionally, these rates are the same or less than the rates CTC charges for similar work in other States or the Federal Government. Based on the above, the not-to-exceed amount of \$6,110,335, which includes a contingency of \$555,485 for inspections and technical consulting, if required, is considered fair and reasonable.

3. **The McKissack Group** **\$28,632,368** Staff Summary Attached  
**Independent Engineering Consultant** **(not-to-exceed)**  
**Contract No. 15095-0100**

Competitively negotiated – 2 proposals – 84 months

To recommend that the Board approve the award of a competitively negotiated, personal services contract to The McKissack Group (Mckissack), a certified MWBE, to provide oversight services of the MTA Capital Program, as required by New York State Public Authorities Law 1263-4(b), for a three-year period from March 1, 2016 through February 28,, 2019, with options to renew for four additional one-year periods at MTA's sole discretion, at a total, not-to-exceed cost of \$28,632,368 for the initial three years. The MTA requires the 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). As a result of negotiations, McKissack's original cost proposal of \$40,522,072 was negotiated down to \$28,632,368 which represents a reduction of \$11,889,704 or 29%. The reduction is attributed to: i) Elimination of the requirement for a Manager of the Small Business Mentoring Program, which has been transferred to the MTA, ii) Reduction of proposed number of Personnel, iii) Hourly rate adjustment, and iv) MTA Audit Recommendation. The proposed hourly rates for the first year are the same rates under the current seven-year Agreement. Years 2 and 3 of the proposed new contract are subject to a 2% increase or CPI, whichever is lower. The rates for the four one-year options will be capped annually at CPI. Based on the above, these rates are considered fair and reasonable.

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

**G. Miscellaneous Service Contracts**

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

4. **All-Agency, As-Needed Moving Services** **\$2,500,000** Staff Summary Attached  
**Contract Nos. 15496-0100 thru -0900** (not-to-exceed)
- a. **Sher-Del Transfer & Relocation Services, Inc.**
  - b. **Smart Moving & Storage, Inc.**
  - c. **Viable Holdings, Inc.**
  - d. **Moveaway Transfer & Storage Inc.**
  - e. **Business Relocation Services**
  - f. **Elate Moving, LLC**
  - g. **Tri-State Moving Services, Inc.**
  - h. **McCollister's Transportation Group, Inc.**
  - i. **Santiago Worldwide, Inc.**

Ride NY State Competitive Contract No. 22723 – 48 months

To recommend that the Board approve the award of nine (9) competitively solicited, all-agency contracts, riding New York State Contract No. 22723, for on-call building/office moving services for a period of four (4) years from March 1, 2016 to February 2, 2019 to the firms listed above, in the not-to-exceed amount of \$2,500,000. The number of firms retained was determined based upon (i) securing a sufficient number of firms to ensure adequate geographical competition for each work assignment, ii) having a wide range of expertise to ensure adequate competition for each work assignment. These services will be performed based on the hourly rates established in each firm's NY State contract and will be awarded as work assignments after conducting a mini-competitive process among some or all of the firms. Based on the above, the not-to-exceed cost of \$2,500,000 for the four-year period is considered fair and reasonable.

5. **DynTek Services, Inc.** **\$485,800**  
**IT Technical Consultant Services**  
**Contract No. 16035-0100**

Ride NY State Competitive Contract No. PT64308 – 12 months

To obtain Board approval to award a twelve-month, competitively awarded, contract with Dyntek Services to provide technical IT services for the implementation of SailPoint Identity Governance Suite, the new Identity & Access Management system. This new system will be replacing the current Identity Management system, SailPoint's solutions and will be the foundation for the new MTA-Wide Identity & Access Management Ecosystem. As a result of the MTA IT Transformation, MTA agencies need to provide a centralized Identity Governance and the on-boarding/off-boarding solution for all user identities for MTA employees, consultants and contractors. Dyntek will work with MTA IT staff to provide all the build-out requirements of this solution, install the required SailPoint software, and establish communication connectors to major systems for the user population. The Hourly rate for these services (\$93.75/hr.- \$300.00/hr.) are an average of 24% lower than the rates established under New York State Contract PT64308 (\$175/hr. - 392.86/hr.). Based on the above, the rates are considered fair and reasonable.

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

6. **Avaya, Inc.** **\$925,000**  
**IT Technical Implementation Services**  
**Contract No. 16035-0100**

Ride NY State Competitive Contract No. PT64524 – 12 months

To obtain Board approval to award a twelve-month, competitively awarded, contract with Avaya, Inc. to provide technical IT services for the installation of new TBTA Avaya Telephone Sets and to upgrade TBTA's PBX telephone system and associated wiring at all seven B&T bridges and two tunnels. The PBX, voice mail, and ancillary unified communication systems will be distributed across two locations for disaster recovery and business continuity purposes. The new primary PBX system will be installed in the 2 Broadway data center and a backup PBX system will be installed at the LIRR Hillside facility and will be designed to automatically cut over to the backup system during any outage of the primary system. This will provide an enhanced ability to restore services in case of a catastrophic failure. The new system will also be VoIP enabled, which will allow for easier voice service deployment to remote locations, and the ability to address specific situations faster during emergencies. Avaya will work with MTA IT staff to provide all the build-out requirements, install the required Avaya hardware/software, and establish communication connectors to major systems for the user population. The hourly rate for these services are on average 15% lower than the rates established under New York State Contract PT64524 (\$214/hr. – 300/hr.) and are lower than the Federal Government rates. Based on the above, these rates are considered fair and reasonable.

# Staff Summary

## Schedule F: Personal Service Contracts

<b>Item Number:</b>					
<b>Dept &amp; Dept Head Name:</b> Capital Programs/Craig Stewart					
<b>Division &amp; Division Head Name:</b> Enterprise Asset Management/Michael Salvato					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	Finance	2/22/2016	X		
2	Board	2/24 /2016	X		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
1	Procurement	4	DDCR		
2	Capital Programs	5	Legal		
3		6	CFO		

<b>SUMMARY INFORMATION</b>	
<b>Vendor Name:</b> Various	<b>Contract Number</b> 15133-0100 thru 2000
<b>Description:</b> Enterprise Asset Management Consulting Services	
<b>Total Amount:</b> \$115,000,000	
<b>Contract Term (including Options, if any):</b> March 31, 2016 through March 30, 2021	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type:</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

**Narrative**

**I. PURPOSE/RECOMMENDATION**

To recommend that the Board approve the award of twenty (20) competitively negotiated, all-agency personal services retainer contracts to support and implement the next stage of MTA's Enterprise Asset Management (EAM) Program on an as-needed basis for a period of three (3) years with two additional one-year options from March 31, 2016 through March 30, 2021 in the not-to-exceed amount of \$115 million, to the below firms. Each contract will be awarded on a zero-dollar basis. Individual work assignments will be awarded through a mini-RFP competitive process among some or all firms.

- |              |                   |                     |                         |
|--------------|-------------------|---------------------|-------------------------|
| 1. ABS Group | 6. ARMS           | 11. EAMS Group      | 16. Parsons Brinkerhoff |
| 2. Accenture | 7. Asset Analytix | 12. eVision         | 17. Nexus               |
| 3. AMCL      | 8. Atkins, PA     | 13. GDH             | 18. Palmer              |
| 4. Amey      | 9. Cambridge Sys  | 14. KPMG            | 19. Vesta               |
| 5. Arcadis   | 10. CH2M Hill     | 15. Life Cycle Eng. | 20. Argo                |

**II. DISCUSSION**

In the past 30 years, the MTA has spent nearly \$115 billion on restoring, improving, and expanding its asset base, such as infrastructures, facilities, rolling stocks, systems, etc., in order to provide efficient service. For the next 20 years, needs are estimated to total \$106 billion. Thus, in 2013, the Board approved a contract to provide asset management services for the purpose of initiating an Enterprise Asset Management (EAM) program across all agencies. The purpose of undertaking an Enterprise Asset Management approach was to transition from a reactive maintenance and replace model to a model that promotes a more effective life cycle approach to maintaining MTA's nearly \$1 trillion asset base. Managing this extensive asset base 24/7 is costly and complex. By managing assets uniformly across the agencies MTA can, through common business practices, economies of scale, and data sharing: (i) improve asset utilization and performance, (ii) reduce asset related operating costs, (iii) reduce capital costs, (iv) optimize scheduled work, (v) reduce unscheduled work, etc. To date, gap assessments and implementation plans; development of requirements for enterprise asset management software; maintenance planning and reliability initiatives; technology demonstrations and training initiatives have been completed. The information gathered by the planning stage activities proved the EAM business case and the success of this phase of the program has created opportunities for rapid improvements across the agencies. This new contract will incorporate Federal requirements (the FTA has promulgated new asset management requirements as a funding stipulation under the Moving Ahead for Progress in the Twenty-First Century (MAP-21) legislation) and support the next stage of the EAM implementation which may include the following tasks: asset management business architecture, strategy, and planning; business process review, re-engineering and standardization; life-cycle investment decision-making and optimization; life-cycle delivery (acquisition, maintenance, operation and disposal); development of Reliability-Based Maintenance programs for critical assets; business process extension interfacing; deployment and integration of mobile devices, remote sensors and other technologies; leadership and organizational change; asset information strategy, standards, systems and data; maintenance planning and scheduling; risk and performance management systems; enterprise architecture comprising, systems, business and data; organizational communications; decision support analysis and design; and data visualization concepts.

In order to continue these essential services, a Request for Proposals (RFP) was publicly advertised and issued to two-hundred fifty-six (256) firms. Thirty (30) proposals were received. The firms were evaluated based on the following:

- i. The recommended approaches to a consultant's role to support a client-lead enterprise asset management improvement program including critically defining and evaluating existing conditions and gaps between existing conditions and EAM best practices, and developing organizational strategies, plans and objectives, business process re-engineering, development of asset management competencies and culture, information strategies, enterprise architecture, systems and decision support tools, project and program management, and critiquing and commenting on the client's leadership and performance.
- ii. Demonstrated experience of the consulting firm in organizing and providing support and advice to comparable, complex public and private clients, in Enterprise Asset Management, and/or business transformation and compliance.
- iii. The relevance to MTA of the business case and value realization methodology proposed for defining and capturing the benefits from asset management transformation, business process re-engineering, developing organizational competencies and investments in information technology.
- iv. The proposed methodology for knowledge transfer to and the improvement and development of in-house capacity at the MTA so that, on an on-going basis, the results of identified and/or improvement of asset management, business processes, benefits realization, and operating efficiencies can be continued and applied in other situations using in-house resources.

The Selection Committee consisted of representatives from MTA Headquarters, MTA New York City Transit, MTA Bus, MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bridges & Tunnels. Based on the evaluation of proposals and oral presentations, the selection committee determined that the twenty (20) firms listed above were the most technically qualified and best suited to perform the services identified in the RFP. The consultants will perform specific work assignments, on an as-needed basis, based on hourly rates established in the base contracts. Individual work assignments will be awarded through a mini-RFP competitive process among some or all firms. MTA has conducted a responsibility review and other due diligence on all firms. Significant Adverse Information was discovered concerning Atkins, PA. An award will not be made until the required approvals are obtained and Atkins, PA has been determined to be a responsible proposer.

The twenty (20) selected firms originally proposed average hourly rates ranging from \$572.72 (Project Director) to \$51.27 (for Document Control Clerk). These hourly rates were negotiated down to a range of \$498.02 to \$17.98 representing a reduction of 13% to 65% and will remain fixed for the five year term. These rates are 5% higher to 59% lower than the current three-year old contract rates ranging from \$475 to \$43.28. Based on the above, these negotiated rates are considered fair and reasonable.

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

MTA Department of Diversity and Civil Rights assigned a 15% DBE goal. Three of the firms (Accenture, KPMG and Parsons) have previously achieved their MWDBE goals on previous MTA contracts. The remaining firms have not completed any MTA contracts; therefore no assessment of their MWDBE performance can be determined at this time.

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

Funding is based on approved budgets for MTA headquarters and the operating agencies and will not exceed the limits approved by the Board.

### **V. ALTERNATIVES**

1. Perform all services in-house. This alternative is not feasible. The MTA and its agencies do not have the resources or the trained personnel to perform these services.
2. Do not approve award of the contracts. This is not practical. This would delay and compromise the MTA's ability to comply with Federal requirements, streamline its operations and realize recurring savings as a result of these services.

# Staff Summary

## Schedule F: Personal Service Contracts

<b>Item Number:</b>					
<b>Dept &amp; Dept Head Name:</b> Chief of Staff, Donna Evans					
<b>Division &amp; Division Head Name:</b> MTA Safety Management, Chief Safety Officer, David Mayer					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	Finance	2/22/2016	X		
2	Board	2/24/2016	X		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
1	Procurement <i>CEC</i>	4	Diversity and Civil Rights <i>MM</i>		
2	Chief Safety Officer <i>DM</i>	5	Legal <i>PS</i>		
3	Chief of Staff <i>DM</i>	6	CFO <i>TS</i>		

<b>SUMMARY INFORMATION</b>	
<b>Vendor Name:</b> CTC, Inc.	<b>Contract Number:</b> 15350-0100
<b>Description:</b> Engineering Assessment of MTA Railway-Highway Grade	
<b>Total Amount:</b> \$6,110,335	
<b>Contract Term (including Options, if any)</b> March 1, 2016 to February 28, 2019	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type:</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source:</b> <input type="checkbox"/> Operating <input 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, personal services contract to CTC, Inc. to provide an independent multidisciplinary engineering assessment of MTA railway-highway grade crossings for a period of three years from March 1, 2016 through February 28, 2019 for a not-to-exceed amount of \$6,110,335, which includes a contingency of \$555,485 for inspections and technical consulting, if required.

**II. DISCUSSION:**

The two MTA railroads have a total of 437 crossings, 334 of which are on the Long Island Rail Road (LIRR), and the remaining 103 are on Metro-North Railroad (MNR). Both railroads have very active internal crossing assessment and upgrade programs. These programs result in regular and recurring safety assessments of crossings as well as enhancement projects that are typically coordinated with cognizant roadway authorities.

On February 3, 2015, a Metro-North train collided with an SUV at the Commerce Street crossing in Valhalla, New York resulting in six fatalities. In May 2015 CTC, Inc. was engaged to assess five grade crossings in MNR territory (in both New York and Connecticut). The subsequent assessment and reports identified engineering and procedures improvements that would enhance safety at MTA railway-highway grade crossings. Due to the need to continue these critical safety assessments in a timely manner, the MTA recommended and the Board ratified a non-competitive, six-month, personal services contract with CTC to assess twenty (20) additional crossings. At that time, The Board was advised that, concurrently, a competitive RFP process for the remainder of the crossings would be conducted and presented to the Board for approval at a later date.

In order to continue these essential services a new competitive Request for Proposal (RFP) was issued. The RFP was publicly advertised, including an on-line ad on Progressive Railroading. Additionally, letters were sent to thirty-five (35) firms, including five (5) M/WBE Firms, advising them of the RFPs availability. Six (6) proposals were received. The firms were evaluated based on their relevant experience in appraising similar type projects, assigned personnel as well as cost. The Selection Committee, consisting of representatives from Metro-North Railroad, Long Island Rail Road and MTA evaluated all the proposals and

determined that CTC, Inc. is the most technically qualified to perform this work because of its experience, qualifications and knowledge of the industry and its ability to complete projects in a timely manner. MTA has conducted a responsibility review and other due diligence on CTC Inc. and has deemed it to be responsible for award.

As a result of negotiations CTC, Inc. initially proposed \$9,584 per assessment which was negotiated down to \$6,800 representing a savings of \$2,784 or 29% and is the same price CTC charged the MTA under the prior six-month agreement. Additionally, these rates are the same or less than the rates CTC charges for similar work in other States or the Federal Government. Based on the above, the not-to-exceed amount of \$6,110,335, which includes a contingency of \$555,485 for inspections and technical consulting, if required, is considered fair and reasonable.

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

MTA Department of Diversity and Civil Rights has assigned a 15% MBE and 15% WBE goals to this procurement. CTC Inc. has not completed any MTA contracts with goals; therefore, no assessment of the firm's MWDBE performance can be determined at this time.

**IV IMPACT ON FUNDING:**

The total cost for this contract will not exceed \$6,110,335 for the 36-month period. Funding for this contract will be charged to MTA Safety Management.

**V. ALTERNATIVES:**

Do not Approve Award of the Contract. This is not practical. This contract will enhance the MTA's understanding of the causes and prevention of railroad crossing incidents, and it will further the interaction and cooperation of the MTA railroads with the roadway authorities that have responsibilities for pavement markings, highway signage, and traffic control devices at and near MTA crossings.

# Staff Summary

## Schedule F: Personal Service Contracts

Item Number:					
Dept & Dept Head Name: Capital Programs/ C. Stewart <i>CJS</i>					
Division & Division Head Name: Office of Construction Oversight/ M. Wetherell					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	Finance	2/22/2016	X		
2	Board	2/24/2016	X		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
1	Procurement <i>CJS</i>	4	DDCF <i>[Signature]</i>		
2	Construction Oversight <i>[Signature]</i>	5	Legal <i>[Signature]</i>		
3	Capital Programs <i>CJS</i>	6	CFO <i>[Signature]</i>		

<b>SUMMARY INFORMATION</b>	
Vendor Name: The McKissack Group, d/b/a McKissack & McKissack	Contract Number: 15095-01000
Description: Independent Engineering Consultant/MTA Capital Program	
Total Amount: \$28,632,368	
Contract Term (Including Options, if any) March 1, 2016 - February 28, 2019 (plus four 1-yr. options)	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source: <input type="checkbox"/> Operating <input checked="" 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, personal services contract to The McKissack Group (McKissack), a certified MWBE, to provide oversight services of the MTA Capital Program, as required by New York State Public Authorities Law 1263-4(b), for a three-year period from March 1, 2016 through February 28, 2019, with options to renew for four additional one-year periods at MTA's sole discretion, at a total, not-to-exceed cost of \$28,632,368 for the initial three years. This contract is funded by each agency from within its capital program. The 2015-2019 Capital Program funds the oversight agenda for projects within that program and subsequent capital programs, which are subject to approval by the MTA Board and Capital Program Review Board, will fund the oversight work anticipated for projects within those programs.

**II. DISCUSSION**

The MTA requires the 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) under this award include 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: 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.

Similar responsibilities under previous IEC contracts required approximately 20-22 full-time staff equivalents on an annual basis, and this contract anticipates approximately the same number of full-time staff equivalents annually. Specific staff assignments are given to the IEC by the MTA's Office of Construction Oversight, with direction from CPOC. The IEC work level and anticipated billable cost is controlled by the Office of Construction Oversight.

In order to continue these consulting services, a Request for Proposals (RFP) was publicly advertised and letters advising potential proposers of the RFP's availability were mailed to approximately eight-four (84) major consultant firms, ten (10) of which were D/M/WBE firms. Two (2) proposals were received.

A Technical Selection Committee composed of representatives from MTAHQ, B&T, LIRR and NYCT evaluated the proposals and determined that two firms, TransCap and McKissack, should be submitted to the Executive/Board Selection Committee, composed of three members of CPOC, One Agency President and MTA Capital Programs, for final consideration. Subsequently, the Executive/Board Selection Committee met, reviewed both proposals and recommended McKissack as best qualified to perform the required oversight services. In response to the requirements as detailed in the RFP, McKissack has assembled a team which brings impressive depth and experience, and national recognition through their sub-consultants, in transit and transportation, engineering, construction management, risk assessment and quality management. MTA has conducted a responsibility review and other due diligence with regard to McKissack and has deemed it to be responsible for award. A McKissack team is currently performing the IEC function for MTA.

As a result of negotiations, McKissack's original cost proposal of \$40,522,072 was negotiated down to \$28,632,368 which represents a reduction of \$11,889,704 or 29%. The reduction is attributed to: i) Elimination of the requirement for a Manager of the Small Business Mentoring Program, which has been transferred to the MTA, ii) Reduction of proposed number of Personnel, iii) Hourly rate adjustment, and iv) MTA Audit Recommendation. The proposed hourly rates for the first year are the same rates under the current seven-year Agreement. Years 2 and 3 of the proposed new contract are subject to a 2% increase or CPI, whichever is lower. The rates for the four one-year options will be capped at CPI. Based on the above, these rates are considered fair and reasonable.

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

MTA Department of Diversity and Civil Rights has assigned a 15% MBE and 15% WBE goals to this procurement. The McKissack Group has achieved its previous MWDBE goals on previous MTA contracts. McKissack is a New York State certified MBE and WBE.

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

This contract is funded by each agency from within its capital program. The 2015-2019 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.

### **V. ALTERNATIVES**

None. New York State Public Authorities Law 1263-4(b) requires that a nationally recognized independent transit engineering firm be available for consultation with CPOC, and be involved in the oversight of the MTA Capital Program.

# Staff Summary

## Schedule G: Miscellaneous Service Contracts

Item Number:

<b>Vendor Name (&amp; Location):</b> Various	<table border="1" style="width: 100%;"> <tr> <td style="width: 70%;"><b>Contract Number:</b> 15496-0100 thru 0900</td> <td style="width: 30%;"><b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td colspan="2"><b>Total Amount:</b> \$2,500,000</td> </tr> <tr> <td colspan="2"><b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:</td> </tr> <tr> <td colspan="2"><b>Requesting Dept./Div &amp; Dept./Div. Head Name:</b> Real Estate/Facilities &amp; J. Rosen/P. DeCapua</td> </tr> <tr> <td colspan="2"><b>Contract Manager:</b> S. Mayclim</td> </tr> </table>	<b>Contract Number:</b> 15496-0100 thru 0900	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Total Amount:</b> \$2,500,000		<b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		<b>Requesting Dept./Div &amp; Dept./Div. Head Name:</b> Real Estate/Facilities & J. Rosen/P. DeCapua		<b>Contract Manager:</b> S. Mayclim	
<b>Contract Number:</b> 15496-0100 thru 0900	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No										
<b>Total Amount:</b> \$2,500,000											
<b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:											
<b>Requesting Dept./Div &amp; Dept./Div. Head Name:</b> Real Estate/Facilities & J. Rosen/P. DeCapua											
<b>Contract Manager:</b> S. Mayclim											
<b>Description:</b> All-Agency, As-Needed Moving Services											
<b>Contract Term (including Options, if any):</b> March 1, 2016 to February 2, 2019											
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No											
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive											
<b>Solicitation Type:</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: OGS Ride											

### DISCUSSION:

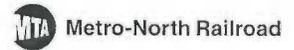
To recommend that the Board approve the award of nine (9) competitively solicited, all-agency contracts, riding New York State Contract No. 22723, for on-call building/office moving services for a period of four (4) years from March 1, 2016 to February 2, 2019 to the firms listed below, in the not-to-exceed amount of \$2,500,000.

- |  |   |
|--|---|
| 1. Sher-Del Transfer & Relocation Services, Inc. | 6. Elate Moving, LLC                        |
| 2. Smart Moving & Storage, Inc.                  | 7. Tri-State Moving Services, Inc.          |
| 3. Viable Holdings, Inc.                         | 8. McCollister's Transportation Group, Inc. |
| 4. Moveaway Transfer & Storage Inc.              | 9. Santiago Worldwide, Inc.                 |
| 5. Business Relocation Services                  |   |

The number of firms retained was determined based upon (i) securing a sufficient number of firms to ensure adequate geographical competition for each work assignment, ii) having a wide range of expertise to ensure adequate competition for each work assignment.

These services will be performed based on the hourly rates established in each firm's NY State contract and will be awarded as work assignments after conducting a mini-competitive process among some or all of the firms. MTA has conducted a responsibility review and other due diligence on the nine firms and has deemed these firms to be responsible for award.

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



Item Number: H

<b>Vendor Name (&amp; Location)</b> Danella Rental Systems, Inc. (Plymouth Meeting, PA) TNT Equipment, Inc. (Cinnaminson, NJ)
<b>Description</b> Heavy Equipment and Vehicle Rental Contract
<b>Contract Term (including Options, if any)</b> Three Years
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Procurement & Material Management, A Muir, Sr. Director

Contract Number	AWO/Modification #
IT04360-MW04	2
Original Amount:	\$2,046,000
Prior Modifications:	\$750,000
Prior Budgetary Increases:	\$0.00
Current Amount:	\$2,796,000
This Request:	\$3,000,000
% of This Request to Current Amount:	93.2%
% of Modifications (including This Request) to Original Amount:	68.2%

**Discussion:**

Approval is requested to award a contract change order for additional funding under the current purchase authorizations with Danella Rental Systems, Inc. (Danella) and TNT Equipment, Inc. (TNT) in the total amount of \$3,000,000 to provide continuous rental of heavy equipment and vehicles used by MNR's various operating divisions. Danella and TNT currently provide specific earthmoving, truck, and industrial rental equipment to MNR.

In 2014, under a joint procurement led by Long Island Rail Road (LIRR), MNR awarded a tiered three-year contract to eight heavy and vehicle rental suppliers to support various MNR departments and their territories of responsibility. To date, MNR has experienced significant increases in vehicle rental spending over the last two year period with the trend forecasted to continue through the contract completion of April 2017. This is due to unanticipated rentals and an increase in the number of vehicles needed to meet the demand of MNR's ongoing effort to renew the safety of its infrastructure and return it to a state of good repair.

All terms and conditions as well as the pricing for equipment rentals will remain unchanged. The total cost for this change order request is not to exceed \$3,000,000 (\$1,000,000 = Danella and \$2,000,000 = TNT), and it is to be funded by the MNR Operating Budget.

Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary



<b>Item Number:</b>					
<b>Dept &amp; Dept Head Name:</b> Procurement & Logistics, Dennis					
Department Head Signature & Date <i>[Signature]</i> 2/10/16					
<b>Division &amp; Division Head Name:</b> Program Management, Richard Oakley					
Division Head Signature & Date <i>[Signature]</i>					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	LI Committee	2.22.16	X		
2	MTA Board	2.24.16	X		
<b>Internal Approvals</b>					
Order	Approval	Ord	Approval		
1	President <i>[Signature]</i>	4	Sr. VP, Engineering <i>[Signature]</i>		
2	Executive VP <i>[Signature]</i>	5	VP, Chief Financial Officer <i>[Signature]</i>		
3	Sr. VP, Operations <i>[Signature]</i>	6	VP, Gen Counsel <i>[Signature]</i>		

SUMMARY INFORMATION	
<b>Vendor Name</b>	<b>Contract Number</b>
TBD	TBD
<b>Description:</b>	
New Signal Equipment - Mainline Second Track, Farmingdale to Ronkonkoma Phase I and Phase II	
<b>Total Amount:</b>	
TBD	
<b>Contract Term (including Options, if any):</b>	
TBD	
<b>Options(s) included in Total Amount:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Procurement Type</b>	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
<b>Solicitation Type</b>	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source</b>	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

**I. PURPOSE/RECOMMENDATION**

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public’s best interest to use the Request for Proposal (RFP) process pursuant to Section 1265-a of the Public Authorities Law to award a contract to design and furnish signal system components for the New Second Track – Farmingdale to Ronkonkoma on the LIRR Ronkonkoma Branch. LIRR’s Design Consultant is completing a preliminary design.

**II. DISCUSSION**

LIRR’s Main Line track between Farmingdale and Ronkonkoma consists of a single electrified at-grade track, with limited passing sidings. The total length of the corridor is 17.9 miles, with single track segments totaling 12.6 miles. Operation of a full Double Track will allow for more reliable LIRR Main Line service and faster recovery time following service disruptions. This investment will also allow for more frequent, half-hourly, mid-day service along this corridor. For the Farmingdale to Ronkonkoma segment of the LIRR, the construction of the Double Track is the key to improving service reliability and on-time performance and increasing service during off-peak and weekend periods.

Work under this contract supports Phase I (west of Central Islip to Ronkonkoma) currently funded and under construction, and Phase II (Farmingdale to west of Central Islip), which funding is included in LIRR’s proposed 2015- 2019 Capital Plan. Phase II work is included as option work. This request addresses the procurement of a signal system to support the entire second track, which will require final design, fabrication, delivery, testing and system integration of interlocking Central Instrument Locations (“CILs”), master locations, transmitter locations, grade crossing huts, cases and associated subsystems. Divide Tower will control this new signal system and will have new interlockings at Farmingdale, Wyandanch, Deer Park, Central Islip and modified at Ronkonkoma, and will include 18 new grade crossing huts, among other features.

## Staff Summary



The RFP process generally is used in design-furnish and design-build contracts because the technical specifications are not sufficiently complete to utilize a formal competitive bidding solicitation. With respect to this procurement, the RFP process also gives LIRR the ability to evaluate terms other than price alone, such as technical approach, staff qualifications, and past performance. In this regard, each qualified firm that is capable of designing and furnishing the signal huts called for under the contract will have a unique system architecture with advantages and disadvantages, which can be evaluated during the RFP process. If the Board adopts this resolution declaring that competitive bidding is impractical, LIRR anticipates presenting a recommendation to the Board to award a contract during the 3rd quarter of 2016.

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

Goals for this contract are to be determined by the MTA Office of Civil Rights.

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

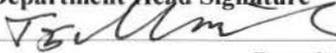
Funding for Phase I (base) is included in LIRR's 2010-2014 Capital Budget. Phase II (option) funding is included in LIRR's proposed 2015-2019 Capital Program. However, award is subject to approval of the 2015-2019 Capital Program.

### **V. ALTERNATIVES**

The alternative is to use the Invitation for Bid process. However, this alternative prevents communication with the contractor until after award, and as a result the LIRR would lose the ability to negotiate improvements to the construction schedule and incorporate more efficient means and methods for project delivery.

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# Staff Summary

<b>Subject</b> Second Ave Subway Acceleration Agreements					
<b>Department</b> Second Avenue Subway Project					
<b>Department Head Name</b> Anil Parikh, P.E. <i>Fon</i>					
<b>Department Head Signature</b> 					
<b>Board Action</b>					
Order	To	Date	Approval	Info	Other
1	NYCT & Bus Committee	2/22/16			
2	Finance Committee	2/22/16			
3	Board	2/24/16			

<b>Date</b> February 18, 2016			
<b>Vendor Names</b> Various			
<b>Contract Numbers</b> C-26009, C-26010, C-26011, and C-26012			
<b>Internal Approvals</b>			
Order	Approval	Order	Approval
1	Sr. Vice President & General Counsel		
2	Executive Vice President & CFO		
	President		

## PURPOSE

MTACC seeks Board Approval to enter into agreements to accelerate the work of the following four Second Avenue Subway Contracts: C-26009 - Track, Signal, Traction Power, Communications Systems (the "Systems Contract"), C-26010 - Second Avenue Subway – 96<sup>th</sup> Street Station Finishes (the "96<sup>th</sup> Street Station Contract"); C-26011 - Second Avenue Subway – 72<sup>nd</sup> Street Station Finishes, Mechanical, Electrical and Plumbing Systems, Ancillary Buildings and Entrances (the 72<sup>nd</sup> Street Station Contract"); and C-26012 - Second Avenue Subway – 86<sup>th</sup> Street Station Finishes, Mechanical, Electrical and Plumbing Systems, Ancillary Buildings and Entrances (the 86<sup>th</sup> Street Station Contract). These four Acceleration Agreements will accelerate the completion of critical activities necessary to commence Revenue Service on Phase 1 of the Second Avenue Subway in December 2016.

## DISCUSSION

The opening of the Second Avenue Subway with operations at four separate stations presents logistical challenges which are unprecedented in modern day New York City Transit operation. With this enormous challenge in mind and the understanding that there needs to be a massive mobilization of employee crews and equipment over a relatively short period of time, it is financially and operationally crucial that the system be ready as planned. Further complicating this process is the fact that three separate stations contractors must complete their work to a level that will enable the systems contractor to tie into the stations contract works so that all of the stations' systems and equipment can be successfully integrated, tested and commissioned. Taking all of these issues into consideration, as well as the extremely high passenger volume on the Lexington Avenue line and the stress that overcrowding presents to our customers, we have decided to make use of existing contingency funds within the project's budget to accelerate the completion of critical activities necessary to commence Revenue Service on Phase 1 of the Second Avenue Subway in December 2016:

### The 72<sup>nd</sup> Street Station Contract

At the 72<sup>nd</sup> Street Station, the Contractor will work extended shifts, multiple shifts and/or weekends to accelerate completion of, among other things, facility power and electrical distribution rooms, mechanical rooms, Ancillaries 1 & 2, fan rooms, escalators and elevators, and testing and commissioning. The Contractor's proposal to accelerate this work was \$22,015,625. MTACC's estimate was \$17,105,762. Negotiations resulted in agreement on a total price for the acceleration of \$17,500,000, which is considered fair and reasonable.

### The 86<sup>th</sup> Street Station Contract

At the 86<sup>th</sup> Street Station, the Contractor will work extended shifts, multiple shifts and/or weekends to accelerate completion of, among other things, permanent power, Ancillaries 1 and 2, mechanical systems, escalators and elevators, water mist system, station finishes, and testing and commissioning. The Contractor's proposal to accelerate this work was \$28,260,990. MTACC's estimate was \$18,123,796. Negotiations resulted in agreement on a total price for the acceleration of \$18,500,000, which is considered fair and reasonable.

## The 96<sup>th</sup> Street Station Contract

At the 96<sup>th</sup> Street Station, the Contractor will work extended shifts, multiple shifts and/or weekends to accelerate completion of, among other things, Ancillaries 1 and 2; escalators and elevators, mechanical systems, station finishes and testing and commissioning. The Contractor's proposal to accelerate this work was \$17,588,881. MTACC's estimate was \$13,619,693. Negotiations resulted in agreement on a total price for the acceleration of \$14,000,000, which is considered fair and reasonable.

## The Systems Contract

For the systems work, the Contractor will work extended shifts, multiple shifts and/or weekends to accelerate completion of, among other things, track installation, traction power work and communications systems. The Contractor's proposal to accelerate this work was \$33,585,205. MTACC's estimate was \$9,848,524. Negotiations resulted in agreement on a total price for the acceleration of \$16,000,000, which is considered fair and reasonable.

\* \* \*

Each of the Acceleration Agreements will establish new intermediate milestones which support the commencement of NYCT pre-revenue testing and training by September 1, 2016 and Revenue Service in December 2016. The precise dates of the station milestones are still being established based upon the need dates of the System's contractor. The total price due for each of the agreements will be apportioned among the new milestones and the Acceleration Agreements will require the contractors to complete the work for each milestone within 30 days of the date established for the milestone in order to receive the milestone payment. The Agreements will also allow the contractors a second chance to earn the milestone payment for certain milestones if the contractor is able to "catch-up" in time to meet the date required for pre-revenue training and testing. However, if the contractor misses a milestone date (plus 30 days) and misses the pre-revenue service testing and training date (plus 30 days), the contractor will not be entitled to the milestone payment for that milestone. The MTA will retain the right, in its sole discretion, to pay a contractor for an otherwise missed milestone if Revenue Service commences in or before December 2016. The structure of the Acceleration Agreements provides the contractors with a continuing incentive to complete the work in time to commence Revenue Service in December 2016.

In order to complete all work necessary to support the December 2016 Revenue Service Date it was necessary to start acceleration immediately. Accordingly, the president of MTACC authorized each of the contractors to begin accelerating in January on a time and material basis for a not-to-exceed amount of \$740,000 per contract pending the negotiation and execution of formal acceleration agreements.

## **ALTERNATIVES**

Failure to enter into the proposed Acceleration Agreements and implement the proposed acceleration plans will increase the risk that Revenue Service will not commence until sometime in 2017 which will also have a financial impact on construction management support costs as well as the operating budget and prolong crowded conditions on the Lexington Avenue line.

## **FUNDING IMPACT**

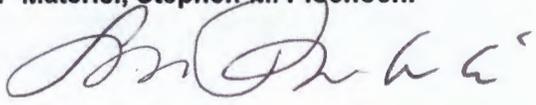
The Acceleration Agreements will be funded from the project contingency.

## **RECOMMENDATION**

For the reasons set forth herein, MTACC recommends that the Board authorize MTACC to enter Acceleration Agreements which will accelerate the work under the following four Second Avenue Subway Contracts for the amounts stated:

- C-26011 - the 72<sup>nd</sup> Street Station Contract \$17,500,000
- C-26012 - the 86<sup>th</sup> Street Station Contract in the amount of \$18,500,000
- C-26010 - the "96<sup>th</sup> Street Station Contract in the amount of \$14,000,000
- C-26009 - Systems Contract in the amount of \$16,000,000

# Staff Summary

<b>Item Number</b> 1			
<b>Division &amp; Division Head Name:</b> VP Materiel, Stephen M. Plechochi 			
<b>Internal Approvals</b>			
Order	Approval	Date	Approval
1	Materiel <i>WD</i>	6 X	CPM
2 X	Law	7 <i>2/15/16</i>	President MTABC/SVP Buses <i>CP, RS, OI</i>
3 X	Budget	8	EVP, NYCT (ACTING) <i>MPC 2/18/16</i>
4 X	DDCR	9	President, NYCT <i>VH</i>
5 X	Subways		

SUMMARY INFORMATION	
<b>Vendor Name</b> Parsons Transportation Group of New York, Inc.	<b>Contract No.</b> W-32366
<b>Description</b> 700/800 MHz Bus Radio System for New York City Transit Authority	
<b>Total Amount</b> \$202,100,000	
<b>Contract Term (including Options, if any)</b> 58 months	
<b>Option(s) incl. in Total Amt?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Renewal?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: City	

**PURPOSE:**

To obtain Board approval to award a contract for the 700/800 MHz Bus Radio System for NYC Transit Authority and the MTA Bus Company (MTABC) to Parsons Transportation Group of New York, Inc. (Parsons) in the amount of \$202,100,000 and a duration of 58 months. The contract also includes three 5-year options for maintenance and training support services, the pricing for which is not included in the total amount listed above, as separate approval and funding will be sought prior to the execution of any option.

**DISCUSSION:**

The objective of this project is to design, furnish and install a new land mobile digital radio system in the 700/800 MHz band servicing both the NYC Transit Department of Buses (DOB) and MTABC. Upon completion of this project, DOB and MTABC will share a common radio network, base station sites and a new unified Bus Command Center (BCC) that is currently being built under a separate contract.

The current DOB analog radio system utilizes 20 channels in the 800 MHz band. This system is more than 25 years old, technologically obsolete and does not satisfy DOB requirements for quality of service and growth, including the addition of dispatching responsibility for MTABC. The MTABC operates on a leased analog radio system on nine channels in the 900 MHz band. Under the new Bus Radio System, all NYCT-allocated channels in the 700/800 MHz bands will be utilized in the system to communicate with personnel in buses, support vehicles and on portable radios. The work includes the retrofitting of 6,250 existing buses and support vehicles with new mobile radios, providing 1,250 portable radios, outfitting the new BCC with dispatch consoles, computer-aided dispatch equipment, network, telephone, video and audio systems, other furniture and all the hardware and software necessary for a functioning dispatch/command center.

An Authorizing Resolution requesting the use of a competitive Request for Proposals (RFP) procurement process was approved by the Board in July 2013. To encourage competition for this RFP, outreach efforts were made to the industry, including the release of a Request for Information (RFI) in 2013, in which all known potential proposers were invited to participate. As a result of the RFI, several potential Proposers were identified and all participants were contacted directly for this RFP. Selection was accomplished through the use of a one-step RFP process in which prospective Proposers submitted technical and cost proposals that were evaluated by a Selection Committee (SC) in accordance with pre-established selection criteria, which prioritized technical factors, including: Proposer's capability to design, furnish, integrate and install a system which meets the coverage and capacity requirements set forth in the RFP while maintaining existing radio operations; experience with the integration of various subsystems including Radio Systems, CAD systems, Dispatch Consoles, Microwave Backhauls, GPS Systems; and FCC Coordination and licensing. After technical factors, the overall project cost and other relevant matters were a consideration. Following advertising, the RFP package was purchased by four radio manufacturers as well as other potential primes, subcontractors and suppliers. Two radio manufacturers did not propose; despite Transit's inquiry, we were not able to ascertain why. The remaining two manufacturers submitted proposals, one as a prime and the other as a subcontractor to a system integrator.

## Staff Summary

Technical and cost proposals were received as follows: Motorola Solutions Inc. (Motorola) - \$223,948,017 (plus \$76,133,601 for a five-year optional maintenance support service) and Parsons - \$248,678,868 (plus \$39,997,229 for a five-year optional maintenance support service). The internal estimate was \$192,400,000 (not including optional maintenance). Both proposers certified compliance with the Federal Buy America requirements. Due to the complexity of this project, a Technical Committee (TC) comprised of members from various NYC Transit and MTABC Departments including engineering, communications and electronics maintenance, was established in order to conduct an evaluation of the technical proposals and report its findings to the SC. Both proposers were invited to give oral presentations. After oral presentations, the technical review was completed and the TC ranked Parsons' technical proposal very good, meeting all aspects and in some cases exceeding the critical requirements, while Motorola's technical proposal was ranked marginal, lacking essential information and having significant weaknesses, which may be correctable. The SC, considering the selection criteria, unanimously recommended the two teams for negotiations, affording Motorola an opportunity to remedy its technical deficiencies.

Parsons' technical solution utilizes 35 radio sites and it is based on a TETRA technology radio, a global standard extensively used in Europe and recently introduced in the US. TETRA standard is an open architecture that will permit any manufacturers' product meeting this requirement to be used. The TETRA radio is manufactured by PowerTrunk (a U.S. subsidiary of Sepura PLC, a European company), which has deployed numerous radio systems throughout the world, including the US, and has full FCC certification for its proposed equipment as required by the RFP. Motorola is a radio manufacturer; its technical solution, as first submitted, utilized 19 sites and is based on TETRA technology for the 800 MHz band and a combined TETRA/P25 radio solution operating on the 700 MHz band. Although Motorola's proposed 800 MHz radio equipment currently exists and is FCC certified, the TETRA radios for the 700 MHz band that Motorola proposed would require future design and manufacture using TETRA technology that Motorola has not previously deployed in the U.S. Moreover, Motorola does not have FCC certification for its TETRA equipment operating in the 700 MHz band, a pre-requisite in order to be eligible for award.

Negotiations were conducted with both firms and included discussions of commercial and contractual terms and conditions, technical requirements and overall cost, and focused on ensuring that each technical solution complied with all requirements contained in the scope of work and technical specifications, especially with respect to coverage areas. During negotiations, Motorola was made aware that its technical solution did not meet the RFP requirements with respect to coverage (including signal strength requirements), and reminded that it would need to obtain FCC certification for its proposed 700 MHz equipment in order to be eligible for award. Parsons was advised that it needed to address post installation support in the NY operating area.

Following negotiations, a Post Proposal Addendum (PPA) was issued to both Proposers in order to allow Motorola, in particular, additional time to address those areas in which its proposal was deemed to be lacking and to submit an interim proposal so as to bring it into compliance with Transit's requested coverage, signal strength and FCC certification requirements. The PPA also further clarified the technical specifications and allowed Parsons to submit an interim proposal, although its original technical proposal met or exceeded Transit's requirements. Finally, the optional maintenance support services requirements were also revised and the term of the maintenance was extended from one five-year period to three five-year periods to ensure maintenance coverage at competitive pricing for the useful life of the system. The PPA also requested that both proposers submit interim cost proposals. The internal estimate was revised to \$204,027,868 (plus \$79,993,607 for optional maintenance).

Interim proposals were received by the established November 3, 2015 deadline. The interim cost proposals received were as follows: Parsons - \$209,521,409 (plus \$84,004,193 for the three 5-year optional maintenance terms) and Motorola - \$214,763,536 (plus \$115,161,755 for the three five-year optional maintenance terms) for Motorola. The interim proposals represented a 16 % and 4% reduction, respectively, from the initial proposals received. Parsons' optional maintenance cost included limitations on service calls. As Parsons' technical proposal needed no improvement to comply with the specifications, its interim technical proposal included only minor revisions. Motorola's revised technical proposal, on the other hand, included substantial changes from the initial proposal, including eight additional radio sites, bringing the total number of sites to 27. Of those 27 sites, only a subset of 13 were proposed to be outfitted with 700 MHz radio base station equipment to support communications between bus operators and the Bus Command Center. Despite the additional sites and numerous changes to its technical proposal however, Motorola's revised solution still lacked FCC certification for the 700 MHz equipment and was deemed marginal by the TC due to its inability to demonstrate compliance with the minimum requirements of Transit's specifications with respect to coverage and signal strength on the 700 MHz system.

A second round of negotiations was scheduled with each of the proposers to discuss the interim proposals. As a result of the outstanding deficiencies with Motorola's proposed solution, on November 23, 2015, NYC Transit requested clarification on three technical items. On December 2, 2015, Motorola submitted its response which contained, rather than answers to NYC Transit's three questions, a paragraph-long "commitment" to building an entirely new mobile radio different from that set forth in either their initial or their interim proposal. The email introduced, for the first time, the concept of developing this new mobile radio that would operate in both 700 MHz and 800 MHz. Under this "solution," Motorola did not offer a TETRA radio that was presently designed and FCC

## Staff Summary

certified for combined 700/800 MHz operation, but would have to design and manufacture a brand new radio capable of operating across both bands, which it would then have to submit for FCC certification. This last minute conceptual "solution," which lacked technical specifications or detail, was deficient on its face.

At the conclusion of negotiations, Parsons was requested to submit its Best and Final Offer (BAFO), and while Motorola was informed that its BAFO would be reviewed if it chose to submit one, Motorola was reminded that its technical proposal remained non-compliant with the RFP requirements and that those areas of non-compliance would be carefully evaluated in the award determination. BAFO requests included negotiated terms and conditions specific to each proposer and introduced a pricing request for various training modules. As a cost savings measure, each proposer was also given the option of submitting an alternate BAFO based on an advanced payment, a different Milestone/Progress payment ratio, and changes to the Authority Damages in Case of Delay provision. BAFOs were received on January 8, 2016. Parsons' BAFO was \$205,564,010 (plus \$109,418,868 for the three 5-year optional maintenance periods and \$9,126,875 for training modules); at NYC Transit request, the optional maintenance amount did not include limitations on service calls) and Motorola's BAFO was \$172,498,875 (plus \$81,915,506 for the three 5-year optional maintenance periods and \$15,616,906 for training modules). Parsons' alternate BAFO was in the amount of \$204,749,143 (no changes to the optional maintenance and training modules amounts) and Motorola's alternate BAFO was in the amount of \$168,992,119 (no changes to the optional maintenance and training modules amounts).

The SC unanimously recommended Parsons for award, determining that its proposal offered the best overall value to NYC Transit based on the selection criteria. Notwithstanding the lower BAFO price, Motorola's BAFO proposal failed to rectify its technical deficiencies and, as a result, was not recommended for award by the SC. A further review of Parsons' BAFO identified areas that warranted clarification, such as concessions Parsons had indicated during negotiations that it was willing to make, but did not appear to be reflected in the BAFO price. Parsons was contacted regarding these items to be clarified, and, as a result, Parsons submitted a letter in which it offered to reduce its BAFO's price as follows: \$202,100,000 (plus \$90,715,600 for the three 5-year optional maintenance periods. This amount includes limitations on service calls; however on a higher number from the interim proposal) representing reductions of \$3,464,010 on the base portion and \$18,703,268 on the optional maintenance. Parsons' BAFO of \$202,100,000 was \$1,927,868 (1%) lower than the in-house estimate of \$204,027,868 and \$46,578,868 (19%) less than the initial proposal. This price is considered fair and reasonable.

Parsons' past experience as prime and systems integrator includes projects of similar magnitude performed in the US and throughout the world. PowerTrunk has deployed radio systems worldwide and its TETRA radio system is currently being implemented for another US transit property. Reference checks on Parsons and PowerTrunk prior projects were satisfactory.

A background check performed by Materiel on Parsons revealed no "Significant Adverse Information" (SAI) within the meaning of the All Agency Responsibility Guidelines. However, a background check performed on one of its subcontractors, RailWorks Transit, Inc., disclosed information that is considered SAI. Approval of this SAI issue is being sought concurrently with this request. After consideration of all relevant information, Parsons has been found fully responsible for award.

### **M/W/DBE INFORMATION:**

The MTA Department of Diversity and Civil Rights has established goals at 3% DBE. Award will not be made until the Department of Diversity and Civil Rights' approval is obtained. Parsons Transportation Group has achieved its previous MWDBE goals on previous MTA contracts.

### **CAPITAL PROGRAM REPORTING:**

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

### **IMPACT ON FUNDING:**

This project is funded by the FTA, MTA, and City (MTABC) and will be managed by NYC Transit under the MTA Capital Program.

### **ALTERNATIVES:**

Perform the work using in-house personnel. Not recommended as in-house forces do not have the resources to perform the scope of this project.

### **RECOMMENDATION:**

That the Board approve the award of a contract for the 700/800 MHz Bus Radio System for NYC Transit Authority and the MTA Bus Company to Parsons Transportation Group of New York, Inc. in the amount of \$202,100,000 and a duration of 58 months. The contract also includes three 5-year options for maintenance and training support services. Separate approval and funding will be sought prior to the execution of any option.

**Schedule K: Ratification of Completed Procurement Actions**



**Item Number:** 1

<b>Vendor Name (&amp; Location)</b> Henningson, Durham & Richardson Architecture and Engineering, P.C. (New York, NY)	<b>Contract Number</b> CM-1333	<b>AWO/Mod. #:</b> 8
Rehabilitation of Nine Stations on the Sea Beach Line	<b>Original Amount:</b> \$ 9,754,283 <b>Option Amount:</b> \$ 3,144,833 <b>Total Amount:</b> \$ 12,899,116	
<b>Contract Term (including Options, if any)</b> June 20, 2007 – July 13, 2019	<b>Prior Modifications:</b> \$ 5,255,931	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	<b>Prior Budgetary Increases:</b> \$ 0	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Current Amount:</b> \$ 18,155,047	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	<b>This Request (NTE):</b> \$ 3,200,000	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	<b>% of This Request to Current Amount:</b> 17.6%	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Capital Program Management, John O’Grady	<b>% of Modifications (including This Request) to Total Amount:</b> 65.6%	

**Discussion:**

This retroactive modification is for additional design services performed by Henningson, Durham & Richardson Architecture and Engineering, P.C. (HDR) for the Rehabilitation of Nine Stations and Line Structure on the Sea Beach Line, Borough of Brooklyn. These additional design services were performed during the period February 2014 through March 2015.

HDR was awarded Consultant Contract CM-1333 in June 2007 for Design and Optional Construction Support Services (CSS) for the Rehabilitation of Nine Stations and Line Structure on the Sea Beach Line, Borough of Brooklyn. The CSS Option was exercised in March 2015. Under the base contract, the consultant is providing design services for the rehabilitation of nine stations (8<sup>th</sup> Avenue, Fort Hamilton Parkway, New Utrecht Avenue, 18<sup>th</sup> Avenue, 20<sup>th</sup> Avenue, Bay Parkway, Kings Highway, Avenue U, and 86<sup>th</sup> Street) and the structural repair of the retaining walls and the associated infrastructure from north of the 8<sup>th</sup> Avenue station to south of the 86<sup>th</sup> Street station.

The consultant began design work in 2007. The design was suspended in 2009 due to lack of funding in the MTA Capital Plan for construction, at which time approximately 90% of the design work was completed. Funds were secured in 2012 and design was restarted with a projected construction award in December 2014. Subsequent to restart of the design, in an effort to reduce construction costs, the project was split into two construction contracts, comprised of six and three stations, and changed from a full station rehabilitation approach to a component renewal approach. Following that split, and change in approach, beginning in early 2014, additional revisions were made to the project and are the subject of this modification. The major revisions included extensive ADA related tasks and a change from platform slab repair to full platform replacement. These revisions required significant effort as there were approximately 3000 design drawings that had to be reviewed or revised. The additional work by HDR had to be completed prior to award of the construction contracts. Due to the critical nature of the work and the need to expedite the completion of the design effort, HDR was directed by the NYC Transit Design Manager to proceed with the additional work. HDR completed all tasks under this modification and the construction contracts were awarded as planned. A retroactive memo was approved by the Acting Senior Vice President, CPM for the performance of the completed design work.

HDR submitted a proposal for the additional design services in the amount of \$4.1 million which was higher than the final in-house estimate of \$2.9 million for the completed work. HDR provided copies of actual payroll records to substantiate their proposal. After detailed analyses of the HDR payroll records by CPM, MTA Audit and Procurement, in addition to several scope clarification meetings with HDR, agreement was reached in the amount of \$3.2 million. The final negotiated price is considered fair and reasonable.

# Staff Summary

Item Number 1 (Final)					
Dept & Dept Head Name: Engineering and Construction Joe Keane <i>Joe Keane</i>					
Division & Division Head Name: Walter Hickey <i>Walter Hickey</i>					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	President	2/3/16			
2	MTA B&T Committee	2/22/16			
3	MTA Board	2/24/16			
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
<i>1</i>	Chief Financial Officer	<i>4</i>	Executive Vice President		
<i>2</i>	SVP & General Counsel	<i>5</i>	President <i>[Signature]</i>		
<i>3</i>	VP & Chief Procurement Officer				

SUMMARY INFORMATION	
Vendor Name New York City Department of Transportation	Contract Number MOA-HBM-1027
Description Memorandum of Agreement for New Ramp 23C Foundations under DOT Contract HBM-1027	
Total Amount \$22,900,000.00	
Contract Term (including Options, if any)	
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 type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

**Narrative**

**I. PURPOSE/RECOMMENDATION**

B&T is seeking approval under the All-Agency Procurement Guidelines to enter in to an Agreement (Memorandum of Agreement), designated as MOA-HBM1027, with New York City Department of Transportation (NYCDOT) for the construction of pier foundations and other related work which will enable the future construction of a new connector ramp from the Robert F. Kennedy Bridge Manhattan Span to the Harlem River Drive (HRD) North. The Agreement also provides for associated engineering services and contingencies for a total not to exceed amount of \$22,900,000.

**II. DISCUSSION**

As part of a comprehensive program of reconstruction of the Manhattan Approaches of the Robert F. Kennedy Bridge, B&T identified the need to construct a new ramp (the Connector Ramp) from the Manhattan Span of the bridge to the Harlem River Drive (HRD) North. The new ramp will permit traffic from the RFKB to directly access the HRD North instead of continuing to have to use the current circuitous route through busy local streets. The new connector ramp will significantly improve traffic operations and safety while enhancing the resiliency of both the RFKB and the regional highway network. In addition, the ramp will reduce traffic congestion and associated impacts on the local community in East Harlem.

In September 2013, the Board approved funding for a preliminary design of the Connector Ramp and design of certain foundations that are located within the limits of an ongoing NYCDOT Project (HBM-1027), as well as, associated work necessary to enable the future construction of the Connector Ramp.

In order to accommodate the new connector ramp, realignment of some sections of both the northbound and southbound HRD is also required resulting in some revisions to NYCDOT's ongoing Contract HBM-1027.

(rev. 1/22/14)

## Staff Summary

Having NYCDOT perform this preliminary foundation and realignment work under its ongoing Contract HBM-1027 rather than under B&T's future Connector Ramp Project, planned for 2019, is significantly more cost effective and less disruptive to B&T's customers and the local community. By implementing these enabling works for the future Connector Ramp now the Authority will avoid costly reconstruction of sections of the HRD that are now being constructed by NYCDOT under HBM-1027, thereby reducing overall construction costs, minimizing construction schedules and reducing the impacts of the overall construction program in this corridor.

Under this proposed agreement, NYCDOT will amend their existing construction contract to include the B&T Work. Additionally, NYCDOT will amend their contracts for resident engineering services and design support services during construction to support the B&T construction work to be performed under HBM-1027. As part of this Agreement, B&T will provide funding for the additional construction and associated consultant engineering costs. NYCDOT Contract HBM-1027 was competitively bid and awarded in July, 2014 to DeFoe Corp. The Contractor submitted a proposal in the amount of \$28,799,341.66 for the B&T Work. The Authority's estimate of the construction work is \$17,422,932. Negotiations were held, the scope of work clarified and the parties agreed to \$18,005,000 for construction costs and costs associated with the extended construction duration, which is deemed fair and reasonable based on the Engineer's estimate. An estimated 16% (\$2,900,000), based on NYCDOT projections, is included in the MOA not-to-exceed amount with NYCDOT for contracted engineering services during construction related to the B&T work. Due to the nature of the Work, a contingency of approximately 10% of construction costs (\$1,995,000) is included in the MOA not-to-exceed amount. Payments will be made to the NYCDOT on a periodic basis as the Work is performed and verified.

The new Connector Ramp will be constructed under a Design-Build project once the NYCDOT HRD reconstruction is completed and is scheduled for award in 2019.

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

This agreement is not subject to the establishment of goals by the Department of Diversity and Civil Rights (DDCR).

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

Funding for this agreement is available in the 2015-2019 Capital Budget under Project RK-23C.

### **V. ALTERNATIVES**

Waiting to construct the B&T Work until after the completion of HBM-1027 would not be cost effective and would be highly disruptive to traffic and the community. In addition, environmental documents, regulatory approvals and permits for the combined MTAB&T and NYCDOT projects are premised on the currently prepared sequencing and interrelationships between these Projects. Alternative implementation strategies would require an extensive additional environmental review process with associated costs and risks to project implementation schedules and is therefore not recommended.

## Schedule J: Modifications to Miscellaneous Procurement Contracts

Item Number: **3** (Final)

<b>Vendor Name (&amp; Location)</b> Schneider Electric Mobility NA, Inc.	<b>Contract Number</b> 14-OPS-2924X	<b>AWO/Modification #</b>
<b>Description</b> Maintenance and Repair of the Electronic Toll Registry	<b>Original Amount:</b>	\$50,300,121.00
<b>Contract Term (including Options, if any)</b> April 1, 2015 – March 31, 2021	<b>Prior Modifications:</b>	\$ 0.00
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Prior Budgetary Increases:</b>	\$ 0.00
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Current Amount:</b>	\$50,300,121.00
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	<b>This Request:</b>	\$ 3,332,876.00
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	<b>% of This Request to Current Amount:</b>	7.2%
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Toll Operations, Joe Gugliero	<b>% of Modifications (including This Request) to Original Amount:</b>	7.2%

### Discussion:

B&T is seeking Board approval under the All-Agency Procurement Guidelines to modify Contract 14-OPS-2924X with Schneider Electric for additional work in the negotiated amount of \$3,332,876 to (i) initiate an All-Electronic Tolling (AET) pilot project at the Cross Bay Bridge (CBB) and Marine Parkway Bridge (MPB) and (ii) update the software for the toll registry system. The contract was competitively awarded to Telvent USA, LLC in March 2015 in the amount of \$50,300,121 for the duration of six (6) years to maintain and repair all the hardware and software of the Electronic Toll Registry System throughout B&T's facilities. Amendment No. 1 was made to reflect the change of the company name from Telvent USA to Schneider Electric Mobility NA, Inc.

In January of 2011, B&T initiated a pilot program at the Henry Hudson Bridge (HHB) aimed at the eventual migration of that facility to AET. HHB was selected to host the pilot due to its high E-ZPass market share and its lack of truck traffic, both of which served to minimize the risk of lost revenue during the pilot period. After demonstrating that the newly installed in-lane systems were capable of capturing and processing passenger vehicle transactions and images and that a passenger vehicle based AET program was viable in terms of back office bill processing and revenue collection, the MTA Board approved AET as the permanent method of toll collection at the HHB in May 2014.

In the wake of the above noted successes, B&T desires to initiate a second pilot project aimed at assessing the feasibility of operating AET at facilities with a concentration of commercial/truck traffic. Unlike the pilot efforts at the HHB, in which in-lane and back office processes were assessed exclusively in terms of passenger vehicles, this proposed phase will focus on the capture and processing of commercial license plate images (i.e. plates mounted to trucks with a variety of physical properties) and the payment rate of commercial vehicle owners under the Tolls by Mail program.

B&T has chosen to conduct the pilot at Marine Parkway and Cross Bay Bridges not only because of the presence of commercial vehicles, but also because of the high E-ZPass market penetration rate at those facilities, and the relatively low tolls. These factors combine to minimize potential revenue risks during the pilot period, while providing B&T with ample data to perform the assessments noted above. Like the AET system currently in use at the HHB, the AET pilot at the Cross Bay and Marine Parkway Bridges will have vehicles traveling in gateless, channelized lanes and tolling equipment mounted on the existing infrastructure. However, because tokens are currently mandated by statute at both facilities, a lane in each direction will be reserved to maintain this method of toll collection at this time. As Schneider both developed and implemented the AET project at the HHB under a prior contract, Schneider already has expertise with the operational and software features of the AET system proposed for the Cross Bay and Marine Parkway Bridges. By using Schneider, the Authority will maximize the investment made in the AET program at the HHB and eliminate the significant expenses of requiring another contractor to develop a working knowledge of the Authority's AET and E-ZPass systems.

Additionally, as B&T continues to accept cash and tokens at other facilities, there is a need to replace the existing toll registration devices at these facilities which in turn creates the need to have the associated toll registration system software updated and upgraded under this Contract. These devices currently operate on touch-screen type technology that allows toll collectors to register and classify vehicles entering B&T cash lanes. The registration devices, referred to as Flat Panel Touch Screens (FPTS), processed 39.7 million transactions, which translated to \$367M in revenue, in fiscal year 2015. The existing devices were developed specifically for B&T operations more than 12 years ago. These units currently operate with obsolete technology and key replacement parts are no longer readily available from suppliers. B&T is seeking to update the software and replace the FPTS units with off-the-shelf devices that are currently in wide use within the toll collection industry. It is noted that the new FPTS devices will be purchased by the Authority under a separate competitive solicitation and then furnished to the Contractor. Such units are functionally more flexible, more cost effective, and easier to replace than the existing FPTS units. B&T is seeking to leverage the proposed replacement efforts by also enhancing the overall operation of B&T cash lanes. Accordingly, the work proposed under this amendment will also include upgrading the system registration software, automating the documentation of exceptions transactions that are not registered through the current FPTS, and providing the capability to accept both widely available and rapidly developing payment methods.

Schneider's proposed cost was \$3,714,109. The user's estimate is \$3,418,695. Based on negotiations the parties agreed to an amount of \$3,332,876 (\$2,188,988 for AET Pilot and \$1,143,878 for the FPTS software upgrade) which is 2.5% lower than the estimate. The labor rates and hours negotiated were determined to be acceptable. Based on the above, the negotiated price is considered fair and reasonable. Funding is available in the Operating Budget under Capitalized Assets.

# Staff Summary

Item Number 1 (Final)					
Dept & Dept Head Name: Maintenance, Victor Cardella					
Division & Division Head Name: Fleet Operations, Benny Johnson					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	President	2/3/16			
2	MTA B&T Committee	2/22/16			
3	MTA Board	2/24/16			
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>dc fm mc</i>	4	Executive Vice President <i>(Signature)</i>		
2	General Counsel <i>mmj</i>	5	President <i>(Signature)</i>		
<i>(Signature)</i>	Chief Procurement Officer				

SUMMARY INFORMATION	
Vendor Name Commercial Driver Training, Inc.	Contract Number PSC-15-2975
Description Commercial Driver License (CDL) Training Program	
Total Amount \$1,338,025.00 (B&T-\$1,281,265, NYCT-\$56,760)	
Contract Term (including Options, if any) Three (3) Years	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

**Narrative**

**I. PURPOSE/RECOMMENDATION**

MTA Bridges and Tunnels (B&T) is seeking Board approval under the All-Agency Guidelines for Procurement of Services to award a joint competitively negotiated personal service contract to Commercial Driver Training, Inc. (CDT) to provide all labor, material and equipment necessary to perform commercial driver license training for B&T and MTA New York City Transit Authority (NYCT). The total value of this procurement is \$1,338,025 (B&T-\$1,281,265, NYCT-\$56,760) over a period of three years.

**II. DISCUSSION**

B&T requires the services of a consultant to provide commercial driver training courses to prepare our employees for the New York State, New Jersey, Connecticut and Pennsylvania State Department of Motor Vehicles (DMV) Class "A" and Class "B" Commercial Driver's License (CDL) written and road tests. These licenses will enable our Maintenance personnel and Bridge and Tunnel Officers to drive various commercial vehicles in our fleet, as required. NYCT requires similar services but on a smaller scale. The service requirements were publicly advertised. On October 15, 2015 three firms Commercial Driver Training Inc., NYC CDL Auto Club Inc. (NYC CDL) and Sharkey's Auto Driving School Inc. (Sharkey) submitted proposals. The proposals were evaluated against established criteria set forth in the RFP including qualification of firm, availability of resources, understanding of project, record of consultant's performance/experience and cost. Based on the committee's review it unanimously selected CDT based on its: (i) training qualifications and qualified personnel; (ii) resources (vehicles); and (iii) superior past performance. The other proposers did not adequately fulfill the requirements of the contract. CDT's total negotiated amount of \$1,338,025 is 9.5 percent higher than the estimate of

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## Staff Summary

\$1,221,527.36. During discussions, it was found that the estimate did not include the retraining requirement in the contract and instructor travel expenses. An accurate comparison to the pricing to the current agreement could not be performed as there was a significant change to the scope of services. Based on an analysis of the costs for the additional items that were not included in the estimate the price of \$1,338,025 is considered fair and reasonable. CDT is deemed to be a responsible consultant.

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

A review of the NYS Directory did not identify Certified M/WBE firms in the market place that could provide services on the contract. Due to the lack of availability zero M/WBE goals were established by the MTA Office of Civil Rights.

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

Funding is available in the Operating Budget under GL #712601.

### **V. ALTERNATIVES**

There are no recommended alternatives. B&T does not possess the resources certified to perform these services.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**2015 ADOPTED BUDGET AND FINAL ESTIMATE vs. PRELIMINARY ACTUAL**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>
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	December 2015			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Preliminary Actual	Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>Revenue</b>							
Farebox Revenue	\$5,936.1	\$5,928.5	\$5,947.1	\$11.0	0.2	\$18.6	0.3
Vehicle Toll Revenue	1,716.3	1,792.3	1,808.9	92.6	5.4	16.6	0.9
Other Operating Revenue	688.9	651.3	674.8	(14.2)	(2.1)	23.5	3.6
Capital and Other Reimbursements	0.0	0.0	0.0	0.0	0.0	0.0	-
<b>Total Revenue</b>	<b>\$8,341.3</b>	<b>\$8,372.1</b>	<b>\$8,430.8</b>	<b>\$89.5</b>	<b>1.1</b>	<b>\$58.7</b>	<b>0.7</b>
<b>Expenses</b>							
Labor:							
Payroll	\$4,736.2	\$4,688.9	\$4,684.5	\$51.7	1.1	\$4.4	0.0
Overtime	669.2	755.1	753.5	(84.4)	(12.6)	1.6	0.2
Health and Welfare	1,076.4	1,052.4	1,035.6	40.9	3.8	16.8	1.6
OPEB Current Payment	513.3	529.0	498.2	15.1	2.9	30.8	5.8
Pensions	1,356.0	1,281.6	1,272.1	83.9	6.2	9.6	0.7
Other Fringe Benefits	639.9	644.4	854.2	(214.2)	(33.5)	(209.8)	(32.6)
Reimbursable Overhead	(372.1)	(391.5)	(370.1)	(2.0)	(0.5)	(21.4)	(5.5)
<b>Total Labor Expenses</b>	<b>\$8,619.0</b>	<b>\$8,559.9</b>	<b>\$8,728.0</b>	<b>(\$109.0)</b>	<b>(1.3)</b>	<b>(\$168.1)</b>	<b>(2.0)</b>
Non-Labor:							
Electric Power	\$505.0	\$500.2	\$477.3	\$27.7	5.5	\$22.9	4.6
Fuel	263.2	188.3	161.7	101.5	38.6	26.6	14.1
Insurance	59.6	52.1	57.1	2.5	4.1	(5.1)	(9.8)
Claims	221.9	260.0	332.0	(110.2)	(49.7)	(72.0)	(27.7)
Paratransit Service Contracts	385.6	383.0	379.9	5.6	1.5	3.1	0.8
Maintenance and Other Operating Contracts	638.7	604.4	567.4	71.3	11.2	37.0	6.1
Professional Service Contracts	398.5	413.5	360.8	37.7	9.5	52.7	12.7
Materials & Supplies	563.7	557.7	531.3	32.5	5.8	26.5	4.7
Other Business Expenses	183.0	197.7	192.7	(9.7)	(5.3)	5.0	2.5
<b>Total Non-Labor Expenses</b>	<b>\$3,219.1</b>	<b>\$3,156.9</b>	<b>\$3,060.2</b>	<b>\$158.9</b>	<b>4.9</b>	<b>\$96.6</b>	<b>3.1</b>
Other Expense Adjustments:							
Other	\$42.5	\$42.5	\$34.1	\$8.4	19.8	\$8.4	19.8
General Reserve	140.0	0.0	0.0	140.0	100.0	0.0	-
<b>Total Other Expense Adjustments</b>	<b>\$182.5</b>	<b>\$42.5</b>	<b>\$34.1</b>	<b>\$148.418</b>	<b>81.3</b>	<b>\$8.4</b>	<b>19.8</b>
<b>Total Expenses Before Depreciation</b>	<b>\$12,020.6</b>	<b>\$11,759.3</b>	<b>\$11,822.4</b>	<b>\$198.3</b>	<b>1.6</b>	<b>(\$63.0)</b>	<b>(0.5)</b>
Depreciation	\$2,411.3	\$2,379.6	\$2,435.6	(\$24.3)	(1.0)	(\$56.0)	(2.4)
Other Post Employment Benefits	2,037.7	2,029.7	2,141.4	(103.7)	(5.1)	(111.6)	(5.5)
Environmental Remediation	5.2	6.8	5.3	(0.1)	(2.4)	1.5	21.6
<b>Total Expenses</b>	<b>\$16,474.8</b>	<b>\$16,175.4</b>	<b>\$16,404.6</b>	<b>\$70.3</b>	<b>0.4</b>	<b>(\$230.7)</b>	<b>(1.4)</b>
<b>Net Surplus/(Deficit)</b> <i>(Excluding Subsidies and Debt Service)</i>	<b>(\$8,133.5)</b>	<b>(\$7,803.3)</b>	<b>(\$7,973.8)</b>	<b>\$159.7</b>	<b>2.0</b>	<b>(\$170.5)</b>	<b>(2.2)</b>
Subsidies	\$6,279.5	\$6,620.1	\$6,504.1	\$224.6	3.6	(\$116.1)	(1.8)
Debt Service	2,481.7	2,382.6	2,373.3	108.4	4.4	9.2	0.4

Totals may not add due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY  
CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY  
2015 ADOPTED BUDGET AND FINAL ESTIMATE vs. PRELIMINARY ACTUAL  
(\$ in millions)**

	December 2015			Favorable/(Unfavorable) Variance			
	Adopted <u>Budget</u>	Final <u>Estimate</u>	Preliminary <u>Actual</u>	<u>Adopted Budget</u>		<u>Final Estimate</u>	
				\$	%	\$	%
<b>REIMBURSABLE</b>							
<b>Revenue</b>							
Farebox Revenue	\$0.0	\$0.0	\$0.0	\$0.0	-	\$0.0	-
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	-	0.0	-
Other Operating Revenue	0.0	0.0	0.0	0.0	-	0.0	-
Capital and Other Reimbursements	1,714.0	1,911.8	1,881.2	167.2	9.8	(30.6)	(1.6)
<b>Total Revenue</b>	<b>\$1,714.0</b>	<b>\$1,911.8</b>	<b>\$1,881.2</b>	<b>\$167.2</b>	<b>9.8</b>	<b>(\$30.6)</b>	<b>(1.6)</b>
<b>Expenses</b>							
<b>Labor:</b>							
Payroll	\$608.6	\$626.7	\$631.1	(\$22.5)	(3.7)	(\$4.4)	(0.7)
Overtime	120.9	191.2	204.7	(83.8)	(69.3)	(13.6)	(7.1)
Health and Welfare	61.9	64.8	69.9	(8.0)	(13.0)	(5.1)	(7.9)
OPEB Current Payment	8.7	7.9	7.6	1.1	12.2	0.2	3.1
Pensions	73.3	86.8	89.2	(15.9)	(21.7)	(2.4)	(2.7)
Other Fringe Benefits	184.0	205.3	215.1	(31.1)	(16.9)	(9.8)	(4.8)
Reimbursable Overhead	366.4	390.5	369.2	(2.8)	(0.8)	21.4	5.5
<b>Total Labor Expenses</b>	<b>\$1,423.8</b>	<b>\$1,573.1</b>	<b>\$1,586.8</b>	<b>(\$163.0)</b>	<b>(11.4)</b>	<b>(\$13.6)</b>	<b>(0.9)</b>
<b>Non-Labor:</b>							
Electric Power	\$1.0	\$1.5	\$2.0	(\$1.0)	*	(\$0.5)	(37.2)
Fuel	0.0	0.0	0.0	0.0	11.3	0.0	23.1
Insurance	11.6	10.1	10.1	1.5	12.6	(0.0)	0.0
Claims	0.0	0.0	0.0	0.0	-	0.0	-
Paratransit Service Contracts	0.0	0.0	0.0	0.0	-	0.0	-
Maintenance and Other Operating Contracts	54.0	68.0	70.6	(16.6)	(30.8)	(2.6)	(3.8)
Professional Service Contracts	59.4	92.4	80.1	(20.7)	(34.9)	12.3	13.3
Materials & Supplies	158.1	170.1	137.0	21.2	13.4	33.1	19.5
Other Business Expenses	6.1	(3.5)	(5.4)	11.5	*	1.9	54.3
<b>Total Non-Labor Expenses</b>	<b>\$290.2</b>	<b>\$338.6</b>	<b>\$294.4</b>	<b>(\$4.2)</b>	<b>(1.5)</b>	<b>\$44.2</b>	<b>13.1</b>
<b>Other Expense Adjustments:</b>							
Other	\$0.0	\$0.0	\$0.0	\$0.0	-	\$0.0	-
<b>Total Other Expense Adjustments</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>
<b>Total Expenses Before Depreciation</b>	<b>\$1,714.0</b>	<b>\$1,911.8</b>	<b>\$1,881.2</b>	<b>(\$167.2)</b>	<b>(9.8)</b>	<b>\$30.6</b>	<b>1.6</b>
Depreciation	\$0.0	\$0.0	\$0.0	\$0.0	-	\$0.0	-
Other Post Employment Benefits	0.0	0.0	0.0	\$0.0	-	\$0.0	-
<b>Total Expenses</b>	<b>\$1,714.0</b>	<b>\$1,911.8</b>	<b>\$1,881.2</b>	<b>(\$167.2)</b>	<b>(9.8)</b>	<b>\$30.6</b>	<b>1.6</b>
<b>Net Surplus/(Deficit)</b> <i>(Excluding Subsidies and Debt Service)</i>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>*</b>	<b>\$0.0</b>	<b>-</b>

Totals may not add due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY  
CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY  
2015 ADOPTED BUDGET AND FINAL ESTIMATE vs. PRELIMINARY ACTUAL  
(\$ in millions)**

**NON-REIMBURSABLE/REIMBURSABLE**

	December 2015			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Preliminary Actual	Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>Revenue</b>							
Farebox Revenue	\$5,936.1	\$5,928.5	\$5,947.1	\$11.0	0.2	\$18.6	0.3
Vehicle Toll Revenue	1,716.3	1,792.3	1,808.9	92.6	5.4	16.6	0.9
Other Operating Revenue	688.9	651.3	674.8	(14.2)	(2.1)	23.5	3.6
Capital and Other Reimbursements	1,714.0	1,911.8	1,881.2	167.2	9.8	(30.6)	(1.6)
<b>Total Revenue</b>	<b>\$10,055.3</b>	<b>\$10,283.8</b>	<b>\$10,312.0</b>	<b>\$256.7</b>	<b>2.6</b>	<b>\$28.1</b>	<b>0.3</b>
<b>Expenses</b>							
Labor:							
Payroll	\$5,344.8	\$5,315.5	\$5,315.6	\$29.2	0.5	(\$0.1)	0.0
Overtime	790.1	946.3	958.3	(168.2)	(21.3)	(12.0)	(1.3)
Health and Welfare	1,138.3	1,117.2	1,105.5	32.8	2.9	11.7	1.0
OPEB Current Payment	522.0	536.9	505.8	16.2	3.1	31.1	5.8
Pensions	1,429.2	1,368.4	1,361.2	68.0	4.8	7.2	0.5
Other Fringe Benefits	824.0	849.7	1,069.3	(245.3)	(29.8)	(219.6)	(25.8)
Reimbursable Overhead	(5.7)	(1.0)	(0.9)	(4.8)	(83.6)	(0.0)	(3.2)
<b>Total Labor Expenses</b>	<b>\$10,042.8</b>	<b>\$10,133.1</b>	<b>\$10,314.8</b>	<b>(\$272.0)</b>	<b>(2.7)</b>	<b>(\$181.7)</b>	<b>(1.8)</b>
Non-Labor:							
Electric Power	\$506.0	\$501.7	\$479.3	\$26.6	5.3	\$22.4	4.5
Fuel	263.2	188.3	161.7	101.5	38.6	26.6	14.1
Insurance	71.2	62.2	67.3	3.9	5.5	(5.1)	(8.2)
Claims	221.9	260.0	332.0	(110.2)	(49.7)	(72.0)	(27.7)
Paratransit Service Contracts	385.6	383.0	379.9	5.6	1.5	3.1	0.8
Maintenance and Other Operating Contracts	692.7	672.3	638.0	54.7	7.9	34.4	5.1
Professional Service Contracts	457.9	505.9	440.9	17.0	3.7	65.0	12.9
Materials & Supplies	721.9	727.8	668.2	53.6	7.4	59.6	8.2
Other Business Expenses	189.1	194.2	187.3	1.8	1.0	6.9	3.5
<b>Total Non-Labor Expenses</b>	<b>\$3,509.3</b>	<b>\$3,495.5</b>	<b>\$3,354.7</b>	<b>\$154.6</b>	<b>4.4</b>	<b>\$140.8</b>	<b>4.0</b>
Other Expense Adjustments:							
Other	\$42.5	\$42.5	\$34.1	\$8.4	19.8	\$8.4	19.8
General Reserve	140.0	0.0	0.0	140.0	100.0	0.0	-
<b>Total Other Expense Adjustments</b>	<b>\$182.5</b>	<b>\$42.5</b>	<b>\$34.1</b>	<b>\$148.418</b>	<b>81.3</b>	<b>\$8.4</b>	<b>19.8</b>
<b>Total Expenses Before Depreciation</b>	<b>\$13,734.6</b>	<b>\$13,671.1</b>	<b>\$13,703.5</b>	<b>\$31.1</b>	<b>0.2</b>	<b>(\$32.4)</b>	<b>(0.2)</b>
Depreciation	\$2,411.3	\$2,379.6	\$2,435.6	(\$24.3)	(1.0)	(\$56.0)	(2.4)
Other Post Employment Benefits	2,037.7	2,029.7	2,141.4	(103.7)	(5.1)	(111.6)	(5.5)
Environmental Remediation	5.2	6.8	5.3	(0.1)	(2.4)	1.5	21.6
<b>Total Expenses</b>	<b>\$18,188.8</b>	<b>\$18,087.2</b>	<b>\$18,285.8</b>	<b>(\$96.9)</b>	<b>(0.5)</b>	<b>(\$200.1)</b>	<b>(1.1)</b>
<b>Net Surplus/(Deficit)</b> <i>(Excluding Subsidies and Debt Service)</i>	<b>(\$8,133.5)</b>	<b>(\$7,803.3)</b>	<b>(\$7,973.8)</b>	<b>\$159.7</b>	<b>2.0</b>	<b>(\$170.5)</b>	<b>(2.2)</b>
Subsidies	\$6,279.5	\$6,620.1	\$6,504.1	\$224.6	3.6	(\$116.1)	(1.8)
Debt Service	\$2,481.7	\$2,382.6	\$2,373.3	\$108.4	4.4	\$9.2	0.4

Totals may not add due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCES BETWEEN FINAL ESTIMATE AND PRELIMINARY ACTUAL - ACCRUAL BASIS**  
December 2015 Year-to-Date  
(\$ in millions)

Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable) Variance		Reason for Variance
		\$	%	
Farebox Revenue	NR	18.6	0.3	NYCT was \$13.9M favorable mostly due to higher average fares. The LIRR and MNR were favorable by \$3.2M and \$1.9M, respectively, mostly due to higher ridership and average fares. Partially offsetting these results was an unfavorable variance of (\$0.3M) at MTA Bus due to lower ridership.
Toll Revenue	NR	16.6	0.9	Toll revenues were higher due to greater than anticipated traffic volume as a result of relatively low gas prices throughout the fourth quarter and favorable weather in December.
Other Operating Revenue	NR	23.5	3.6	Favorable revenues largely reflect higher advertising, real estate, paratransit urban tax, and MetroCard surcharge revenues at NYCT \$13.6M; higher E-ZPass administrative fees and FEMA reimbursement for expenses related to Superstorm Sandy at B&T \$9.3M; unanticipated reimbursement for 2013 Tropical Storm Irene restoration costs and higher than forecasted commuter parking revenues at MNR \$1.2M; and a positive shift in the market value of the invested asset portfolio at FMTAC \$0.4M. These results were partially offset by an unfavorable outcome due to the timing of miscellaneous sales, advertising and lower federal reimbursement for storms at the LIRR (\$0.9M).
Payroll	NR	4.4	0.0	Higher vacancies were mostly responsible for favorable variances of \$10.4M at the LIRR, \$10.0M at B&T, \$6.8M at NYCT, \$1.2M at SIR, and \$0.6M at MTAHQ. These results were partially offset by unfavorable variances of (\$20.7M) at MTA Bus, which was mainly due to prior period retroactive wage adjustments, and (\$3.9M) at MNR due to higher earned separation payments.
Overtime	NR	1.6	0.2	Expense underruns were mainly the result of improved employee availability for train service coverage and fewer weather emergencies at MNR \$7.2M; lower vacancy/absentee, and safety/security/law enforcement coverage requirements and timing at B&T \$4.4M; and lower unscheduled/scheduled service, weather-related and vacancy/absentee coverage at the LIRR \$2.6M. These results were partially offset by unfavorable outcomes of (\$5.5M) at MTA Bus due to increased requirements for bus fleet maintenance and vacancy/absentee coverage; (\$5.5M) at NYCT due to higher vacancy/absentee coverage, service delays/overcrowding, and bus traffic and ramp delays; (\$1.0M) at SIR due to higher vacancy/absentee coverage; and (\$0.6M) at MTA HQ due to greater coverage required by MTA Police. (See Overtime Decomposition Report for more details)
Health and Welfare	NR	16.8	1.6	NYCT was favorable by \$16.1M due to timing. The LIRR, B&T, and MNR were favorable by \$3.1M, \$2.0M, and \$1.1M, respectively, due to higher vacancies. These results were partially offset by unfavorable variances of (\$5.0M) at MTA HQ reflecting the timing of IT consolidation charges and (\$0.5M) at MTA Bus due to timing.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCES BETWEEN FINAL ESTIMATE AND PRELIMINARY ACTUAL - ACCRUAL BASIS**  
December 2015 Year-to-Date  
(\$ in millions)

		<b>DECEMBER 2015 YEAR-TO-DATE</b>		
<b>Generic Revenue or Expense Category</b>	<b>Nonreimb or Reimb</b>	<b>Favorable (Unfavorable) Variance</b>		<b>Reason for Variance</b>
		<b>\$</b>	<b>%</b>	
OPEB Current Payment	NR	30.8	5.8	The timing of expenses was primarily responsible for favorable variances of \$27.4M at NYCT and \$2.1M at MTA Bus. The LIRR was \$2.8M favorable due to fewer retirees. Partially offsetting these results was an unfavorable variance of (\$0.9M) at MTA HQ, mostly due to higher accruals.
Pensions	NR	9.6	0.7	The overall variance is mostly due to the understatement of preliminary pension accruals which will be corrected in the final numbers. Favorable results of \$12.1M at NYCT, \$8.8M at MNR, \$0.8M at MTA HQ and \$0.6M at MTA Bus, were partly offset by unfavorable variances of (\$12.3M) at the LIRR and (\$0.4M) at B&T.
Other Fringe Benefits	NR	(209.8)	(32.6)	NYCT, MTA Bus and B&T were unfavorable by (\$199.0M), (\$16.5M) and (\$2.2M), respectively, due to an increase in workers' compensation reserve requirements, based on a current actuarial update. The LIRR was unfavorable by (\$0.6M) mostly due to higher FELA Indemnity payments. SIR was unfavorable by (\$0.5M) due to higher interagency charges. These results were partially offset by favorable variances of \$8.1M at MTA HQ due to an accrual reversal of an MTA Police litigation settlement; and \$0.8M at MNR mainly due to lower Railroad Retirement taxes.
Reimbursable Overhead	NR	(21.4)	(5.5)	The timing of project activity resulted in unfavorable variances of (\$35.5M) at MTA HQ and (\$1.0M) at MNR, as well as favorable variances of \$9.0M at the LIRR, \$3.6M at NYCT, and \$2.7M at B&T.
Electric Power	NR	22.9	4.6	Favorable results were mostly due to a mix of timing, lower rates, and consumption – \$11.5M at NYCT (including a substantial billing adjustment), \$8.0M at MNR, \$3.0M at the LIRR, and \$0.5M at B&T.
Fuel	NR	26.6	14.1	Lower rates and consumption accounted for favorable variances of \$21.7M at NYCT, \$2.6M at MNR, \$0.9M at the LIRR, \$0.7M at MTA HQ and \$0.5M at MTA Bus.
Insurance	NR	(5.1)	(9.8)	Timing was responsible for unfavorable variances at FMTAC and SIR of (\$7.4M) and (\$0.3M), respectively. MTA HQ had an unfavorable variance of (\$1.2M) due to higher Super Storm Sandy expenses. These results were partially offset by favorable variances at MTA Bus, the LIRR and B&T of \$1.9M, \$0.7M and \$0.5M, respectively, also due to timing; and \$0.7M at MNR due to lower property insurance premiums.
Claims	NR	(72.0)	(27.7)	Increases in the accrual of public liability claims reserve requirements were responsible for unfavorable variances of (\$48.0M) at NYCT and (\$4.8M) at MTA Bus. FMTAC was (\$18.9M) unfavorable due to timing and MTA HQ was (\$0.7M) unfavorable due to higher claims activity. These results were partly offset by a favorable variance of \$0.6M at the LIRR due to lower claims activity.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCES BETWEEN FINAL ESTIMATE AND PRELIMINARY ACTUAL - ACCRUAL BASIS**  
December 2015 Year-to-Date  
(\$ in millions)

Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable) Variance		Reason for Variance
		\$	%	
Paratransit Service Contracts	NR	3.1	0.8	Lower expenses due to fewer trips and underruns related to eligibility services, scheduling system upgrades/maintenance and vehicle rehabs.
Maintenance and Other Operating Contracts	NR	37.0	6.1	The overall favorable result was largely attributable to timing and lower spending: \$9.8M at MNR due to lower maintenance contract expenses, GCT utilities, and the timing of project activities; \$8.9M at B&T due to the timing of Sandy-related and other major maintenance projects and lower E-ZPass tag purchases; \$6.7M at MTA HQ due to lower repairs and maintenance, janitorial and security services at the Two Broadway and Madison Avenue facilities; \$6.1M at MTA Bus reflecting the timing of maintenance contracts and a misclassification of security costs in Materials & Supplies; \$4.2M at the LIRR for a prior period accrual reversal for joint facilities, lower expenses for vegetation management and janitorial services, and the timing of project activities; and \$2.3M at SIR due to the timing of car fleet maintenance. Partially offsetting these results was an unfavorable variance of (\$0.9M) at NYCT due to higher building rental expenses.
Professional Service Contracts	NR	52.7	12.7	The overall favorable variance was mainly attributable to timing and lower spending: \$18.1M at NYCT for the timing of bond service expenses and lower IT and other professional services expenses; \$15.9M at B&T for bond issuance costs, planning studies and consulting services; \$7.9M at MTA Bus due to the timing of MTA chargebacks; \$4.7M at MNR for the timing of engineering services and lower expenses for the NHL allocation of shared services, training, consulting and medical services; \$3.0M at the LIRR due to lower MTA chargebacks, homeless outreach, engineering expenses, and the timing of customer satisfaction surveys and advertising expenses; and \$2.9M at MTA HQ for IT hardware and software purchases and IT maintenance and consulting services.
Materials & Supplies	NR	26.5	4.7	The overall favorable variance was largely attributable to timing and lower spending due to: lower rolling stock material usage – \$24.7M at the LIRR, inventory adjustments and increased scrap sales – \$6.3M at NYCT; lower expenses across a variety of small equipment and supply categories \$1.0M at B&T, and unplanned reimbursable material requirements \$0.4M at SIR. These results were partly offset by overruns of (\$3.1M) at MNR due to inventory valuation adjustments and higher expenses for rolling stock parts and supplies, and (\$2.9M) at MTA Bus due to timing and mischarges of security costs belonging in Maintenance and Other Operating Services.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCES BETWEEN FINAL ESTIMATE AND PRELIMINARY ACTUAL - ACCRUAL BASIS**  
December 2015 Year-to-Date  
(\$ in millions)

Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable) Variance		Reason for Variance
		\$	%	
Other Business Expenses	NR	5.0	2.5	MTA HQ was \$7.2M favorable due to a non-cash accrual adjustment for Long Island Bus residual expenses, as well as lower expenses for membership dues, office supplies, printing, and public hearings. MNR was \$2.2M favorable due to lower NJT subsidy payments and higher than forecasted Amtrak recoveries. The LIRR's \$1.5M favorable variance was mainly due to a bad debt reserve adjustment and timing. Timing was also responsible for a favorable variance of \$1.5M at FMTAC. These results were partially offset by unfavorable variances of (\$3.6M) at NYCT mostly due to higher MetroCard Vending Machine debit/credit card charges, (\$2.4M) at B&T due to an increase in the E-ZPass bad debt reserve and higher credit/debit card expenses, and (\$1.4M) at MTA Bus due to higher Automatic Fare Collection Fees.
Other Expense Adjustments	NR	8.4	19.8	Variance due to timing differences in project completions.
Depreciation	NR	(56.0)	(2.4)	Timing differences in project completions and assets reaching beneficial use resulted in unfavorable variances of (\$54.0M) at NYCT, (\$7.8M) at MTA Bus, and (\$5.2M) at MNR, and favorable variances of \$5.8M at the LIRR, \$3.1M at MTAHQ, and \$1.9M at B&T.
Other Post Employment Benefits	NR	(111.6)	(5.5)	The GASB adjustment reflects the value associated with the unfunded accrued liability for post employment benefits. NYCT had an unfavorable variance of (\$117.6M), which is subject to a year-end adjustment based on final actuarial information. Partially offsetting this result were favorable variances at MTA HQ and B&T of \$5.5M and \$0.6M, respectively.
Environmental Remediation	NR	1.5	21.6	The favorable variance reflects overall lower costs approximating \$0.7M at MNR and \$0.6M at MTA Bus.
Capital & Other Reimbursements	R	(30.6)	(1.6)	Timing and changes in project activity assumptions were mostly responsible for unfavorable variances of (\$44.5M) at MTA HQ, (\$37.0M) at MNR, (\$7.9M) at MTA CC, (\$0.6M) at B&T, and (\$0.5M) at MTA Bus, and favorable variances of \$30.1M at NYCT and \$30.0M at the LIRR.
Payroll	R	(4.4)	(0.7)	The timing of project activity and interagency reimbursements was mainly responsible for unfavorable variances of (\$5.1M) at the LIRR and (\$4.1M) at MNR, and favorable variances of \$1.9M at NYCT, \$1.7M at B&T, \$0.7M at SIR, and \$0.5M at MTACC.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCES BETWEEN FINAL ESTIMATE AND PRELIMINARY ACTUAL - ACCRUAL BASIS**  
December 2015 Year-to-Date  
(\$ in millions)

		<b>DECEMBER 2015 YEAR-TO-DATE</b>		
<b>Generic Revenue or Expense Category</b>	<b>Nonreimb or Reimb</b>	<b>Favorable (Unfavorable) Variance</b>		<b>Reason for Variance</b>
		<b>\$</b>	<b>%</b>	
Overtime	R	(13.6)	(7.1)	Higher project activity resulted in unfavorable variances of (\$7.2M) at NYCT mainly due to coverage for the Subway Capital Track Program and greater than anticipated bus shuttle services support; (\$5.3M) at LIRR mainly due to the timing of ESA project scheduling; and (\$1.5M) at MNR and (\$0.3M) at SIR mainly due to miscellaneous project requirements. These results were slightly offset by lower expenses of \$0.7M at B&T due to lower project activity.
Health and Welfare	R	(5.1)	(7.9)	The timing of project activity was responsible for unfavorable variances of (\$3.3M) at the LIRR and (\$2.3M) at MNR, and a favorable variance of \$0.3M at B&T.
OPEB Current Payment	R	0.2	3.1	Agency variances were minor.
Pensions	R	(2.4)	(2.7)	Timing was responsible for the unfavorable variance of (\$3.1M) at the LIRR and favorable variances of \$0.4M and \$0.3M at B&T and NYCT, respectively.
Other Fringe Benefits	R	(9.8)	(4.8)	NYCT, MNR and the LIRR, had unfavorable variances of (\$4.9M), (\$3.1M), and (\$1.9M), respectively, due to higher project activity.
Reimbursable Overhead	R	21.4	5.5	The timing of project activity resulted in favorable variances of \$35.5M at MTA HQ and \$1.4M at MNR, as well as unfavorable variances of (\$9.0M) at the LIRR, (\$3.6M) at NYCT, (\$2.7M) at B&T, and (\$0.4M) at MTA Bus.
Electric Power	R	(0.5)	(37.2)	Agency variances were minor.
Maintenance and Other Operating Contracts	R	(2.6)	(3.8)	NYCT was (\$4.9M) unfavorable mostly due to higher revenue vehicle maintenance and construction services requirements. Partially offsetting this result were favorable variances of \$1.5M at the LIRR and \$0.6M at MNR due to changes in project activity assumptions.
Professional Service Contracts	R	12.3	13.3	MTA HQ was \$8.6M favorable due to lower West Side Yard project activities. The timing of project activity was responsible for the favorable variance of 6.3M at MNR. MTA CC was \$3.5M favorable due to lower archeological, consulting and engineering expenses. Partially offsetting these results were unfavorable variances of (\$5.8M) at NYCT due to higher Information Technology (IT) project requirements and (\$0.3M) at the LIRR due to the timing of project activities.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCES BETWEEN FINAL ESTIMATE AND PRELIMINARY ACTUAL - ACCRUAL BASIS**  
December 2015 Year-to-Date  
(\$ in millions)

		<b>DECEMBER 2015 YEAR-TO-DATE</b>		
<b>Generic Revenue or Expense Category</b>	<b>Nonreimb or Reimb</b>	<b>Favorable (Unfavorable) Variance</b>		<b>Reason for Variance</b>
		<b>\$</b>	<b>%</b>	
Materials & Supplies	R	33.1	19.5	Revised assumptions that resulted in changes to project activity levels and maintenance material requirements, as well as the timing of payments, contributed to favorable results of \$40.6M at MNR (including substantial scope changes in the C&S Restoration and Power Infrastructure projects) and \$0.7M at MTA Bus, as well as the unfavorable result of (\$4.0M) at NYCT, (\$3.6M) at the LIRR, and (\$0.5M) at SIR.
Other Business Expenses	R	1.9	54.3	Timing was responsible for a favorable variance of \$3.4M at MTA CC. MNR was \$0.3M favorable due to lower expenses for the New Haven Yard Component Change Out Facility project. These results were partly offset by an unfavorable variance of (\$1.7M) at NYCT due to higher travel and miscellaneous expenses.
<b>Subsidies</b>	<b>NR</b>	<b>(116.1)</b>	<b>(1.8)</b>	The variance was mostly the result of unfavorable timing accrual differences for PBT (\$54 million) CDOT (\$45 million) and MTA Bus Subsidy (\$13 million), as well as unfavorable MTA Aid (\$9 million) due to lower than projected tax collections. This was offset by favorable Urban Tax (\$27 million) due partially to the timing of accruals.
Debt Service	NR	9.2	0.4	Favorable variance is attributed to the issuance of short term notes rather than bonds, and lower than budgeted unhedged variable debt rates.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**Overtime Decomposition Report**  
**2015 Final Estimate vs. Preliminary Actuals**  
**December 2015**

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 December 2015 (year-to-date).

**2015 OVERTIME REPORTING - PRELIMINARY DECEMBER RESULTS (NON-REIMBURSABLE)**

**Year-to-Date**

Total overtime was \$1.6M, or less than 1% favorable to the Mid-Year Forecast.

*Weather Emergencies* was \$7.9M favorable, reflecting fewer severe weather events than expected over the last several months.

*Other* was \$5.6M favorable, mostly due to timing at NYCT and B&T.

*Scheduled Service* was \$2.0M favorable, mostly due to lower attrition and higher employee availability attributable to new conductor graduates available for service at MNR, and lower holiday coverage (timing related) required within the Maintenance of Equipment department at the LIRR, partially offset by higher coverage requirements at NYCT and MTA Bus.

*Unscheduled Service* was (\$6.0M) unfavorable, mainly due to subway service delays and overcrowding, and increased bus traffic and ramp delays (mostly due to Vision Zero and road congestion) at NYCT, partially offset by lower requirements at B&T and MTA Bus.

*Programmatic/Routine Maintenance* was (\$3.8M) unfavorable primarily due to greater maintenance work for the over-age fleet at MTA Bus, as well as a security-related switch installation, Sperry rail car activity, track welding, and timber and concrete tie installation at the LIRR, partially offset by lower maintenance requirements at MNR.

*Vacancy/Absentee Coverage* was (\$3.6M) unfavorable due to greater coverage requirements for bus operators and maintainers, and signal and track maintainers at NYCT, as well as greater vacancy coverage at MTA Bus and MNR, partially offset by lower relief day overtime within Transportation at the LIRR.

Metropolitan Transportation Authority  
Preliminary 2015 Overtime Results  
Non-Reimbursable/Reimbursable Overtime  
(\$ in millions)

	2015		2015		2015	
	Adopted Budget	Final Estimate	Actuals	Adopted Budget vs. Actuals Var. - Fav./Unfav)	Final Estimate vs. Actuals Var. - Fav./Unfav)	
<b>NON-REIMBURSABLE OVERTIME</b>						
<u>Scheduled Service</u>	\$214.069	\$213.495	\$211.434	\$2.635 1.2%	\$2.061 1.0%	
<u>Unscheduled Service</u>	117.563	121.091	127.083	(9.521) -8.1%	(5.993) -4.9%	
<u>Programmatic/Routine Maintenance</u>	192.267	220.841	224.632	(32.366) -16.8%	(3.792) -1.7%	
<u>Unscheduled Maintenance</u>	1.857	2.402	3.247	(1.391) -74.9%	(0.845) -35.2%	
<u>Vacancy/Absentee Coverage</u>	85.281	108.831	112.446	(27.165) -31.9%	(3.615) -3.3%	
<u>Weather Emergencies</u>	32.065	55.117	47.206	(15.141) -47.2%	7.911 14.4%	
<u>Safety/Security/Law Enforcement</u>	9.325	10.510	10.269	(0.944) -10.1%	0.241 2.3%	
<u>Other</u>	16.727	22.846	17.219	(0.492) -2.9%	5.626 24.6%	
<b>TOTAL NON-REIMBURSABLE OVERTIME:</b>	<b>\$669.154</b>	<b>\$755.132</b>	<b>\$753.538</b>	<b>(\$84.384)</b> -12.6%	<b>\$1.594</b> 0.2%	
<b>REIMBURSABLE OVERTIME</b>						
	\$120.936	\$191.172	\$204.734	(\$83.797) -69.3%	(\$13.562) -7.1%	
<b>TOTAL OVERTIME</b>	<b>\$790.091</b>	<b>\$946.304</b>	<b>\$958.272</b>	<b>(\$168.181)</b> -21.3%	<b>(\$11.968)</b> -1.3%	

\* 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**  
**2015 Overtime Reporting**  
**Overtime Legend**

<u>Type</u>	<u>Definition</u>
<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 resulting from extraordinary events</u> , 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**  
**2015 Adopted Budget and Final Estimate vs. Preliminary Actual**  
**Consolidated Subsidy Accrual Detail**  
**(\$ in millions)**

Accrued Subsidies:	December 2015 Year-to-Date					
	2015 Final Estimate	Preliminary Actual	Variance	2015 Adopted Budget	Preliminary Actual	Variance
<b>Dedicated Taxes</b>						
Mass Transportation Operating Assistance Fund (MMTOA)	\$1,563.9	\$1,563.9	\$0.0	\$1,563.9	\$1,563.9	\$0.0
Petroleum Business Tax	609.7	555.6	(54.1)	608.4	555.6	(52.7)
MRT 1 (Gross)	325.7	321.0	(4.7)	263.6	321.0	57.5
MRT 2 (Gross)	115.7	113.5	(2.2)	101.4	113.5	12.1
Other MRT(b) Adjustments	(8.2)	(8.2)	-	(8.2)	(8.2)	-
Urban Tax	948.2	975.0	26.8	682.9	975.0	292.1
	<b>\$3,556.0</b>	<b>\$3,522.0</b>	<b>(34.1)</b>	<b>\$3,213.0</b>	<b>\$3,522.0</b>	<b>\$308.9</b>
<b>New State Taxes and Fees</b>						
Payroll Mobility Taxes	\$1,322.8	\$1,316.5	(\$6.3)	\$1,316.0	\$1,316.5	\$0.4
Payroll Mobility Taxes Replacement	309.3	309.3	-	309.3	309.3	-
MTA Aid Taxes	293.6	284.8	(8.8)	314.7	284.8	(29.9)
	<b>\$1,925.6</b>	<b>\$1,910.5</b>	<b>(15.1)</b>	<b>\$1,940.0</b>	<b>\$1,910.5</b>	<b>(\$29.5)</b>
<b>State and Local Subsidies</b>						
NYS Operating Assistance	\$187.9	\$187.9	\$0.0	\$187.9	\$187.9	\$0.0
NYC and Local 18b:						
New York City	160.5	160.5	-	160.5	160.5	-
Nassau County	11.6	11.6	-	11.6	11.6	-
Suffolk County	7.5	7.5	-	7.5	7.5	-
Westchester County	7.3	7.3	-	7.3	7.3	-
Putnam County	0.4	0.4	-	0.4	0.4	-
Dutchess County	0.4	0.4	-	0.4	0.4	-
Orange County	0.1	0.1	-	0.1	0.1	-
Rockland County	0.0	0.0	-	0.0	0.0	-
CDOT Subsidies	148.8	104.3	(44.5)	144.8	104.3	(40.5)
Station Maintenance	163.2	160.4	(2.7)	167.2	160.4	(6.7)
	<b>\$687.9</b>	<b>\$640.6</b>	<b>(47.2)</b>	<b>\$687.9</b>	<b>\$640.6</b>	<b>(\$47.2)</b>
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$6,169.5</b>	<b>\$6,073.1</b>	<b>(96.4)</b>	<b>\$5,840.8</b>	<b>\$6,073.1</b>	<b>\$232.2</b>
City Subsidy to MTA Bus	\$409.0	\$396.5	(\$12.5)	\$396.0	\$396.5	\$0.4
City Subsidy to SIRTOA	41.6	34.5	(7.1)	42.6	34.5	(8.1)
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$6,620.1</b>	<b>\$6,504.1</b>	<b>(116.1)</b>	<b>\$6,279.5</b>	<b>\$6,504.1</b>	<b>\$224.6</b>
<b>Inter-Agency Subsidy Transactions</b>						
B&T Operating Surplus Transfer	\$681.3	\$657.4	(\$23.9)	\$559.7	\$657.4	\$97.7
MTA Subsidy to Subsidiaries	0.0	-	-	0.0	-	0.0
	<b>\$681.3</b>	<b>\$657.4</b>	<b>(23.9)</b>	<b>\$559.7</b>	<b>\$657.4</b>	<b>\$97.7</b>
<b>Total Subsidy</b>	<b>\$7,301.4</b>	<b>\$7,161.4</b>	<b>(140.0)</b>	<b>\$6,839.2</b>	<b>\$7,161.4</b>	<b>\$322.3</b>

Note: Differences are due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**2015 Final Estimate vs. Preliminary Actual**  
**Consolidated Subsidy Accrual**  
**Explanation of Variances**  
(\$ in millions)

**December 2015 Year-to-Date**

Accrued Subsidies:	Variance \$	Variance %	Explanations
Petroleum Business Tax	(54.1)	(8.9%)	Variance was mostly timing related and will be reversed with the final 2015 year-end reconciliation by MTA Accounting.
MTA Aid (taxi, auto rental, vehicle registration and license fees)	(8.8)	(3.0%)	The unfavorable variance was due to lower than projected collections of MTA Aid taxes.
CDOT Subsidies	(44.5)	(29.9%)	The unfavorable variance was primarily due to timing of accruals for CDOT.
City Subsidy to MTA Bus	(12.5)	(3.1%)	Unfavorable variance was partially due to timing of accruals for MTA Bus reimbursement from NYC.
City Subsidy to SIRTOA	(7.1)	(17.1%)	The variance was due mostly to timing. Drawdowns are related to timing of cash obligations for SIR and LIB.
B&T Operating Surplus Transfer	(23.9)	(3.5%)	The unfavorable variance was attributable to the timing of transfers.

Note: Differences are due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**NOVEMBER FINANCIAL PLAN - Final Forecast**  
**Debt Service**  
**December 2015**

(\$ in millions)

	2015 Final Estimate	2015 Preliminary Actual	Variance	% Var	Explanation
Dedicated Tax Fund:					
NYC Transit	\$31.1	\$30.1	\$1.0		
Commuter Railroads	6.4	6.4	0.0		
<b>Dedicated Tax Fund Subtotal</b>	<b>\$37.5</b>	<b>\$36.5</b>	<b>\$1.0</b>	<b>2.7%</b>	Lower than budgeted short-term rates.
MTA Transportation Revenue:					
NYC Transit	\$72.9	\$74.2	(\$1.3)		
Commuter Railroads	46.3	46.8	(0.5)		
MTA Bus	1.7	2.4	(0.7)		
SIRTOA	0.0	0.1	0.0		
<b>MTA Transportation Revenue Subtotal</b>	<b>\$120.9</b>	<b>\$123.4</b>	<b>(\$2.5)</b>	<b>-2.1%</b>	Timing of debt service deposits.
MTA Transportation Revenue BANs:					
NYC Transit	\$0.0	\$0.0	\$0.0		
Commuter Railroads	0.0	0.0	0.0		
MTA Bus	0.0	0.0	0.0		
<b>MTA Transp Revenue BANs Subtotal</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>0.0%</b>	
2 Broadway COPs:					
NYC Transit	\$1.6	\$1.6	\$0.0		
Bridges & Tunnels	0.2	0.2	0.0		
MTA HQ	0.2	0.2	0.0		
<b>2 Broadway COPs Subtotal</b>	<b>\$2.1</b>	<b>\$2.1</b>	<b>\$0.0</b>	<b>0.6%</b>	
TBTA General Resolution (2):					
NYC Transit	\$14.5	\$10.4	\$4.1		
Commuter Railroads	6.8	4.9	1.9		
Bridges & Tunnels	20.5	14.7	5.8		
<b>TBTA General Resolution Subtotal</b>	<b>\$41.8</b>	<b>\$30.0</b>	<b>\$11.8</b>	<b>28.3%</b>	Reversal of November 2015 timing variance.
TBTA Subordinate (2):					
NYC Transit	\$5.8	\$5.3	\$0.5		
Commuter Railroads	2.5	2.3	0.2		
Bridges & Tunnels	2.3	2.1	0.2		
<b>TBTA Subordinate Subtotal</b>	<b>\$10.6</b>	<b>\$9.7</b>	<b>\$0.9</b>	<b>8.8%</b>	Lower than budgeted unhedged variable rates.
<b>Total Debt Service</b>	<b>\$212.9</b>	<b>\$201.6</b>	<b>\$11.3</b>	<b>5.3%</b>	
Debt Service by Agency:					
NYC Transit	\$126.0	\$121.6	\$4.4		
Commuter Railroads	62.0	60.4	1.6		
MTA Bus	1.7	2.4	(0.7)		
SIRTOA	0.0	0.1	0.0		
Bridges & Tunnels	23.0	17.0	6.0		
MTA HQ	0.2	0.2	0.0		
<b>Total Debt Service</b>	<b>\$212.9</b>	<b>\$201.6</b>	<b>\$11.3</b>	<b>5.3%</b>	

**Notes:**

(1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.

(2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.

(3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

Totals may not add due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**NOVEMBER FINANCIAL PLAN - Final Forecast**  
**Debt Service**  
**December 2015 Year-to-Date**  
(\$ in millions)

	2015 Final Estimate	2015 Preliminary Actual	Variance	% Var	Explanation
Dedicated Tax Fund:					
NYC Transit	\$282.7	\$279.1	\$3.7		
Commuter Railroads	59.5	60.2	(0.7)		
<b>Dedicated Tax Fund Subtotal</b>	<b>\$342.2</b>	<b>\$339.3</b>	<b>\$3.0</b>	<b>0.9%</b>	Lower than budgeted short-term rates.
MTA Transportation Revenue:					
NYC Transit	\$846.1	\$844.8	\$1.3		
Commuter Railroads	537.8	530.9	6.9		
MTA Bus	26.3	29.8	(3.4)		
SIRTOA	0.6	0.7	(0.1)		
<b>MTA Transportation Revenue Subtotal</b>	<b>\$1,410.8</b>	<b>\$1,406.2</b>	<b>\$4.6</b>	<b>0.3%</b>	Lower than budgeted short-term rates.
MTA Transportation Revenue BANs:					
NYC Transit	\$0.2	\$0.2	\$0.0		
Commuter Railroads	0.1	0.1	0.0		
MTA Bus	0.0	0.0	0.0		
<b>MTA Transp Revenue BANs Subtotal</b>	<b>\$0.3</b>	<b>\$0.3</b>	<b>\$0.0</b>	<b>0.0%</b>	
2 Broadway COPs:					
NYC Transit	\$19.8	\$19.8	\$0.0		
Bridges & Tunnels	2.8	2.8	0.0		
MTA HQ	2.7	2.7	0.0		
<b>2 Broadway COPs Subtotal</b>	<b>\$25.3</b>	<b>\$25.3</b>	<b>\$0.0</b>	<b>0.0%</b>	
TBTA General Resolution (2):					
NYC Transit	\$173.9	\$172.5	\$1.4		
Commuter Railroads	81.8	81.1	0.7		
Bridges & Tunnels	220.5	222.7	(2.2)		
<b>TBTA General Resolution Subtotal</b>	<b>\$476.2</b>	<b>\$476.3</b>	<b>(\$0.1)</b>	<b>0.0%</b>	
TBTA Subordinate (2):					
NYC Transit	\$69.6	\$68.6	\$1.0		
Commuter Railroads	30.6	30.2	0.4		
Bridges & Tunnels	27.5	27.1	0.4		Lower than budgeted unhedged variable rates.
<b>TBTA Subordinate Subtotal</b>	<b>\$127.7</b>	<b>\$125.9</b>	<b>\$1.8</b>	<b>1.4%</b>	
<b>Total Debt Service</b>	<b>\$2,382.6</b>	<b>\$2,373.3</b>	<b>\$9.2</b>	<b>0.4%</b>	
Debt Service by Agency:					
NYC Transit	\$1,392.4	\$1,385.0	\$7.4		
Commuter Railroads	709.8	702.5	7.3		
MTA Bus	26.3	29.8	(3.4)		
SIRTOA	0.6	0.7	(0.1)		
Bridges & Tunnels	250.8	252.6	(1.8)		
MTA HQ	2.7	2.7	0.0		
<b>Total Debt Service</b>	<b>\$2,382.6</b>	<b>\$2,373.3</b>	<b>\$9.2</b>	<b>0.4%</b>	

**Notes:**

(1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.

(2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.

(3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

Totals may not add due to rounding.



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**2015 Final Estimate vs. Preliminary Actual**  
**Consolidated Subsidy Cash Detail**  
**Explanation of Variances**  
(\$ in millions)  
**December 2015 Year-to-date**

<b>Cash Subsidies:</b>	<b>Variance \$</b>	<b>Variance %</b>	<b>Explanations</b>
Urban Tax	(36.5)	(3.7%)	The unfavorable cash variance was due to lower than expected real estate activity in the New York City.
MTA Aid (taxi, auto rental, vehicle registration and license fees)	(8.8)	(3.0%)	The unfavorable variance was due to slightly lower than projected collections of MTA Aid taxes.
CDOT Subsidies	(19.9)	(13.4%)	The unfavorable variance was primarily due to timing differences in CDOT subsidy payments to MNR by Connecticut Department of Transportation.
City Subsidy to MTA Bus	18.6	4.4%	Favorable cash variance was primarily due to the timing of receipts from NYC for MTA Bus.
B&T Operating Surplus Transfer	44.2	6.3%	The favorable variance was attributable to the timing of transfers.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**2015 Final Estimate vs. Preliminary Actual**  
**Total Positions by Function and Agency**  
**December 2015**

<b>Function/Agency</b>	<b>Final Estimate</b>	<b>Actual</b>	<b>Variance Favorable/ (Unfavorable)</b>
<b>Administration</b>	<b>4,720</b>	<b>4,287</b>	<b>433</b>
NYC Transit	1,434	1,441	(7)
Long Island Rail Road	501	465	36
Metro-North Railroad	567	466	101
Bridges & Tunnels	87	76	11
Headquarters	1,939	1,697	242
Staten Island Railway	28	25	3
Capital Construction Company	17	14	3
Bus Company	147	103	44
<b>Operations</b>	<b>30,411</b>	<b>30,394</b>	<b>17</b>
NYC Transit	22,958	23,019	(61)
Long Island Rail Road	2,391	2,354	37
Metro-North Railroad	1,884	1,867	17
Bridges & Tunnels	619	549	70
Headquarters	-	-	-
Staten Island Railway	107	106	1
Capital Construction Company	-	-	-
Bus Company	2,452	2,499	(47)
<b>Maintenance</b>	<b>31,119</b>	<b>30,470</b>	<b>649</b>
NYC Transit	21,360	21,121	239
Long Island Rail Road	4,009	3,992	17
Metro-North Railroad	4,131	3,771	360
Bridges & Tunnels	365	350	15
Headquarters	-	-	-
Staten Island Railway	156	151	5
Capital Construction Company	-	-	-
Bus Company	1,098	1,085	13
<b>Engineering/Capital</b>	<b>2,038</b>	<b>1,989</b>	<b>49</b>
NYC Transit	1,319	1,369	(50)
Long Island Rail Road	182	156	26
Metro-North Railroad	115	106	9
Bridges & Tunnels	236	192	44
Headquarters	-	-	-
Staten Island Railway	26	26	-
Capital Construction Company	123	111	12
Bus Company	37	29	8
<b>Public Safety</b>	<b>1,738</b>	<b>1,682</b>	<b>56</b>
NYC Transit	635	622	13
Long Island Rail Road	-	-	-
Metro-North Railroad	-	-	-
Bridges & Tunnels	274	267	7
Headquarters	811	777	34
Staten Island Railway	-	-	-
Capital Construction Company	-	-	-
Bus Company	18	16	2
<b>Total Positions</b>	<b>70,026</b>	<b>68,823</b>	<b>1,204</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**2015 Final Estimate vs. Preliminary Actual**  
**Total Positions by Function and Agency**  
**December 2015**

<b>Category</b>	<b>Final Estimate</b>	<b>Actual</b>	<b>Variance Favorable/ (Unfavorable)</b>
<b>Total Positions</b>	<b>70,026</b>	<b>68,823</b>	<b>1,204</b>
NYC Transit	47,706	47,572	134
Long Island Rail Road	7,083	6,967	116
Metro-North Railroad	6,697	6,211	487
Bridges & Tunnels	1,581	1,434	147
Headquarters	2,750	2,474	276
Staten Island Railway	317	308	9
Capital Construction Company	140	125	15
Bus Company	3,752	3,732	20
<b>Non-reimbursable</b>	<b>63,175</b>	<b>63,159</b>	<b>16</b>
NYC Transit	42,650	43,449	(799)
Long Island Rail Road	6,284	6,131	153
Metro-North Railroad	6,115	5,888	227
Bridges & Tunnels	1,505	1,358	147
Headquarters	2,616	2,358	258
Staten Island Railway	291	282	9
Capital Construction Company	-	-	-
Bus Company	3,714	3,693	21
<b>Reimbursable</b>	<b>6,851</b>	<b>5,664</b>	<b>1,188</b>
NYC Transit	5,056	4,123	933
Long Island Rail Road	799	836	(37)
Metro-North Railroad	582	323	260
Bridges & Tunnels	76	76	-
Headquarters	134	116	18
Staten Island Railway	26	26	-
Capital Construction Company	140	125	15
Bus Company	38	39	(1)
<b>Total Full Time</b>	<b>69,856</b>	<b>68,551</b>	<b>1,306</b>
NYC Transit	47,552	47,315	237
Long Island Rail Road	7,083	6,967	116
Metro-North Railroad	6,696	6,210	487
Bridges & Tunnels	1,581	1,434	147
Headquarters	2,750	2,474	276
Staten Island Railway	317	308	9
Capital Construction Company	140	125	15
Bus Company	3,737	3,718	19
<b>Total Full-Time Equivalent</b>	<b>170</b>	<b>278</b>	<b>(108)</b>
NYC Transit	154	257	(103)
Long Island Rail Road	-	-	-
Metro-North Railroad	1	1	-
Bridges & Tunnels	-	-	-
Headquarters	-	-	-
Staten Island Railway	-	-	-
Capital Construction Company	-	6	(6)
Bus Company	15	14	1

Note: Totals may differ due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**2015 Final Estimate vs. Preliminary Actual**  
**Total Positions by Function and Occupational Group**  
**December 2015**

<b>FUNCTION/OCCUPATIONAL GROUP</b>	<b>Final Estimate</b>	<b>Actual</b>	<b>Variance Favorable/ (Unfavorable)</b>
<b>Administration</b>	<b>4,720</b>	<b>4,287</b>	<b>433</b>
Managers/Supervisors	1,500	1,325	175
Professional, Technical, Clerical	3,061	2,832	229
Operational Hourlies	158	130	28
<b>Operations</b>	<b>30,411</b>	<b>30,394</b>	<b>17</b>
Managers/Supervisors	3,753	3,657	96
Professional, Technical, Clerical	887	854	33
Operational Hourlies	25,772	25,883	(111)
<b>Maintenance</b>	<b>31,119</b>	<b>30,470</b>	<b>649</b>
Managers/Supervisors	5,473	5,305	168
Professional, Technical, Clerical	1,898	1,803	95
Operational Hourlies	23,749	23,362	387
<b>Engineering/Capital</b>	<b>2,038</b>	<b>1,989</b>	<b>49</b>
Managers/Supervisors	602	559	43
Professional, Technical, Clerical	1,414	1,407	7
Operational Hourlies	22	23	(1)
<b>Public Safety</b>	<b>1,738</b>	<b>1,682</b>	<b>56</b>
Managers/Supervisors	477	480	(3)
Professional, Technical, Clerical	154	126	28
Operational Hourlies	1,107	1,076	31
<b>Total Positions</b>	<b>70,026</b>	<b>68,823</b>	<b>1,204</b>
Managers/Supervisors	11,805	11,326	479
Professional, Technical, Clerical	7,414	7,022	392
Operational Hourlies	50,807	50,474	333

	Current Month Stabilization Fund (millions)				Year to Date Stabilization Fund			
	Commuter (General Fd)		Transit (TA Stab)		Commuter (General Fd)		Transit (TA Stab)	
	01/01/16	01/31/16	01/01/16	01/31/16	01/01/16	01/31/16	01/01/16	01/31/16
<b>Opening Balance</b>	\$53.412	\$110.216	\$163.628	\$163.628	\$53.412	\$110.216	\$163.628	\$163.628
<b>RECEIPTS</b>								
Interest Earnings	0.019	0.021	0.041	0.041	0.019	0.021	0.041	0.041
<b>New York State</b>								
State and regional mass transit taxes - MMTOA	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
MTTF	8.083	45.802	53.885	53.885	8.083	45.802	53.885	53.885
Total Dedicated Taxes Received	8.083	45.802	53.885	53.885	8.083	45.802	53.885	53.885
Less DTF Debt Service	6.444	30.158	36.602	36.602	6.444	30.158	36.602	36.602
Net Dedicated Taxes for Operations	1.638	15.644	17.283	17.283	1.638	15.644	17.283	17.283
Payroll Mobility Tax	0.000	32.748	32.748	32.748	0.000	32.748	32.748	32.748
MTA Aid Trust Taxes	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Operating Assistance - 18b	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
NYC School Fares	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
NYS School Fares	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Additional Mass Transp Operating Assistance	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Total - New York State	\$1.638	\$48.393	\$50.031	\$50.031	\$1.638	\$48.393	\$50.031	\$50.031
<b>Local</b>								
Dutchess County	\$0.000	n/a	\$0.000	\$0.000	\$0.000	n/a	\$0.000	\$0.000
Operating Assistance - 18b	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Station Maintenance	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Nassau County	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Operating Assistance - 18b	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Station Maintenance	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
New York City	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Operating Assistance - 18b	n/a	128.795	128.795	128.795	n/a	128.795	128.795	128.795
Urban - Real Property & Mortgage Recording Tax	n/a	0.000	0.000	0.000	n/a	0.000	0.000	0.000
Additional Assistance New York City	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Station Maintenance	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Orange County	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Operating Assistance - 18b	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Station Maintenance	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Putnam County	0.095	n/a	0.095	0.095	0.095	n/a	0.095	0.095
Operating Assistance - 18b	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Station Maintenance	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Rockland County	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Operating Assistance - 18b	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Station Maintenance	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Suffolk County	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Operating Assistance - 18b	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Station Maintenance	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Westchester County	1.836	n/a	1.836	1.836	1.836	n/a	1.836	1.836
Operating Assistance - 18b	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Station Maintenance	0.000	n/a	0.000	0.000	0.000	n/a	0.000	0.000
Total - Local	\$1.931	\$128.795	\$130.726	\$130.726	\$1.931	\$128.795	\$130.726	\$130.726

From Date:  
To Date:

	<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>	
	01/01/16	01/01/16	01/01/16	01/01/16	01/01/16	01/01/16
	01/31/16	01/31/16	01/31/16	01/31/16	01/31/16	01/31/16
<b>MTA Bridges and Tunnels- Surplus Transfers</b>						
Total Subsidy and Other Receipts	0.000	0.000	0.000	0.000	0.000	0.000
	\$3.569	\$177.188	\$180.757	\$3.569	\$177.188	\$180.757
<b>MTA Sources for Interagency Loans</b>						
Retro Payment Reserve - Fund#1302	\$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
	\$3.588	\$177.209	\$180.797	\$3.588	\$177.209	\$180.797
<b>Total Receipts and Loans Received</b>						

Continued on Next Page

Continued on Next Page

	Current Month Stabilization Fund (millions)				Year to Date Stabilization Fund				
	Commuter (General Fd)		Transit (TA Stab)		Commuter (General Fd)		Transit (TA Stab)		Total
	01/01/16	01/31/16	01/01/16	01/31/16	01/01/16	01/31/16	01/01/16	01/31/16	01/31/16
<b>Brought forward from prior page</b>									
Opening Balance	\$53,412	\$110,216	\$163,628	\$163,628	\$53,412	\$110,216	\$163,628	\$163,628	
Total Receipts and Loans Received	3,588	177,209	180,797	180,797	3,588	177,209	180,797	180,797	
Total Cash and Receipts Available	\$57,000	\$287,425	\$344,425	\$344,425	\$57,000	\$287,425	\$344,425	\$344,425	
<b>DISBURSEMENTS</b>									
<b>Revenue Supported Debt Service</b>	44,988	72,816	117,804	117,804	44,988	72,816	117,804	117,804	
<b>Agency Operations</b>									
MTA Long Island Railroad	50,263	0,000	50,263	50,263	50,263	0,000	50,263	50,263	
MTA Metro-North Rail Road	7,208	0,000	7,208	7,208	7,208	0,000	7,208	7,208	
MTA New York City Transit	0,000	112,748	112,748	112,748	0,000	112,748	112,748	112,748	
MTA NYCT for SIRTOA	0,000	1,153	1,153	1,153	0,000	1,153	1,153	1,153	
MTA Bond Admin Cost	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	
MNR Repayment of 525 North Broadway loan	0,000	0,000	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	0,000	0,000	
Capital Security Account	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	
Total Debt Service and Operations	\$102,459	\$186,718	\$289,177	\$289,177	\$102,459	\$186,718	\$289,177	\$289,177	
<b>Repayment of Interagency Loans</b>									
Payback - Trans Non-bond - Fd#1028	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	
Transfer to Fund 1030 (NYCTA Op Fund)	0,000	0,000	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	0,000	0,000	
2012 OPEB Loan	0,000	0,000	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	\$0,000	\$0,000	
Total Disbursements	\$102,459	\$186,718	\$289,177	\$289,177	\$102,459	\$186,718	\$289,177	\$289,177	
<b>STABILIZATION FUND BALANCE</b>	-\$45,459	\$100,708	\$55,248	\$55,248	-\$45,459	\$100,708	\$55,248	\$55,248	
<b>Ending Loan Balances</b>									
B&T Necessary Reconstruction Reserve	0,000	0,000	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	0,000	0,000	
MRT-2 Corporate Account	0,000	0,000	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	0,000	
Total	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	
<b>End of Month NYCT Operating Fund borrowing from MTA Invest Pool not included in Ending Loan Balances above</b>	n/a	-\$32,087	-\$32,087	-\$32,087	n/a	-\$32,087	-\$32,087	-\$32,087	
<b>Total Loan Balances (including negative Operating and Stabilization Fund Balances)</b>					\$45,459	-\$32,087	-\$32,087	-\$32,087	\$13,373

**METROPOLITAN TRANSPORTATION AUTHORITY  
 FAREBOX RECOVERY AND FAREBOX OPERATING RATIOS  
 2015 ADOPTED BUDGET / FINAL ESTIMATE AND PRELIMINARY ACTUALS  
 DECEMBER 2015**

<b>FAREBOX RECOVERY RATIOS</b>			
	<b>2015 <u>Adopted Budget</u></b>	<b>2015 <u>Final Estimate</u></b>	<b>2015 <u>Preliminary Actuals</u></b>
New York City Transit	37.7%	37.9%	37.1%
Staten Island Railway	10.5%	11.6%	11.7%
Long Island Rail Road	31.1%	32.4%	33.5%
Metro-North Railroad	41.3%	40.9%	42.3%
Bus Company	<u>27.8%</u>	<u>27.9%</u>	<u>26.4%</u>
<b>MTA Agency Average</b>	<b>36.6%</b>	<b>36.9%</b>	<b>36.5%</b>

<b>FAREBOX OPERATING RATIOS</b>			
	<b>2015 <u>Adopted Budget</u></b>	<b>2015 <u>Final Estimate</u></b>	<b>2015 <u>Preliminary Actuals</u></b>
New York City Transit	60.1%	60.6%	59.7%
Staten Island Railway	14.6%	16.6%	17.1%
Long Island Rail Road	47.7%	48.4%	50.6%
Metro-North Railroad	62.9%	58.7%	62.0%
Bus Company	<u>35.3%</u>	<u>35.4%</u>	<u>33.4%</u>
<b>MTA Agency Average</b>	<b>57.0%</b>	<b>57.0%</b>	<b>56.9%</b>

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

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

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



**Metropolitan Transportation Authority**

State of New York

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

## Report on Revenue Passengers and Vehicles Ridership Data Thru December, 2015

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

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

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Wednesday, February 10, 2016

**Metropolitan Transportation Authority** **December**

<b>Revenue Passengers</b>	<b>2013</b>	<b>2014</b>	<b>Percent Change</b>	<b>2015</b>	<b>Percent Change</b>
<b>MTA New York City Transit</b>	195,693,862	204,555,139	4.53%	204,674,483	0.06%
MTA New York City Subway	142,566,679	150,132,948	5.31%	150,782,260	0.43%
MTA New York City Bus	53,127,183	54,422,191	2.44%	53,892,223	-0.97%
<b>MTA Staten Island Railway</b>	347,265	369,585	6.43%	397,242	7.48%
<b>MTA Long Island Rail Road</b>	7,203,125	7,587,185	5.33%	7,760,262	2.28%
<b>MTA Metro-North Railroad</b>	7,062,872	7,502,155	6.22%	7,632,258	1.73%
<i>East of Hudson</i>	6,927,541	7,356,438	6.19%	7,486,228	1.76%
Harlem Line	2,303,474	2,398,294	4.12%	2,442,546	1.85%
Hudson Line	1,255,542	1,419,350	13.05%	1,438,103	1.32%
New Haven Line	3,368,525	3,538,794	5.05%	3,605,579	1.89%
<i>West of Hudson</i>	135,331	145,717	7.67%	146,030	0.21%
Port Jervis Line	83,241	87,965	5.68%	86,298	-1.90%
Pascack Valley Line	52,090	57,752	10.87%	59,732	3.43%
<b>MTA Bus Company</b>	9,942,627	10,491,414	5.52%	10,524,956	0.32%
<b>MTA Bridges &amp; Tunnels</b>	23,035,975	24,182,522	4.98%	25,385,215	4.97%
<b>Total All Agencies</b>	<b>220,249,751</b>	<b>230,505,478</b>	<b>4.66%</b>	<b>230,989,201</b>	<b>0.21%</b>
(Excludes Bridges & Tunnels)					
Weekdays:	21	22		22	
Holidays:	1	1		1	
Weekend Days:	9	8		8	
Days	31	31		31	

Wednesday, February 10, 2016

## Metropolitan Transportation Authority December

Revenue Passengers Year to Date	2013	2014	Percent Change	2015	Percent Change
<b>MTA New York City Transit</b>	2,385,125,145	2,418,338,791	1.39%	2,413,172,578	-0.21%
MTA New York City Subway	1,707,555,714	1,751,287,621	2.56%	1,762,520,138	0.64%
MTA New York City Bus	677,569,432	667,051,170	-1.55%	650,652,440	-2.46%
<b>MTA Staten Island Railway</b>	4,220,566	4,367,616	3.48%	4,501,887	3.07%
<b>MTA Long Island Rail Road</b>	83,384,105	85,861,075	2.97%	87,646,702	2.08%
<b>MTA Metro-North Railroad East of Hudson</b>	83,378,505	84,659,126	1.54%	86,018,160	1.61%
Harlem Line	81,802,278	82,975,115	1.43%	84,272,410	1.56%
Hudson Line	26,949,667	27,127,447	0.66%	27,503,887	1.39%
New Haven Line	15,877,559	16,236,555	2.26%	16,424,639	1.16%
<b>West of Hudson</b>	38,975,052	39,611,113	1.63%	40,343,884	1.85%
Port Jervis Line	1,576,227	1,684,011	6.84%	1,745,750	3.67%
Pascack Valley Line	983,362	1,018,332	3.56%	1,039,377	2.07%
	592,865	665,679	12.28%	706,373	6.11%
<b>MTA Bus Company</b>	124,951,185	125,581,237	0.50%	125,399,571	-0.14%
<b>MTA Bridges &amp; Tunnels</b>	284,527,505	286,361,108	0.64%	297,947,451	4.05%
<b>Total All Agencies</b>	<b>2,681,059,507</b>	<b>2,718,807,845</b>	<b>1.41%</b>	<b>2,716,738,898</b>	<b>-0.08%</b>
<small>(Excludes Bridges &amp; Tunnels)</small>					
Weekdays:	251	248		250	
Holidays:	11	10		11	
Weekend Days:	103	107		104	
Days	365	365		365	

Wednesday, February 10, 2016

## Metropolitan Transportation Authority December

	Revenue Passengers			Percent Change	2015	Percent Change
	2013	2014	2015			
<b>12 Month Averages</b>						
<b>MTA New York City Transit</b>	198,760,429	201,528,233	201,097,715	1.39%	201,097,715	-0.21%
MTA New York City Subway	142,296,309	145,940,635	146,876,678	2.56%	146,876,678	0.64%
MTA New York City Bus	56,464,119	55,587,597	54,221,037	-1.55%	54,221,037	-2.46%
<b>MTA Staten Island Railway</b>	351,714	363,968	375,157	3.48%	375,157	3.07%
<b>MTA Long Island Rail Road</b>	6,948,675	7,155,090	7,303,892	2.97%	7,303,892	2.08%
<b>MTA Metro-North Railroad</b>	6,948,209	7,054,927	7,168,180	1.54%	7,168,180	1.61%
<i>East of Hudson</i>	6,816,857	6,914,593	7,022,701	1.43%	7,022,701	1.56%
Harlem Line	2,245,806	2,260,621	2,291,991	0.66%	2,291,991	1.39%
Hudson Line	1,323,130	1,353,046	1,368,720	2.26%	1,368,720	1.16%
New Haven Line	3,247,921	3,300,926	3,361,990	1.63%	3,361,990	1.85%
<i>West of Hudson</i>	131,352	140,334	145,479	6.84%	145,479	3.67%
Port Jervis Line	81,947	84,861	86,615	3.56%	86,615	2.07%
Pascack Valley Line	49,405	55,473	58,864	12.28%	58,864	6.11%
<b>MTA Bus Company</b>	10,412,599	10,465,103	10,449,964	0.50%	10,449,964	-0.14%
<b>MTA Bridges &amp; Tunnels</b>	23,710,625	23,863,426	24,828,954	0.64%	24,828,954	4.05%
<b>Total All Agencies</b>	<b>223,421,626</b>	<b>226,567,320</b>	<b>226,394,908</b>	<b>1.41%</b>	<b>226,394,908</b>	<b>-0.08%</b>
(Excludes Bridges & Tunnels)						
Weekdays:	21	22	22			22
Holidays:	1	1	1			1
Weekend Days:	9	8	8			8
Days	31	31	31			31

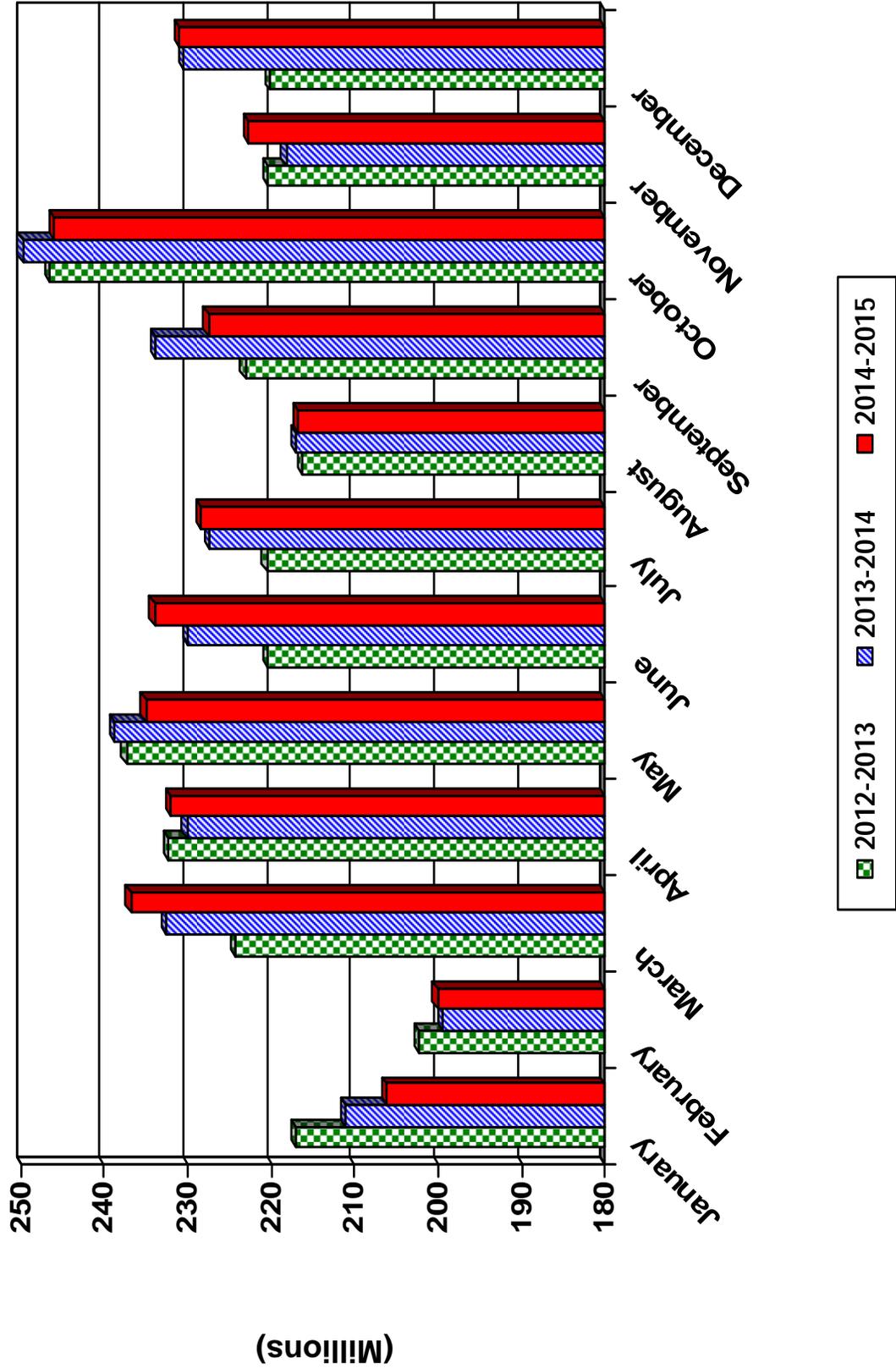
Wednesday, February 10, 2016

## Metropolitan Transportation Authority December

Average Weekday Passengers	2013	2014	Percent Change	2015	Percent Change
<b>MTA New York City Transit</b>					
MTA New York City Subway	7,464,105	7,623,337	2.13%	7,627,282	0.05%
MTA New York City Bus	5,420,212	5,584,168	3.02%	5,614,309	0.54%
	2,043,893	2,039,169	-0.23%	2,012,972	-1.28%
<b>MTA Staten Island Railway</b>	14,815	15,248	2.92%	16,370	7.36%
<b>MTA Long Island Rail Road</b>	296,888	301,964	1.71%	309,372	2.45%
<b>MTA Metro-North Railroad</b>					
<i>East of Hudson</i>	285,736	295,383	3.38%	296,167	0.27%
Harlem Line	279,287	288,744	3.39%	289,518	0.27%
Hudson Line	93,600	94,891	1.38%	95,346	0.48%
New Haven Line	50,648	55,712	10.00%	55,642	-0.12%
<i>West of Hudson</i>	135,039	138,141	2.30%	138,530	0.28%
Port Jervis Line	6,449	6,639	2.95%	6,649	0.15%
Pascack Valley Line	3,967	4,008	1.03%	3,930	-1.95%
	2,482	2,631	6.00%	2,719	3.34%
<b>MTA Bus Company</b>	388,825	399,293	2.69%	398,969	-0.08%
<b>MTA Bridges &amp; Tunnels</b>	785,165	809,947	3.16%	844,618	4.28%
<b>Total All Agencies</b>	<b>8,450,370</b>	<b>8,635,225</b>	<b>2.19%</b>	<b>8,648,161</b>	<b>0.15%</b>
<small>(Excludes Bridges &amp; Tunnels)</small>					
Weekdays:	21	22		22	
Holidays:	1	1		1	
Weekend Days:	9	8		8	
Days	31	31		31	

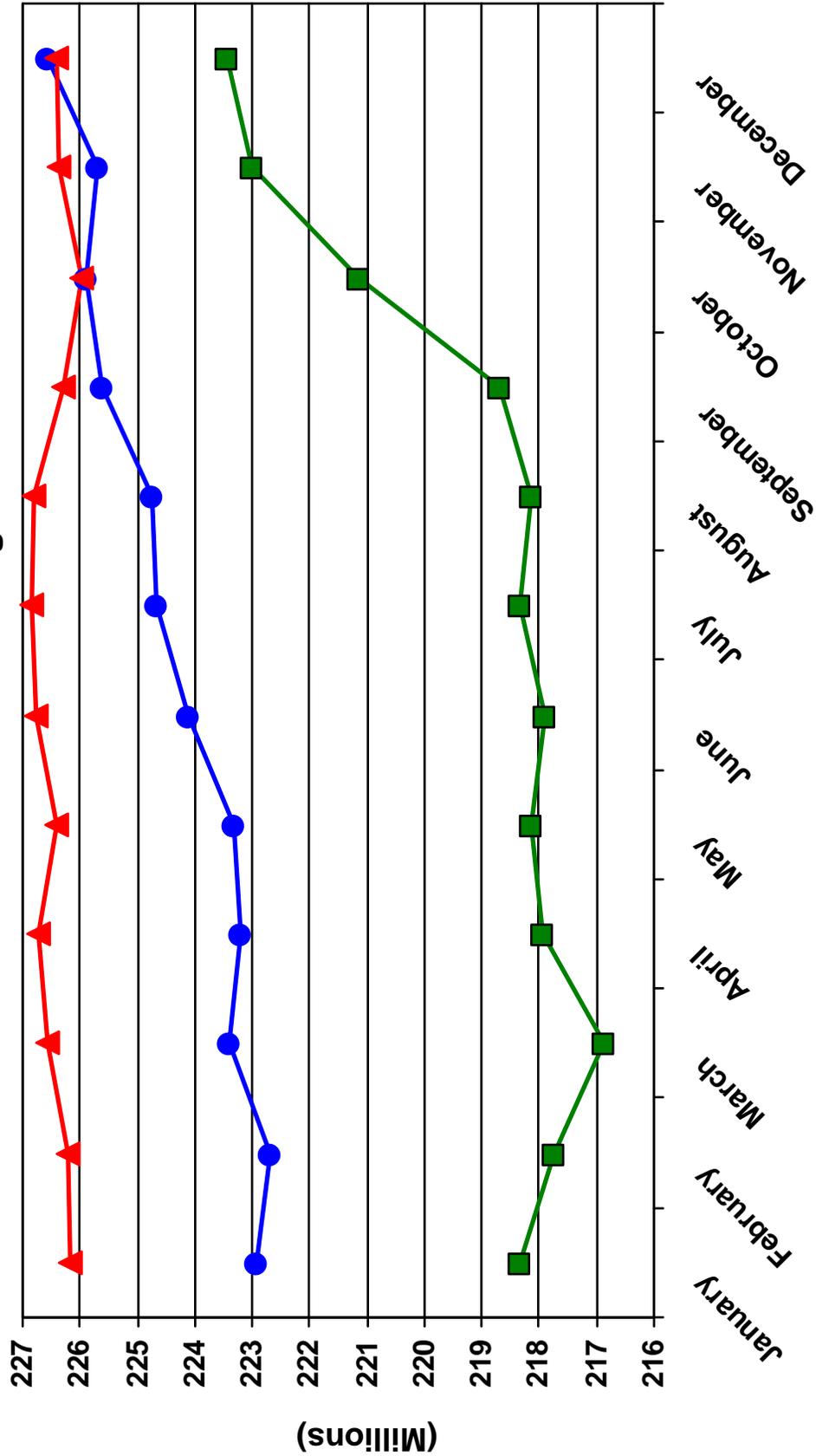
Wednesday, February 10, 2016

# Metropolitan Transportation Authority Revenue Passengers



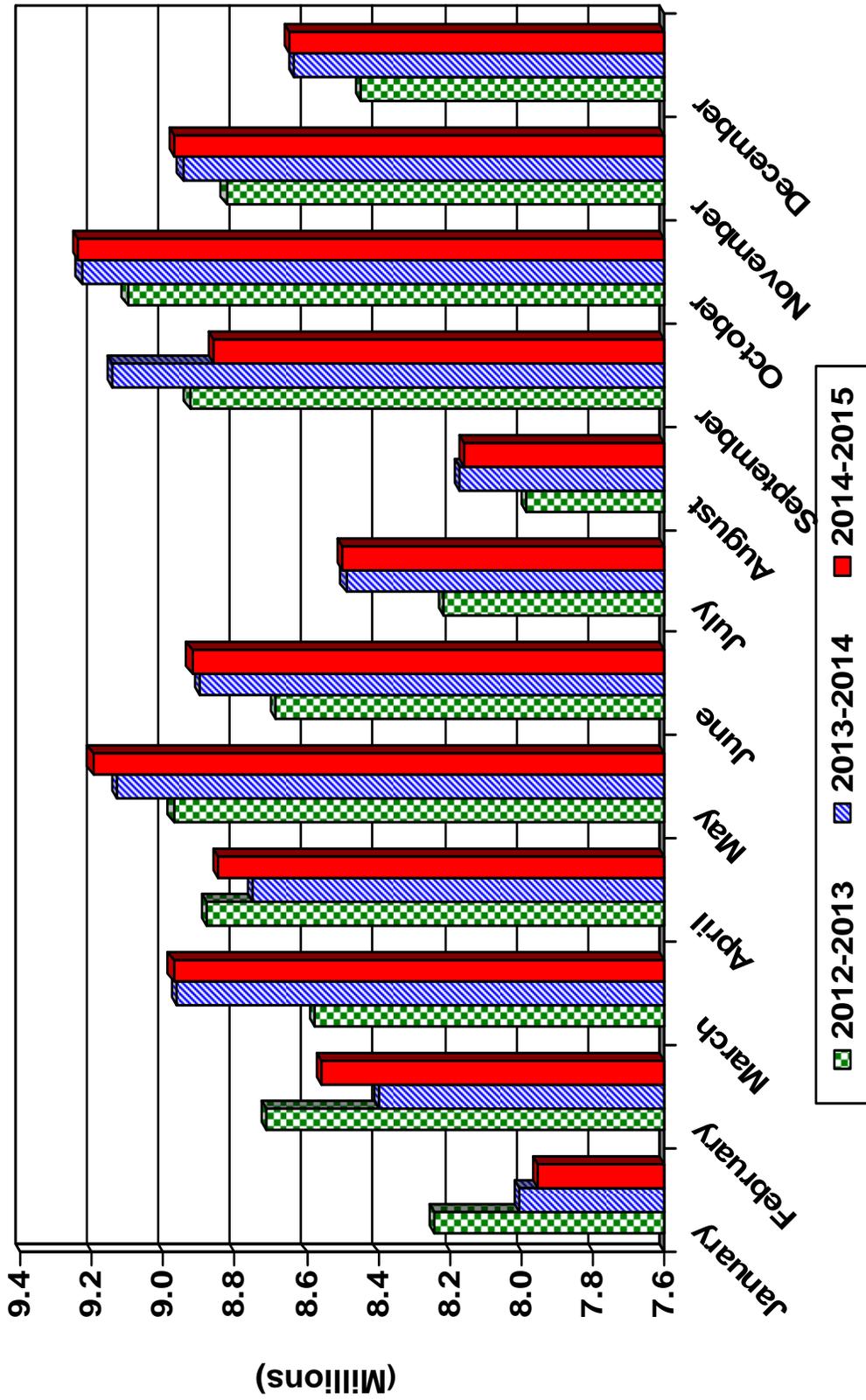
### Metropolitan Transportation Authority Revenue Passengers

#### 12 Month Averages



■ 2012-2013 ● 2013-2014 ▲ 2014-2015

### Metropolitan Transportation Authority Average Weekday Passengers



Metropolitan Transportation Authority

Metropolitan Transportation Authority

Revenue Passengers Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	217,053,049	211,066,938	-2.76%	206,268,455	-2.27%
February	202,336,902	199,451,154	-1.43%	200,136,659	0.34%
March	224,234,827	232,619,587	3.74%	236,828,923	1.81%
April	232,297,024	230,127,706	-0.93%	232,095,483	0.86%
May	237,347,958	238,847,033	0.63%	235,019,006	-1.60%
June	220,490,708	229,971,756	4.30%	233,980,472	1.74%
July	220,562,209	227,358,980	3.08%	228,409,086	0.46%
August	216,372,684	217,065,083	0.32%	216,756,306	-0.14%
September	223,125,464	233,808,873	4.79%	227,525,786	-2.69%
October	246,469,549	249,749,147	1.33%	246,027,442	-1.49%
November	220,519,382	218,236,110	-1.04%	222,702,079	2.05%
<b>December</b>	<b>220,249,751</b>	<b>230,505,478</b>	<b>4.66%</b>	<b>230,989,201</b>	<b>0.21%</b>
<b>12 Month Ave</b>	<b>223,421,626</b>	<b>226,567,320</b>	<b>1.41%</b>	<b>226,394,908</b>	<b>-0.08%</b>
<b>Year-to-Date</b>	<b>2,681,059,507</b>	<b>2,718,807,845</b>	<b>1.41%</b>	<b>2,716,738,898</b>	<b>-0.08%</b>

12 Month Averages Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	218,335,013	222,922,783	2.10%	226,167,447	1.46%
February	217,721,848	222,682,304	2.28%	226,224,572	1.59%
March	216,877,001	223,381,034	3.00%	226,575,350	1.43%
April	217,935,607	223,200,258	2.42%	226,739,332	1.59%
May	218,119,322	223,325,180	2.39%	226,420,329	1.39%
June	217,898,629	224,115,268	2.85%	226,754,389	1.18%
July	218,339,454	224,681,665	2.90%	226,841,898	0.96%
August	218,125,773	224,739,365	3.03%	226,816,166	0.92%
September	218,679,668	225,629,649	3.18%	226,292,576	0.29%
October	221,154,082	225,902,949	2.15%	225,982,434	0.04%
November	223,004,123	225,712,677	1.21%	226,354,598	0.28%
<b>December</b>	<b>223,421,626</b>	<b>226,567,320</b>	<b>1.41%</b>	<b>226,394,908</b>	<b>-0.08%</b>

Average Weekday Passengers Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	8,244,870	8,004,540	-2.91%	7,953,770	-0.63%
February	8,712,340	8,398,198	-3.61%	8,556,045	1.88%
March	8,576,124	8,961,785	4.50%	8,972,642	0.12%
April	8,878,080	8,749,537	-1.45%	8,848,760	1.13%
May	8,972,963	9,129,881	1.75%	9,198,768	0.75%
June	8,688,245	8,900,992	2.45%	8,920,884	0.22%
July	8,216,654	8,489,922	3.33%	8,502,405	0.15%
August	7,987,369	8,172,203	2.31%	8,161,363	-0.13%
September	8,928,275	9,141,834	2.39%	8,859,276	-3.09%
October	9,101,830	9,230,840	1.42%	9,238,929	0.09%
November	8,824,741	8,947,640	1.39%	8,970,657	0.26%
<b>December</b>	<b>8,450,370</b>	<b>8,635,225</b>	<b>2.19%</b>	<b>8,648,161</b>	<b>0.15%</b>

MTA New York City Transit

Revenue Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	193,074,487	188,182,009	-2.53%	183,767,097	-2.35%
February	180,355,395	178,057,023	-1.27%	178,598,334	0.30%
March	199,523,012	207,634,529	4.07%	210,843,049	1.55%
April	206,817,977	204,849,373	-0.95%	206,370,025	0.74%
May	211,398,239	212,847,982	0.69%	209,230,157	-1.70%
June	196,048,183	204,157,340	4.14%	207,528,922	1.65%
July	195,519,881	201,455,345	3.04%	202,067,215	0.30%
August	191,741,194	192,219,890	0.25%	191,546,098	-0.35%
September	198,671,419	207,769,829	4.58%	201,668,047	-2.94%
October	219,617,281	222,191,504	1.17%	218,903,424	-1.48%
November	196,664,216	194,418,829	-1.14%	197,975,727	1.83%
December	195,693,862	204,555,139	4.53%	204,674,483	0.06%
12 Month Ave	198,760,429	201,528,233	1.39%	201,097,715	-0.21%
Year-to-Date	2,385,125,145	2,418,338,791	1.39%	2,413,172,578	-0.21%

12 Month Averages	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	194,086,537	198,352,722	2.20%	201,160,323	1.42%
February	193,549,121	198,161,191	2.38%	201,205,432	1.54%
March	192,787,652	198,837,151	3.14%	201,472,809	1.33%
April	193,743,787	198,673,101	2.54%	201,599,530	1.47%
May	193,913,647	198,793,913	2.52%	201,298,045	1.26%
June	193,740,790	199,469,676	2.96%	201,579,010	1.06%
July	194,136,965	199,964,298	3.00%	201,629,999	0.83%
August	193,971,658	200,004,189	3.11%	201,573,850	0.78%
September	194,481,295	200,762,390	3.23%	201,065,368	0.15%
October	196,708,338	200,976,908	2.17%	200,791,361	-0.09%
November	198,382,087	200,789,793	1.21%	201,087,770	0.15%
December	198,760,429	201,528,233	1.39%	201,097,715	-0.21%

Average Weekday Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	7,279,536	7,082,303	-2.71%	7,023,925	-0.82%
February	7,720,408	7,448,314	-3.52%	7,594,202	1.96%
March	7,581,779	7,952,858	4.89%	7,952,993	0.00%
April	7,867,227	7,752,530	-1.46%	7,836,222	1.08%
May	7,952,469	8,088,167	1.71%	8,139,590	0.64%
June	7,672,456	7,860,640	2.45%	7,883,012	0.28%
July	7,246,503	7,486,780	3.32%	7,490,656	0.05%
August	7,040,270	7,193,127	2.17%	7,177,366	-0.22%
September	7,900,537	8,081,709	2.29%	7,814,868	-3.30%
October	8,074,957	8,177,035	1.26%	8,180,299	0.04%
November	7,802,540	7,892,538	1.15%	7,914,613	0.28%
December	7,464,105	7,623,337	2.13%	7,627,282	0.05%

MTA New York City Subway

Revenue Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	137,079,095	137,147,363	0.05%	133,814,801	-2.43%
February	127,900,426	129,802,427	1.49%	130,776,608	0.75%
March	142,325,996	148,394,847	4.26%	153,093,778	3.17%
April	146,912,790	147,907,313	0.68%	150,372,555	1.67%
May	150,755,402	152,868,196	1.40%	151,579,782	-0.84%
June	141,227,567	147,939,131	4.75%	152,192,133	2.87%
July	140,822,610	146,505,849	4.04%	148,437,225	1.32%
August	138,560,862	139,868,371	0.94%	140,064,643	0.14%
September	141,523,393	149,373,432	5.55%	146,876,344	-1.67%
October	156,433,315	160,120,773	2.36%	159,987,486	-0.08%
November	141,447,579	141,226,971	-0.16%	144,542,523	2.35%
December	142,566,679	150,132,948	5.31%	150,782,260	0.43%
12 Month Ave	142,296,309	145,940,635	2.56%	146,876,678	0.64%
Year-to-Date	1,707,555,714	1,751,287,621	2.56%	1,762,520,138	0.64%

12 Month Averages	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	138,237,382	142,301,998	2.94%	145,662,922	2.36%
February	137,863,992	142,460,499	3.33%	145,744,103	2.30%
March	137,441,062	142,966,236	4.02%	146,135,681	2.22%
April	138,093,764	143,049,113	3.59%	146,341,118	2.30%
May	138,282,007	143,225,179	3.57%	146,233,750	2.10%
June	138,218,777	143,784,476	4.03%	146,588,167	1.95%
July	138,518,289	144,258,080	4.14%	146,749,115	1.73%
August	138,460,564	144,367,039	4.27%	146,765,471	1.66%
September	138,845,743	145,021,209	4.45%	146,557,380	1.06%
October	140,443,564	145,328,497	3.48%	146,546,273	0.84%
November	141,871,752	145,310,113	2.42%	146,822,569	1.04%
December	142,296,309	145,940,635	2.56%	146,876,678	0.64%

Average Weekday Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	5,160,819	5,159,344	-0.03%	5,112,634	-0.91%
February	5,466,124	5,442,073	-0.44%	5,568,552	2.32%
March	5,415,926	5,691,221	5.08%	5,779,365	1.55%
April	5,589,663	5,607,703	0.32%	5,723,687	2.07%
May	5,664,205	5,815,676	2.67%	5,909,329	1.61%
June	5,536,340	5,700,985	2.97%	5,790,176	1.56%
July	5,240,690	5,466,523	4.31%	5,537,445	1.30%
August	5,116,343	5,260,029	2.81%	5,291,858	0.61%
September	5,627,647	5,812,513	3.28%	5,707,385	-1.81%
October	5,750,807	5,893,267	2.48%	5,975,276	1.39%
November	5,608,862	5,734,440	2.24%	5,781,526	0.82%
December	5,420,212	5,584,168	3.02%	5,614,309	0.54%

MTA New York City Bus

Revenue Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	55,995,392	51,034,646	-8.86%	49,952,296	-2.12%
February	52,454,969	48,254,596	-8.01%	47,821,726	-0.90%
March	57,197,015	59,239,682	3.57%	57,749,271	-2.52%
April	59,905,187	56,942,060	-4.95%	55,997,469	-1.66%
May	60,642,837	59,979,786	-1.09%	57,650,375	-3.88%
June	54,820,616	56,218,209	2.55%	55,336,789	-1.57%
July	54,697,271	54,949,495	0.46%	53,629,990	-2.40%
August	53,180,332	52,351,519	-1.56%	51,481,455	-1.66%
September	57,148,026	58,396,397	2.18%	54,791,703	-6.17%
October	63,183,966	62,070,731	-1.76%	58,915,938	-5.08%
November	55,216,637	53,191,858	-3.67%	53,433,204	0.45%
December	53,127,183	54,422,191	2.44%	53,892,223	-0.97%
12 Month Ave	56,464,119	55,587,597	-1.55%	54,221,037	-2.46%
Year-to-Date	677,569,432	667,051,170	-1.55%	650,652,440	-2.46%

12 Month Averages	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	55,849,155	56,050,724	0.36%	55,497,402	-0.99%
February	55,685,130	55,700,693	0.03%	55,461,329	-0.43%
March	55,346,590	55,870,915	0.95%	55,337,128	-0.96%
April	55,650,023	55,623,988	-0.05%	55,258,412	-0.66%
May	55,631,640	55,568,734	-0.11%	55,064,295	-0.91%
June	55,522,013	55,685,200	0.29%	54,990,843	-1.25%
July	55,618,676	55,706,218	0.16%	54,880,884	-1.48%
August	55,511,094	55,637,150	0.23%	54,808,379	-1.49%
September	55,635,553	55,741,181	0.19%	54,507,988	-2.21%
October	56,264,774	55,648,412	-1.10%	54,245,089	-2.52%
November	56,510,334	55,479,680	-1.82%	54,265,201	-2.19%
December	56,464,119	55,587,597	-1.55%	54,221,037	-2.46%

Average Weekday Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	2,118,717	1,922,959	-9.24%	1,911,291	-0.61%
February	2,254,283	2,006,241	-11.00%	2,025,650	0.97%
March	2,165,853	2,261,636	4.42%	2,173,629	-3.89%
April	2,277,564	2,144,827	-5.83%	2,112,535	-1.51%
May	2,288,264	2,272,491	-0.69%	2,230,261	-1.86%
June	2,136,116	2,159,655	1.10%	2,092,836	-3.09%
July	2,005,813	2,020,257	0.72%	1,953,211	-3.32%
August	1,923,927	1,933,097	0.48%	1,885,508	-2.46%
September	2,272,890	2,269,196	-0.16%	2,107,483	-7.13%
October	2,324,150	2,283,768	-1.74%	2,205,022	-3.45%
November	2,193,679	2,158,097	-1.62%	2,133,088	-1.16%
December	2,043,893	2,039,169	-0.23%	2,012,972	-1.28%

MTA Bus Company

Revenue Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	10,307,130	9,436,030	-8.45%	9,498,182	0.66%
February	9,649,044	9,007,308	-6.65%	9,112,713	1.17%
March	10,509,736	10,804,408	2.80%	11,036,594	2.15%
April	11,045,951	10,568,960	-4.32%	10,752,047	1.73%
May	11,257,915	11,192,859	-0.58%	10,954,849	-2.13%
June	10,003,795	10,566,947	5.63%	10,660,010	0.88%
July	10,040,732	10,414,380	3.72%	10,461,178	0.45%
August	9,915,420	10,055,633	1.41%	10,113,391	0.57%
September	10,509,491	11,134,458	5.95%	10,627,657	-4.55%
October	11,612,978	11,810,454	1.70%	11,333,752	-4.04%
November	10,156,366	10,098,386	-0.57%	10,324,241	2.24%
December	9,942,627	10,491,414	5.52%	10,524,956	0.32%
12 Month Ave	10,412,599	10,465,103	0.50%	10,449,964	-0.14%
Year-to-Date	124,951,185	125,581,237	0.50%	125,399,571	-0.14%

12 Month Averages					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	10,126,064	10,340,007	2.11%	10,470,282	1.26%
February	10,117,282	10,286,529	1.67%	10,479,066	1.87%
March	10,072,316	10,311,085	2.37%	10,498,415	1.82%
April	10,154,949	10,271,336	1.15%	10,513,672	2.36%
May	10,179,955	10,265,915	0.84%	10,493,838	2.22%
June	10,170,029	10,312,844	1.40%	10,501,593	1.83%
July	10,200,588	10,343,981	1.41%	10,505,493	1.56%
August	10,191,220	10,355,666	1.61%	10,510,306	1.49%
September	10,227,934	10,407,746	1.76%	10,468,073	0.58%
October	10,355,557	10,424,203	0.66%	10,428,348	0.04%
November	10,408,546	10,419,371	0.10%	10,447,169	0.27%
December	10,412,599	10,465,103	0.50%	10,449,964	-0.14%

Average Weekday Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	397,021	361,347	-8.99%	370,707	2.59%
February	424,297	381,461	-10.10%	393,191	3.08%
March	408,385	421,636	3.24%	423,737	0.50%
April	427,969	404,704	-5.44%	413,022	2.06%
May	432,244	432,168	-0.02%	433,656	0.34%
June	398,327	412,766	3.62%	408,956	-0.92%
July	375,087	389,844	3.93%	387,040	-0.72%
August	366,042	379,207	3.60%	376,831	-0.63%
September	425,744	439,524	3.24%	415,874	-5.38%
October	433,829	442,183	1.93%	430,760	-2.58%
November	410,328	420,197	2.41%	418,413	-0.42%
December	388,825	399,293	2.69%	398,969	-0.08%

Metropolitan Transportation Authority

MTA Staten Island Railway

Revenue Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	366,031	357,221	-2.41%	336,800	-5.72%
February	315,778	315,154	-0.20%	311,519	-1.15%
March	342,829	373,386	8.91%	393,272	5.33%
April	365,207	360,578	-1.27%	376,535	4.43%
May	381,077	385,989	1.29%	390,089	1.06%
June	348,493	378,355	8.57%	406,750	7.50%
July	300,308	342,895	14.18%	359,630	4.88%
August	309,082	311,243	0.70%	331,564	6.53%
September	367,724	391,276	6.40%	386,275	-1.28%
October	425,014	430,201	1.22%	435,865	1.32%
November	351,758	351,734	-0.01%	376,346	7.00%
December	347,265	369,585	6.43%	397,242	7.48%
<b>12 Month Ave</b>	<b>351,714</b>	<b>363,968</b>	<b>3.48%</b>	<b>375,157</b>	<b>3.07%</b>
<b>Year-to-Date</b>	<b>4,220,566</b>	<b>4,367,616</b>	<b>3.48%</b>	<b>4,501,887</b>	<b>3.07%</b>

12 Month Averages	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	368,797	350,980	-4.83%	362,266	3.22%
February	364,515	350,928	-3.73%	361,963	3.14%
March	358,466	353,474	-1.39%	363,621	2.87%
April	358,493	353,088	-1.51%	364,950	3.36%
May	356,080	353,498	-0.73%	365,292	3.34%
June	352,773	355,986	0.91%	367,658	3.28%
July	350,423	359,535	2.60%	369,053	2.65%
August	346,841	359,715	3.71%	370,746	3.07%
September	345,834	361,678	4.58%	370,330	2.39%
October	347,784	362,110	4.12%	370,802	2.40%
November	349,719	362,108	3.54%	372,853	2.97%
December	351,714	363,968	3.48%	375,157	3.07%

Average Weekday Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	15,203	14,995	-1.37%	14,543	-3.02%
February	15,075	14,860	-1.42%	14,883	0.15%
March	14,523	16,025	10.34%	16,442	2.60%
April	15,520	14,953	-3.66%	15,604	4.36%
May	15,784	16,310	3.33%	17,077	4.70%
June	15,289	16,110	5.37%	16,876	4.75%
July	12,713	13,854	8.97%	14,458	4.36%
August	12,370	12,742	3.01%	13,653	7.15%
September	16,402	16,792	2.38%	16,818	0.15%
October	17,025	17,290	1.56%	18,135	4.89%
November	16,011	16,296	1.77%	17,361	6.54%
December	14,815	15,248	2.92%	16,370	7.36%

MTA Long Island Rail Road

Revenue Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	6,628,268	6,565,428	-0.95%	6,362,309	-3.09%
February	6,020,679	6,107,685	1.45%	6,142,068	0.56%
March	6,897,877	6,983,094	1.24%	7,384,700	5.75%
April	6,961,659	7,189,777	3.28%	7,313,844	1.73%
May	7,112,429	7,250,532	1.94%	7,262,655	0.17%
June	6,994,737	7,509,011	7.35%	7,777,803	3.58%
July	7,401,120	7,626,108	3.04%	7,873,688	3.25%
August	7,274,722	7,399,382	1.71%	7,563,444	2.22%
September	6,790,701	7,297,453	7.46%	7,491,598	2.66%
October	7,431,994	7,663,987	3.12%	7,686,741	0.30%
November	6,666,796	6,681,433	0.22%	7,027,591	5.18%
December	7,203,125	7,587,185	5.33%	7,760,262	2.28%
12 Month Ave	6,948,675	7,155,090	2.97%	7,303,892	2.08%
Year-to-Date	83,384,105	85,861,075	2.97%	87,646,702	2.08%

12 Month Averages	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	6,829,183	6,943,439	1.67%	7,138,163	2.80%
February	6,799,820	6,950,689	2.22%	7,141,028	2.74%
March	6,782,779	6,957,791	2.58%	7,174,495	3.11%
April	6,791,406	6,976,801	2.73%	7,184,834	2.98%
May	6,786,393	6,988,309	2.98%	7,185,845	2.83%
June	6,766,327	7,031,165	3.91%	7,208,244	2.52%
July	6,775,613	7,049,914	4.05%	7,228,875	2.54%
August	6,758,262	7,060,303	4.47%	7,242,547	2.58%
September	6,764,217	7,102,532	5.00%	7,258,726	2.20%
October	6,831,719	7,121,865	4.25%	7,260,622	1.95%
November	6,920,002	7,123,085	2.93%	7,289,469	2.34%
December	6,948,675	7,155,090	2.97%	7,303,892	2.08%

Average Weekday Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	279,154	277,061	-0.75%	283,228	2.23%
February	280,121	282,588	0.88%	285,444	1.01%
March	287,601	291,919	1.50%	297,011	1.74%
April	281,100	289,571	3.01%	294,548	1.72%
May	286,442	302,178	5.49%	314,372	4.04%
June	302,486	308,600	2.02%	310,718	0.69%
July	293,335	302,669	3.18%	312,440	3.23%
August	288,390	302,316	4.83%	308,139	1.93%
September	296,361	305,806	3.19%	313,050	2.37%
October	289,647	298,040	2.90%	309,872	3.97%
November	304,762	318,659	4.56%	319,904	0.39%
December	296,888	301,964	1.71%	309,372	2.45%

MTA Metro-North Railroad

Revenue Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	6,677,133	6,526,250	-2.26%	6,304,068	-3.40%
February	5,996,007	5,963,984	-0.53%	5,972,025	0.13%
March	6,961,373	6,824,170	-1.97%	7,171,308	5.09%
April	7,106,230	7,159,018	0.74%	7,283,033	1.73%
May	7,198,299	7,169,671	-0.40%	7,181,256	0.16%
June	7,095,500	7,360,103	3.73%	7,606,986	3.35%
July	7,300,168	7,520,253	3.01%	7,647,375	1.69%
August	7,132,265	7,078,935	-0.75%	7,201,809	1.74%
September	6,786,130	7,215,858	6.33%	7,352,209	1.89%
October	7,382,282	7,653,001	3.67%	7,667,660	0.19%
November	6,680,246	6,685,728	0.08%	6,998,173	4.67%
December	7,062,872	7,502,155	6.22%	7,632,258	1.73%
12 Month Ave	6,948,209	7,054,927	1.54%	7,168,180	1.61%
Year-to-Date	83,378,505	84,659,126	1.54%	86,018,160	1.61%

12 Month Averages	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	6,924,432	6,935,635	0.16%	7,036,412	1.45%
February	6,891,109	6,932,967	0.61%	7,037,082	1.50%
March	6,875,789	6,921,533	0.67%	7,066,010	2.09%
April	6,886,972	6,925,932	0.57%	7,076,345	2.17%
May	6,883,247	6,923,546	0.59%	7,077,310	2.22%
June	6,868,710	6,945,597	1.12%	7,097,884	2.19%
July	6,875,866	6,963,937	1.28%	7,108,477	2.08%
August	6,857,792	6,959,493	1.48%	7,118,717	2.29%
September	6,860,388	6,995,304	1.97%	7,130,079	1.93%
October	6,910,684	7,017,863	1.55%	7,131,301	1.62%
November	6,943,771	7,018,320	1.07%	7,157,338	1.98%
December	6,948,209	7,054,927	1.54%	7,168,180	1.61%

Average Weekday Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	273,955	268,835	-1.87%	261,367	-2.78%
February	272,440	270,975	-0.54%	268,325	-0.98%
March	283,836	279,347	-1.58%	282,459	1.11%
April	286,265	287,779	0.53%	289,364	0.55%
May	286,024	291,057	1.76%	294,073	1.04%
June	299,687	302,876	1.06%	301,323	-0.51%
July	289,015	296,775	2.69%	297,811	0.35%
August	280,298	284,812	1.61%	285,374	0.20%
September	289,232	298,002	3.03%	298,666	0.22%
October	286,372	296,293	3.46%	299,864	1.21%
November	291,100	299,951	3.04%	300,366	0.14%
December	285,736	295,383	3.38%	296,167	0.27%

East of Hudson

Revenue Passengers		2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month						
January		6,559,573	6,398,208	-2.46%	6,173,389	-3.51%
February		5,883,759	5,846,639	-0.63%	5,849,842	0.05%
March		6,827,778	6,684,169	-2.10%	7,018,867	5.01%
April		6,973,347	7,018,716	0.65%	7,134,749	1.65%
May		7,061,066	7,028,443	-0.46%	7,038,334	0.14%
June		6,959,429	7,213,680	3.65%	7,450,980	3.29%
July		7,156,528	7,366,433	2.93%	7,490,170	1.68%
August		6,995,610	6,935,605	-0.86%	7,054,321	1.71%
September		6,659,062	7,072,104	6.20%	7,202,664	1.85%
October		7,241,822	7,499,635	3.56%	7,513,131	0.18%
November		6,556,763	6,555,045	-0.03%	6,859,735	4.65%
December		6,927,541	7,356,438	6.19%	7,486,228	1.76%
12 Month Ave		6,816,857	6,914,593	1.43%	7,022,701	1.56%
Year-to-Date		81,802,278	82,975,115	1.43%	84,272,410	1.56%

12 Month Averages

Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	6,791,068	6,803,409	0.18%	6,895,858	1.36%
February	6,759,295	6,800,316	0.61%	6,896,125	1.41%
March	6,745,393	6,788,349	0.64%	6,924,016	2.00%
April	6,757,193	6,792,129	0.52%	6,933,686	2.08%
May	6,754,425	6,789,411	0.52%	6,934,510	2.14%
June	6,740,951	6,810,598	1.03%	6,954,285	2.11%
July	6,748,747	6,828,091	1.18%	6,964,597	2.00%
August	6,732,336	6,823,090	1.35%	6,974,490	2.22%
September	6,735,742	6,857,510	1.81%	6,985,370	1.86%
October	6,785,901	6,878,995	1.37%	6,986,494	1.56%
November	6,814,649	6,878,852	0.94%	7,011,885	1.93%
December	6,816,857	6,914,593	1.43%	7,022,701	1.56%

Average Weekday Passengers

Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	268,348	262,725	-2.10%	254,821	-3.01%
February	266,546	264,816	-0.65%	261,911	-1.10%
March	277,480	272,688	-1.73%	275,526	1.04%
April	280,222	281,399	0.42%	282,620	0.43%
May	279,778	284,329	1.63%	286,935	0.92%
June	292,904	295,913	1.03%	294,228	-0.57%
July	282,473	289,768	2.58%	290,649	0.30%
August	274,082	277,998	1.43%	278,362	0.13%
September	282,886	291,153	2.92%	291,542	0.13%
October	280,254	289,611	3.34%	292,836	1.11%
November	284,607	292,710	2.85%	293,087	0.13%
December	279,287	288,744	3.39%	289,518	0.27%

Harlem Line

Revenue Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	2,182,967	2,136,239	-2.14%	2,040,760	-4.47%
February	1,979,265	1,958,194	-1.06%	1,931,569	-1.36%
March	2,262,610	2,225,318	-1.65%	2,335,202	4.94%
April	2,286,516	2,303,958	0.76%	2,330,964	1.17%
May	2,326,618	2,295,131	-1.35%	2,288,972	-0.27%
June	2,244,617	2,337,339	4.13%	2,416,982	3.41%
July	2,330,442	2,363,438	1.42%	2,406,276	1.81%
August	2,234,767	2,206,725	-1.25%	2,252,057	2.05%
September	2,201,297	2,298,402	4.41%	2,346,955	2.11%
October	2,436,355	2,465,785	1.21%	2,472,035	0.25%
November	2,160,739	2,138,624	-1.02%	2,239,569	4.72%
<b>December</b>	<b>2,303,474</b>	<b>2,398,294</b>	<b>4.12%</b>	<b>2,442,546</b>	<b>1.85%</b>
<b>12 Month Ave</b>	<b>2,245,806</b>	<b>2,260,621</b>	<b>0.66%</b>	<b>2,291,991</b>	<b>1.39%</b>
<b>Year-to-Date</b>	<b>26,949,667</b>	<b>27,127,447</b>	<b>0.66%</b>	<b>27,503,887</b>	<b>1.39%</b>

12 Month Averages					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	2,225,292	2,241,912	0.75%	2,252,664	0.48%
February	2,217,264	2,240,156	1.03%	2,250,445	0.46%
March	2,212,370	2,237,048	1.12%	2,259,602	1.01%
April	2,216,656	2,238,502	0.99%	2,261,853	1.04%
May	2,217,299	2,235,878	0.84%	2,261,340	1.14%
June	2,211,163	2,243,604	1.47%	2,267,976	1.09%
July	2,215,865	2,246,354	1.38%	2,271,546	1.12%
August	2,209,433	2,244,017	1.57%	2,275,324	1.40%
September	2,212,700	2,252,109	1.78%	2,279,370	1.21%
October	2,234,034	2,254,562	0.92%	2,279,891	1.12%
November	2,241,707	2,252,719	0.49%	2,288,303	1.58%
<b>December</b>	<b>2,245,806</b>	<b>2,260,621</b>	<b>0.66%</b>	<b>2,291,991</b>	<b>1.39%</b>

Average Weekday Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	89,719	88,158	-1.74%	84,941	-3.65%
February	89,947	89,179	-0.85%	87,218	-2.20%
March	92,439	91,373	-1.15%	92,289	1.00%
April	92,340	92,964	0.68%	93,050	0.09%
May	92,633	93,578	1.02%	94,368	0.84%
June	95,281	96,687	1.47%	96,266	-0.44%
July	92,508	93,783	1.38%	94,386	0.64%
August	88,214	89,396	1.34%	89,923	0.59%
September	93,887	95,338	1.55%	95,719	0.40%
October	94,635	95,720	1.15%	97,017	1.35%
November	94,617	96,470	1.96%	96,730	0.27%
<b>December</b>	<b>93,600</b>	<b>94,891</b>	<b>1.38%</b>	<b>95,346</b>	<b>0.48%</b>

Hudson Line

Revenue Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	1,250,870	1,230,001	-1.67%	1,185,529	-3.62%
February	1,151,020	1,134,115	-1.47%	1,135,396	0.11%
March	1,316,583	1,288,797	-2.11%	1,370,062	6.31%
April	1,355,099	1,384,546	2.17%	1,397,902	0.96%
May	1,396,805	1,381,606	-1.09%	1,381,366	-0.02%
June	1,370,358	1,422,392	3.80%	1,448,469	1.83%
July	1,344,284	1,454,534	8.20%	1,464,154	0.66%
August	1,373,141	1,381,075	0.58%	1,397,488	1.19%
September	1,335,036	1,402,529	5.06%	1,420,180	1.26%
October	1,447,870	1,465,645	1.23%	1,468,000	0.16%
November	1,280,951	1,271,965	-0.70%	1,317,990	3.62%
December	1,255,542	1,419,350	13.05%	1,438,103	1.32%
12 Month Ave	1,323,130	1,353,046	2.26%	1,368,720	1.16%
Year-to-Date	15,877,559	16,236,555	2.26%	16,424,639	1.16%

12 Month Averages					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	1,322,973	1,321,391	-0.12%	1,349,340	2.12%
February	1,318,739	1,319,982	0.09%	1,349,447	2.23%
March	1,316,498	1,317,667	0.09%	1,356,219	2.93%
April	1,318,179	1,320,121	0.15%	1,357,332	2.82%
May	1,317,972	1,318,854	0.07%	1,357,312	2.92%
June	1,316,000	1,323,190	0.55%	1,359,485	2.74%
July	1,311,263	1,332,378	1.61%	1,360,287	2.09%
August	1,306,272	1,333,039	2.05%	1,361,655	2.15%
September	1,309,113	1,338,663	2.26%	1,363,126	1.83%
October	1,321,075	1,340,144	1.44%	1,363,322	1.73%
November	1,328,644	1,339,396	0.81%	1,367,157	2.07%
December	1,323,130	1,353,046	2.26%	1,368,720	1.16%

Average Weekday Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	51,239	50,387	-1.66%	48,922	-2.91%
February	52,086	51,284	-1.54%	50,800	-0.94%
March	53,491	52,564	-1.73%	53,704	2.17%
April	54,378	55,355	1.80%	55,226	-0.23%
May	55,108	55,684	1.05%	56,057	0.67%
June	57,371	58,063	1.21%	56,988	-1.85%
July	53,128	56,978	7.25%	56,554	-0.74%
August	53,645	55,092	2.70%	54,834	-0.47%
September	56,228	57,423	2.13%	57,125	-0.52%
October	55,821	56,450	1.13%	56,955	0.89%
November	55,544	56,666	2.02%	56,152	-0.91%
December	50,648	55,712	10.00%	55,642	-0.12%

New Haven Line

Revenue Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	3,125,736	3,031,968	-3.00%	2,947,100	-2.80%
February	2,753,474	2,754,330	0.03%	2,782,877	1.04%
March	3,248,585	3,170,054	-2.42%	3,313,603	4.53%
April	3,331,732	3,330,212	-0.05%	3,405,883	2.27%
May	3,337,643	3,351,706	0.42%	3,367,996	0.49%
June	3,344,454	3,453,949	3.27%	3,585,529	3.81%
July	3,481,802	3,548,461	1.91%	3,619,740	2.01%
August	3,387,702	3,347,805	-1.18%	3,404,776	1.70%
September	3,122,729	3,371,173	7.96%	3,435,529	1.91%
October	3,357,597	3,568,205	6.27%	3,573,096	0.14%
November	3,115,073	3,144,456	0.94%	3,302,176	5.02%
<b>December</b>	<b>3,368,525</b>	<b>3,538,794</b>	<b>5.05%</b>	<b>3,605,579</b>	<b>1.89%</b>
<b>12 Month Ave</b>	<b>3,247,921</b>	<b>3,300,926</b>	<b>1.63%</b>	<b>3,361,990</b>	<b>1.85%</b>
<b>Year-to-Date</b>	<b>38,975,052</b>	<b>39,611,113</b>	<b>1.63%</b>	<b>40,343,884</b>	<b>1.85%</b>

12 Month Averages					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	3,242,803	3,240,107	-0.08%	3,293,854	1.66%
February	3,223,292	3,240,178	0.52%	3,296,233	1.73%
March	3,216,525	3,233,634	0.53%	3,308,195	2.31%
April	3,222,358	3,233,507	0.35%	3,314,501	2.50%
May	3,219,154	3,234,679	0.48%	3,315,859	2.51%
June	3,213,788	3,243,804	0.93%	3,326,824	2.56%
July	3,221,619	3,249,359	0.86%	3,332,763	2.57%
August	3,216,631	3,246,034	0.91%	3,337,511	2.82%
September	3,213,929	3,266,738	1.64%	3,342,874	2.33%
October	3,230,793	3,284,288	1.66%	3,343,282	1.80%
November	3,244,299	3,286,737	1.31%	3,356,425	2.12%
<b>December</b>	<b>3,247,921</b>	<b>3,300,926</b>	<b>1.63%</b>	<b>3,361,990</b>	<b>1.85%</b>

Average Weekday Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	127,389	124,180	-2.52%	120,958	-2.59%
February	124,513	124,353	-0.13%	123,893	-0.37%
March	131,550	128,751	-2.13%	129,533	0.61%
April	133,503	133,080	-0.32%	134,344	0.95%
May	132,037	135,067	2.29%	136,510	1.07%
June	140,251	141,163	0.65%	140,974	-0.13%
July	136,836	139,007	1.59%	139,710	0.51%
August	132,224	133,509	0.97%	133,604	0.07%
September	132,771	138,392	4.23%	138,697	0.22%
October	129,799	137,441	5.89%	138,865	1.04%
November	134,447	139,574	3.81%	140,206	0.45%
<b>December</b>	<b>135,039</b>	<b>138,141</b>	<b>2.30%</b>	<b>138,530</b>	<b>0.28%</b>

West of Hudson

Revenue Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	117,560	128,042	8.92%	130,679	2.06%
February	112,248	117,345	4.54%	122,183	4.12%
March	133,595	140,001	4.80%	152,441	8.89%
April	132,883	140,302	5.58%	148,284	5.69%
May	137,233	141,228	2.91%	142,922	1.20%
June	136,071	146,423	7.61%	156,006	6.54%
July	143,640	153,820	7.09%	157,205	2.20%
August	136,655	143,330	4.88%	147,488	2.90%
September	127,068	143,754	13.13%	149,545	4.03%
October	140,460	153,366	9.19%	154,529	0.76%
November	123,483	130,683	5.83%	138,438	5.93%
December	135,331	145,717	7.67%	146,030	0.21%
12 Month Ave	131,352	140,334	6.84%	145,479	3.67%
Year-to-Date	1,576,227	1,684,011	6.84%	1,745,750	3.67%

12 Month Averages

Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	133,364	132,226	-0.85%	140,554	6.30%
February	131,814	132,651	0.63%	140,957	6.26%
March	130,396	133,184	2.14%	141,994	6.61%
April	129,779	133,803	3.10%	142,659	6.62%
May	128,822	134,136	4.12%	142,800	6.46%
June	127,759	134,998	5.67%	143,599	6.37%
July	127,119	135,847	6.87%	143,881	5.91%
August	125,456	136,403	8.73%	144,227	5.74%
September	124,646	137,793	10.55%	144,710	5.02%
October	124,782	138,869	11.29%	144,807	4.28%
November	129,121	139,469	8.01%	145,453	4.29%
December	131,352	140,334	6.84%	145,479	3.67%

Average Weekday Passengers

Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	5,608	6,109	8.94%	6,546	7.15%
February	5,893	6,159	4.50%	6,414	4.15%
March	6,356	6,659	4.77%	6,933	4.12%
April	6,043	6,380	5.58%	6,744	5.70%
May	6,247	6,728	7.71%	7,138	6.09%
June	6,783	6,964	2.67%	7,095	1.88%
July	6,543	7,008	7.10%	7,162	2.20%
August	6,215	6,814	9.63%	7,012	2.91%
September	6,346	6,849	7.93%	7,124	4.02%
October	6,118	6,682	9.22%	7,028	5.18%
November	6,493	7,241	11.52%	7,279	0.52%
December	6,449	6,639	2.95%	6,649	0.15%

Port Jervis Line

Revenue Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	73,570	77,576	5.45%	77,335	-0.31%
February	69,549	71,485	2.78%	72,288	1.12%
March	82,466	84,471	2.43%	89,367	5.80%
April	82,564	85,808	3.93%	88,480	3.11%
May	85,089	85,895	0.95%	86,116	0.26%
June	83,426	87,459	4.83%	92,381	5.63%
July	91,288	93,470	2.39%	93,755	0.30%
August	89,188	86,344	-3.19%	88,786	2.83%
September	80,627	86,526	7.32%	89,066	2.94%
October	86,989	93,068	6.99%	93,069	0.00%
November	75,365	78,265	3.85%	82,436	5.33%
December	83,241	87,965	5.68%	86,298	-1.90%
12 Month Ave	81,947	84,861	3.56%	86,615	2.07%
Year-to-Date	983,362	1,018,332	3.56%	1,039,377	2.07%

12 Month Averages					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	84,382	82,281	-2.49%	84,841	3.11%
February	83,364	82,442	-1.11%	84,908	2.99%
March	82,410	82,609	0.24%	85,316	3.28%
April	81,889	82,879	1.21%	85,539	3.21%
May	81,148	82,947	2.22%	85,557	3.15%
June	80,229	83,283	3.81%	85,967	3.22%
July	79,738	83,465	4.67%	85,991	3.03%
August	78,766	83,228	5.66%	86,194	3.56%
September	78,351	83,719	6.85%	86,406	3.21%
October	78,344	84,226	7.51%	86,406	2.59%
November	80,656	84,467	4.72%	86,754	2.71%
December	81,947	84,861	3.56%	86,615	2.07%

Average Weekday Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	3,511	3,703	5.47%	3,875	4.65%
February	3,648	3,750	2.77%	3,793	1.16%
March	3,922	4,017	2.40%	4,065	1.20%
April	3,755	3,902	3.92%	4,024	3.12%
May	3,874	4,092	5.63%	4,300	5.07%
June	4,158	4,159	0.03%	4,202	1.04%
July	4,159	4,260	2.43%	4,273	0.31%
August	4,056	4,104	1.17%	4,221	2.85%
September	4,026	4,123	2.41%	4,243	2.91%
October	3,790	4,056	7.02%	4,233	4.36%
November	3,963	4,335	9.39%	4,334	-0.02%
December	3,967	4,008	1.03%	3,930	-1.95%

Pascack Valley Line

Revenue Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	43,990	50,466	14.72%	53,344	5.70%
February	42,699	45,860	7.40%	49,895	8.80%
March	51,129	55,530	8.61%	63,074	13.59%
April	50,319	54,494	8.30%	59,804	9.74%
May	52,144	55,333	6.12%	56,806	2.66%
June	52,645	58,964	12.00%	63,625	7.90%
July	52,352	60,350	15.28%	63,450	5.14%
August	47,467	56,986	20.05%	58,702	3.01%
September	46,441	57,228	23.23%	60,479	5.68%
October	53,471	60,298	12.77%	61,460	1.93%
November	48,118	52,418	8.94%	56,002	6.84%
December	52,090	57,752	10.87%	59,732	3.43%
12 Month Ave	49,405	55,473	12.28%	58,864	6.11%
Year-to-Date	592,865	665,679	12.28%	706,373	6.11%

12 Month Averages					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	48,982	49,945	1.97%	55,713	11.55%
February	48,449	50,209	3.63%	56,049	11.63%
March	47,985	50,575	5.40%	56,678	12.07%
April	47,890	50,923	6.33%	57,121	12.17%
May	47,675	51,189	7.37%	57,243	11.83%
June	47,531	51,716	8.80%	57,632	11.44%
July	47,381	52,382	10.55%	57,890	10.52%
August	46,691	53,175	13.89%	58,033	9.14%
September	46,295	54,074	16.80%	58,304	7.82%
October	46,439	54,643	17.67%	58,401	6.88%
November	48,465	55,001	13.49%	58,699	6.72%
December	49,405	55,473	12.28%	58,864	6.11%

Average Weekday Passengers					
Service Month	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
January	2,097	2,406	14.76%	2,671	10.99%
February	2,245	2,409	7.31%	2,621	8.80%
March	2,433	2,642	8.58%	2,868	8.55%
April	2,288	2,478	8.31%	2,720	9.77%
May	2,372	2,636	11.11%	2,838	7.67%
June	2,625	2,805	6.83%	2,893	3.14%
July	2,384	2,748	15.25%	2,889	5.14%
August	2,159	2,710	25.53%	2,791	2.99%
September	2,320	2,726	17.50%	2,881	5.69%
October	2,328	2,626	12.80%	2,795	6.44%
November	2,530	2,906	14.86%	2,945	1.34%
December	2,482	2,631	6.00%	2,719	3.34%

MTA Bridges & Tunnels

Revenue Vehicles	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	22,290,223	20,747,317	-6.92%	20,983,289	1.14%
February	19,831,970	18,701,703	-5.70%	19,983,679	6.85%
March	23,376,021	23,431,567	0.24%	23,836,645	1.73%
April	23,638,588	23,834,773	0.83%	24,825,057	4.15%
May	25,045,252	25,668,919	2.49%	26,520,622	3.32%
June	24,738,988	25,374,933	2.57%	26,140,659	3.02%
July	24,886,530	25,435,425	2.21%	26,900,933	5.76%
August	25,636,599	25,951,945	1.23%	27,179,957	4.73%
September	23,810,071	24,481,160	2.82%	25,176,781	2.84%
October	25,036,991	25,189,827	0.61%	26,221,062	4.09%
November	23,200,297	23,361,017	0.69%	24,793,552	6.13%
December	23,035,975	24,182,522	4.98%	25,385,215	4.97%
12 Month Ave	23,710,625	23,863,426	0.64%	24,828,954	4.05%
Year-to-Date	284,527,505	286,361,108	0.64%	297,947,451	4.05%

12 Month Averages	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	23,593,748	23,582,050	-0.05%	23,883,090	1.28%
February	23,473,067	23,487,861	0.06%	23,989,921	2.14%
March	23,427,099	23,492,490	0.28%	24,023,678	2.26%
April	23,426,029	23,508,839	0.35%	24,106,202	2.54%
May	23,413,736	23,560,811	0.63%	24,177,177	2.62%
June	23,372,538	23,613,806	1.03%	24,240,987	2.66%
July	23,372,447	23,659,548	1.23%	24,363,113	2.97%
August	23,369,679	23,685,826	1.35%	24,465,447	3.29%
September	23,373,597	23,741,750	1.58%	24,523,416	3.29%
October	23,549,320	23,754,487	0.87%	24,609,352	3.60%
November	23,737,233	23,767,880	0.13%	24,728,730	4.04%
December	23,710,625	23,863,426	0.64%	24,828,954	4.05%

Average Weekday Passengers	2012-2013	2013-2014	Percentage Change	2014-2015	Percentage Change
Service Month					
January	755,080	700,973	-7.17%	709,750	1.25%
February	765,137	693,199	-9.40%	752,873	8.61%
March	776,880	780,125	0.42%	788,973	1.13%
April	801,771	805,672	0.49%	837,547	3.96%
May	834,831	849,333	1.74%	880,801	3.71%
June	838,525	850,160	1.39%	884,039	3.99%
July	824,594	846,651	2.67%	887,418	4.82%
August	837,517	856,625	2.28%	884,166	3.22%
September	811,806	834,545	2.80%	853,052	2.22%
October	817,107	824,083	0.85%	862,577	4.67%
November	802,918	810,122	0.90%	853,074	5.30%
December	785,165	809,947	3.16%	844,618	4.28%

# Fuel Hedge Program

# Current ULSD Hedges

Date	Gallons Hedged	Percent of Expected Gallons Purchased	Weighted Average Hedge Price for each Month	2015 Adopted Budget Forecasted Commodity Price	2016 Adopted Budget (February Plan) Forecasted Commodity Price
February-16	2,774,790	50	2.51	2.72	1.73
March-16	3,039,455	52	2.48	2.72	1.73
April-16	2,866,330	50	2.42	2.72	1.73
May-16	2,823,782	48	2.30	2.72	1.73
June-16	3,039,526	50	2.27	2.72	1.73
July-16	3,165,708	50	2.20	2.72	1.73
August-16	3,082,195	50	2.09	2.72	1.73
September-16	3,031,772	51	2.00	2.72	1.73
October-16	3,112,662	50	1.93	2.72	1.73
November-16	2,725,283	50	1.87	2.72	1.73
December-16	2,843,162	50	1.83	2.72	1.73
January-17	2,795,374	50	1.78	2.77	1.84
February-17	2,523,472	46	1.76	2.77	1.84
March-17	2,444,611	42	1.74	2.77	1.84
April-17	2,145,584	37	1.70	2.77	1.84
May-17	1,962,631	33	1.66	2.77	1.84
June-17	1,770,718	29	1.61	2.77	1.84
July-17	1,577,660	25	1.58	2.77	1.84
August-17	1,283,393	21	1.56	2.77	1.84
September-17	995,995	17	1.53	2.77	1.84
October-17	777,978	12	1.47	2.77	1.84
November-17	454,032	8	1.38	2.77	1.84
December-17	236,721	4	1.28	2.77	1.84

# Annual Impact as of February 8, 2016

	<u>(\$ in millions)</u>		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b><u>Ultra Low Sulfur Diesel</u></b>			
Current Prices vs. 2016 Adopted Budget	\$46.887	\$42.306	\$51.988
Impact of Hedge	<u>(39.453)</u>	<u>(7.563)</u>	<u>0.000</u>
<b>Net Impact: Fav/(Unfav)</b>	\$7.434	\$34.743	\$51.988
<b><u>Compressed Natural Gas</u></b>			
Current Prices vs. 2016 Adopted Budget	\$23.754	\$9.547	\$6.345
Impact of Hedge	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
<b>Net Impact: Fav/(Unfav)</b>	\$23.754	\$9.547	\$6.345
<b><u>Summary</u></b>			
Current Prices vs. 2016 Adopted Budget	\$70.641	\$51.853	\$58.334
Impact of Hedge	<u>(39.453)</u>	<u>(7.563)</u>	<u>0.000</u>
<b>Net Impact: Fav/(Unfav)</b>	\$31.188	\$44.290	\$58.334

**FEBRUARY 2016**  
**MTA REAL ESTATE**  
**FINANCE COMMITTEE AGENDA ITEMS**

**1. ACTION ITEMS**

**MTA NEW YORK CITY TRANSIT**

- a. Lease modification between Allied 60 Bay Street, LLC and NYC Transit for office space at 60 Bay Street, Staten Island

**MTA LONG ISLAND RAIL ROAD**

- b. Lease agreement with Rosen's Café, LLC, for the operation of a quick-service food concession at retail space on the Exit Concourse of Penn Station, Manhattan

**METROPOLITAN TRANSPORTATION AUTHORITY**

- c. Disposition, through long term ground lease, of former MTA headquarters buildings at 341 - 347 Madison Avenue, Manhattan
- d. Exchange of real property interests on sub-surface levels of 1 Vanderbilt Avenue, Manhattan

**2. INFORMATION ITEMS**

- a. Status report on month-to-month licenses
- b. Status report on agreements entered into directly by 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. Amendment to grade crossing indenture at 248 Tioronda Avenue in Beacon

**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
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 as SIR).*

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

# **MTA NEW YORK CITY TRANSIT**

# Staff Summary

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

<b>Date</b> <b>FEBRUARY 22, 2016</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	2/22/16	X		
2	Board	2/24/16	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal <i>fd</i>
3	Chief of Staff <i>JEH</i>		
2	Chief Financial Officer <i>MD</i>		

**AGENCY:** New York City Transit Authority ("NYCT")  
**LANDLORD:** Allied 60 Bay Street LLC  
**LOCATION:** 60 Bay Street, Staten Island  
**USE:** Office space  
**ACTION REQUESTED:** Approval of renewal terms  
**TERM:** 5 years commencing March 2016  
**SPACE:** Approximately 2,550 square feet (portion of 9th Floor)  
**BASE RENT:** \$66,300 per annum / \$5,525 per month / \$26 rsf (same as current rent)  
**PARKING:** Rent includes 1 agency vehicle parking space  
**OPERATING EXPENSES AND TAXES:** Tenant will pay its proportionate share of 2.55% of increases over 2006 base year  
**ELECTRICITY:** Directly metered (Tenant's responsibility)  
**CLEANING:** Landlord's responsibility  
**HVAC:** Landlord's responsibility  
**IMPROVEMENTS:** Landlord at its expense will paint the entire space and shampoo the carpet during the term

**COMMENTS:**

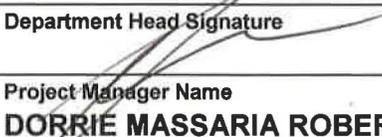
Under separate leases, NYCT and Staten Island Railway (SIR) have been domiciled at this location since 2001 and 1996, respectively. This transaction extends NYCT's lease to 2021. SIR's lease for their executive offices expires 2026. NYCT's CPM group occupies the subject space and provides engineering support for SIR projects. The office houses full-time CPM staff and is located within 2 blocks of the Staten Island Ferry Terminal.

No suitable alternative space was identified within other MTA facilities. Our review of the market indicates the rent is within market. Due to various costs associated with relocation, renewing is the low cost option.

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

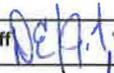
# **MTA LONG ISLAND RAIL ROAD**

# Staff Summary

Subject <b>LEASE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>DORRIE MASSARIA ROBERTS</b>

Date <b>FEBRUARY 22, 2016</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	2/22/16	X		
2	Board	2/24/16	X		

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

AGENCY: MTA Long Island Rail Road Company ("LIRR")  
 LESSEE: Rosen's Café, LLC  
 LOCATION: Penn Station, New York - Exit Corridor  
 ACTIVITY: Quick service food concession  
 ACTION REQUESTED: Approval of terms  
 TERM: 10 years, terminable upon 180 days' notice for corporate or transportation purposes  
 SPACE: SPACE 4 – Approximately 300 SF

RENT:	<u>Year</u>	<u>Annual</u>	<u>Monthly</u>	<u>% Increase</u>	<u>Per Sq. Ft.</u>
	1	\$78,300.00	\$6,525.00		\$261.00
	2	\$80,650.00	\$6,720.83	3%	\$268.00
	3	\$83,000.00	\$6,916.66	3%	\$276.66
	4	\$85,500.00	\$7,125.00	3%	\$285.00
	5	\$88,500.00	\$7,375.00	3%	\$295.00
	6	\$91,200.00	\$7,600.00	3%	\$304.00
	7	\$94,000.00	\$7,833.33	3%	\$313.33
	8	\$97,000.00	\$8,083.33	3%	\$323.33
	9	\$100,000.00	\$8,333.33	3%	\$333.33
	10	\$103,000.00	\$8,583.33	3%	\$343.33

**COMMENTS:**

In response to a request for proposals ("RFP") for Level A retail space in Penn Station, the following 2 proposals were received:

<u>Name of Proposer</u>	<u>First Year Rent</u>	<u>Present Value: 10 Year Term, 9% Discount Rate</u>
Elhadj Nasse	\$ 6,000.00	\$ 46,788.27
Rosen's Café, LLC	\$78,300.00	\$ 565,929.79

# Staff Summary

## FINANCE COMMITTEE MEETING

### Rosen's Café, LLC (Cont'd.)

The president and co-owner of Rosen's Café LLC is Mr. Altaf Isani. He has had many years of experience in the food service business at various transportation hubs. Rosen's is currently an MTA tenant at 2 Broadway and Mr. Isani is a Jamba Juice franchisee who has been a LIRR tenant at Penn Station since 2009. Our overall business experience with this proposer has been favorable.

Rosen's intends to operate a grab-and-go quick service food concession featuring pre-packaged food items with canned and bottled beverages, including beer. Design, construction and maintenance of improvements for the retail space will be done at the tenant's sole cost.

The proposed rent is above the fair market value for this space as estimated in advance by MTA Real Estate's independent consultant.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with Rosen's Café, LLC on the above-described terms and conditions.

# **METROPOLITAN TRANSPORTATION AUTHORITY**

# Staff Summary

Subject <b>347 MADISON AVE DEVELOPMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>JEFFREY B. ROSEN</b>

Date <b>FEBRUARY 22, 2016</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

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

- AGENCY: Metropolitan Transportation Authority ("MTA").
- DEVELOPER: BP 347 Madison Associates, LLC ("**Developer**"), a special purpose entity owned by Boston Properties Limited Partnership ("**Boston Properties**").
- LOCATION: 341-347 Madison Avenue and 45 East 44th Street, New York, NY.
- ACTIVITY: Conditional designation of Developer to re-develop the Property pursuant to a 99-year triple net lease (the "**Lease**"), the agreed-upon form of which will be appended as an exhibit to the agreement to enter into lease by which such designation will be effected (the "**Pre-Lease Agreement**").
- PREMISES TO BE LEASED: Approximately 25,051 square feet of land comprising Manhattan Block 1279, Lots 23, 24, 25 and 48 (the "**Land**"), and all existing and future improvements thereon except for the East Side Access vent plant that MTACC is constructing on Lot 48 (the "**Vent Plant**"). Such Land and improvements (exclusive of the Vent Plant) are referred to herein as the "**Property**".
- COMPENSATION:
- (a) Upfront Payment: \$25 million, payable at Lease execution.
  - (b) Ongoing Base Rent: To be calculated based on the zoning square footage of the New Building, as set forth in the attached **Schedule A**.
  - (c) Percentage Rent: For each lease year, commencing when subtenants under subleases covering at least 90% of the rentable area of the New Building have commenced making payments of regularly scheduled rent, 5.0% of (i) Developer's gross revenue for such year, net of the Base Rent and payments in lieu of real property taxes for such year, over (ii) a \$60/rsf threshold. Percentage Rent to be reset to \$0 for each Base Rent Adjustment Year (i.e., every 30th year during the term).

- (d) PILOT: Payments in lieu of real property taxes, equal to the full, unabated real property taxes that would be payable with respect to the Leased Premises if Developer owned the fee interest in the Leased Premises; and payments in lieu of sales taxes, equal to the sales tax Developer would incur with respect to its construction costs if it were the owner of such fee interest.
- (e) On-Site Transit Improvements: To be constructed and maintained by Developer at its own cost and expense as described below.

## PRE-CONDITIONS TO LEASE EXECUTION AND TERM COMMENCEMENT:

The conditions to the execution and delivery of the Lease pursuant to the Pre-Lease Agreement will include the following:

- (a) issuance by the NYC City Planning Commission (“**CPC**”) of a special permit to authorize the construction by the Developer of an office building, with ancillary retail, having a floor area ratio (“**FAR**”) of at least 24.0 (the “**Special Permit**”), as envisioned by the Vanderbilt Corridor zoning text amendments that were adopted by the NYC City Council on May 27, 2015 (the “**Vanderbilt Corridor Zoning**”) and as more particularly described below;
- (b) agreement between the MTA and the City of New York (the “**City**”) as to the infrastructure improvements in and around Grand Central Terminal (“**GCT**”) that will be required in connection with the Special Permit, as envisioned by the Vanderbilt Corridor Zoning (the “**GCT Public Realm Improvements**”);
- (c) compliance by the MTA and all other involved governmental agencies with the State Environmental Quality Review Act (“**SEQRA**”), as it relates to the Lease and the Special Permit; and
- (d) approval of the overall transaction by the MTA Board, following such SEQRA compliance, including such agreement with respect to GCT Public Realm Improvements.

The parties will target mid-2017 for the satisfaction of such conditions. The Pre-Lease Agreement will be subject to termination if they haven’t been satisfied within 36 months after execution of the Pre-Lease Agreement. In addition, conditions to the commencement of the Lease term under the Lease pursuant to the Pre-Lease Agreement will include delivery by the MTA of vacant possession of the Property and completion by MTA of certain work adjacent to the Property to permit Developer to commence demolition work at the Property.

## GCT PUBLIC REALM IMPROVEMENTS:

The Lease will require Developer, at its own cost, to preserve and to enhance (by means of an ADA-compliant elevator) a connection to the existing passageway

between 347 Madison Avenue and Grand Central Terminal (known as the Roosevelt Passageway) and to provide a new street-level entrance and multi-level below-grade connection to the new East Side Access concourse that the MTA is currently building beneath the properties that adjoin the eastern side of the Property (the “**Required New Building Elements**”).

As contemplated by the Vanderbilt Corridor Zoning, and in reliance upon the revenues it will receive pursuant to the Lease, the MTA, as fee owner, will fund and perform such remaining (off-site) GCT Public Realm Improvements as the Special Permit shall require in accordance with the aforementioned agreement between the MTA and the City.

## SECURITY FOR DEVELOPER PERFORMANCE:

- (a) Good faith deposit: \$15 million letter of credit to be delivered to MTA, upon execution of the Pre-Lease Agreement, refundable if the Pre-Lease Agreement terminates other than by reason of Developer non-performance, but otherwise to be applied at Lease execution to the aforementioned \$25 million upfront payment. The Pre-Lease Agreement will set forth deadlines by which the Developer will be required to complete various steps relating to the ULURP process (subject to delays attributable to the MTA or the City), with limited periods within which such deadlines may be extended if the Developer increases the amount of such good faith deposit.
- (b) MTA expense deposit: Upon execution of the Pre-Lease Agreement, Developer is required to reimburse MTA for its expenses incurred prior to entering into the Pre-Lease Agreement in connection with the targeted negotiations with Developer incurred since November 2, 2015, as well as to deposit an additional sum to be agreed upon to cover expenses which MTA will incur during the period (the “**Pre-Lease Period**”) prior to execution of the Lease. Such expense deposit may be drawn upon during the Pre-Lease Period in the event of Developer’s failure of performance or, otherwise, following adoption of SEQRA findings by the MTA Board and subsequent MTA Board approval of the Lease. Any unapplied balance in such expense deposit, will be returned to Developer.
- (c) Ownership of work product: If the Pre-Lease Agreement terminates by reason of Developer’s failure to perform, MTA will own and have the right to use all work product prepared for Developer relating to the Property (other than customary exceptions for confidential and proprietary information).
- (d) Boston Properties guaranties: Upon Lease execution, Boston Properties will provide a guaranty of payment of Base Rent and PILOT under the Lease for the period commencing on term commencement and ending on the earlier of (i) the second anniversary of substantial completion of the New Building and (ii) the first date that the New Building is 70% subleased with tenants in actual occupancy. In addition, upon commencement of demolition of the Existing Office Buildings (as defined below), Boston Properties will provide a guaranty of lien-free completion of the New Building (excluding subtenant improvements) and payment of all contractors, subcontractors and materialmen performing the work.

## BACKGROUND:

In addition to the Vent Plant, the Land currently contains three pre-war office buildings, respectively known as 341, 345 and 347 Madison Avenue (the “**Existing Office Buildings**”), which formerly housed the headquarters of the MTA and its affiliate Metro-North Commuter Railroad. Having successfully consolidated such headquarters functions at 2 Broadway and 420 Lexington Avenue -- in accordance with the “Office Space Right-Sizing Business Plan” that has previously been reviewed with and endorsed by the Board -- the MTA is now in a position to dispose of the Property, and thereby avoid significant costs and generate substantial revenues in support of its capital programs as envisioned by such business plan.

The Existing Office Buildings (which, were built separately, and therefore contain redundant lobbies, cores and central plants) are functionally obsolete and do not take advantage of the full zoning envelope that the City of New York (the “**City**”) deems to be appropriate for commercial properties located in the “Vanderbilt Corridor” adjoining Grand Central Terminal. Accordingly, achieving the highest and best use of the Property will entail replacement of the Existing Office Buildings with an entirely new building.

The Property is located in zoning district C5-3, within the new “Vanderbilt Corridor” zoning sub-district -- comprised of the five blocks bounded by 42nd Street on the south, 47th Street to the north, and Madison and Vanderbilt Avenues to the east and west -- that was established pursuant to the Vanderbilt Corridor Zoning. Accordingly, the Developer will be eligible to apply for the Special Permit, which could authorize the Developer to build a building on the Land with an FAR of as much as 30.0 (which is to say zoning floor area of up to 30 times the applicable zoning lot area, twice the FAR of 15.0 that is permitted “as-of-right”), in consideration of the provision by the Developer and/or the MTA, as owner of such zoning lot, of GCT Public Realm Improvements.

The amount of the FAR bonus that will be available in connection with the redevelopment of the Property will be determined through the City’s Uniform Land Use Review Process (“**ULURP**”), based on the GCT Public Realm Improvements that such redevelopment will engender, as well as the building’s ground floor level, massing and energy performance. Thus, application for the Special Permit will be subject to review by the applicable Community Board, the Manhattan Borough President, the City Planning Commission and the NYC City Council, as well as compliance with SEQRA by the City and the MTA.

## SELECTION PROCESS:

Request for Proposals. On June 19, 2013, the MTA, assisted by its advisors at Cushman & Wakefield, Inc. (“**C&W**”), issued an initial request for proposals from prospective lessee/developers (as amended, the “**RFP**”). Such RFP stipulated that the selected developer would be required, at its own cost, to demolish the Existing Office Buildings, and to erect in their stead a new building (the “**New Building**”) that would (a) utilize the full zoning floor area authorized pursuant to the then current zoning, (b) cantilever over, and thereby accommodate, the Vent Building and (c) incorporate the Required New Building Elements. The RFP was subsequently amended by a First Addendum dated September 23, 2013 to address the implications of the East Midtown Rezoning proposal promulgated by the Bloomberg administration (which contemplated that proposed developers would contribute to a fund that could be used by MTA to make improvements); by a Second Addendum dated September 17, 2014 and a Third Addendum dated April 24, 2015, both of which addressed the implications of the Vanderbilt Corridor Zoning proposal promulgated by the de Blasio administration; and by a Fourth Addendum dated October 19, 2015, which set forth revised requirements with respect to the Required New Building Elements.

The Third Addendum also attached proposed drafts of a Pre-Lease Agreement Term Sheet and Net Lease Term Sheet (the “**Term Sheets**”), which set forth anticipated transaction terms and conditions, and called for proposers to identify any such terms and conditions to which they took exception.

Short List. The MTA received proposals from nine entities. However, two of such entities, Macklowe Properties and Equity Residential, withdrew from competition; and Blue Rock Properties’ two-page proposal, which continued to lack material information required by the RFP despite multiple requests by C&W for such information, was deemed to have been non-responsive and abandoned. Thus, as of August 2015, proposals from the following six entities remained under consideration:

# Staff Summary

1. Hines Limited Partnership/SL Green Realty Corp. (“**Hines/SLG**”) – office and/or hotel, with retail.
2. SJP Properties/Sumitomo Mitsui Financial (“**SJP/Mitsui**”) – office, with retail.
3. Boston Properties – office, with retail.
4. Argent Ventures (“**Argent**”) – hotel and residential (fee above a plane condominium).
5. Extell Development Company (“**Extell**”) – alternatively, office with retail or hotel and residential (cond-op), with retail.
6. Property Markets Group (“**PMG**”) – office, hotel and residential (cond-op), with retail.

On August 11, 2015, C&W informed each of such proposers that the MTA would be narrowing the number of proposals under consideration to a “short list” within the following few weeks, and requesting that any revisions or supplemental information be submitted by Friday, August 21, 2015. Only PMG availed itself of such opportunity to supplement its submission.

MTA Real Estate thereupon tasked C&W with the preparation of summaries of the six proposals remaining under consideration as of September, 2015, together with detailed financial analyses comparing their respective financial terms. C&W calculated the present values of guaranteed rent using a discount rate of 5.10% and ran sensitivities varying such discount rate up and down by 15%. Insofar as percentage rents and payments in lieu of real property taxes and were concerned, C&W created, and uniformly applied for the benefit of all proposers, ARGUS models to estimate future performance of spaces devoted to various uses (office, hotel, residential, etc.) and take into account standard City practices with respect to real property assessment and taxation.

Based on such analyses, the estimated present values to the MTA of the compensation proposed by the various proposers (assuming, alternatively, buildings of 24 FAR and 30 FAR) were as follows:

<u>24 FAR</u>	<u>Hines/SLG</u>	<u>SJP/Mitsui</u>	<u>BP</u>	<u>PMG</u>	<u>Argent</u>	<u>Extell</u>
Base Rent	\$238.7	\$187.8	\$190.3	\$193	\$125.6	\$263.8
PILOT	\$769.3	\$789.6	\$676.6	\$468.8	\$323.3	\$237.6
Resi. Sales Fee	\$0.0	\$0.0	\$0.0	\$11.2	\$0.0	\$0.0
Total	\$1,008.0	\$977.4	\$866.9	\$673.0	\$448.9	\$501.4

<u>30 FAR</u>	<u>SJP/Mitsui</u>	<u>Hines/SLG</u>	<u>BP</u>	<u>PMG</u>	<u>Argent</u>	<u>Extell</u>
Base Rent	\$255.6	\$250.0	\$235.7	\$226.6	\$125.6	\$329.7
PILOT	\$982.5	\$941.3	\$869.2	\$650.3	\$497.5	\$297
Resi. Sales Fee	\$0.0	\$0.0	\$0.0	\$11.2	\$0.0	\$0.0
Total	\$1,238.1	\$1,191.3	\$1,104.9	\$888.1	\$623.1	\$626.7

The evaluation criteria for the RFP were:

1. The present value of guaranteed income to be received by the MTA over the Lease term, including any proposed upfront payments.
2. The potential present value of proposed percentage rents and PILOT.
3. Proposers’ ability and willingness to provide assurances that they could and would timely undertake and complete construction of the development, and otherwise perform in accordance with the requirements of the Lease.

The MTA's selection committee for this RFP (the "MTA Selection Committee") was comprised of three individuals representing MTA Real Estate and MTA Strategic Initiatives.

Based on such analysis, on September 22, 2015 the MTA Selection Committee unanimously agreed to narrow the field to a short list of Hines/SLG, SJP/Mitsui and Boston Properties. The MTA Selection Committee determined that the others' proposals were outside of the competitive range for the following reasons, among others: (a) although Extell had proposed a relatively high base rent, it proposed to make only fixed, artificially low PILOT payments, so that the total payments it proposed fell outside the competitive range; (b) Argent proposed to pay far less base rent than any of the other five proposers, and proposed to market residential condominium units such that the MTA would be deprived of ongoing PILOT revenue; and (c) although PMG offered base rent comparable to that offered by the three short-listed proposers, C&W advised (based on research conducted by C&W) that an all-office building would yield substantially more PILOT to the MTA than would a mixed-use building of the kind proposed by PMG.

All three of the short-listed proposers were determined to be highly-qualified and experienced developers with the expertise and resources necessary to successfully redevelop the Property.

Best and Final Offers. Beginning in October, 2015, members of the MTA Selection Committee, C&W, in-house MTA legal counsel and MTA's outside counsel, Paul Weiss (transactional), and Carter Ledyard (environmental and land use), held a series of meetings to discuss, evaluate and consider proposed responses to the three remaining proposers' comments to the Term Sheets. The Term Sheets were revised uniformly for all three of such proposers in an effort to address comments that the team deemed to be acceptable; and such revised Term Sheets were then sent to such proposers on October 23, 2015, together with a request for best and final financial offers and fully completed Term Sheets, including all requested exhibits, addenda and schedules marked to indicate any remaining comments. The proposers were advised at such time that targeted negotiations would commence with the proposer that submitted the most compelling best and final offer.

All three proposers responded with increased rent offers, the estimated present values of which (again, assuming, alternatively, buildings of 24 FAR and 30 FAR) were as follows:

<u>24 FAR</u>	<u>BP</u>	<u>Hines/SLG</u>	<u>SJP/Mitsui</u>		<u>30 FAR</u>	<u>BP</u>	<u>SJP/Mitsui</u>	<u>Hines/SLG</u>
Base Rent	\$255.9	\$233.9	\$206.9		Base Rent	\$316	\$277.2	\$246.7
PILOT	\$770.4	\$763.6	\$770.2		PILOT	\$960.9	\$963.6	\$956.8
Contingent Rent	\$15.9	\$1.5	\$4.5		Contingent Rent	\$19.9	\$5.6	\$3.4
Total	\$1,042.2 MM	\$999.0 MM	\$981.6 MM		Total	\$1,296.8 MM	\$1,246.4 MM	\$1,206.9 MM

All three proposers also responded with further or renewed comments to the revised Term Sheets.

Having determined that Boston Properties' proposal provided the highest economic value to the MTA, and was the most competitive with respect to other proposed terms and conditions reflected in the Term Sheets, the team commenced targeted negotiations with Boston Properties, in the course of which resolutions satisfactory to the MTA Selection Committee were reached with respect to all Term Sheet issues.

The compensation proposed by Boston Properties is consistent with an independent appraisal that MTA Real Estate has obtained from Landauer and Associates.

## RECOMMENDATION:

Based on the foregoing, MTA Real Estate requests authorization, pursuant to the attached resolution, to enter into a Pre-Lease Agreement with Developer on the above-described material terms and conditions and such other terms or conditions as the Chairman and Chief Executive Officer of the MTA or his designee deems necessary or appropriate, and to execute and deliver any and all other necessary or appropriate agreements, documents, writings and other instruments, including modifications and supplements, and to take all such actions as shall be necessary or desirable in order to pursue satisfaction of the above-described pre-conditions to Lease execution, it being understood that the Lease itself and the proposed GCT Public Realm Improvements related to the redevelopment of the Property will be presented to the Board as described above for approval following review and compliance by the MTA and all other involved governmental agencies with SEQRA as it relates to the Lease and the Special Permit.

## BOARD RESOLUTION

WHEREAS, MTA (capitalized terms are defined in the staff summary accompanying this Resolution (the "Staff Summary") owns the Property (i.e., the Land and the Existing Office Buildings located at 341, 345 and 347 Madison Avenue), as well as the East Side Access Vent Plant under construction by MTACC on 44th Street between Madison and Vanderbilt Avenues; and

WHEREAS, as a result of the successful consolidation and relocation of the headquarters of MTA and its subsidiary Metro-North Commuter Railroad to 2 Broadway and 420 Lexington Avenue, MTA is now in a position to dispose of the Property, and thereby avoid significant costs and generate substantial revenues in support of its capital programs;

WHEREAS, the Existing Office Buildings are functionally obsolete and do not take advantage of the full zoning envelope that the City deems to be appropriate for commercial properties located in the new "Vanderbilt Corridor" zoning sub-district -- comprised of the five blocks bounded by 42nd Street on the south, 47th Street to the north, and Madison and Vanderbilt Avenues to the east and west -- that was established pursuant to the Vanderbilt Corridor Zoning, and accordingly, achieving the highest and best use of the Property will entail replacement of the Existing Office Buildings with an entirely New Building;

WHEREAS, on June 19, 2013, MTA, with the assistance of its advisor C&W, issued and thereafter publicly advertised an initial RFP (as subsequently modified or supplemented pursuant to four addenda), from prospective lessee/developers for a proposed 99-year triple net lease transaction, which RFP stipulated that the selected lessee/developer would be required, at its own cost, to demolish the Existing Office Buildings, and to erect in their stead a New Building that would utilize the full zoning floor area authorized pursuant to the then current zoning, cantilever over, and thereby accommodate, the Vent Building, and incorporate the Required New Building Elements at its own cost;

WHEREAS, the fair market value of a long-term triple net lease of the Property was tested and evaluated through a competitive selection process that is summarized in detail in the Staff Summary, the methods, terms and conditions of which permitted full and free competition, involving public advertisement for proposals, the receipt of proposals, the conduct of discussions and negotiations with the proposers in order to maximize value;

WHEREAS, the compensation proposed by Boston Properties as summarized in the Staff Summary is consistent with an independent appraisal that MTA Real Estate has obtained from Landauer and Associates;

WHEREAS, the Pre-Lease Agreement, upon execution by the MTA and Boston Properties, (1) will serve to designate Boston Properties as the exclusive developer with whom MTA will enter into a Lease for the Property (the form of which will be annexed to the Pre-Lease Agreement), upon the terms and conditions set forth in the Pre-Lease Agreement, and (2) will provide that (A) the execution of the Lease is conditioned upon, among other things, the pre-lease execution conditions set forth in the Staff Summary, including (i) issuance by CPC of the Special Permit for the construction of a New Building having FAR of not less than 24.0, (ii) agreement between MTA and the City as to the scope and description of the GCT Public Realm Improvements to be performed by, and at the cost of, MTA which when added to the Required Building Elements required to be constructed by the successful developer, would be sufficient to permit a New Building of not less than 24.0 FAR, (iii) compliance by MTA and all other involved governmental agencies with SEQRA as it relates to the Lease and the Special Permit (the "Proposed Action"); and (iv) approval of the overall transaction by the MTA Board, following such SEQRA compliance, and (B) term commencement is conditioned upon, among other things, delivery by MTA of vacant possession of the Property and completion by MTA of certain work adjacent to the Property to permit developer commencement of demolition work at the Property; and

WHEREAS, the proposed disposition of the Property pursuant to the Lease is for not less than fair market value and is proposed to be made upon proper terms and conditions, and an appraisal of the value of such property rights has been made by an independent appraiser as set forth in the Staff Summary and included in the record of the transaction; and

WHEREAS, based upon the recommendation of the MTA Selection Committee, the proposal of the recommended designated developer is the most advantageous to MTA, rent and other factors set forth in the RFP having been considered; and

WHEREAS, the disposition of the Property on terms and conditions consistent with the proposal of the recommended designated developer is intended to further the public welfare and to advance the transportation interests of MTA by, inter alia, enhancing the ability of MTA to develop and improve commuter transportation and other services related to the same within the Metropolitan Commuter Transportation District and creating substantial sources of revenue to MTA, and that, in addition, the disposal of the property rights in question is intended to advance the economic development interest of the State and City as well as the interest of MTA in transit-oriented development, by furthering the purposes embraced by the Vanderbilt Corridor Zoning in revitalizing currently obsolete office and retail space in midtown east and providing much needed Grand Central Public Realm Improvements, which is expected to result in the creation and retention of substantial number of job opportunities and the creation or retention of substantial sources of revenues to the State, City and MTA; and

NOW THEREFORE, BE IT  
RESOLVED, that:

1. The Chairman and Chief Executive Officer of MTA or his designee is authorized to negotiate, execute and deliver the Pre-Lease Agreement with Developer on the material terms and conditions described above and in the Staff Summary and such other terms or conditions as he or his designee deems necessary or appropriate, and to execute and deliver any and all other necessary or appropriate agreements, documents, writings and other instruments, including modifications and supplements, and to take all such actions as shall be necessary or desirable in order to pursue satisfaction of the pre-conditions to Lease execution and term commencement described above and in the Staff Summary, provided that the Pre-Lease Agreement shall provide that such other project documents relating thereto shall not be binding on the MTA unless and until (a) CPC shall have completed the environmental review of the proposed action in accordance with the requirements of SEQRA and CEQR, (b) on the basis of that review, the MTA Board shall have made written findings concerning the environmental impacts of the proposed action in accordance with the requirements of SEQR and its implementing regulations, 6 NYCRR, Part 617, and (c) thereafter, the MTA Board shall have approved the material terms of the Lease and other project documents.
2. The Chairman and Chief Executive Officer and his designees are hereby further authorized to take any and all actions as may be necessary, desirable or convenient to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.

This Resolution shall take effect immediately upon its adoption.

Dated: February 26, 2016

**Schedule A**  
**Base Rent for As-of-Right FAR (15.0X)**

Upfront Payment	\$15 million (the Good Faith Deposit Under the Pre-Lease Agreement), applied on the Term Commencement Date	
Additional Consideration	\$10 million, paid on the Term Commencement Date	
Rent Commencement Date	2 years following the Term Commencement Date	
Years 1 – 5	\$6,378,350.00 per annum	\$531,529.17 per month
Years 6 – 10	\$7,016,185.00 per annum	\$584,682.08 per month
Years 11 – 15	\$7,717,803.50 per annum	\$643,150.29 per month
Years 16 – 20	\$8,489,583.85 per annum	\$707,465.32 per month
Years 21 – 25	\$9,338,542.24 per annum	\$778,211.85 per month
Years 26 – 30	\$10,272,396.46 per annum	\$856,033.04 per month
Year 31 (30 <sup>th</sup> Anniversary of the Rent Commencement Date)	On the 30th, 60th and 90th anniversaries of the Rent Commencement Date (each, a “Base Rent Adjustment”), the Base Rent will be reset to be the greater of (i) the scheduled Base Rent for such date, taking into account the scheduled annual increases set forth in Schedule A and (ii) 15% of the average annual actual gross revenues for the New Building for the preceding five years (including operating expense pass-throughs) plus PILOT escalations solely in the year of the Base Rent Adjustment, less PILOT solely in the year of the Base Rent Adjustment. Notwithstanding the foregoing, in no event will a Base Rent Adjustment be less than the prior year’s Base Rent plus the average Percentage Rent for the preceding five years.	

Monthly Base Rent payments will increase by ten percent (10.0%) every five years from the Rent Commencement Date

## Schedule A

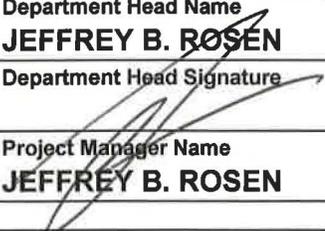
### Formulas for Determining the Basic Rent Increases attributable to Utilization of Additional Development Rights

<b>FAR</b>	<b>Cost Per Annum</b>
As-of-Right FAR: 15.0X	As described in Base Rent table above
Bonus FAR Onsite Improvements FAR: 3.0X Building Size = 18.0X	To be compensated by means of construction of the Required New Building Elements at Lessee's cost.
Minimum Special Permit FAR: 6.0X Building Size = up to 24.0X	Commencing on the Rent Commencement Date (i.e., two years after the Term Commencement Date), Lessee will pay \$18 per year for each zoning square foot of Minimum Special Permit FAR. Such rent will increase by 10.0% every 5 years in accordance with the Basic Rent Schedule for the As-of-Right FAR.
Maximum Special Permit FAR: 6.0X Building Size = up to 30.0X	Lessee will pay \$18 per year for each zoning square foot of Maximum Special Permit FAR. Rent abatements applicable to increments of Maximum Special FAR are set forth below and the abatement periods shall apply to all of the Maximum Special Permit FAR. Such rent will increase by 10.0% every 5 years in accordance with the Base Rent Schedule for the As-of-Right FAR.

#### Additional Rent Abatements applicable to Maximum Special FAR:

Incremental FAR	1.0X	2.0X	3.0X	4.0X	5.0X	6.0X
Incremental FAR SF	25,105	50,210	75,315	100,420	125,525	150,630
Cumulative FAR	25.0X	26.0X	27.0X	28.0X	29.0X	30.0X
Additional Free Rent (mos.)	10 months	16 months	23 months	30 months	37 months	48 months

# Staff Summary

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

Date <b>FEBRUARY 22, 2016</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	2/22/16	X		
2	Board	2/24/16	X		

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

AGENCY: Metropolitan Transportation Authority ("MTA")

ACTIVITY: Exchange of long-term property interests on subgrade levels in the most westerly portion of Grand Central Terminal ("GCT"), located beneath the footprint of the adjacent property known as One Vanderbilt (the "One Vanderbilt Property").  
One Vanderbilt Owner LLC ("1V Owner"), a Delaware limited liability company owned and controlled by SL Green Realty Corp.

LOCATION: Property Disposition Areas:  
The sub-grade areas, located on the GCT main concourse level, the shuttle passageway level and the (unexcavated) level immediately below, that are cross-hatched in red on Attachment 1 hereto, totaling 1,853 square feet of space (collectively, the "Property Disposition Areas").  
Property Acquisition Areas:  
The sub-grade areas within the One Vanderbilt Property immediately to the west of GCT located on basement levels B-1, B-2, B-3 and B-4 hatched in green on Attachment 1 hereto, totaling 2113 square feet of space (collectively, the "Property Acquisition Areas").

COUNTERPARTY: One Vanderbilt Owner LLC ("1V Owner"), a Delaware limited liability company owned and controlled by SL Green Realty Corp.

ACTION REQUESTED: Authorization to net sublease the Property Disposition Areas to 1V Owner for a term of 258 years to expire February 27, 2274, for an annual rent of one dollar -- unless MTA's option to purchase the fee interest in such areas is exercised sooner, in which case such subleasehold interest will be converted automatically into a permanent easement -- in exchange for the granting by 1V Owner to MTA of a permanent easement in the Property Acquisition Areas.

# Staff Summary

## FINANCE COMMITTEE MEETING

### One Vanderbilt (Cont'd)

Page 2 of 2

#### COMMENTS:

1V Owner is the owner of the One Vanderbilt Property, which comprises an assemblage of the full city block between 42nd and 43rd Streets on the south and north and Vanderbilt Avenue and Madison Avenues to the east and west. Such assemblage includes a parcel of property immediately to the west of GCT, formerly known as 51 East 42nd Street (former Lot 27, Block 1227), which was deeded in 1978 by The Penn Central Corporation, then owner of GCT, to 1V Owner's predecessor in interest (the "**1978 Deed**").

MTA leases GCT under a long-term net lease (the "**Harlem-Hudson Lease**"), which is scheduled to expire in February, 2274 and includes a purchase option. The GCT property leased to MTA under the Harlem-Hudson Lease includes certain areas in the basement of 51 East 42nd Street that were retained by The Penn Central Corporation under the terms of the 1978 Deed (the "**GCT Retained Property**").

The 1978 Deed contemplated that the grantee and its successors-in-interest would someday want to demolish the building and improvements located on the deeded property and construct a new building and, as such, granted to the grantee and its successors-in-interest rights to perform work within the GCT Retained Property, including major work entailing the relocation of easements and structural elements. 1V Owner intends to redevelop the One Vanderbilt Property by demolishing the existing buildings located thereon and constructing a new office building (the "**New Building**"), which will constitute such permitted major work under the 1978 Deed.

The One Vanderbilt Property is located within the new "Vanderbilt Corridor" zoning sub-district (comprised of the five blocks bounded by 42nd Street on the south, 47th Street on the north, and Vanderbilt and Madison Avenues on the east and west) that was established pursuant to a zoning text amendment adapted by the New York City Council in May, 2015 (the "**Vanderbilt Corridor Subdistrict**"). The new Vanderbilt Corridor Subdistrict zoning, among other things, authorizes the issuance of certain special permits for increased bulk in consideration of the provision of public circulation improvements in and around GCT.

In order to develop and construct the New Building, 1V Owner applied to the New York City Planning Commission (the "**CPC**") for such special permits, and such special permits were issued by CPC and approved by the New York City Council, conditioned upon 1V Owner's agreement, as documented in a recorded Restrictive Declaration dated as of May 27, 2015, to perform extensive improvements to the pedestrian circulation network in and around GCT, including the improvements within the footprint of the One Vanderbilt Property that are depicted on **Attachment 2** hereto. Such improvements include a series of new public corridors and vertical circulation elements within and adjoining the GCT Retained Property, which will provide dramatically improved access between Vanderbilt Avenue and East 42nd Street, the main concourse and lower levels of GCT, the adjoining GCT subway station and the new East Side Access concourse that MTA Capital Construction is constructing for the Long Island Rail Road.

The existing sub-grade boundary between the GCT Retained Property and the remainder of the One Vanderbilt Property is depicted in grey, superimposed on levels B-1, B-2, B-3 and B-4 of the plans for the New Building, on **Attachment 1** hereto. The purpose of the proposed exchange of property interests is to effect a relatively minor adjustment to such boundary (the highly irregular and angular nature of which is a vestige of the shape and configuration of the old building at 51 East 42nd Street that 1V Owner is demolishing), so as to facilitate the highly desirable, City- and MTA-approved on-site public circulation improvements that are depicted in **Attachment 2** hereto. An independent appraisal obtained by MTA Real Estate has confirmed that the values of the respective interests to be disposed of and acquired are equivalent.

The purpose of this negotiated exchange is within the MTA's mission and purpose and an explanatory statement pursuant to PAL §2897-6(d) will be prepared and transmitted in accordance with the requirements of such Section not less than 90 days prior to the consummation of such exchange.

Based on the foregoing, MTA Real Estate requests authorization, pursuant to the attached resolution, to enter into documents effecting such exchange of property interests, on the above-described terms and conditions.

## **BOARD RESOLUTION**

**WHEREAS**, the GCT (capitalized terms are defined in the staff summary accompanying this Resolution) property leased to MTA Harlem-Hudson Lease is subject to the terms and conditions of the 1978 Deed;

**WHEREAS**, the 1V Owner is the successor in interest to the grantee under the 1978 Deed and has the right under the 1978 Deed to demolish the current buildings and improvements on its property and construct the New Building and in connection therewith to exercise other rights, including the right to perform major work entailing the relocation of easements and structural elements for the new building within the Retained Property;

**WHEREAS**, One Vanderbilt Property is located within the new Vanderbilt Corridor Sub-district and has applied for and has been issued several special permits by the New York City Council, including a special permit by the New York City Council based on a "Grand Central Public Realm Improvement Bonus", which would allow bulk increases of up to a maximum of 30.0 FAR in consideration for the agreement by 1V Owner, as documented in a recorded Restrictive Declaration dated as of May 27, 2015, to perform extensive improvements to the pedestrian circulation network in and around Grand Central Terminal, including the improvements within the footprint of the One Vanderbilt Property that are depicted on Attachment 2 hereto. Such improvements include a series of new public corridors and vertical circulation elements within and adjoining GCT's Retained Property, which will provide dramatically improved access between Vanderbilt Avenue and East 42<sup>nd</sup> Street, the main concourse and lower levels of GCT, the adjoining GCT subways station and the new East Side Access concourse that MTA Capital Construction is constructing for the Long Island Rail Road;

**WHEREAS**, a relatively minor 'adjustment' to the existing irregular and angular boundary line between the One Vanderbilt Property and the Retained Property will facilitate a more functional and desirable design and layout of the Project on-site transit improvements;

**WHEREAS**, the 'adjustment' to the existing sub-grade boundary between the Retained Property and the remainder of the One Vanderbilt Property can best be achieved only by a negotiated disposition with 1V Owner of the Property Disposition Areas, in exchange for the acquisition the Property Acquisition Areas;

**WHEREAS**, an independent appraisal obtained by MTA confirmed that the values of the Property Disposition Areas and the Property Acquisition Areas are equivalent, with an appraised value for each of \$13 million assuming the same were improved for its highest and best use as income producing 'retail' space; and

**WHEREAS**, the disposition of the Property Disposition Areas in exchange for the acquisition of the Property Acquisition Areas on terms and conditions consistent with the staff summary accompanying this Resolution is intended to further the public welfare and to advance the transportation interests of MTA by, inter alia, enhancing the ability of MTA to develop and improve commuter transportation and other services related to the same within the Metropolitan Commuter Transportation District, and, in addition, the disposal of the property rights in question is intended to advance the economic development interest of the State and City as well as the interest of MTA in transit-oriented development, by furthering the purposes embraced by the Vanderbilt Corridor Zoning in revitalizing currently obsolete office and retail space in midtown east and providing much needed Grand Central Public Realm Improvements, which is expected to result in the creation and retention of substantial number of job opportunities and the creation or retention of substantial sources of revenues to the State, City and MTA; and

**WHEREAS**, the purpose of this negotiated exchange is within the MTA's mission and purpose and an explanatory statement pursuant to PAL §2897-6(d) will be prepared and transmitted in accordance with the requirements of such Section not less than 90 days prior to the consummation of such exchange; and

**WHEREAS**, the MTA Board has received and considered the information described in paragraph b of PAL §2897-7, and has determined that there is no reasonable alternative to the proposed disposition of the Property Disposition Areas in exchange for the Property Acquisition Areas having an equivalent value that would achieve the same purpose as the proposed disposition;

**NOW, THEREFORE BE IT  
RESOLVED**, that

1. In accordance with PAL Section 2897, the Chairman and Chief Executive Officer or his designee is authorized to proceed with the negotiated disposition of the Property Disposition Areas pursuant to a net

long-term sublease of the same for a term of 258 years to expire February 27, 2274, for an annual rent of one dollar, unless MTA's option to purchase the fee interest in such areas is exercised sooner, in which case the subleasehold interest will be converted automatically into a permanent easement, in exchange for the granting by 1V Owner to MTA of a permanent easement in and to the Property Acquisition Areas, and to execute and deliver any and all other necessary or appropriate agreements, documents, writings and other instruments, including modifications and supplements, on such terms as the Chairman and Chief Executive Officer or his designee deems necessary or appropriate, and to take all such actions as shall be necessary or desirable, in order to effectuate the forgoing.

2. The Chairman and Chief Executive Officer and his designees are hereby authorized to take any and all actions as may be necessary, desirable or convenient to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.

This Resolution shall take effect immediately upon its adoption.

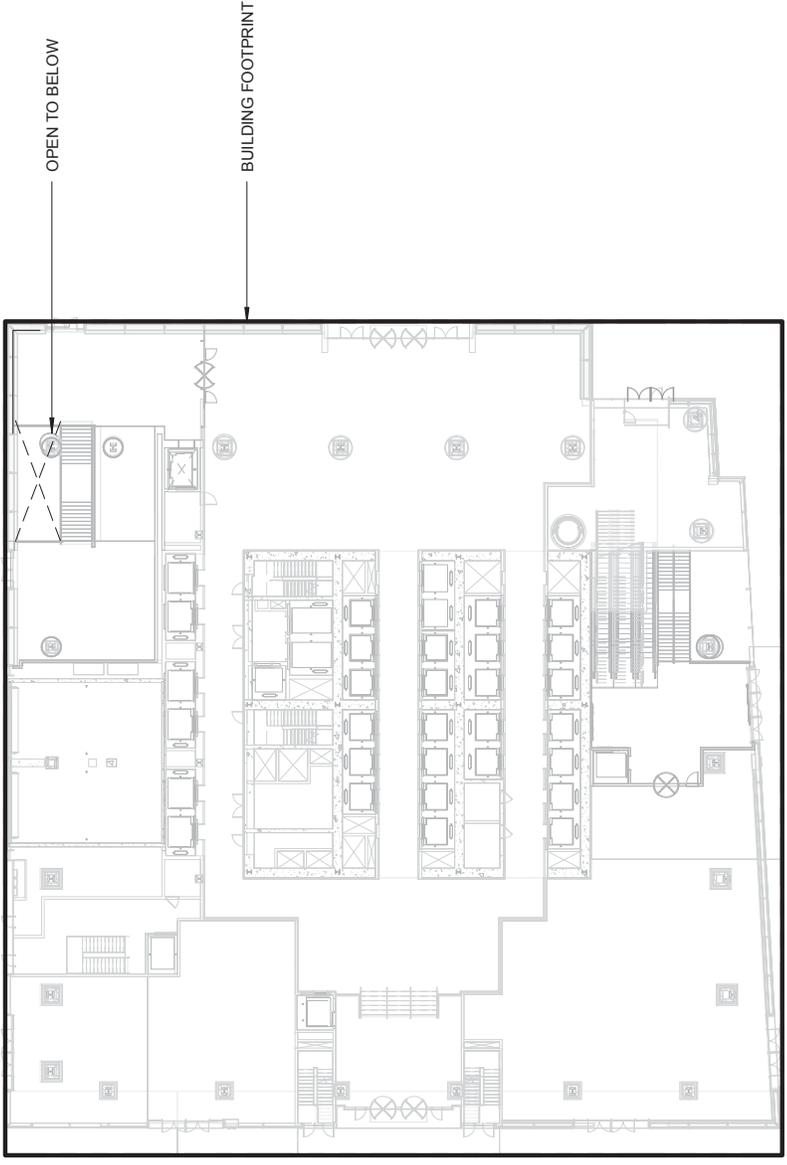
Dated: February 26, 2016

# **ATTACHMENT**

# **1**

RETAINED PROPERTY RECONFIGURATION	
	APPROX. AREA:
	FLOOR AREA FROM SL GREEN TO MTA N/A
	RETAINED PROPERTY N/A
	FLOOR AREA FROM MTA TO SL GREEN N/A
	UNEXCAVATED N/A
	BUILDING FOOTPRINT N/A
	RETAINED PROPERTY LINE
	LEVEL B1 RATIONALIZED LINE

RECONFIGURATION SUMMARY		
FLOOR	SL GREEN TO MTA (SF.)	MTA TO SL GREEN (SF.)
GROUND LEVEL	N/A	N/A
LEVEL B1	661 SF	661 SF
LEVEL B2	664 SF	641 SF
LEVEL B3	664 SF	551 SF
LEVEL B4	124 SF	N/A
TOTALS:	2113 SF	1863 SF



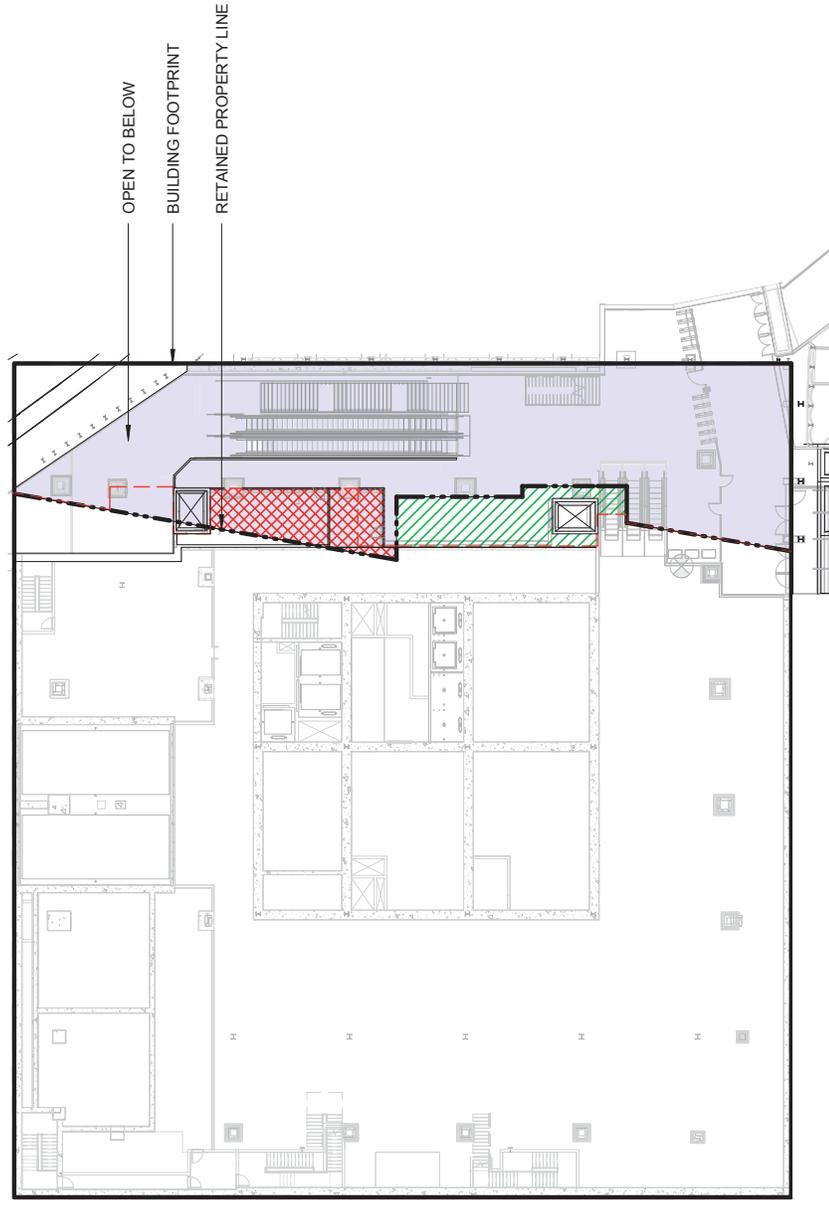
FLOOR PLAN - GROUND LEVEL  
SCALE: 1/32" = 1'-0"

RETAINED PROPERTY RECONFIGURATION	
APPROX. AREA:	
	FLOOR AREA FROM SL GREEN TO MTA 861 SF
	RETAINED PROPERTY 8057 SF
	FLOOR AREA FROM MTA TO SL GREEN 661 SF
	UNEXCAVATED N/A
	BUILDING FOOTPRINT
	RETAINED PROPERTY LINE
	LEVEL B1 RATIONALIZED LINE



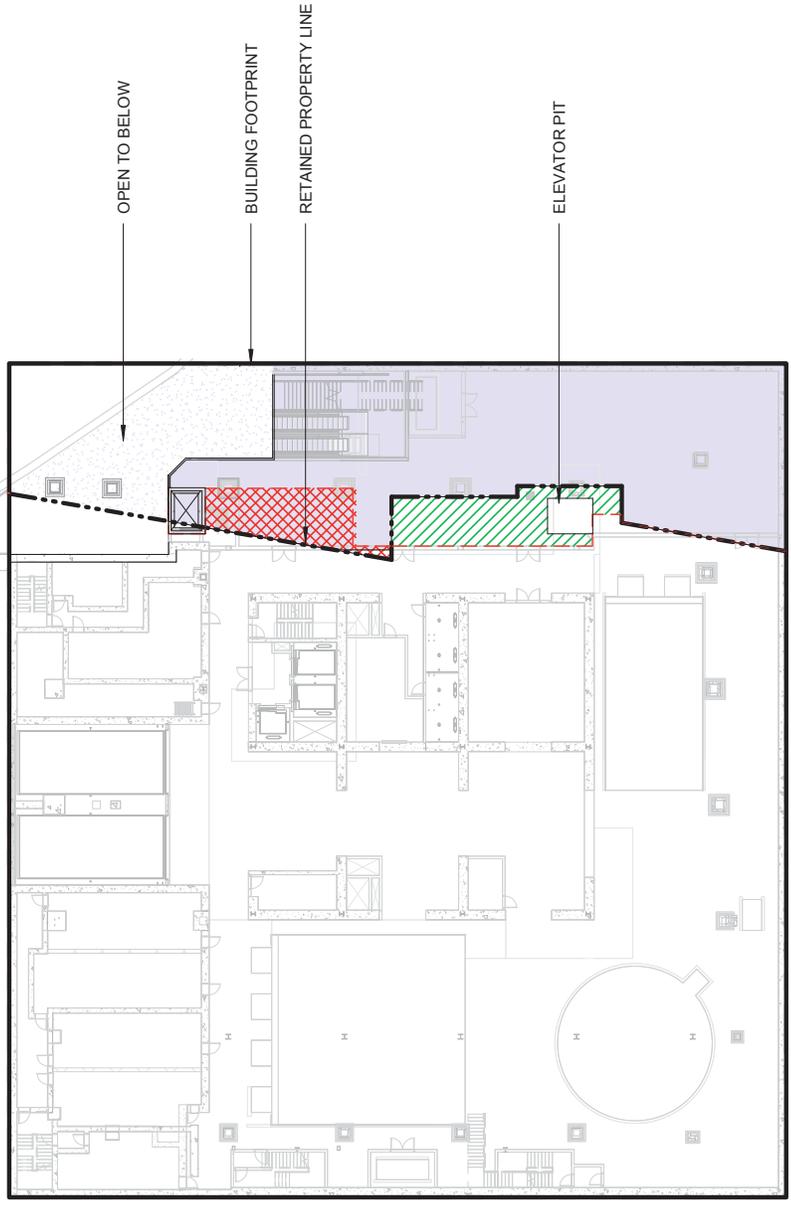
FLOOR PLAN - LEVEL B1  
SCALE: 1/32" = 1'-0"

RETAINED PROPERTY RECONFIGURATION	
	APPROX. AREA:
	FLOOR AREA FROM SL GREEN TO MTA 664 SF
	RETAINED PROPERTY 7291 SF
	FLOOR AREA FROM MTA TO SL GREEN 641 SF
	UNEXCAVATED N/A
	BUILDING FOOTPRINT 469
	RETAINED PROPERTY LINE
	LEVEL B1 RATIONALIZED LINE



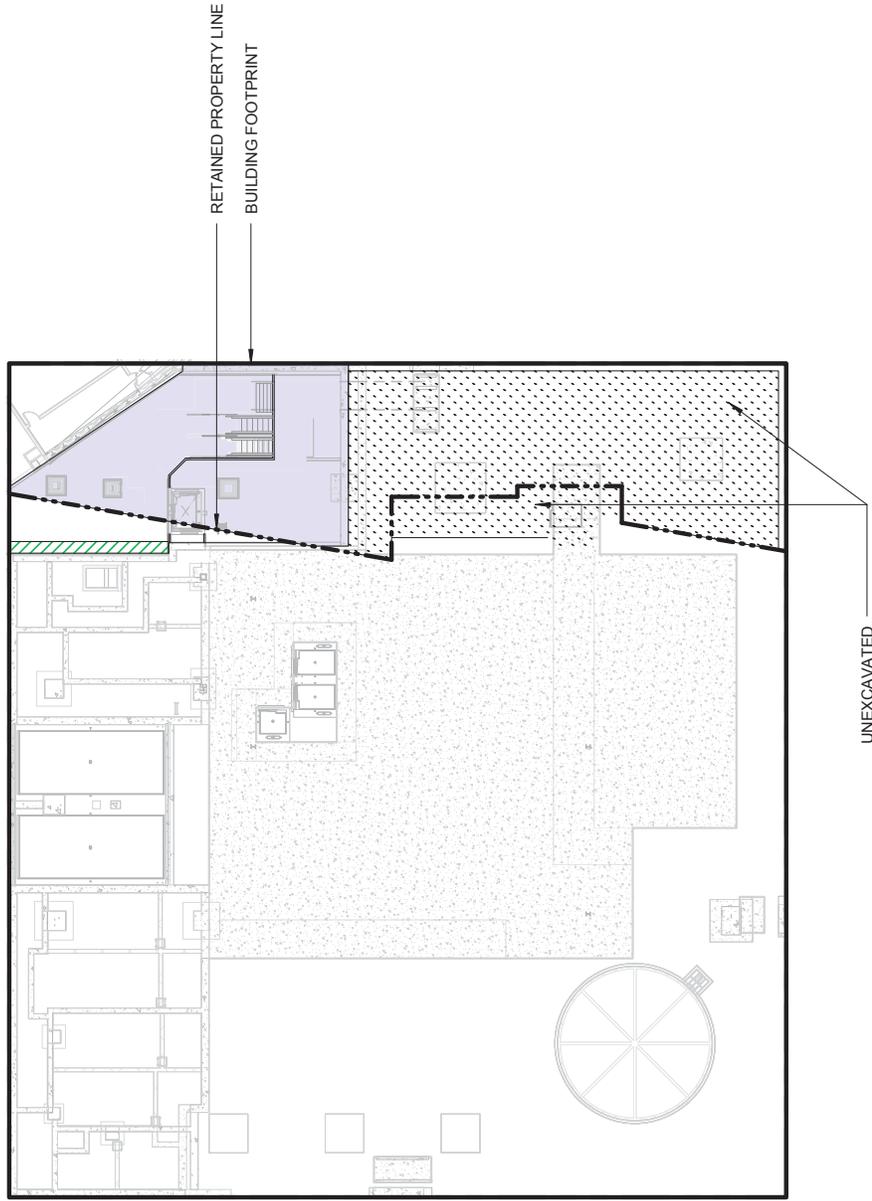
FLOOR PLAN - LEVEL B2  
SCALE: 1/32" = 1'-0"

RETAINED PROPERTY RECONFIGURATION	
	APPROX. AREA:
	FLOOR AREA FROM SL GREEN TO MTA 664 SF
	RETAINED PROPERTY 7301 SF
	FLOOR AREA FROM MTA TO SL GREEN 551 SF
	UNEXCAVATED N/A
	BUILDING FOOTPRINT
	RETAINED PROPERTY LINE
	LEVEL B1 RATIONALIZED LINE



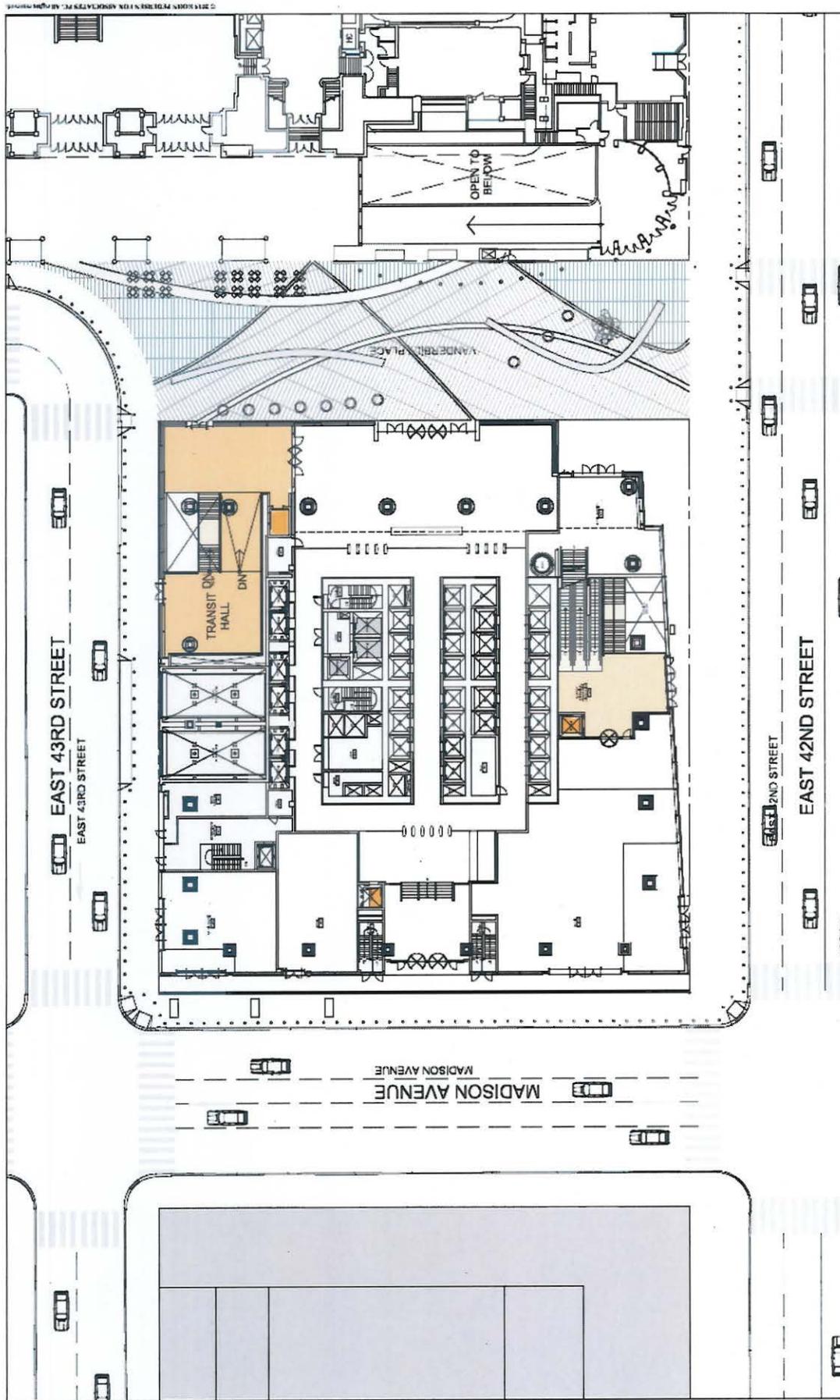
FLOOR PLAN - LEVEL B3  
SCALE: 1/32" = 1'-0"

RETAINED PROPERTY RECONFIGURATION	
	APPROX. AREA:
	FLOOR AREA FROM SL GREEN TO MTA 124 SF
	RETAINED PROPERTY 2850 SF
	FLOOR AREA FROM MTA TO SL GREEN N/A
	UNEXCAVATED N/A
	BUILDING FOOTPRINT N/A
	RETAINED PROPERTY LINE
	LEVEL B1 RATIONALIZED LINE



FLOOR PLAN - LEVEL B4  
SCALE: 1/32" = 1'-0"

# **ATTACHMENT 2**



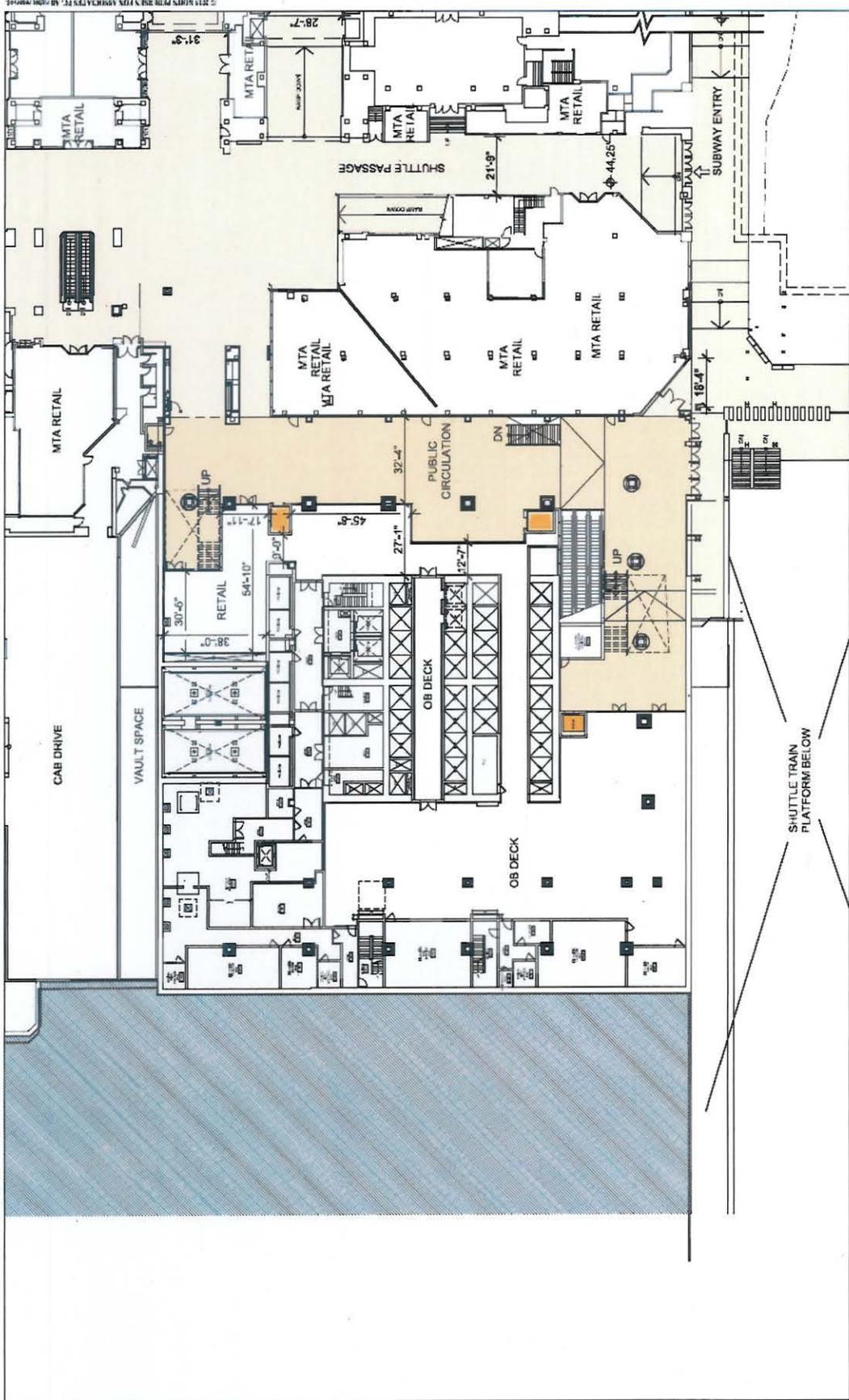
GROUND FLOOR PLAN  
SCALE: 1/32"=1'

**ONE VANDERBILT**

**KPF**  
11 WEST 42ND STREET, NY, NY 10036

**PROGRESS**

January 13, 2016

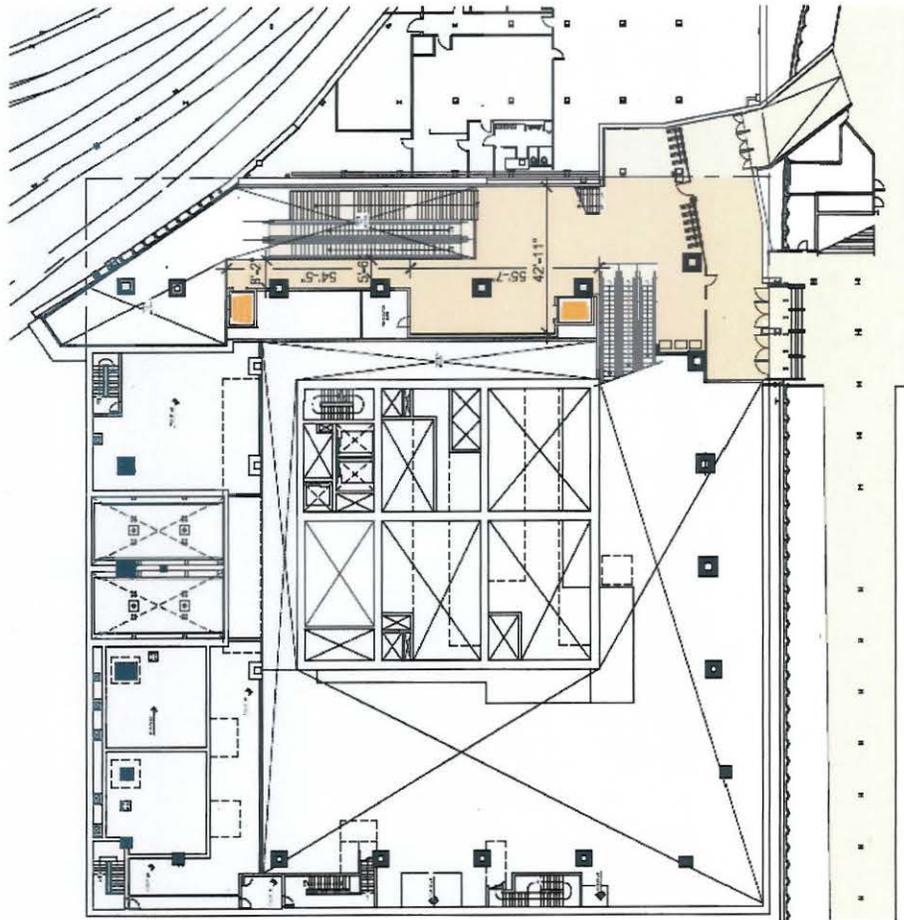


January 13, 2016

B1 GCT CONCOURSE  
SCALE: 1/32"=1'

**ONE VANDERBILT**

**KPF**  
11 WEST 42ND STREET, NY, NY 10036

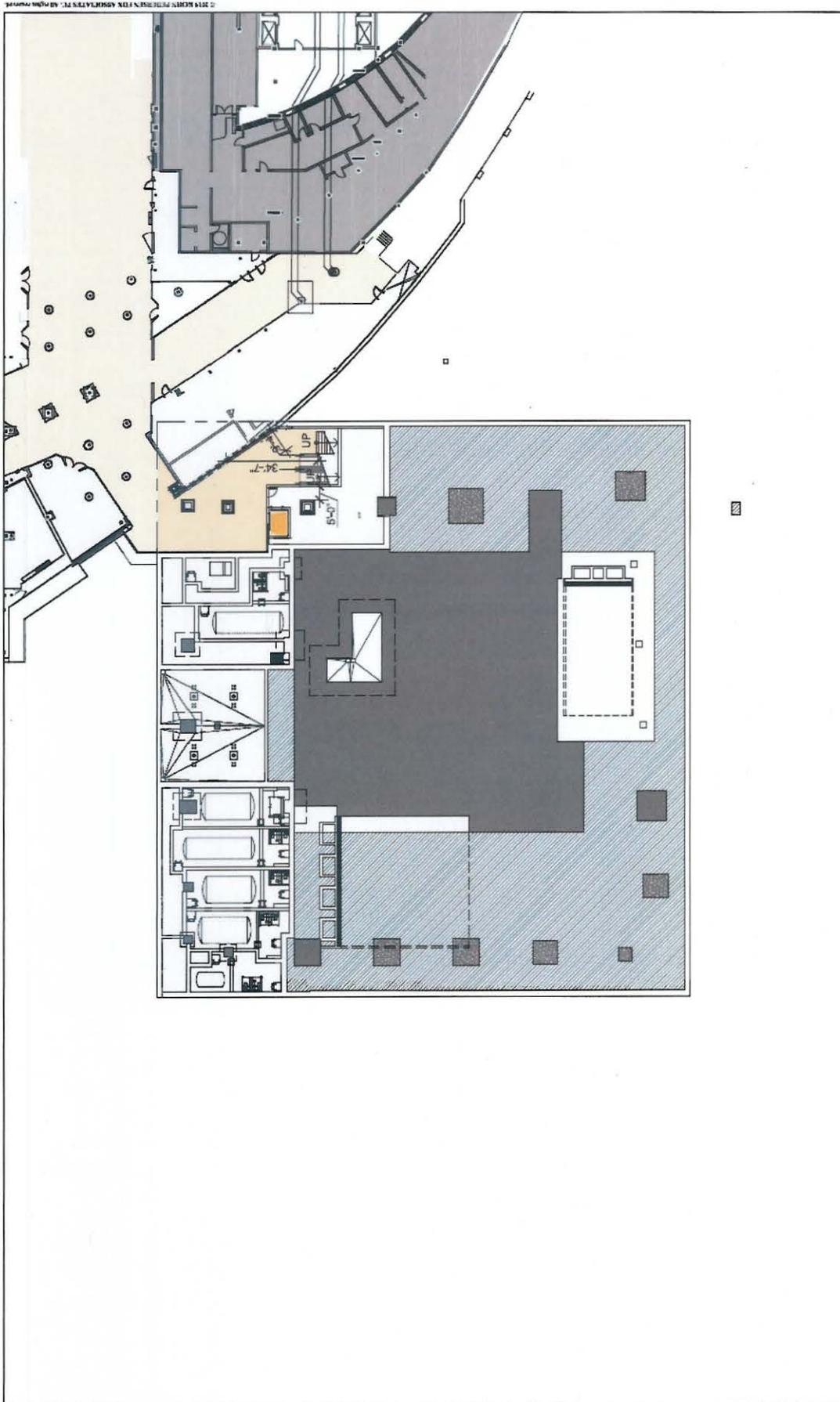


**PROGRESS** January 13, 2016

B2 SHUTTLE PLATFORM  
SCALE: 1/32"=1'

**ONE VANDERBILT**

**KPF**  
11 WEST 42ND STREET, NY, NY 10036



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**KPF**  
11 WEST 42ND STREET, NY, NY 10036

**ONE VANDERBILT**

B4 EAST SIDE ACCESS  
SCALE: 1/32"=1'

PROGRESS

January 13, 2016

# **INFORMATION ITEMS**

# Memorandum



## Metropolitan Transportation Authority

State of New York

Date February 22, 2016

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: FEBRUARY 2016**

AGENCY	LOCATION (STATION)	TENANT/USE	SF	DATE OF AGREEMENT	MONTHLY COMPENSATION	COMMENT
1. NYCT	WTC Station 8 <sup>th</sup> 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. LIRR	Bellmore Station, Bellmore, NY	Newsstation, Inc./Newsstand	120	March 2009	\$300	To be publicly re-offered 2016
3. MNR	Grand Central Terminal	Grand Central Coffee Corp., d/b/a Irving Farm	253	February 2013	\$9,966	Due to East Side Access construction project, location to be offered in 2016
4. MNR	Grand Central Terminal	Hudson News	1191	January 2010	\$5,000	Special site conditions require interim tenancy (East Side Access)
5. MNR	Croton Harmon Station	Dry Cleaning Drop Off	714	August 2013	\$2,159.72	Due to MNR station construction project, location to be publicly offered first quarter 2016
6. NYCT	Main St – Flushing, Queens	IRT Flushing News Inc	121	October 1, 2014	\$6,700.00	To be publicly offered in 2016
7. MNR	Grand Central Terminal	Diptyque	225	February 2, 2015	\$20,000	To be publicly offered in 2016
8. NYCT	Church Avenue, Nostrand Line, Brooklyn	Mahabubar Rahman/Newsstand	120	September 2015	\$2,500	To be publicly offered in 2016
9. MNR	Grand Central Terminal	Moleskine	316	September 1, 2015	\$15,000	To be publicly offered in 2016

# Memorandum



## Metropolitan Transportation Authority

State of New York

**Date** February 22, 2016

**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 via the RFP or negotiation process with tenants in good standing or through the RFP process when 3 or more proposals have been received from responsible proposers for a standard retail location**

---

Attached is a listing of agreements entered into directly by the Real Estate Department during preceding months, pursuant to the Board's resolutions of April 26, 2007 (Real Estate Policy #9) and November 13, 2013 (Real Estate Policy #33).

The resolutions authorizing Real Estate Policies #9 and #33 delegate 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 entered into pursuant to Real Estate Policy #9, 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.

For each such agreement entered into pursuant to Real Estate Policy #33, MTA Real Estate must have received at least three bids from responsible proposers, and must have entered into agreement with the responsible proposer which offered the highest guaranteed rent, on a present value basis.

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

**February 2016**

Agency/Project Manager	Renewal/RFP Generated	Lessee	Location/Use	Term	Rental		Annual Increase	Size/Weekday Ridership	Price/SF	
					Year	Rent			Year	PSF
NYCT / A. Szu	RFP	Abu Newsstand Inc.	61 <sup>st</sup> Street-Woodside Station, Flushing Line, Queens	10 years	1	\$ 30,000.00	--	80 square feet	1	\$ 375.00
					2	\$ 30,900.00	3.00%		2	\$ 386.25
					3	\$ 31,824.00	2.99%		3	\$ 397.80
					4	\$ 32,772.00	2.98%		4	\$ 409.65
					5	\$ 33,756.00	3.00%		5	\$ 421.95
					6	\$ 34,776.00	3.02%		6	\$ 434.70
					7	\$ 35,820.00	3.00%		7	\$ 447.75
					8	\$ 36,900.00	3.02%		8	\$ 461.25
					9	\$ 38,004.00	2.99%		9	\$ 475.05
					10	\$ 39,144.00	3.00%		10	\$ 489.30
<b>List of all proposals:</b>										
<b>Proposer name:</b>										
					<b>NPV @ 9% discount rate:</b>					
Khadiza Khanom (Abu Newsstand Inc.)					\$ 216,142.78					
Shahid Haroon (Shahid Newsstand)					\$ 198,864.86					
Sarder Nazrul Islam					\$ 194,540.85					
MD Mizanur Rahman					\$ 186,413.40					
Mahabubar Rahman (M.R. Newsstand)					\$ 160,825.81					
Mozaffar Hossain					\$ 137,981.08					
Mohammed Elias Khan (to be formed)					\$ 108,078.75					
Dilu Chowdhury (DEBU INC)					\$ 88,062.61					

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

**FEBRUARY 2016**

Agency/Project Manager	Renewal/RFP Generated	Lessee	Location/Use	Term	Rental		Annual Increase	Size/Weekday Ridership	Price/SF	
					Year	Rent			Year	PSF
NYCT / I. Salsberg	RFP	Debu, Inc.	23 <sup>rd</sup> Street Station / Lexington Line, Manhattan  Newsstand	10 years	1	\$98,111.00	--	176 square feet	1	\$557.45
					2	\$101,054.33	3%		2	\$574.17
					3	\$104,085.96	3%		3	\$591.40
					4	\$107,208.54	3%		4	\$609.14
					5	\$110,424.80	3%		5	\$627.41
					6	\$113,737.54	3%		6	\$646.24
					7	\$117,149.67	3%		7	\$665.62
					8	\$120,664.16	3%		8	\$685.59
					9	\$124,284.08	3%		9	\$706.16
					10	\$128,012.60	3%		10	\$727.34
<b>List of all proposals:</b>										
<b>Proposer name:</b>					<b>NPV @ 9% discount rate:</b>					
Debu, Inc.					\$706,914.62					
Mohammed Elias Khan					\$687,036.14					
Abdul Rahim					\$648,538.55					
Akshay & Sudhir Patel					\$584,181.12					
Mohammad Patwary					\$458,619.79					
Abdul Koddus Kajol					\$432,398.38					
Toufeeque Abbasi					\$432,313.60					

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

**FEBRUARY 2016**

Agency/Project Manager	Renewal/RFP Generated	Lessee	Location/Use	Term	Rental		Annual Increase	Size/Weekday Ridership	Price/SF	
					Year	Rent			Year	PSF
NYCT / I. Salsberg	RFP	Subway Real Estate, LLC	6313 18th Avenue, Brooklyn, NY Restaurant	10 years	1	\$42,000.00	--	1,590 square feet  N/A (on sidewalk)	1	\$26.42
					2	\$43,260.00	3%		2	\$27.21
					3	\$44,557.80	3%		3	\$28.02
					4	\$45,894.53	3%		4	\$28.26
					5	\$47,271.37	3%		5	\$29.73
					6	\$48,689.51	3%		6	\$30.62
					7	\$50,150.19	3%		7	\$31.54
					8	\$51,654.70	3%		8	\$32.49
					9	\$53,204.34	3%		9	\$33.46
					10	\$54,800.47	3%		10	\$34.47
<b>List of all proposals:</b>										
<b>Proposer name:</b>					<b>NPV @ 9% discount rate:</b>					
Subway Real Estate, LLC					\$302,620.63					
Yelena & Jerry Lituin					\$293,832.65					
Kenny Ho (Olympic PT Corp.)					\$185,387.64					

# Memorandum



## Metropolitan Transportation Authority

State of New York

Date February 22, 2016

To Members of the Finance Committee

From Jeffrey B. Rosen, Director, Real Estate

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

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

**February 2016 Event Forecast**

<b>Event</b>	<b>Date</b>	<b>Description</b>	<b>Space</b>	<b>Use</b>
FX	1/30 - 2/2	Event to promote the American Crime Story premier	Vanderbilt Hall	Public
Hello Kongzi	2/17 - 2/18	Cultural event for Chinese Tourism	Vanderbilt Hall	Public
Bud Light	2/20 - 2/23	Lime-aritas event on Feb 22	Vanderbilt Hall	Public

# Memorandum



## Metropolitan Transportation Authority

State of New York

Date February 22, 2016

To Members of the Finance Committee

From Jeffrey B. Rosen, Director, Real Estate

Re **GCT – Graybar Passage Retail Kiosks**

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

**GRAND CENTRAL TERMINAL**  
**GRAYBAR PASSAGE RETAIL KIOSK PROGRAM**  
**New Licensees-Month of February 2016**

<b>Licensee</b>	<b>License Dates</b>	<b>Use</b>	<b>Monthly Compensation</b>
MPR	2/1-2016-4/30/2016	Retail sale of licensee produced jewelry	2/1/16 \$3100 3/1/16 \$3100 4/1/16 \$3100
Heartart	2/1/2016-2/28/2016	Retail sale of licensee produced art	2/1/16 \$3000
Desideri Designs	2/1/2016-4/30/2016	Retail sale of licensee produced jewelry	2/1/16 \$3100 3/1/16 \$3100 4/1/16 \$3100
Jacques Torres	2/1/2016-4/30/2016	Retail sale of licensee produced chocolates	2/1/16 \$3100 3/1/16 \$3100 4/1/16 \$3100
Fego Gioielli	2/1/2016-4/30/2016	Retail sale of licensee produced jewelry	2/1/16 \$3100 3/1/16 \$3100 4/1/16 \$3100

# Staff Summary

Subject <b>AMENDMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature
Project Manager Name <b>ANTHONY CAMPBELL</b>

Date <b>FEBRUARY 22, 2016</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	2/22/16		X	

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

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

GRANTEE: Beacon 248 Development, LLC

LOCATION: Beacon Line, Mile Post 1.44, Adjacent to Tioronda Avenue

ACTIVITY: 2<sup>nd</sup> Amendment to Indenture to revise boundaries of existing grade crossing

USE: Grade crossing

TERM: Permanent

SPACE: 4,116 square feet

COMPENSATION: \$1.00; payment waived

**COMMENTS:**

In 1868, Dutchess and Columbia Railroad Company (D&C), acquired a strip of land from Charles M. Walcott (predecessor to Grantee) during the assemblage of the railroad's right-of-way. Under the terms of that conveyance, D&C was obliged to grant grade crossing rights to Grantee.

By Indenture dated March 7, 1891, Grantee (via New York Rubber Company; successor to Walcott) and Newburgh, Dutchess and Connecticut Railroad Company (successor to D&C; predecessor to Metro-North) agreed to a grade crossing to/from Tioronda Avenue, but a description of the crossing boundaries was not established.

By 1<sup>st</sup> Amendment to Indenture dated March 5, 2009, Metro-North and Grantee established the grade crossing with a metes and bounds description. Grantee further agreed to extinguish any additional grade crossing rights it may have been granted via the original 1868 conveyance for the right-of-way property.

As a condition for approval of a residential development site plan on Grantee's property, the City of Beacon's Planning Commission required Grantee to submit plans detailing changes to the approach of the grade crossing for review and approval by Metro-North. Consistent with that plan, Grantee requested a 2<sup>nd</sup> Amendment to Indenture to adjust boundaries and facilitate grade crossing safety improvements. Submitted plans show the roadway will be widened from 14' to 22', a pedestrian sidewalk will be added and a retaining wall will be constructed to support Tioronda Avenue as an added measure of safety.

# Staff Summary

## FINANCE COMMITTEE MEETING

Beacon 248 Development, LLC **(Cont'd.)**

The 2<sup>nd</sup> Amendment is to be granted at no cost to Grantee consistent with the 1891 Indenture. Although the width of the roadway will be increased, the area is irregularly-shaped and of nominal value. Grantee has agreed to pave the roadway as required by Metro-North and make necessary safety improvements to the crossing at their cost and expense.

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