



**Metropolitan Transportation Authority**

# **Meeting of the Metro-North Railroad Committee**

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**July 2016**

# **Metro-North Railroad Committee Meeting**

**2 Broadway, 20th Floor Board Room  
New York, New York**

**Monday, 7/25/2016  
8:30 - 9:30 AM ET**

## **1. PUBLIC COMMENTS PERIOD**

## **2. Approval of Minutes**

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## **3. 2016 Work Plan**

*2016 MNR Work Plan - Page 11*

## **4. President's Report**

### **Safety Report**

*MNR Safety Report - Page 18*

### **MTA Police Report**

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## **5. Information Item**

### **Grand Central Terminal Retail Development**

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### **Environmental Audit**

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### **Peekskill Station Building Lease Agreement**

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### **Mount Kisco Station Building Lease Agreement**

*Mount Kisco Station Building Lease Agreement - Page 42*

### **Commuter Railroads/Amtrak Agreement**

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## **6. Procurements**

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### **MNR Non-Competitive Procurements**

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### **MNR Competitive Procurements**

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### **MNR Ratifications Procurements**

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## **7. Monthly Reports**

### **MNR Operations Report**

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### **MNR Finance Report**

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### **MNR Ridership Report**

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### **MNR Capital Program Report**

*MNR Capital Program Report - Page 112*

No August meeting. Next meeting on September 26th at 8:30 a.m.

Minutes of the Regular Meeting  
Metro-North Committee  
Monday, June 20, 2016

Meeting held at  
2 Broadway – 20<sup>th</sup> Floor  
New York, New York 10004  
8:30 a.m.

The following members were present:

Hon. Fernando Ferrer, Vice Chairman, MTA  
Hon. Mitchell H. Pally, Chairman of the Long Island Rail Road Committee  
Hon. Norman Brown  
Hon. Ira Greenberg  
Hon. Susan G. Metzger  
Hon. Charles G. Moerdler  
Hon. John J. Molloy  
Hon. Veronica Vanterpool  
Hon. James Vitiello

Not Present:

Hon. Carl V. Wortendyke  
Hon. Neal Zuckerman

Also Present:

Chairman Prendergast – Chairman, MTA  
Joseph J. Giulietti – President, Metro-North Railroad  
Catherine Rinaldi – Executive Vice President  
Ralph Agritelley – Vice President, Labor Relations  
Michael R. Coan – Chief, MTA Police Department  
Susan J. Doering – Vice President, Customer Service and Stations  
Richard Gans – Vice President and General Counsel  
Glen Hayden – Vice President, Engineering  
John Kennard – Vice President – Capital Programs  
John Kesich – Senior Vice President, Operations  
Kim Porcelain – Vice President, Finance and Information Systems  
Michael Shiffer – Vice President, Operations Planning and Analysis  
Joseph Streany – Director of Field Safety Operations & Investigations, Office of System Safety

The members of the Metro-North Committee met jointly with the members of the Long Island Committee. Ms. Metzger called the joint meeting to order. In addition to the Metro-North President and Metro-North staff noted above, President Nowakowski and various staff of the Long Island Rail Road attended the joint committee meeting. The minutes of the Long Island Committee

for the meeting of June 20, 2016, should be consulted for matters addressed at the joint meeting relating to Long Island Rail Road.

Chairman Prendergast announced the confirmation of two new Board members – James Vitiello who will assume the seat formerly occupied by James Sedore on the Metro-North Committee and Veronica Vanterpool, representing the City of New York.

## **PUBLIC COMMENT**

Six public speakers addressed the Committee.

Randy Glucksman, Chairman Metro-North Railroad Commuter Council and the Permanent Citizen's Advisory Committee for the MTA, welcomed the new Board members. He commented on a letter written by Rockland County Executive Edwin Day to President Giulietti and then-Chairman Sedore regarding the inequity of train service in Rockland County. Mr. Glucksman hopes that the issue is addressed and west of Hudson riders are provided with additional service.

Orrin Getz, Metro-North Railroad Commuter Council, welcomed the reappointed Board member, Neal Zuckerman. Noting that there are 40 crossings on the Pascack Valley Line, Mr. Getz stated that the Commuter Council has asked the PCAC to examine the safety measures that have been established along that line to improve railroad crossing safety. He noted that the Commuter Council is in support of Edwin Day and the issues set forth in his letter and urged MTA to improve service on Pascack Valley Line and to become a full partner with New Jersey Transit, the Port Authority and Amtrak in building the new tunnels in the Hudson River.

Emilia White, Deputy Mayor, Village of Spring Valley, expressed her opinion that there is a need to improve the amenities at Spring Valley Station, noting that the bathrooms are poorly maintained and there is a need for an area where commuters can congregate in inclement weather. Ms. White expressed her opinion that the noise and fumes emanating from the Woodbine Yard affect minorities, in particular. She stated that the Gateway Project would alleviate the environmental impact from the Yard.

George Hakalis, President, Institute for Urban Mobility, welcomed the new Board member Veronica Vanterpool. On behalf of the Institute, he urged the MTA to halt the construction of East Side Access using the deep cavern plan, stating that commuters would be safer in the event of a fire or terrorist attack if the MTA used the upper level loop alternative developed by the Delcan Corporation.

Omar Vera congratulated Ms. Vanterpool on her Board appointment. He thanked Metro-North for its swift response to the fire under the Park Avenue Viaduct.

Murray Bodin expressed his opinion that there is no need for the sounding of train horns at high level platforms. He stated that rail crossings should be controlled by traffic lights. He stated that there is no need for Metro-North to purchase rail cars in married pairs.

Additional details of the comments made by the public speakers are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

### **APPROVAL OF MINUTES AND 2016 WORK PLAN**

Upon motion duly made and seconded, the Committee approved the minutes of the May 23, 2016 Metro-North Committee meeting. There were no changes to the 2016 Metro-North Committee Work Plan.

### **MTA METRO-NORTH RAILROAD PRESIDENT'S REPORT**

President Giulietti welcomed the new Board members. He announced that Metro-North won the American Public Transportation Association's Gold Award for Safety for creating the Enhanced Employee Protection System (EEPS), a system developed in-house to provide a redundant safety mechanism which places the key to removing tracks from service and restoring tracks to service in the hands of the trackworker. President Giulietti thanked all who were involved in the creation and implementation of EEPS.

President Giulietti presented a report on the status of operations. He reported that in the month of May 2016, the east of Hudson monthly service reliability of 91.3% was below the goal of 93%, primarily due to the May 17 fire under the Viaduct. He noted that through May 16, service reliability was at 96.4%. President Giulietti noted that delays of 10-15 minutes during the morning peak will continue due to operational constraints and speed restrictions. The speed restrictions will be lifted once the permanent repairs to the Viaduct are engineered and implemented. Metro-North is working with New York City representatives to prevent a similar incident from occurring by ensuring that necessary corrective actions are taken to maximize safety and security under the Viaduct. President Giulietti reported that west of Hudson service operated reliably at 98.4% in the month of May. He reported that the M-8s performed 65% above the projected Mean Distance Between Failure (MDBF) goal, averaging a distance of over 493,000 miles before breaking down and causing a delay.

President Giulietti reported on ridership, noting that in the month of May, east of Hudson ridership decreased 1.9% compared to comparable period of 2015; commutation ridership increased by 1.4% and non-Commutation ridership decreased by 6.1%, mainly due to the fire under the Viaduct that resulted in a decrease of approximately 275,000 rides. Had the fire not occurred, rail ridership is projected to have increased by 2%. Total year-to-date May ridership was 1.2% higher than the comparable period of 2015, commutation ridership was 1.9% higher and non-commutation ridership was .3% higher.

President Giulietti reported that overall customer complaints continue to decline. Complaints in the month of May 2016 were 9.3% less than in the comparable period of 2015 and 7.5% less than in April 2016. He noted that the decrease in complaints from April to May would have been greater if the fire under the Viaduct had not occurred as 58 of the complaints received were a result of the fire.

President Giulietti announced that Metro-North accepted an award from the Institute of Electrical and Electronics Engineers (the“IEEE”), the preeminent society for electrical engineers, for the 1906 electrification of Grand Central Terminal. He noted that IEEE Milestones are given for revolutionary, historical innovations in areas, such as, electricity, electronics, information and communication. To earn the commendation, a technology must be recognized to have contributed to the development of society and industries for at least twenty-five years. A bronze plaque inscribed with the citation “Grand Central Terminal Electrification 1906—1913” will be placed at the entrance of Track 32.

President Giulietti reported that Danish Culinary Entrepreneur Claus Meyer has opened the Great Northern Food Hall located on the west side of Vanderbilt Hall. Claus Meyer had recently opened his first U.S. venture, Agern and the Great Northern Deli located in the Shuttle Passage.

President Giulietti reported that Metro-North continues to monitor developments between New Jersey Transit management and its railroad unions and is in ongoing communication with New Jersey Transit officials.

Further details concerning the President’s report are contained in reports filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording contains comments made by Board member Moerdler regarding the City of New York’s responsibility with respect to the area under the Viaduct, including the removal of refuse. He further commented on the gridlock that resulted as a result of the May 17 fire.

### **MTA METRO-NORTH RAILROAD SAFETY REPORT**

Mr. Streany gave the safety report. He noted that, beginning this month, the monthly safety reports on the railroad’s safety performance will cover a three-year time period instead of a two-year period. Mr. Streany reported that the Office of System Safety, along with the MTA Police, the FRA and Evan Eisenhandler, Executive Director, NYS Operation Lifesaver, visited 10 railroad crossings in New York and Connecticut handing out information regarding driver and pedestrian safety at grade crossings as part of International Level Crossing Awareness Day.

The details of Mr. Streany’s report are contained in a report filed with the records of this meeting and the video recording of the meeting produced by the MTA and maintained in the MTA records.

### **MTA POLICE DEPARTMENT REPORT**

Chief Coan reported on systemwide crime in the month of May 2016. He reported that there were a total of 30 major felonies in the month of May 2016 versus 31 in the month of May 2015 and year-to-date May 2016 there were a total of 123 major felonies versus 127 year to date May 2015. Chief Coan noted that MTA Police coverage is increased on Fridays and Sundays in the summer. He reported that the MTA Police handed out pamphlets and issued summonses as part of the International Level Crossing Day. Chief Coan reported that applications to take the police officer examination in January 2017 will be available from July 1 through August 15, 2016. Board

member Metzger stated that she saw information regarding the January examination posted at the train station.

The details of Chief Coan's report are contained in the MTA Police Report filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes Board member Metzger's comments regarding the January 2017 MTAPD examination.

### **JOINT INFORMATION ITEMS:**

Two joint information items were presented to the Committee:

- Rolling Stock Procurements – James W. Allen, Director of Rolling Stock Programs reported on the procurement of M-9 railcars. Dwight Sowden, Director, Metro-North Capital Programs reported on Metro-North's M-8 car procurement. There was a discussion between Board member Moerdler and Mr. Allen regarding M-9 production delays. There was further discussion between Board member Greenberg and President Nowakowski regarding the availability of equipment and between Board member Brown and Mr. Allen regarding the M-9 40% procurement requirement for "commercial off-the-shelf" products.
- LIRR/MNR PTC Project Update – President Giulietti noted that the PTC project update report will be given at the CPOC meeting to be held this day.

The details of the above items are contained in a presentation filed with the records of this meeting, in the minutes of the Long Island Committee held this day and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes discussions between Board members, the railroad presidents and staff regarding the Kawasaki rolling stock procurements.

### **METRO-NORTH INFORMATION ITEMS:**

One information item was presented to the Committee:

- Quarterly Update on Track and Structures Programs – Mr. Hayden reported on the progress of Metro-North's track program, noting that Metro-North has met or exceeded production goals. There was a discussion between Board member Moerdler and Mr. Hayden concerning the responsibility for the maintenance of bridges in New York and Connecticut, in which it was noted that repair and replacement costs for bridges in Connecticut are the responsibility of the Connecticut Department of Transportation.

The details of the above item are contained in a report filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes a discussion concerning the responsibility for the maintenance of bridges.

## **PROCUREMENTS:**

### **MTA Metro-North Railroad**

One non-competitive procurement was presented to the Committee:

- Approval to award a three-year, non-competitive miscellaneous procurement contract with NetBoss Technologies, Inc. to provide maintenance and support services for Metro-North's NetBoss Network Management System software. Netboss Technologies is the original equipment manufacturer, the original software developer and the sole authorized provider of all NetBoss hardware, software, and all associated maintenance and support services. The total cost of the three-year maintenance and support contract is not-to-exceed \$309,586.

Nine competitive Metro-North procurements were presented to the Committee:

- Approval to award a three-year, competitively solicited miscellaneous service contract in the not-to-exceed amount of \$348,000 to East Coast Railroad Services, LLC for the transportation and unloading of railroad ties and other materials for various projects throughout Metro-North's operating territory.
- Approval to award a five-year, competitively solicited miscellaneous service contract in the not-to-exceed amount of \$272,500 to John N. Fehlinger Co., Inc. to provide maintenance services on 12 steam pressure relief valve stations located in Grand Central Terminal.
- Approval to award a competitively solicited, five-year (3 year base with two 1-year options) miscellaneous service contract in the not-to-exceed amount of \$838,458 to Bureau Veritas North America, Inc. for quality assurance inspections of Metro-North railcar wheels and axles.
- Approval to award a competitively solicited, three-year miscellaneous service contract in the not-to-exceed amount of \$728,500 to Wabtec Passenger Transit to provide repair and return services for Type H "Tight Lock" Couplers used on the Shoreliner Railcars.
- Approval to award three competitively solicited, 52-month miscellaneous service contracts to DeAngelo Brothers, LLC, United Right of Way, and Asplundh Tree Expert Co. for weed and brush spray services. This is a Metro-North led, multi-agency procurement and the participating agencies are Metro-North, Long Island Rail Road and Staten Island Rapid Transit Operating Authority. DeAngelo Brothers, LLC is the awardee for Metro-North's hi-rail and manual application and SIRTOA's manual application services; United Right of Way is the awardee for Long Island Rail Road's hi-rail and manual application; and Asplundh Tree Expert Co. is the awardee for Long Island Rail Road's manual application and SIRTOA's manual application services. The total estimated cost for the 52-month contracts for all agencies is \$5,847,486.
- Approval of additional funds and an extension of time to Metro-North's (on behalf of itself and Long Island Rail Road) miscellaneous service contract with the firm Scheidt & Bachmann GmbH. The existing negotiated Board-approved contract with S&B provided comprehensive long-term Life Cycle Maintenance services to Metro-North and Long Island Rail Road's ticket selling system and equipment since January 2006. The

extension, including necessary system enhancements and upgrades, will extend the useful life of the equipment through the transition to a new fare payment system. The railroads seek to award an extension of the in-place agreement for a period of three-years, retaining two one-year extension options and implement certain onetime necessary equipment and system upgrades. The total negotiated not-to-exceed cost for the one time equipment/system upgrades is \$3,653,640 to be shared equally by the Railroads. The not-to-exceed cost of the three-year maintenance extension including potential out-of-scope items (2018-2020) is \$14,179,820 (\$6,953,974 MNR & \$7,225,845 LIRR), and the not-to-exceed costs of the two one-year additional options is \$9,613,545 (\$4,631,783 - MNR and \$4,981,762 - Long Island Rail Road). There was a discussion between Board member Greenberg and President Nowakowski regarding the need for additional ticket vending machines at certain stations and whether the existing machines could be modified for the purchase of air train tickets.

- Approval to issue a contract change order to the firm Sepsa North America, Inc. (SEPSA), in the not-to-exceed amount of \$3,148,581 for additional work associated with the Design and Delivery of Video Camera systems for MNR's Rolling Stock Fleet.

Upon motion duly made and seconded, the foregoing procurement items were approved for recommendation to the Board. The details of the above items are contained in staff summaries and reports filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

#### **OPERATIONS, FINANCIAL, RIDERSHIP AND CAPITAL PROGRAM REPORTS:**

Board member Metzger noted, for the record, that up to the day of the fire under the Viaduct, Metro-North's safety record had improved. The details of the Operations, Financial, Ridership and Capital Program Reports of Metro-North are contained in reports filed with the records of the meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes a discussion between Board members President Giulietti and Mr. Kesich regarding unscheduled delays.

#### **ADJOURNMENT**

Upon motion duly made and seconded, the Committee unanimously voted to adjourn the meeting.

Respectfully submitted,



Linda Montanino  
Assistant Secretary



## 2016 Metro-North Railroad Committee Work Plan

### I. RECURRING AGENDA ITEMS

#### Responsibility

Approval of Minutes	Committee Chairs & Members
2016 Committee Work Plan	Committee Chairs & Members
President's Report	President/Senior Staff
Safety Report	
MTA Police Report	
Information Items (if any)	
Action Items (if any)	
Procurements	
Agency Reports	Senior Staff
Operations	
Finance	
Ridership	
Capital Program	

### II. SPECIFIC AGENDA ITEMS

#### Responsibility

<u>July 2016</u>	
Grand Central Terminal Retail Development	MTA Real Estate
Environmental Audit	Environmental Compliance
<u>September 2016</u>	
2017 Preliminary Budget (Public Comment)	Finance
2016 Mid-Year Forecast	Finance
Diversity/EEO Report – 2 <sup>nd</sup> Quarter 2016	Diversity and EEO
Track Program Quarterly Update	Engineering
2016 Fall Schedule Change	Operations Planning & Analysis
<u>October 2016 (Joint meeting with LIRR)</u>	
2017 Preliminary Budget (Public Comment)	Finance
Status Update on PTC	President
<u>November 2016</u>	
Review of Committee Charter	Committee Chairs & Members
Holiday Schedule	Operations Planning & Analysis
<u>December 2016(Joint meeting with LIRR)</u>	
2017 Final Proposed Budget	Finance
2017 Proposed Committee Work Plan	Committee Chairs & Members
Diversity/EEO Report – 3 <sup>rd</sup> Quarter 2016	Diversity and EEO
Bi-Annual Report on M-9 Procurement	President
Track Program Quarterly Update	Engineering

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January 2017

Approval of 2017 Committee Work Plan

Committee Chairs & Members

February 2017 (Joint meeting with LIRR) – MNR Lead

Adopted Budget/Financial Plan 2017

Finance

2016 Annual Operating Results

Operations

2016 Annual Fleet Maintenance Report

Operations

Status Update on PTC

President

Diversity/EEO Report – 4<sup>th</sup> Quarter 2016

Diversity and EEO

March 2017

Annual Strategic Investments & Planning Studies

Capital Planning

2017 Spring/Summer Schedule Change

Operations Planning & Analysis

Annual Elevator & Escalator Report

Engineering

Track Program Quarterly Update

Engineering

April 2017 (Joint meeting with LIRR)

Final Review of 2016 Operating Budget Results

Finance

2016 Annual Ridership Report

Operations Planning & Analysis

Annual Inventory Report

Procurement

May 2017

Diversity/EEO Report – 1<sup>st</sup> Quarter 2017

Diversity and EEO

June 2017 (Joint meeting with LIRR)

Status Update on PTC

President

Bi-Annual Report on M-9 Procurement

President

Track Program Quarterly Update

Engineering

# METRO-NORTH RAIL ROAD COMMITTEE WORK PLAN

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## DETAILED SUMMARY

### I. RECURRING AGENDA ITEMS

#### **Approval of Minutes**

The Committee Chair will request a motion to approve the minutes of the prior month's meeting.

#### **2016 Work Plan**

The Work Plan will list, by month, the topics scheduled for review. The Committee will be advised if any changes have been made to the plan.

#### **President's Report**

A monthly report will be provided highlighting major accomplishments and progress on key initiatives and performance indicators.

#### **Safety**

A monthly report will be provided highlighting key safety performance statistics and indicators.

#### **Police Activity Report**

MTA Police will highlight the significant police activities incurred during the month reported.

#### **Information Items (if any)**

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

#### **Action Items (if any)**

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

#### **Procurements**

List of procurement action items requiring Board approval. The Non-Competitive items will be first, followed by the Competitive items and then the Ratifications. The list will include items that need a 2/3 vote of the Board for approval.

#### **Operations**

A monthly report will be provided highlighting key operating and performance statistics and indicators.

#### **Finance**

A monthly report will be provided that compares the Railroad's actual financial performance against its budget and/or forecast both on an accrual and cash basis.

#### **Ridership**

A monthly report will be provided that includes a comparison of actual monthly ticket sales, ridership and revenues with the budget and prior year results.

#### **Capital Program**

A monthly report will be provided highlighting significant capital program accomplishments in the month reported.

## II. SPECIFIC AGENDA ITEMS

### JULY 2016

#### Grand Central Terminal Retail Development

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

#### Environmental Audit Report

The Committee will be briefed on the results of the 2016 environmental audit report which is submitted to NYS Department of Environmental Conservation as required by the Environmental Audit Act, as well as the actions implemented to enhance overall compliance, monitoring and reporting.

### SEPTEMBER 2016

#### 2017 Preliminary Budget

Public comment will be accepted on the 2017 Budget.

#### 2016 Final Mid-Year Forecast

The agency will provide the 2016 Mid-Year Forecast financial information for revenue and expense by month.

#### Diversity & EEO Report– 2<sup>nd</sup> Quarter 2016

A quarterly report to the Committee providing data on key Equal Employment Opportunity (EEO) and Human Resources indicators relating to MNR's EEO and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

#### Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

#### 2016 Fall Schedule Change

The Committee will be informed of the schedule changes taking effect for train service on the Hudson, Harlem, New Haven, Pascack and Port Jervis lines for the Fall of 2016.

### OCTOBER 2016 (Joint Meeting with LIRR)

#### 2017 Preliminary Budget

Public comment will be accepted on the 2017 Budget.

#### Status Update on PTC

The Committee will be briefed on the status of PC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008. Highlights to include cost of PTC along with operation and implementation risks.

### NOVEMBER 2016

#### Review of Committee Charter

Annual review and approval of the MNR Committee Charter.

Holiday Schedule

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

**DECEMBER 2016** (Joint Meeting with LIRR)

2017 Final Proposed Budget

The Committee will recommend action to the Board on the Final Proposed Budget for 2017.

2017 Proposed Committee Work Plan

The Committee Chair will present a draft Metro-North Committee Work Plan for 2017 that will address initiatives to be reported throughout the year.

Diversity & EEO Report– 3<sup>rd</sup> Quarter 2015

A quarterly report to the Committee providing data on key Equal Employment Opportunity (EEO) and Human Resources indicators relating to MNR's EEO and Diversity efforts, such as composition of the agency’s workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

Bi-Annual Report on M-9 Procurement

The committee will be briefed on the status of the M-9 procurement, including design, fabrication and delivery status, plus budget and schedule performance.

Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

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**JANUARY 2017**

Approval of 2017 Committee Work Plan

The Committee will approve the Proposed Metro-North Railroad Committee Work Plan for 2017 that will address initiatives to be reported on throughout the year.

**FEBRUARY 2017** (Joint Meeting with LIRR)

Adopted Budget/Financial Plan 2017

The Agency will present its revised 2017 Financial Plan. These plans will reflect the 2017 Adopted Budget and an updated Financial Plan for 2017 reflecting the out-year impact of any changes incorporated into the 2017 Adopted Budget.

2016 Annual Operating Results

A review of the prior year’s performance of railroad service will be provided to the Committee.

2016 Annual Fleet Maintenance Report

An annual report will be provided to the Committee on the Agency’s fleet maintenance plan to address fleet reliability and availability.

Status Update on PTC

The Committee will be briefed on the status of PTC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008. Highlights to include cost of PTC along with operation and implementation risks.

#### Diversity & EEO Report– 4<sup>th</sup> Quarter 2016

A quarterly report to the Committee providing data on key Equal Employment Opportunity (EEO) and Human Resources indicators relating to MNR's EEO and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

#### **MARCH 2017**

##### Annual Strategic Investments & Planning Studies

A comprehensive annual report will be provided to the Committee of the Agency's strategic investments & planning studies that will include fleet, facility, infrastructure, station projects, station access improvements, and environmental and feasibility studies.

##### 2017 Spring/Summer Schedule Change

The Committee will be informed of the schedule changes taking effect for train service on the Hudson, Harlem, New Haven, Pascack and Port Jervis lines during the spring and summer of 2017.

##### Annual Elevator/Escalator Report

Annual report to the Committee on system-wide reliability and availability for elevators and escalators throughout the system.

##### Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

#### **APRIL 2017** (Joint Meeting with LIRR)

##### Final Review of 2016 Operating Results

A review of the prior year's budget results and their implications for current and future budget performance will be presented to the Committee.

##### 2016 Annual Ridership Report

A report will be presented to the Committee on Metro-North's ridership trends during 2016 based on monthly ticket sales data and the results of train ridership counts conducted by Metro-North.

##### Annual Inventory Report

The Agency will present its annual report on Inventory.

#### **MAY 2017**

##### Diversity & EEO Report– 1<sup>st</sup> Quarter 2017

A quarterly report to the Committee providing data on key Equal Employment Opportunity (EEO) and Human Resources indicators relating to MNR's EEO and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

#### **JUNE 2017** (Joint Meeting with LIRR)

##### Status Update on PTC

The Committee will be briefed on the status of PC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008. Highlights to include cost of PTC along with operation and implementation risks.

Bi-Annual Report on M-9 Procurement

The committee will be briefed on the status of the M-9 procurement, including design, fabrication and delivery status, plus budget and schedule performance.

Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.



**Metro-North Railroad**

# **Safety Report**

# May 2016 Safety Report

Statistical results for the 12-Month period are shown below.

Performance			
Performance Indicator	12-Month Average		
	June 2013 -May 2014	June 2014 -May 2015	June 2015 - May 2016
FRA Reportable Customer Accident Rate per Million Customers	2.10	1.72	1.15
FRA Reportable Employee Lost Time Injury Rate per 200,000 worker hours	2.44	2.34	2.54
Grade Crossing Incidents <sup>1</sup>	4	1	3
Mainline FRA Reportable Train Derailments	2	1	1
Mainline FRA Reportable Train Collisions	0	0	0

<sup>1</sup> Per FRA - Any impact between railroad on-track equipment and a highway user at a highway-rail grade crossing. The term "highway user" includes automobiles, buses, trucks, motorcycles, bicycles, farm vehicles, pedestrians, and all other modes of surface transportation motorized and un-motorized.

Leading Indicators				
Employee: Focus on C3RS	2015		2016	
	May	Year end	May	Year to Date
Total Reports Received	0	574	4	196
Total Reports Reviewed by PRT	0	261	110	374
Total Reports that Meet C3RS Program Criteria	0	212	90	319
Total Corrective Actions being Developed	0	3	0	2
Total Corrective Actions Implemented	0	3	0	0
Customer and Community: Focus on Grade Crossings	May	Year to Date	May	Year to Date
Broken Gates	3	19	5	25
MTA Police Details	257	803	155	698
Summons	95	387	39	210
Warnings	60	118	5	65
Community Education and Outreach	0	0	2,000	2,000
		Completed	Total	% Complete
Cameras on Rolling Stock	Scheduled to Begin in August		TBD	TBD

**Definitions:**

**Confidential Close Call Reporting System (C3RS)** - Labor, Management, and Federal Railroad Administration (FRA) partnership designed to enhance safety through analysis of confidential reports of employee close calls. The Peer Review Team (PRT) meets to review reports and recommend corrective actions.

**Broken Gates** - The number of events at grade crossing locations where a vehicle broke a crossing gate.

**MTA Police Detail** - The number of details specifically for the purpose of monitoring behavior at Grade Crossings.

**Summons for Grade Crossing Violation and other Infractions**- The number of violations issued to a motorist for going around a crossing gate or due to behavior that put the motorist at risk (i.e. cell phone use, etc.).

**Warnings** - The number of warnings issued to motorists due to behavior that put the motorist at risk (i.e. cell phone use, etc.).

**Community Education and Outreach** - The number of participants who attended a TRACKS, Operation LifeSaver, or Railroad Safety Awareness Event.

**Cameras on Rolling Stock** - Number of complete inward/outward camera installations on rolling stock.



# Police Report



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

**June 2016 vs. 2015**

	<b>2016</b>	<b>2015</b>	<b>Diff</b>	<b>% Change</b>
<b>Murder</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Rape</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Robbery</b>	<b>0</b>	<b>5</b>	<b>-5</b>	<b>-100%</b>
<b>Felony Assault</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>100%</b>
<b>Burglary</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>100%</b>
<b>Grand Larceny</b>	<b>6</b>	<b>7</b>	<b>-1</b>	<b>-14%</b>
<b>Grand Larceny Auto</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>100%</b>
<b>Total Major Felonies</b>	<b>13</b>	<b>12</b>	<b>1</b>	<b>8%</b>

**Year to Date 2016 vs. 2015**

	<b>2016</b>	<b>2015</b>	<b>Diff</b>	<b>% Change</b>
<b>Murder</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Rape</b>	<b>0</b>	<b>1</b>	<b>-1</b>	<b>-100%</b>
<b>Robbery</b>	<b>10</b>	<b>7</b>	<b>3</b>	<b>43%</b>
<b>Felony Assault</b>	<b>9</b>	<b>7</b>	<b>2</b>	<b>29%</b>
<b>Burglary</b>	<b>7</b>	<b>6</b>	<b>1</b>	<b>17%</b>
<b>Grand Larceny</b>	<b>47</b>	<b>51</b>	<b>-4</b>	<b>-8%</b>
<b>Grand Larceny Auto</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>50%</b>
<b>Total Major Felonies</b>	<b>76</b>	<b>74</b>	<b>2</b>	<b>3%</b>



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**Police Department**  
**System Wide**

**June 2016 vs. 2015**

	<b>2016</b>	<b>2015</b>	<b>Diff</b>	<b>% Change</b>
<b>Murder</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Rape</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Robbery</b>	<b>3</b>	<b>8</b>	<b>-5</b>	<b>-63%</b>
<b>Felony Assault</b>	<b>7</b>	<b>2</b>	<b>5</b>	<b>250%</b>
<b>Burglary</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>100%</b>
<b>Grand Larceny</b>	<b>15</b>	<b>15</b>	<b>0</b>	<b>0%</b>
<b>Grand Larceny Auto</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0%</b>
<b>Total Major Felonies</b>	<b>28</b>	<b>27</b>	<b>1</b>	<b>4%</b>

**Year to Date 2016 vs. 2015**

	<b>2016</b>	<b>2015</b>	<b>Diff</b>	<b>% Change</b>
<b>Murder</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Rape</b>	<b>0</b>	<b>1</b>	<b>-1</b>	<b>-100%</b>
<b>Robbery</b>	<b>25</b>	<b>25</b>	<b>0</b>	<b>0%</b>
<b>Felony Assault</b>	<b>18</b>	<b>19</b>	<b>-1</b>	<b>-5%</b>
<b>Burglary</b>	<b>14</b>	<b>10</b>	<b>4</b>	<b>40%</b>
<b>Grand Larceny</b>	<b>90</b>	<b>95</b>	<b>-5</b>	<b>-5%</b>
<b>Grand Larceny Auto</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0%</b>
<b>Total Major Felonies</b>	<b>151</b>	<b>154</b>	<b>-3</b>	<b>-2%</b>

**INDEX CRIME REPORT**  
**Per Day Average**  
**June 2016**

	<b>Systemwide</b>	<b>LIRR</b>	<b>MNRR</b>	<b>SIRT</b>
<b>Murder</b>	0	0	0	0
<b>Rape</b>	0	0	0	0
<b>Robbery</b>	3	3	0	0
<b>Fel. Assault</b>	7	2	5	0
<b>Burglary</b>	2	1	1	0
<b>Grand Larceny</b>	15	9	6	0
<b>GLA</b>	1	0	1	0
<b>Total</b>	<b>28</b>	<b>15</b>	<b>13</b>	<b>0</b>
<b>Crimes Per Day</b>	<b>0.93</b>	<b>0.50</b>	<b>0.43</b>	<b>0.00</b>



# MTA Police Department Arrest Summary: Department Totals

1/1/2016 to 6/30/2016

Arrest Classification	Total Arrests	
	2016	2015
Murder	0	1
Rape	0	2
Robbery	16	19
Felony Assault	18	14
Burglary	11	5
Grand Larceny	22	24
Grand Larceny Auto	3	0
Aggravated Harassment	1	0
Aggravated Unlicensed Operator	12	7
Arson	0	1
Assault-Misdemeanor	24	23
Breach of Peace	7	8
Child Endangerment	2	2
Criminal Contempt	2	5
Criminal Impersonation	4	2
Criminal Mischief	27	21
Criminal Possession Stolen Property	6	8
Criminal Tampering	2	9
Criminal Trespass	22	14
Disorderly Conduct	2	1
Drug Offenses	27	28
DUI Offenses	3	4
Falsely Reporting an Incident	1	4
Forgery	30	31
Fraud	6	5
Graffiti	6	7
Harassment	0	1
Identity Theft	1	0
Impairment Integrity Gov Licencing Exam	0	13
Issue a Bad Check	1	1
Menacing	2	9
Obstruct Government	11	5
Official Misconduct	5	0
Panhandling	1	0
Petit Larceny	102	65
Probation/Parole Violation	0	1
Promoting Prostitution	0	1
Public Lewdness	92	15
Reckless Endangerment	1	4
Resisting Arrest	19	18
Sex Offenses	6	3
Theft of Services	84	84
Unlawful Imprisonment/Kidnapping	1	0
Unlawful Surveillance	0	2
VTL Offenses	1	0
Warrant Arrest	24	27
Weapons Offenses	3	3
Unauthorized Use Vehicle	0	2
<b>Total Arrests</b>	<b>608</b>	<b>499</b>



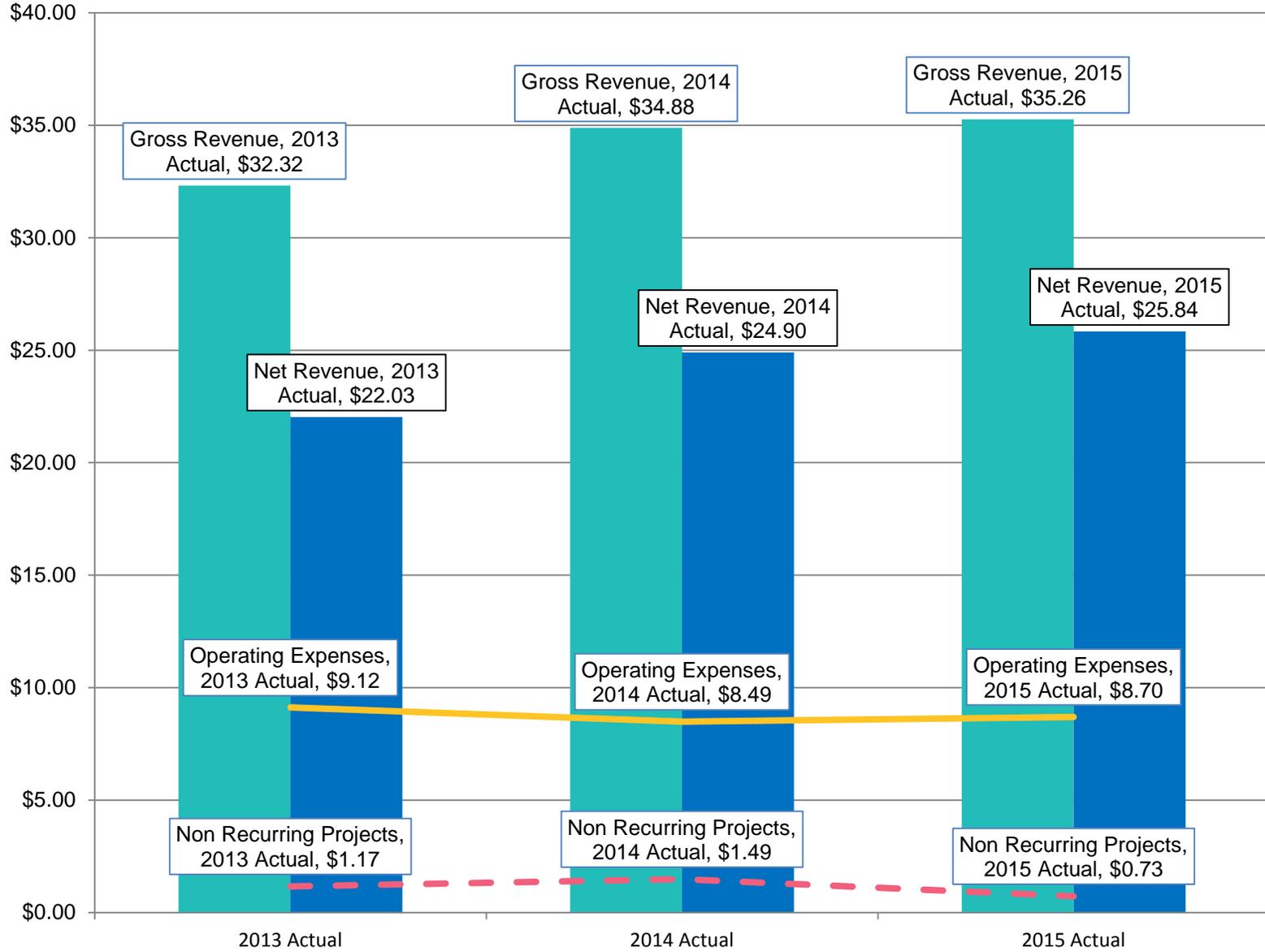
**GRAND CENTRAL**

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**RETAIL DEVELOPMENT  
AT  
GRAND CENTRAL TERMINAL**

**July 2016**

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



**Financial Summary - 2013 - 2016 Income and Expenses**

	Actual 2013	Actual 2014	Nov Plan 2015	Actual 2015	July Plan 2016	Actual 15 v Nov Plan 15		Variance Actual 15 v Actual 14		July Plan 16 v Actual 15	
						Amount	%	Amount	%	Amount	%
Tenant Revenue	25,018,491	26,819,205	29,027,055	28,146,087	31,581,216	(880,968)	-3%	1,326,882	5%	3,435,129	12%
Other Income	7,306,448	8,061,883	6,711,595	7,117,605	5,958,777	406,010	6%	(944,278)	-12%	(1,158,828)	-16%
<i>Total Revenue</i>	<u>32,324,939</u>	<u>34,881,088</u>	<u>35,738,650</u>	<u>35,263,692</u>	<u>37,539,993</u>	<u>(474,958)</u>	<u>-1%</u>	<u>382,604</u>	<u>1%</u>	<u>2,276,301</u>	<u>6%</u>
Operating Expenses	9,121,579	8,490,745	8,262,245	8,696,749	9,025,661	(434,504)	-5%	(206,004)	-2%	(328,912)	-4%
Non Recurring Projects	1,173,367	1,489,901	1,499,998	730,132	2,376,000	769,866	51%	759,769	51%	(1,645,868)	-225%
<i>Total Expenses</i>	<u>10,294,946</u>	<u>9,980,646</u>	<u>9,762,243</u>	<u>9,426,882</u>	<u>11,401,661</u>	<u>335,362</u>	<u>3%</u>	<u>553,764</u>	<u>6%</u>	<u>(1,974,780)</u>	<u>-21%</u>
<b>Net Income</b>	<b>22,029,993</b>	<b>24,900,442</b>	<b>25,976,407</b>	<b>25,836,810</b>	<b>26,138,332</b>	<b>(139,593)</b>	<b>1%</b>	<b>936,368</b>	<b>-4%</b>	<b>301,521</b>	<b>-1%</b>

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

**GUARANTEED MINIMUM AND PERCENTAGE RENT**

We continue to experience positive growth in tenant revenue with substantial increases in guaranteed minimum rents for new leases:

- Average guaranteed minimum rent for new leases is \$524 psf, a 120% increase over the previous guaranteed minimum rent for these same spaces.
- This average exceeds comparable transactions of varying sizes within the GCT neighborhood, according to information provided by our leasing agent NGKF.
- Average guaranteed minimum rent for the Terminal is \$217 psf, excluding restaurant/balcony tenants the average is \$309 psf.
- \$2.0 million in percentage rent was paid in 2015 by 35 of the 100 GCT tenants

The highly anticipated Claus Meyer Great Northern Food Hall in Vanderbilt Hall, and Danish Dogs & Deli and Agern Restaurant in the Shuttle Passage opened in June.

**II. LEASING ACTIVITY**

**LEASES SIGNED**

Lexington Passage	Swatch Papyrus
Shuttle Passage	Juice Press
Grand Central Market	Lilac Chocolates Pescatore Seafood Bien Cuit
Dining Concourse	Prova by Donatella Jacques Torres Ice Cream La Chula Tacos & Ceviches 'wichcraft Wok Chi
The Campbell Apartment	Gerber Group

**LEASES IN NEGOTIATION**

Lexington Passage	Rituals Cosmetics
Balcony	Wunderbar

**LICENSES/POP-UPS**

Lexington Passage	Moleskine
Shuttle Passage	Warby Parker
42 <sup>nd</sup> Street	Vineyard Vines

### III. TENANT SALES PERFORMANCE

Average Sales Per Square Foot by Retail Area\*

	2015	2014	Change	Q1 2016	Q1 2015	Change
<b>42<sup>nd</sup> St. Passage</b>	\$2,260	\$2,192	3%	\$490	\$496	-1%
<b>42<sup>nd</sup> Street Retail</b>	\$1,024	\$1,022	0%	\$270	\$190	42%
<b>Biltmore Room</b>	\$1,029	\$873	18%	\$229	\$220	4%
<b>Dining Concourse</b>	\$3,475	\$3,233	7%	\$888	\$852	4%
<b>Graybar Passage</b>	\$4,269	\$3,839	11%	\$1,020	\$954	6%
<b>Lexington Passage</b>	\$2,684	\$2,873	-7%	\$607	\$590	3%
<b>Main Concourse</b>	\$2,889	\$3,007	-4%	\$637	\$635	0%
<b>Grand Central Market</b>	\$3,469	\$3,490	-1%	\$851	\$868	-2%
<b>Restaurants/Balcony</b>	\$855	\$1,188	-39%**	\$197	\$198	0%
<b>Shuttle Passage</b>	\$1,843	\$1,356	36%	\$444	\$380	17%
<b>All GCT</b>	\$1,825	\$1,979	-8%	\$439	\$413	6%
<b>All GCT (excluding Restaurants/Balcony)</b>	\$2,378	\$2,123	12%	\$606	\$527	15%

\*Sales numbers only include sales for tenants open for an entire reporting period (ie 2015, 2014 or Q1 for either year)

\*\*In 2014 Oyster Bar was closed for a month for ceiling repairs, therefore sq. footage and sales for Oyster Bar were not included in the 2014 calculation resulting in higher sales psf number. In 2015 Oyster Bar's sales and sq. footage were included in the calculation as they were again open the entire year. Therefore, the additional restaurant sq. footage reduced the sales per sq. ft for 2015.

**2015 YEAR END SALES PERFORMANCE**

Total reported retail sales for 2015 equaled \$199,337,007, a decrease of \$1,265,356 or less than .006%. Neither the Apple store nor the 2 Chase Bank ATM locations report sales.

Due to ongoing construction projects Posman Books, GNC and Cobbler & Shine closed for business in 2015 with no tenants replacing them. This resulted in a loss of total reported sales of an estimated \$4,622,275 (based on 2014 actual sales).

Total reported sales for the 77 tenants open for all of 2015 and 2014 increased \$213,291.

Of these tenants 35 reported positive comparable sales. The tenants with the greatest comp increases are:

Leather Spa	56%
Dahlia Dining Concourse	25%
PIQ	22%
Shake Shack	20%
Central Market	20%

**IV. MARKETING**

Focused retail marketing efforts continue to strengthen the “GCT Brand”, generating local and international publicity, exposure to new audiences, and increased tenant traffic and sales. The 2015 marketing efforts, supported by a diversified and creative marketing plan, allowed for maximum exposure for tenants through various marketing outlets including social media, press, advertising, special events, signage, and other digital platforms.

**Social Media**

- Facebook: 31% increase in 2015. Added 21,300 followers (85K as of December, 2015)
- Twitter: 31% increase in 2015. Added 3,700 followers (14K as of December 31, 2015)
- Instagram: 71% increase in 2015. Added 22,000 followers (50K as of Dec 31, 2015)
- YouTube: After launching in April 2015, we now have:

- 14 professionally-shot videos featuring a range of retail and dining experiences, e.g. Spotlight on GCT history series and Taste of the Terminal series (chefs shopping Grand Central Market)
- Most watched video: Claus Meyer at 7,700 views which was featured in the press several times
- Partnered with tenant social media teams to get great photos of tenant offerings with Grand Central backdrops, e.g. Shake Shack, Magnolia Bakery

#### Website Improvements/Additions

- New “Visit” section with aggregated key information for visitors, e.g. hours, transportation options, location, tips on what to do, etc.
- New “Gift Guides” section offers a curated selection of current tenant offerings organized by month/holiday
- Welcome pop-up encouraging website visitors to sign up for our weekly email list to increase subscriber database
- Terminal notification pop-up enables us to promote information during emergencies or special closures

#### E-Blast

Weekly e-newsletters featuring content promoting GCT tenants and events are sent out to approximately 20,000 subscribers every Tuesday.

#### Mobile App

We successfully integrated GCT content into Metro-North’s popular TrainTime app including a button on the app’s homepage and a “Today in Grand Central” section which is updated with a different tenant offer or event daily.

#### New Retail Promotions in 2015

##### National Days

In 2015, we worked with Goodman Media to create new press opportunities for Grand Central Terminal by promoting tenants who fit categories of nationally-recognized dates. On National Beer Day, beer-selling tenants promoted a range of offers which garnered more press than an average GCT promotion. Likewise, chocolate tenants benefited from press during National Chocolate Lovers Month.

##### Grand Zentral

In celebration of National Yoga Month, *Grand Zentral* transformed Vanderbilt Hall into a yoga destination for one day in September 2015. In partnership with major brands like Athleta, Pure Yoga, Vita Coco, and Mind Body, the event garnered quite a bit of press for its free yoga classes and activations. 600 people signed up for the free classes and several tenants activated to gain exposure with the health-focused audience.

### Dining Concourse in Concert

In partnership with MTA Arts for Transit's Music Under New York program, we launched the *Dining Concourse in Concert* series in November 2015. Each month, a new 5-piece band sets up in the Dining Concourse for commuters and visitors to enjoy live music, and purchase dinner/drinks from our Dining Concourse tenants. With the Sidecar seating area decorated in café lights, flickering candles, and fresh flowers, attendees get to enjoy the historic space in a new way and consider the Dining Concourse for future outings with friends/business associates.

### Holiday Wrap Up

On 2 dates in December (week before Hanukkah and week before Christmas), the *Holiday Wrap Up* featured a free gift wrapping station that was set up for customers who purchased gifts at Grand Central tenant locations. The custom wrapping paper featured the iconic Main Concourse ceiling and customers were encouraged to spend at least \$150 to receive a free prize.

## Annual Retail Promotions

### Connections Magazine

As we have done in the past, 2 issues of Connections Magazine were published to offer a more creative, visual, and in-depth look at Grand Central's tenant offerings and events. A Spring/Summer issue featured editorials on our first-ever video series, upcoming events, our "Services" tenants, spring fashion trends, seasonal dishes from our restaurants, and a new and improved photographic style for our gift guides. The Fall/Winter edition came out just before the Holiday Fair to promote all GCT holiday events and promotions along with editorials featuring "the People of Grand Central," our new Dining Concourse in Concert series, beauty trends, professionally-photographed holiday gift guides, new tenants and our new video series featuring GCT historian Dan Brucker. All issues are distributed to customers on Metro-North trains, in the Information Booth, in the Station Master's Office, and "Take One bins" in the GCT train shed.

### Grand Central Rewards

*Grand Central Rewards* is a loyalty shopping and dining program offering customers Grand Central-branded prizes for shopping and dining throughout the entire Terminal. Customers present receipts from shops or restaurants in 4 "zones" of the Terminal, which encourages Grand Central regulars to discover new retail and dining options, and increase their spend at tenant locations. The program continues to grow each year. Most customers reach for an increased spend (\$250 or more) to get all three prizes. For the Spring 2015 promotion,

prizes included a limited-edition, GCT branded backpack, water bottle, and tech charger. And branded sunglasses were given to those who signed up for an e-blast or engaged with Grand Central on social media.

#### GCT Special Offers Books

Special Offers Books include year-long coupons from tenants who are eager to reach both new and frequent customers. The booklets are distributed at the Information Booth, Station Master's Office, Grand Central Partnership tourism booth, and at internal GCT/Metro-North events. New for 2015, we printed extra copies for approximately 30 NYC hotels to distribute to tourists.

#### Taste of the Terminal

*Taste of the Terminal* offers tenants the opportunity to expand their footprint with sampling and bounce-backs. In 2015, the event was held every Wednesday in July in Vanderbilt Hall. Musical entertainment was provided by Music Under New York.

#### "Life's a Picnic" in Grand Central

For one week in August, customers were able to relax in Vanderbilt Hall complete with astroturf, picnic tables, and entertainment from local NYC partners including Music Under New York, Big Apple Circus, Joe's Pub, and Broadway Musicals while enjoying free WiFi, and food and beverages purchased from the GCT tenants. In its second year, "Life's a Picnic" garnered more great press for its originality and GCT tenants profited from additional sales and exposure to new customers.

The 3<sup>rd</sup> annual picnic event is scheduled for August 22-26, 2016.

#### Autumn Harvest

Each year on the Wednesday before Thanksgiving, bakeries set up kiosks to sell desserts on the busy travel day as commuters head out of town. Tenants are always thrilled with the opportunity to expand their footprint and increase their revenue on this busy day for dessert sales around the Terminal. In 2015, we expanded the *Autumn Harvest* opportunity to dessert shops who hadn't before participated. (Financier, Taste NY, Jacques Torres)

#### Advertising

In 2015, we increased our advertising investment with a \$40k budget targeting summer tourists and a \$100k budget targeting tourists and locals during the busy holiday season. Placements included a variety of tourist publications including CityGuide, NYC Pocket Guide, NYC&Co's travel planner, and the Brazil-targeted Destino.

Placements targeting locals included Playbill, New York Magazine, and phone kiosks around midtown. About 25% of our budget was targeted to digital placements using cutting edge “programmatic advertising” technology enabling us to make the most of our digital impressions and anticipating customer trends in real time.

#### GCT Media/Public Relations

In 2015, Goodman Media, our PR firm, participated in active media outreach and promotion for various events, retail tenants and dining establishments within Grand Central Terminal. Top initiatives included Chocolate Central, National Beer Day, Taste of the Terminal, Life’s a Picnic, Grand Zentral, Holiday Wrap-Up, Dining Concourse in Concert, Autumn Harvest and the Grand Central Holiday Fair.

Press coverage throughout 2015 resulted in more than 1.9 billion unique impressions from national and regional newspapers, news websites and blogs, magazines, radio and TV segments. Goodman Media secured almost 100 press hits for the Holiday Fair alone.

To date in 2016, Goodman Media and the MTA Press Office have helped garner nearly 137 separate clips and 207.3 million unique impressions for events and retail activities. Top initiatives this year include:

- New food tenants
- Taste of the Terminal
- Dining Concourse in Concert
- National Beer Day
- Grand Central Rewards
- Holiday Fair applications

#### **V. EVENTS**

Vanderbilt Hall, including the Holiday Fair and Taxi Stand event revenue in 2015 was \$2,549,050.

LG sponsored the Holiday Fair for \$190,000, and used the east side of the Vanderbilt Hall bridge for their activation.

Marie Callender’s has signed a sponsorship contract for \$200,000 for the 2016 Holiday Fair, during which time they will occupy 1 booth within Vanderbilt Hall, as well as other brand exposure benefits.

By June 2016, contracts totaling \$1,124,120 in revenue have been signed for events throughout 2016. This represents 187% of the 2016 budget of \$600,000 for events excluding the Holiday Fair.

\$437,500 of the \$1.12M is from the Italian Trade Commission event currently in Vanderbilt Hall until July 24<sup>th</sup>.

**VI. GCT RETAIL REVENUE FUNDED PROJECTS**

GCT Space Inventory

To simplify and coordinate space planning in Grand Central Terminal, MNR's consultant, Gensler, surveyed and updated all retail and MNR spaces in AutoCAD floor plans. All updates were added to Gensler's software, called Wisp, for flexible space planning use by 30 MNR staff at their desktops. Wisp includes base floor plans, colorized drawing sets showing use, organization and departments, and construction areas. Spreadsheet reports are included with plan-corresponding room numbers, GCT door numbers, use categories, and organization/department information. Under a 3-year agreement, starting January 2016, all changes in GCT space planning will be updated in AutoCAD and in Wisp by Gensler. The agreement is handled by Jones Lang LaSalle (JLL), managers of the GCT retail space.

# Memorandum



## Metro-North Railroad

**Date:** July 25, 2016

**To:** Members of the MTA Metro-North Railroad Committee

**From:** Karen Timko, Director of Environmental Compliance & Services *KTT*  
Richard Gans, Vice President and General Counsel *RG*

**Re:** Information Item: 2015 NYS Department of Environmental Conservation Audit Summary

This Memorandum summarizes the findings of Metro-North's 2015 New York State Department of Environmental Conservation Audit (the "Audit").

The Audit is a self-certifying, annual assessment required by the New York State Environmental Conservation Law. The Audit provides summary data of environmental violations at Metro-North properties, remedial activities that were conducted, and planned investigation or clean-up activities. For the 2015 Audit, Metro-North performed the following:

- Conducted audit inspections at various Metro-North properties, including stations, yards, repair shops and substations;
- Reviewed Capital Projects for compliance with regulations; and
- Updated the database for pre-existing violations.

### Summary of Audit Findings

The Audit identified no new reportable spills occurring in the 2015 audit period that remained unremediated at the conclusion of the audit period. Metro-North's findings identified six (6) open violations during the audit period resulting from spills in prior periods, each of which is described in the listing below. All of the open violations are ranked as "N3" violations, meaning the violations present a discernible, but not substantial, threat to the public health or the environment. (By comparison, a ranking of "N1" is assigned to a violation involving an imminent threat to public health and the environment.)

One of the violations involved a chemical spill; the remaining five (5) involved petroleum releases. Of the six, three, including the chemical spill, are attributable to historic railroad operations (i.e., involved spills that pre-dated Metro-North's formation).

Each of the open violations is being addressed by Metro-North remediation plans, which are described on the accompanying List of Violations. The estimated outstanding cost of remediation for these open violations is \$475,000.

Greater detail on the violations is found at the back of this memo.

## **Metro-North 2015 Environmental Accomplishments**

During 2015 Metro-North took steps to protect the environment and conserve resources. Among the agency's accomplishments were the following:

- Metro-North has convened an Energy Management Working Group comprising Corporate Compliance and Strategic Development, Capital Engineering, Operating Capital, Environmental Compliance, Power, Stations and Facilities and Maintenance of Equipment. The goal of this group is to identify ways in which to better monitor and track energy usage as well as to identify energy-saving initiatives.
- The Energy Group in the Operating Capital Department has undertaken an Advanced Metering Infrastructure (AMI) Project, which entails improved monitoring and metering of the various types of energy used by Metro-North. The Group is seeking as one of its tasks to collect historical data for the last 5 years for various accounts so that profiles for various locations and types of energy usage are readily available. This benchmarking includes collection of car-miles, train-miles, dead-head runs and other information in order to display statistics that incorporate energy, operational and environmental data.
- The North White Plains Commuter Parking Garage has been completed. In addition to reducing vehicle miles traveled by providing increased opportunity for travel by train rather than car, the garage incorporates natural lighting, reflective roofing, electric car chargers and LED lighting.
- Employees in the Metro-North Structures Department completed a project in April at the 32,000 square foot Beacon Facility that involved the replacement of inefficient lighting with energy-efficient fluorescent T5 lights. The project also involved equipping select locations with occupancy sensors. Annual savings are estimated at \$10,000 a year.

**MTA METRO-NORTH RAILROAD**  
**2015 ANNUAL ENVIRONMENTAL AUDIT\***  
**LIST OF VIOLATIONS**

**1. Mott Haven Yard Clean Up (Rank N3)**

Estimated Cost to Remediate - \$125,000

Incidental spills while filling work equipment contaminated this area with diesel fuel. The contaminated soil was removed during a project that installed a new storage tank, fuel pad and oil water separator, which will prevent future such releases. Soil removal is complete. An action plan to address contaminated groundwater at the site was approved by the NYSDEC and a petroleum recovery system has been installed. The estimated cost to remediate the groundwater is \$125,000 (annual operating costs of \$25,000 for five (5) years).

**2. Metro-North Harmon Yard Petroleum Plumes (Rank N3) (Inherited Violation)**

Estimated Cost to Remediate - \$75,000

There are several plumes of petroleum on the groundwater at Metro-North Harmon Yard related to releases that pre-date Metro-North's inception. There are now systems in place to protect against such releases (i.e. fuel pads, oil water separator, etc.). The petroleum plumes have been delineated and recovery systems are in place. Several of the plume areas have been successfully remediated. Metro-North provides quarterly reports to the NYSDEC noting how much petroleum has been recovered and in some cases requesting close out of recovery wells that may not be evidencing any petroleum recovery. Operation of the recovery system costs approximately \$25,000 a year. Decommissioning of the recovery systems is contingent on NYSDEC approval. For cost estimating purposes an estimate of three (3) additional years of operation, or \$75,000 has been included in the total at the end of this memo.

**3. Metro-North Harmon Lagoon (Rank N3) (Inherited Violation)**

Estimated Cost to Remediate - \$125,000

The Lagoon itself (an inactive hazardous waste site) has been remediated. The Lagoon was a wastewater detention system that was contaminated with PCBs by a predecessor railroad and Metro-North inherited clean-up responsibility. Remediation of the Lagoon was completed in the late 1990's. Because Metro-North was not at fault, NYSDEC paid for 75% of the eligible clean-up costs. The open issue remains groundwater contamination in the vicinity of the Lagoon. A recovery system is in place and quarterly reports are made to the NYSDEC. Sampling of the recovered oil shows no PCBs. It is estimated that another \$125,000 will need to be spent before Metro-North is able to obtain NYSDEC permission to close out the recovery system.

**4. Harmon Yard Fire Protection Towers Spill (Rank N3)**

Estimated Cost to Remediate - \$50,000

This item involves a petroleum release from a heating oil tank used to keep the water in a set of fire protection towers from freezing. The release was detected in 2000. A recovery system is in place and Metro-North makes periodic reports to the NYSDEC on the extent of recovery. Operation of the recovery systems costs approximately \$25,000.00 a year. Decommissioning of the recovery system is contingent on NYSEC approval. For cost

estimating purposes an estimate of two (2) additional years of operation, or \$50,000, has been included in the total at the end of this memo.

**5. North White Plains Yard Petroleum Recovery (Rank N3) (Inherited Violation)**

Estimated Cost to Remediate - \$50,000

A petroleum recovery system is in place at the yard to address historic spills that pre-date Metro-North's inception. Operation of the system is routine and periodic reports are made to the NYSDEC. Operation of the recovery system costs approximately \$25,000 a year. Decommissioning of the recovery system is contingent on NYSDEC approval. For cost estimating purposes an estimate for two (2) additional years of operation, or \$50,000 has been included in the total at the end of this memo.

**6. Brewster Yard Petroleum (Rank N3)**

Estimated Cost to Remediate - \$50,000

A pipe connection failed in 2003 causing a spill. A recovery system is in place and a bi-annual report provided to the NYSDEC. Operation of the recovery system costs approximately \$25,000 a year. Decommissioning of the recovery system is contingent on NYSDEC approval. For cost estimating purposes an estimate of two (2) additional years of operation, or \$50,000, has been included in the total at the end of this memo.

**TOTAL** estimated future costs to remediate outstanding violations - \$475,000

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\*The NYSDEC guidelines for the ranking of each environmental violation are based on the threat it poses to public health or the environment, with a four-tier hierarchy of rankings used to classify the violations as follows:  
Metro-North 2014 Audit = Six (6) N3 Violations

- N1 – Poses an imminent substantial threat to the public health or the environment
- N2 – Poses a potential substantial threat to the public health or the environment
- N3 – Poses a discernible but not substantial threat to the public health or the environment
- N4 – No evidence of discernible threat to the public health or the environment
- C - Violation has been corrected

# 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>ALICIA BIGGS</b>

Date <b>July 25, 2016</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/25/16	X		
2	Board	7/27/16	X		

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

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

LESSEE: Hudson Hospitality Group LLC ("HHG") (or entity to be formed)

LOCATION: Peekskill Station, Hudson Line, Westchester County

ACTIVITY: Restaurant/café in conjunction with visitor information center and tour-booking office

ACTION REQUESTED: Approval of terms

TERM: 15 years with an adjustment for fair market value in lease year 11

SPACE: Peekskill station building; including office loft and partial basement, measuring approximately 5,825 sq. ft. (±) along with outdoor plaza, approximately 1,630 sq. ft. (±)

RENT: \$30,000 for Year 1 with 3% annual increases through Year 10  
Fair market value for Year 11 with 3% annual increases through Year 15

**COMMENTS:**

Pursuant to Metro-North and MTA Real Estate's net leasing program, a request for proposals ("RFP") was issued seeking offers to utilize and maintain the entire Peekskill Station Building ("Building"), consisting of a restaurant area, kitchen, former ticket office, concession space, waiting room, bathrooms and a portion of the outdoor plaza area.

In response to the RFP, five proposals were received. After conducting proposer interviews, a request for best and final offers ("BAFO") was issued. In response to the BAFO, the highest proposal received was from HHG and Brian Butera withdrew his proposal.

Proposer	1 <sup>st</sup> Year Rent	Estimated Value of Proposed Improvements	Present Value (10-Year Term; 7% Discount Rate)
Hudson Hospitality Group LLC	\$30,000	\$140,000	\$377,616
Sharon Aakjar	\$24,000	\$50,000	\$290,729
Dobbs Ferry HG LLC	\$18,000	\$100,000	\$254,758
Mohammed Rahman	\$14,400	---	\$120,870
Brian Butera	Withdrawn		

# Staff Summary

## **FINANCE COMMITTEE MEETING Hudson Hospitality Group LLC (Cont'd.)**

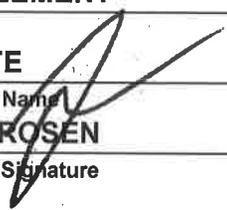
While HHG's proposal is lower than the fair market value as initially estimated by MTA Real Estate's independent consultant, HHG will be making a significant investment to improve the Building.

HHG is headed by Louis Lanza, who has owned and operated several restaurants in New York City over the last 24 years. He currently owns and operates two restaurants and a farm in Peekskill. Mr. Lanza's vision is to convert the current waiting room into a tourist welcome center run by the Hudson Valley Chamber of Commerce along with a retail concept providing local product. Mr. Lanza is also seeking approval from New York State Department of Agriculture and Markets to be designated as a Taste of New York location. The remainder of the building and outdoor plaza area will be used as a restaurant/café.

Proposed improvements include installing a commercial air conditioning system for the Building, renovating the kitchen with updated fixtures and appliances, upgrading the bathroom and refurbishing the floors and ceiling. Mr. Lanza has sufficient capital available and will provide a limited personal guaranty and construction completion guaranty.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with HHG (or a newly formed entity owned and controlled by HHG) on the above-described terms and conditions.

# 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>ALICIA BIGGS</b>

Date <b>July 25, 2016</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/25/16	X		
2	Board	7/27/16	X		

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

AGENCY: MTA Metro-North Commuter Railroad ("Metro-North")  
 LESSEE: Locali – 2 Forest LLC (or entity to be formed)  
 LOCATION: Mount Kisco Station, Harlem Line, Westchester County  
 ACTIVITY: Italian/pizza restaurant and bar  
 ACTION REQUESTED: Approval of terms  
 TERM: 10 years  
 SPACE: 2,890 sq. ft. (+/-) station building, including office loft and basement, with outdoor plaza adjacent to building  
 RENT: \$80,810 for 1<sup>st</sup> year with 3% annual increases thereafter

**COMMENTS:**

Pursuant to Metro-North and MTA Real Estate's net leasing program, a request for proposals ("RFP") was issued seeking offers to utilize and maintain the entire Mount Kisco Station Building ("Building"), consisting of a restaurant, kitchen, former ticket office, waiting area, bathrooms, office loft and an outdoor plaza.

In response to the RFP, the following two proposals were received:

Proposer	1 <sup>st</sup> Year Rent	Present Value (10-Year Term; 7% Discount Rate)
Locali – 2 Forest LLC	\$80,810	\$614,681
Via Vanti! MKNY (incumbent)	\$58,800	\$465,727

# Staff Summary

## FINANCE COMMITTEE MEETING Locali – 2 Forest LLC (Cont'd.)

The higher of the two proposers, Locali, operated by Joe Bueti, currently controls three food and beverage operations: Village Social Kitchen and Bar in Mount Kisco, Locali Pizza Bar in New Canaan, Connecticut and a wood-fired pizza truck that operates at various locations in the Tri-State area. Mr. Bueti plans to bring the same specialty wood-fired pizza and northern Italian cuisine to the Mount Kisco station. He has proposed improvements to the Building that include a new kitchen, upgrading the bathrooms and renovating the basement and office loft. Mr. Bueti will provide a limited personal guaranty and a construction completion guaranty. Locali's proposal exceeds the fair market value for this property as determined by MTA Real Estate's independent consultant.

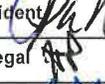
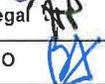
Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with Locali – 2 Forest LLC (or a newly formed entity owned and controlled by Mr. Bueti) on the above-described terms and conditions.

# Staff Summary

Subject <b>COMMUTER RAILROAD/AMTRAK AGREEMENT</b>
Department <b>MTA SPECIAL PROJECT PLANNING AND DEVELOPMENT</b>
Department Head Name <b>WILLIAM WHEELER</b>
Department Head Signature 
Project Manager Name <b>WILLIAM WHEELER</b>

Date <b>JULY 25, 2016</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	7/25/16		X	
2	LIRR Committee	7/25/16		X	
3	Finance Committee	7/25/16	X		
4	Board	7/27/16	X		

Internal Approvals					
Order	Approval	Order	Approval		
1	MNR President 	5	MTAHQ Chief of Staff 		
2	LIRR President 				
3	MTAHQ Legal 				
4	MTAHQ CFO 				

**Purpose/Recommendation:** To obtain Board approval of modifications to various agreements between MTA and each of its Commuter Railroads (LIRR and Metro-North) and the National Railroad Passenger Corporation (“Amtrak”) necessary to comply with the requirements of the Federal Passenger Rail Investment and Improvement Act of 2008 (“PRIIA”), and the implementing policies adopted by the Northeast Corridor Commission (the “Commission”).

**Background:** In 2008, Congress passed PRIIA, reauthorizing Amtrak and implementing various statutory requirements applicable to Amtrak and, in certain respects, to other railroads which share trackage with Amtrak. Congress sought to improve coordination on the Northeast Corridor (the “NEC”) and amended 49 U.S.C. § 24905 to direct the Secretary of Transportation to establish the Commission to promote mutual cooperation and planning and to advise Congress on NEC policy. Specifically, the Commission was charged with implementing a cost sharing framework based on each passenger railroad’s proportional use of the NEC, thereby eliminating cross-subsidization between railroads. The Commission is composed of one member from each of the nine NEC states (including New York), four members from Amtrak, and five members from the U.S. Department of Transportation. New York’s vote on the Commission has been exercised by a representative of NYS Department of Transportation acting in consultation with the MTA. In September 2015, the Commission adopted the Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy (the “NEC Policy”) which is intended to establish the cost-sharing framework mandated by Congress.

Metro-North’s New Haven Line (the “NHL”) is part of the NEC, as is Penn Station and LIRR’s tracks west of and including Harold Interlocking in Queens (these being the trackage and related facilities jointly used by the Commuter Railroads and Amtrak). Each of the Commuter Railroads have several long-standing agreements with Amtrak concerning trackage rights, maintenance responsibilities and cost-sharing obligations. LIRR and Metro-North, working with MTA, have negotiated changes to these agreements as required by PRIIA and consistent with the NEC Policy. The changes to these agreements are summarized below.

**LIRR Agreements and Modifications:** LIRR is a party to a series of lease and operating agreements that were entered into with Amtrak in connection with Amtrak's assumption of certain of the passenger rail services previously operated by the Penn Central Railroad. Amtrak is the owner of Penn Station and the facilities and trackage for the portion of the NEC over which LIRR operates. Under agreements with Amtrak, LIRR has the right to occupy one level of Penn Station (the so-called Level A) and to operate on certain tracks east to Harold Interlocking in Queens and west to the LIRR's J. D. Caemmerer West Side Yard. The agreements with Amtrak, originally entered into in 1988 and amended from time to time, are the Level A and Platform Lease, the Joint Facility Agreement and the Joint Venture Agreement. The Level A and Platform Lease governs LIRR's occupancy and use of concourse and platform space at Penn Station. The Joint Facilities Agreement covers LIRR's usage rights and maintenance responsibilities for the trackage and tunnel zones from Penn Station to the western boundary of the LIRR's Harold Interlocking. The Joint Venture Agreement covers the construction, operation and maintenance responsibilities for the computerized train dispatch operations and improvements located in the Penn Station Central Control Center. All three agreements are being modified to implement the cost sharing protocols mandated by PRIIA

**Metro-North Agreements and Modifications:** MTA owns the New York State portion of the NHL, while the State of Connecticut owns the Connecticut portion. Amtrak operates on the NHL pursuant to a three-party 1991 trackage agreement among Amtrak, Metro-North and Connecticut. In addition, there is a separate agreement covering the Acela service, and various amendments to the underlying agreements. In general, under these agreements, Amtrak has been paying the incremental costs incurred for having Amtrak operate on the NHL, and there are performance incentives and penalty payments depending on the Amtrak trains' on-time performance. Under the Amended and Restated Service Agreement ("ARSA") among MTA, Metro-North and Connecticut for the NHL, Connecticut receives 65% of these Amtrak operating payments (as Connecticut is responsible for 65% of the NHL operating costs).

Pursuant to the NEC Policy and PRIIA, under the proposed amended trackage agreement with Amtrak, Amtrak will be paying its fully allocated share of all operating costs, and for the first time contributing to property and liability insurance costs. Performance/penalty payments will be eliminated. In addition, for the first time Amtrak will also be contributing towards capital costs for the NHL, through a separate capital cost agreement. The NHL agreements are being negotiated with the participation of the Connecticut Department of Transportation ("CDOT"), and the final modified agreements with Amtrak will be subject to concurrence by the State of Connecticut in accordance with the ARSA.

**Budget Implications:** On an aggregate basis, PRIIA results in favorable financial impact to the MTA. Combined, the LIRR and Metro-North modified agreements will result in an estimated \$0.85M favorable annual impact to the MTA's Operating Budget. In addition, PRIIA will also have a favorable impact to the Capital Budget of both agencies. Individual impacts are detailed below:

For Metro-North the fact that Amtrak will be paying fully allocated overhead plus, for the first time, additional operating costs based on its true usage of Metro-North trackage will result in substantially higher operating payments, which will be further augmented by the payment by Amtrak of its allocated share of capital costs. While payments will vary depending on costs and the number of trains run by the railroads, it is anticipated that the modified agreements when finalized will result in a significant net positive to both Metro-North and the State of Connecticut.

Based on the PRIIA cost allocation policy, the operating budget for the NHL will receive approximately an additional \$11 million dollars annually from Amtrak. Based on the 65/35% split between CDOT and MTA as per ARSA, MTA would receive a benefit of an estimated additional \$3.85 million annually to offset costs, while the remainder of the \$11 million will accrue to CDOT. Regarding Capital Budget costs, MNR estimates that PRIIA will also generate an additional capital contribution from Amtrak of \$2 million annually for the New York State portion of the NHL, the costs of which are funded by the MTA. Amtrak and CDOT will separately agree on capital funding for the Connecticut portion of the NHL.

For the LIRR, it is expected that the PRIIA cost allocation amendments to the three (3) bi-lateral agreements with Amtrak (Level A and Platform Lease, Joint Facility Agreement, and Joint Venture Agreement) will have a net nominal financial impact on LIRR in terms of both capital and operating costs.

PRIIA retains many of the cost allocation elements embedded in the existing agreements. Under the terms of the existing agreements, the costs to operate and maintain the various interlockings, tunnels, platform tracks and Penn Station concourse areas are currently allocated between the LIRR and Amtrak in proportion to each party's level of usage (which, in the case of Amtrak, includes New Jersey Transit usage). The primary financial impact of PRIIA is the application of a fully-allocated Amtrak overhead rate compared to an incremental overhead rate. However, this impact is offset by an adjustment to the cost sharing percentages for certain areas of Penn Station and the East River Tunnels to reflect higher proportional usage of these facilities by Amtrak and New Jersey Transit, thereby resulting in a reduction of the percentage of capital and operating costs allocable to the LIRR for these facilities.

Based on the PRIIA cost allocation policy, the LIRR's Operating Budget contribution towards the cost of operating and maintaining the NEC trackage used jointly by LIRR and Amtrak/NJT will increase by approximately \$3.0 million per year over current levels. With respect to the cost of capital projects, the PRIIA cost allocation policy, together with the adjusted cost sharing percentages as between LIRR and Amtrak/New Jersey Transit, will result in lower costs for the LIRR for some capital projects. The actual financial savings would be dependent on the specific capital projects and location of work that is implemented. For example, under PRIIA, a potential \$100 million investment by LIRR, Amtrak and New Jersey Transit to rehabilitate and improve the East River Tunnels would yield a \$3.9 million savings to the LIRR.

**Alternatives:** Federal law mandates the adoption of modified agreements implementing the PRIIA requirements. As described above, MTA and its Commuter Railroads have negotiated modified agreements protective of the Commuter Railroads' rights and which result in a net positive to MTA finances. Accordingly, approval of these modifications is recommended.



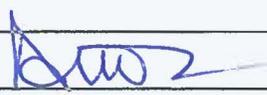
**Metro-North Railroad**

# **Procurements**

**Subject** Request for Authorization to Award Various Procurements

**Department** Procurement and Material Management

**Department Head Name**  
Alfred Muir, Sr. Director

**Department Head Signature** 

**Project Manager Name**

**Date**  
July 11, 2016

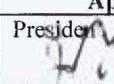
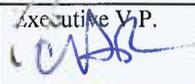
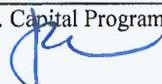
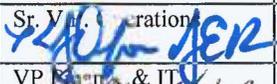
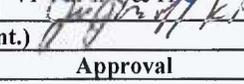
**Vendor Name**  
Various

**Contract Number**  
Various

**Contract Manager Name**  
Various

**Table of Contents Ref #**

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	7-25-16	X		
2	MTA Board Mtg.	7-27-16	X		

Internal Approvals			
	Approval		Approval
X	President 		
X	Executive V.P. 	X	V.P. Capital Programs 
X	Sr. V.P. Operations 	X	V.P. & General Counsel 
X	VP Planning & IT 		

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
_____	_____	_____	_____	_____	_____	_____	_____

**PURPOSE:**

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

**DISCUSSION:**

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

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule A:	Non-Competitive Purchases and Public Work Contracts	2	\$317,117
	<ul style="list-style-type: none"> <li>Railway Technology, Inc. \$213,000</li> <li>Schneider Electric \$104,117</li> </ul>		
<u>Schedules Requiring Majority Vote</u>			
Schedule G:	Miscellaneous Service Contracts	1	\$1,227,969
	<ul style="list-style-type: none"> <li>Ansaldo STS USA, Inc. \$1,227,969</li> </ul>		
Schedule H:	Modifications to Personal/Miscellaneous Service Contracts	1	\$75,000
	<ul style="list-style-type: none"> <li>Electronic Security &amp; Control Systems, Inc. \$75,000</li> </ul>		
Schedule J:	Modifications to Miscellaneous Procurement Contracts	1	\$22,479,871
	<ul style="list-style-type: none"> <li>General Electric Transportation Parts, LLC (GE) \$22,479,871</li> </ul>		
SUB TOTAL:		5	\$24,099,957

**MNR proposes to award competitive procurements in the following categories:**

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts) Request to Use RFP Process	1  TBD	TBD
<u>Schedules Requiring Majority Vote</u>		
Schedule G: Miscellaneous Service Contracts	5	\$3,463,371
• Sherwood Electromotion, Inc.      \$334,770		
• Dunbar Armored, Inc.               \$440,976		
• Rapid Armored Corp.               \$1,772,425		
• Empire Consulting, LLC             \$500,000		
• Ensco Rail, Inc.                    \$415,200		
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$1,044,905
• Jacobs Civil Consultants, Inc.      \$1,044,905		
SUB TOTAL:	7	\$4,508,276

**MNR presents the following procurement actions for Ratification:**

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	NONE	
<u>Schedules Requiring Majority Vote</u>		
Schedule K: Ratification of Completed Procurement Actions	3	\$11,878,334
• SNT Bus, Inc.                       \$8,561,334		
• Cubic Transportation Systems, Inc.   \$22,000		
• Ecco III Enterprises, Inc            \$3,295,000		
SUB TOTAL:	3	\$11,878,334
TOTAL:	15	\$40,486,567

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

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

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

## METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical or inappropriate to utilize a procurement process inviting sealed bids with award to the lowest responsive/responsible bidder.

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

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

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

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

JULY 2016

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

**A. Non-Competitive Purchases and Public Work Contracts**

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

**1. Railway Technology, Inc.                      \$213,000 (not-to-exceed)                      Staff Summary Attached**  
**Purchase and Upgrade of OEM Wheel Counter Equipment**

Approval is requested to award a non-competitive purchase contract for the upgrade of the existing Wheel Counter Equipment to Railway Technology, Inc. (RTI). RTI is the Original Equipment Manufacturer (OEM) for the supply of Wheel Counter Equipment which is comprised of sensors, cabling, adapters and control modules installed in the New Haven and Croton Harmon Rail Yards.

During the process of testing the PTC track transponders, it was determined that the existing RTI wheel counter system is vulnerable to radio frequency interference (RFI) from the onboard (PTC) transponder scanners. This interference causes system fault lockups and requires manual intervention by MNR personnel to reset the system. This material is required to upgrade the existing wheel counter equipment with technology that will preclude RFI and be compatible with the PTC radio frequency scanner system.

In requesting Board authorization, MNR has complied with the public advertisement requirements of PAL§ 1265-a (3) and PAL§ 1265-a (4) (b) and with MTA All-agency General Contract Procurement for the procurement of sole source items. An advertisement notice was placed in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and was posted on the MNR website.

The estimated cost for the upgraded RTI equipment is \$70,000 for the Croton Harmon Rail Yard and \$143,000 for the New Haven Rail Yard. The total cost of this material upgrades is deemed fair and reasonable. This procurement is to be funded by the MNR Operating Budget.

**2. Schneider Electric                      \$104,117 (not-to-exceed)                      Staff Summary Attached**  
**Purchase of OEM TH1 RTU Control Panel Replacement**

Approval is requested to award a non-competitive purchase contract for the Transformer House (TH1) Remote Terminal Unit (RTU). The RTU cabinet contains all of the critical electrical components that provide communication and control of the transformer house along with critical hardware and software components that control emergency generator backup systems of Grand Central Terminal, (GCT). Because of the critical nature of this RTU cabinet, it will need to be replaced as soon as possible to ensure the reliability of the power feed to GCT.

The existing TH1 RTU cabinet assembly failed due to damage sustained from a failed overhead water line in the Grand Central Terminal Train Shed. Water rose into the transformer house causing all of the circuit breakers to fail. A significant power outage occurred in GCT causing the Terminal's emergency back-up generator system to pick up the critical loads.

Schneider Electric is the Original Equipment Manufacturer (OEM) for the TH1 RTU cabinet. The components of this RTU cabinet are manufactured by Schneider Electric which has the sole-source contract through the New York Power Authority (NYPA) of providing all of the Programmable Logic Controller (PLC) System hardware to operate and control power to GCT.

In requesting Board authorization, MNR has complied with the public advertisement requirements of PAL§ 1265-a (3) and PAL§ 1265-a (4) (b) and with MTA All-agency General Contract Procurement for the procurement of sole source items. An advertisement notice was placed in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and was posted on the MNR website.

Negotiations for this material resulted in a 5% discount (\$5,480) from Schneider Electric's quoted pricing. The total cost of this material is not-to-exceed \$104,117 and a review of the pricing has found costs to be fair and reasonable. This procurement is funded by the MNR Operating Budget.

Schedules Requiring Majority Vote:

**G. Miscellaneous Service Contracts**

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

**3. Ansaldo STS USA, Inc. \$1,227,969 (not-to-exceed) Staff Summary Attached  
Purchase and Repair/Return of OEM Ansaldo Components and Equipment**

Approval is requested for a non-competitive miscellaneous three year service agreement in the amount of \$1,227,969 to Ansaldo STS USA, Inc. (Ansaldo) for the purchase, repair/return, and replacement of cab signal parts, components and assemblies for the MNR M-7 Railcar Fleet, as well as wayside signaling and communication equipment for the Maintenance of Way Department (MofW).

The scope of work includes, but is not limited to the repair and return of inoperative cab signal components and assemblies and the purchase of new material deemed unrepairable. This agreement will support the Maintenance of Equipment Department's Return Material Authorization ("RMA") program. These services shall also be used in support of maintaining the Railroad's Ansaldo wayside signal equipment. These repairs ensure the efficient, timely and safe operation of the on-board and wayside signal equipment. MNR does not have in-house capability to perform this work.

In requesting Board authorization, MNR has complied with the public advertisement requirements of PAL§ 1265-a (3) and PAL§ 1265-a (4) (b) and with MTA All-agency General Contract Procurement for the procurement of sole source items. An advertisement notice was placed in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and was posted on the MNR website.

The total average prices increased by 7.2% (2.4% per annum) from the previous contract (2013-2016) and are deemed to be fair and reasonable for the level of services required. The total cost is not-to-exceed \$1,227,969 and is to be funded by the MNR Operating Budget.

#### **H. Modifications to Personal/Miscellaneous Service Contracts**

(Approvals/Staff Summaries required for substantial change orders and change orders that cause the original contract to equal or exceed the monetary or durational threshold required for Board approval)

#### **4. Electronic Security & Control Systems, Inc. \$75,000 (not-to-exceed)**

##### **Additional Funding and Time Extension for Apollo Access Control Systems**

Approval is requested for additional funding in the not-to-exceed amount of \$75,000 and an 18-month time extension for a contract modification to an existing, non-competitive miscellaneous service contract with Electronic Security & Control Systems, Inc. (ESCS). The Apollo Access Control system is a security based card swipe system used to manage access to critical Railroad locations.

Fifteen Metro-North facilities throughout New York and Connecticut are currently protected by a group of stand-alone "Apollo" electronic access control systems. MNR maintenance forces do not possess the knowledge to make the necessary software repairs and or perform maintenance on the systems. As the Apollo system has reached the end of its useful life and new technology is being introduced into the industry, the Apollo system is being systematically phased out. This agreement shall bridge the time period where the Railroad will be converting to a new state-of-the-art Lenel access-control system which is being deployed throughout all MTA agencies. During the transition the maintenance and support of the current security system is vital to ensure safety and security

ESCS has agreed to honor their current maintenance cost of \$25,000 per six-month period. These costs have been reviewed and found to be fair and reasonable. All other contract terms and conditions remain the same. At this time, MNR is requesting Board approval for an additional \$75,000 and an 18-month time extension. The additional funding will be provided by the MNR Operating Budget.

#### **J. Modifications to Miscellaneous Procurement Contracts**

(Approvals/Staff Summaries required for individual change orders greater than \$250K. Approvals without Staff Summaries required for change orders greater than 15% of previously approved amount which are also at least \$50K)

#### **5. General Electric Transportation Parts, LLC (GE) \$22,479,871 (not-to-exceed) *Staff Summary Attached* Purchase OEM GE Components, Parts, Assemblies and Equipment for the MNR Rolling Stock Fleet**

Approval is requested for a two-year time extension and additional funding in the not-to-exceed amount of \$22,479,871 to an existing non-competitively solicited miscellaneous purchase agreement with General Electric Transportation Parts, LLC (GE). This agreement is for various Original Equipment Manufacturer (OEM) standard stock, and repair and replacement parts for MNR's Locomotive Fleet. MNR awarded a non-competitively solicited miscellaneous procurement for a three year period in the total amount of \$15,000,000 in 2015. The current agreement will expire in March 2018.

Subsequent to the 2015 award, MNR's Mechanical Department identified additional materials required to perform an in-house overhaul of its entire P32 Locomotive fleet. This overhaul is needed to ensure continued good service and extend the service life of these Locomotives beyond 2020. The replacement of these locomotives is scheduled for the next Capital Program (2020-2025).

The Maintenance of Equipment (MofE) and Procurement and Material Management Departments have re-analyzed the current and future demand for GE components and assemblies to meet this objective The

overhaul of these locomotives will be accomplished in multiple phases using existing MNR workforce. The work will include, but not be limited to the replacement or overhaul of the Main Engines, Main Alternators, Air Boxes, Blowers and Radiators. As part of the current contract, GE will continue to maintain their tooling and manufacturing capabilities necessary to produce these parts, which are not available from other sources. The contract will be extended to March 2020 and the total amount of the additional funds required by MNR is not-to-exceed \$22,479,871. This procurement is to be funded by the MNR Operating Budget.



Schedule A: Non-Competitive Purchases and Public Work Contracts



Item A

<b>Vendor Name (&amp; Location)</b> Schneider Electric	<b>Contract Number</b>	<b>Renewal?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Description</b> Purchase Agreement for OEM RTU TH1 Control Panel Replacement	<b>Total Amount:</b>	\$104,117
<b>Contract Term (including Options, if any)</b> Immediate Requirement	<b>Funding Source</b>	
<b>Option(s) included in Total Amount?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	X Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: <input type="checkbox"/>	
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	<b>Requesting Dept./Div. &amp; Dept./Div. Head Name:</b> Procurement & Material Management, Al Muir, Sr. Director	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source/OEM	<b>Contract Manager:</b> Paul Kennedy – Manager, Operations Procurement	

Discussion:

Approval is requested to award a non-competitive purchase contract for the Transformer House (TH1) Remote Terminal Unit (RTU) to Schneider Electric. The RTU cabinet contains all of the critical electrical components that provide communication and control of the transformer house along with critical hardware and software components that control emergency generator backup systems for Grand Central Terminal, (GCT). This critical component must be replaced as soon as possible to ensure the reliability of the power feed to GCT.

The existing TH1 RTU cabinet assembly failed due to damage sustained from a failed overhead water line in the Grand Central Terminal Train Shed. Water rose into the transformer house causing all of the circuit breakers to fail. A significant power outage occurred in GCT causing the Terminal’s emergency back-up generator system to pick up the critical loads.

Schneider Electric is the Original Equipment Manufacturer (OEM) for the TH1 RTU cabinet. The components of this RTU cabinet are manufactured by Schneider Electric which has the sole-source contract through the New York Power Authority (NYPA) for providing all of the Programmable Logic Controller (PLC) System hardware to operate and control power at GCT. The Schneider PLCs are required to interface the new generators with the existing PLC controls system in GCT. The Schneider system provides intensive control and monitoring functions requiring highly complex software programming and sophisticated network integration engineering. As there is a critical need for compatibility with the existing equipment, MNR requests Board approval for a non-competitive purchase agreement for the procurement of the TH1 RTU Control Panel replacement.

In requesting Board authorization, MNR has complied with the public advertisement requirements of PAL§ 1265-a (3) and PAL§ 1265-a (4) (b) and with MTA All-agency General Contract Procurement for the procurement of sole source items. An advertisement notice was placed in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and was posted on the MNR website.

Negotiations for this material resulted in a 5% discount (\$5,480) from Schneider Electric’s quoted pricing. The total cost of this material is not-to-exceed \$104,117 and a review of the pricing has found costs to be fair and reasonable. This procurement is funded by the MNR Operating Budget.

Schedule G: Miscellaneous Service Contracts



Item Number: G

<b>Vendor Name (&amp; Location)</b> Ansaldo STS USA, Inc. (Pittsburgh, PA)	<b>Contract Number</b>	<b>AWO/Modification #</b>
<b>Description</b> Repair and Return of Signal and Communication Equipment	<b>Renewal?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Contract Term (including Options, if any)</b> Three Years	<b>Total Amount:</b>	\$1,227,969
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Funding Source</b>	<input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Procurement & Material Management, Al Muir, Sr. Director	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source		

Discussion:

Approval is requested for a non-competitive miscellaneous three year service agreement in the amount of \$1,227,969 to Ansaldo STS USA, Inc. (Ansaldo) for the purchase, repair/return, and replacement of cab signal parts, components and assemblies for the MNR M-7 Railcar Fleet, as well as wayside signaling and communication equipment for the Maintenance of Way Department (MofW).

The scope of work includes but is not limited to the repair and return of inoperative cab signal components and assemblies and the purchase of new material deemed unrepairable. This agreement will support the Maintenance of Equipment Department’s Return Material Authorization (“RMA”) program. These services shall also be used in support of maintaining the Railroad’s Ansaldo wayside signal equipment. These repairs ensure the efficient, timely and safe operation of the on-board and wayside signal equipment. MNR does not have in-house capability to perform this work.

In requesting Board authorization, MNR has complied with the public advertisement requirements of PAL§ 1265-a (3) and PAL§ 1265-a (4) (b) and with MTA All-agency General Contract Procurement for the procurement of sole source items. An advertisement notice was placed in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and was posted on the MNR website.

The total average prices increased by 7.2% (2.4% per annum) from the previous contract (2013-2016) and are deemed to be fair and reasonable for the level of services required. The total cost is not-to-exceed \$1,227,969 and is to be funded by the MNR Operating Budget.

**Schedule J: Modifications to Miscellaneous Procurement Contracts**



Item Number: J

<b>Vendor Name (&amp; Location)</b> General Electric Transportation Parts, LLC (Hanover Park, IL)	<b>Contract Number</b> 010000000000577 & 597	<b>AWO/Modification #</b> 1
<b>Description</b> Purchase Agreement for OEM Replacement Parts	<b>Original Amount:</b>	\$ 15,000,000
<b>Contract Term (including Options, if any)</b> Three Years	<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 type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	<b>Current Amount:</b>	\$ 15,000,000
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source	<b>This Request:</b>	\$22,479,871
<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>	149.86%
<b>Requesting Dept./Div. &amp; Dept./Div. Head Name:</b> Procurement & Material Management, Al Muir, Sr. Director	<b>% of Modifications (including This Request) to Original Amount:</b>	149.86%

**Discussion:**

Approval is requested for a two-year time extension and additional funding in the not-to-exceed amount of \$22,479,871 to an existing non-competitively solicited miscellaneous purchase agreement with General Electric Transportation Parts, LLC (GE). This agreement is for various Original Equipment Manufacturer (OEM) standard stock, and repair and replacement parts for MNR's Locomotive Fleet. MNR awarded a non-competitively solicited miscellaneous procurement for a three year period in the total amount of \$15,000,000 in 2015. The current agreement will expire in March 2018.

Subsequent to the 2015 award, MNR's Mechanical Department identified additional materials required to perform an in-house overhaul of its entire P32 Locomotive fleet. This overhaul is needed to ensure continued good service and extend the service life of these Locomotives beyond 2020. The replacement of these locomotives is scheduled for the next Capital Program (2020-2025).

The Maintenance of Equipment (MofE) and Procurement and Material Management Departments have re-analyzed the current and future demand for GE components and assemblies to meet this objective. The overhaul of these locomotives will be accomplished in multiple phases using existing MNR workforce. The work will include, but not be limited to the replacement or overhaul of the Main Engines, Main Alternators, Air Boxes, Blowers and Radiators. As part of the current contract, GE will continue to maintain their tooling and manufacturing capabilities necessary to produce these parts, which are not available from other sources. The contract will be extended to March 2020 and the total amount of the additional funds required by MNR is not-to-exceed \$22,479,871. This procurement is to be funded by the MNR Operating Budget.



Schedules Requiring Majority Vote:

**G. Miscellaneous Service Contracts**

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

**2. Sherwood Electromotion, Inc. \$334,770 (not-to-exceed)**

**Repair and Return and Overhaul of Single Ended Blower Assemblies**

Approval is requested to award a competitively solicited (two bids received) three-year miscellaneous service contract in the not-to-exceed amount of \$334,770 to Sherwood Electromotion, Inc. (Sherwood) to provide repair and return of the single ended blower motor sets used on the M-3 Railcars.

These repairs ensure the reliable and safe operation of the M-3 Fleet. MNR does not have the equipment or in-house capabilities to perform the work.

In accordance with MNR and MTA procurement guidelines, an advertisement for these services was placed in the New York State Contract Reporter, New York Post, the minority publications, El Diario and Daily Challenge, and posted on the MMR website.

The unit prices contained with this agreement are fixed for the three year term. Sherwood's bid price was 22.86% lower than then next low bidder (RAM Industries), a savings of \$99,249 and is deemed fair and reasonable for the work to be performed. This procurement is to be funded by the MNR Operating Budget.

**3. Dunbar Armored, Inc. -- NYS & CT Ticket Offices \$440,976 (not-to-exceed)**

**Rapid Armored Corp. -- GCT 125th Street Stations & TVM's \$1,772,425 (not-to-exceed)**

Approval is requested to award two, five-year (three year base with two, one year options), competitively solicited miscellaneous service contracts (two bids received) to Dunbar Armored, Inc. and Rapid Armored Corp. for Armored Car services. Armored car services are required by MNR for four distinct areas: Ticket Offices in NY (excluding GCT and 125<sup>th</sup> St), Ticket Offices in CT, Ticket Offices in GCT and 125<sup>th</sup> Street, and the Ticket Vending Machines (TVMs) Revenue Pick Up and Delivery Service.

In accordance with MNR and MTA procurement guidelines, an advertisement for these services was placed in the New York State Contract Reporter, New York Post, the minority publications, El Diario and Daily Challenge, and posted on the MMR website.

The solicitation and award was based on an all-inclusive price per pick-up applied to the estimated number of pick-ups by area. The awards are made to the low bidder for each of the four areas based on the scope of services which include armored car service for pickup and delivery of various currency, coin, checks, and associated money room services for MNR's NYS and CT Ticket Offices, GCT and 125<sup>th</sup> Street Ticket Offices, and the NYS and CT TVMs and the MNR TVM Service Facility. The solicitation for potential bidders included both advertisements placed in required publications as well as direct outreach to vendors known to provide this type of service.

The awardees for each of the four areas outlined are as follows: a) Dunbar Armored, Inc. will service the New York State and Connecticut Ticket Offices (excluding GCT & 125<sup>th</sup> St. Station); and, b) Rapid Armored Corp. will service GCT and 125<sup>th</sup> St. Stations, as well as the TVM Revenue Service. Both intended awardee firms possess the necessary resources, technical expertise and capacity required to

fulfill MNR's requirements.

A comparison of bid prices to be paid in the new contracts to the prices paid in the present contracts reflect no overall increase and will be fixed during the five year term of the contract. The competitively solicited pricing received for these contracts has been deemed fair and reasonable. The total not-to-exceed amount of these two contracts is \$2,213,401. This procurement is to be funded by the MNR Operating Budget.

**4. Empire Consulting, LLC \$500,000 (not-to-exceed)  
Specimen Collection & Alcohol Testing Services at Various Locations throughout MNR Territory**

Approval is requested to award a competitively solicited (one bid received), five year miscellaneous service contract (three year base with two year option) in the not-to-exceed amount of \$500,000 to Empire Consulting, LLC (Empire) for Specimen Collection and Alcohol Testing Services at various locations throughout MNR's territory in both NY and CT.

The MNR Operating Department requires the on-site scheduled and unscheduled specimen collection and alcohol testing services within MNR's service territory 24 hours a day, seven days a week including all holidays. Empire shall provide specimen collection, alcohol testing, hospital and medical facility services, and expert witness testimony services. Empire will be responsible for providing services along all four MNR Rail Lines (Hudson, Harlem, New Haven and West of Hudson).

In accordance with MNR and MTA procurement guidelines, an advertisement for these services was placed in the New York State Contract Reporter, New York Post, the minority publications, El Diario and Daily Challenge, and posted on the MNR website.

A review of Empire's bid found cost to be fair and reasonable. The average price per unit is 12 % less than those paid to the previous vendor and less than our own in-house estimate. Pricing is to remain firm and fixed through the life of the contract, which is to be five years from the date of award. At this time, MNR requests Board approval of \$500,000 for the five year contract amount, but shall initially award \$100,000 for the first year. This procurement is to be funded by the MNR Operating Budget.

**5. Ensco Rail, Inc. \$415,200 (not-to-exceed)  
Track Geometry Inspection Services**

Approval is requested to award a competitively solicited (three bids received) three-year miscellaneous service contract in the not-to-exceed amount of \$415,200 to Ensco Rail, Inc. (Ensco) to provide automated track geometry inspection services on the MNR East of Hudson Lines.

As part of the ongoing maintenance requirements set by Maintenance of Way (MofW) Department and to comply with FRA regulations, these services include testing several geometric parameters of the track without obstructing normal railroad operations. Some of the parameters generally measured include position, curvature, alignment of the track, smoothness, and the cross-level of the two rails. The specific equipment uses a variety of sensors, measuring systems, and data management systems to create a profile of the track being inspected and allows MofW to schedule preventative maintenance. MNR does not currently have the equipment required or in-house capabilities to perform the work. Inspections will occur twice a year and cover all main lines east of the Hudson (Harlem, Hudson, New Haven, Danbury, Waterbury and New Canaan).

In accordance with MNR and MTA procurement guidelines, an advertisement for these services was placed in the New York State Contract Reporter, New York Post, the minority publications, El Diario and Daily Challenge, and posted on the MTA website.

The unit prices contained with this agreement are fixed for the three year term. Ensco's bid price was \$270 lower than then next low bidder (Mermec), and is deemed fair and reasonable for the work to be performed. This procurement is to be funded by the MNR Operating Budget.

**H. Modifications to Personal/Miscellaneous Service Contracts**

(Approvals/Staff Summaries required for substantial change orders and change orders that cause the original contract to equal or exceed monetary or durational threshold required for Board approval)

**6. Jacobs Civil Consultants, Inc.                      \$1,044,905                      Staff Summary Attached**  
**Design of Upper Harlem Line Substations**

Approval is requested for additional funding in the amount of \$1,044,905 for a contract modification to an existing, competitively solicited personal service contract with Jacobs Civil Consultants, Inc. (Jacobs); and to extend the contract period of performance by twenty-two months. This contract, which was competitively solicited and awarded in August 2007, is for engineering and design services required for the ten new traction power substations on the upper Harlem Line and the Harlem River Lift Bridge Circuit Breaker Houses.

The design of the City Water Substation was completed in 2009. However, Superstorm Sandy resulted in changes to standards in relation to flood hardening, track crossing clearance, sizing and other feeder modifications. This redesign also includes but is not limited to raising the substation higher than at-grade elevation, providing a cable vault and a complete reconfiguration of the electrical substation components pursuant to new codes and standards. These additional requirements necessitate a substantial redesign of the substation. In addition to the design, Jacobs will provide construction support services during the construction phase of the City Water Substation. The new substation shall be located strategically in a weaker part of the existing power supply system, providing improved resiliency and redundancy in case of a future substation failure.

Negotiations resulted in Jacobs reducing their overhead rate from 109% to 102.78%. A review of all other costs has shown they are fair and reasonable for the services being performed. The contract completion date will be extended from March 31, 2017 through January 31, 2019. The additional funding will be provided by the MNR 2015-2019 Capital Program.

# Staff Summary

<b>Item Number</b> B					
<b>Dept. &amp; Dept. Head Name:</b> Procurement & Material Management, Al Muir, Sr. Director					
<b>Division &amp; Division Head Name:</b> Executive Vice President, Catherine Rinaldi					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	7-25-16	x		
2	MTA Board Mtg.	7-27-16	x		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
X	President	X	V.P. & General Counsel		
X	Sr. V.P. Operations		V.P. Planning		
X	V.P. Finance & IT				
X	V.P. Capital Programs				

<b>SUMMARY INFORMATION</b>	
<b>Vendor Name</b> TBD	<b>Contract Number</b> Various
<b>Description</b> Request to use the RFP Process- Various Contracts	
<b>Total Amount</b> TBD	
<b>Contract Term (including Options, if any)</b> Various	
<b>Option(s) included in Total Amount?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>Renewal?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<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:	

**Narrative**

**I. PURPOSE/RECOMMENDATION**

Metro-North Railroad (MNR), for itself and on behalf of Long Island Rail Road, is seeking Board approval under the All Agency General Contract Procurement Guidelines to utilize the competitive Request for Proposal (RFP) process for Design/Build Services in lieu of sealed competitive bids for various contracts.

**II. BACKGROUND & DISCUSSION**

Governor Andrew Cuomo has challenged the MTA to use innovative alternative procurement methods to deliver capital projects more quickly and efficiently. Accordingly, MNR and LIRR have identified the projects listed below as appropriate for award using a design build methodology. In order to ensure the selection of a contractor with the necessary experience and expertise, it is in the public interest to use the RFP process to properly evaluate the technical capabilities of prospective proposers. The Contractors will be selected based on an evaluation of technical capability, past performance, organization resources, and cost. MNR requests that the Board approve a resolution authorizing the use of the competitive RFP process to award design/build contracts for the following capital projects:

**Prospect Hill Bridge Replacement, Southeast, New York**

This contract will include the removal and replacement of a wooden and asphalt deck truss bridge at the southerly end of the Southeast Station, Harlem Line, New York

**14<sup>th</sup> Avenue Bridge Replacement, Mount Vernon**

This contract will include the replacement of the superstructure and rehabilitation of the substructure of the 14<sup>th</sup> Avenue Bridge. The work will also consist of the removal and replacement of the City of Mt. Vernon water line and removal and replacement of the Con Edison gas line located on the bridge.

**MTA Priority Station Projects at selected Metro-North stations and Long Island Rail Road stations.**

Metro-North and Long Island Rail Road have retained a design firm and architect in order to identify best practices in commuter rail station design. Based upon the outcome of this best practice review, Metro-North and Long Island Rail Road will be pursuing separate contracts to undertake improvement projects at the stations identified below.

# Staff Summary

The projects will consist of station enhancements that will improve the appearance and public perception of the selected stations (e.g., artistic station lighting, and remodeled entrances and canopies).

**Metro-North:** Harlem-125<sup>th</sup> St., Riverdale, Crestwood, White Plains and Port Chester.

**Long Island Rail Road:** Bayside, Stewart Manor, East Hampton, Port Jefferson and Wyandanch.

### III. D/M/WBE INFORMATION

MTA DDCR will be consulted in order to establish MBE/WBE goals for these contracts.

### IV. IMPACT ON FUNDING

These procurements will be funded by the 2015-2019 Capital Program including the Prospect Hill Road Bridge replacement which will be advanced under a new task in the Overhead Bridge Project in the 2015-2019 Capital Program.

### V. ALTERNATIVES

MNR and Long Island Rail Road do not have the available in-house design or construction ability to complete the scope of the specified work; therefore, there are no recommended alternative approaches.

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



Item Number: H

<b>Vendor Name (&amp; Location)</b> Jacobs Civil Consultants, Inc.	<b>Contract Number</b> 41088A	<b>AWO/Modification #</b> 11
<b>Description</b> Design and Engineering: Traction Power Substations, HRLB Circuit Breaker Houses	<b>Original Amount:</b>	\$1,729,717
<b>Contract Term (including Options, if any)</b> 137 months	<b>Prior Modifications:</b>	\$ 1,697,774
<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>	\$3,427,460
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	<b>This Request:</b>	\$ 1,044,905
<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>	31%
<b>Requesting Dept./Div. &amp; Dept./Div. Head Name:</b> Procurement & Material Management, Al Muir, Sr. Director	<b>% of Modifications (including This Request) to Original Amount:</b>	259%

**Discussion:**

Approval is requested for additional funds in the amount of \$1,044,905 and a 22 month time extension for a contract modification to a competitively solicited, personal services contract with Jacobs Civil Consultants, Inc. (Jacobs) to provide engineering, design and construction support services for the City Water Substation. This contract was competitively solicited and awarded in August, 2007, to prepare plans and specifications for ten new DC-substations on the Upper Harlem Line, and the replacement of two circuit breaker houses for the Harlem River Lift Bridge (HRLB).

One of the substations included in the original contract was the design of the City Water Substation. The design was completed in 2009; however, Superstorm Sandy resulted in changes to standards in relation to flood hardening, track crossing clearance, sizing and other feeder modifications. The redesign also includes, but not limited to raising the substation higher than at-grade elevation, providing a cable vault where none had existed previously and a complete reconfiguration of the electrical substation components pursuant to new codes and standards. These additional requirements necessitate a substantial re-design of the substation.

The new contract deliverables are independent from the ten new Traction Power Substation design package and will be reissued as a new design package with a separate set of drawings and specifications. In addition to the design, Jacobs will provide construction support services during the construction phase of the City Water Substation. This new substation will be between Chappaqua and Mount Kisco stations on the Harlem Line, at the "City Water" site. It is needed to support service resiliency in the electrified portion of the Upper Harlem Line (between North White Plains and Brewster). The new substation will be located strategically in a weaker part of the existing power supply system, approximately half way between two existing substations (B-32 at Milepost 32.2 and B-36 at Milepost 36.6), providing improved resiliency and redundancy by allowing two segments to be "bridged" in case of a substation failure.

Negotiations resulted in Jacobs reducing their overhead rate from 109% to 102.78%. A review of all other costs has shown that they are fair and reasonable for the services being performed. The contract completion date will be extended from March 31, 2017 through January 31, 2019. The additional funding will be provided by the MNR 2015-2019 Capital Program.



3. **Ecco III Enterprises, Inc. \$3,295,000** **Staff Summary Attached**  
**Design and Construction for Repairs to Park Ave. Viaduct at 118<sup>th</sup> Street**

Competitively solicited, 4 ½ month Design-Build Contract (limited RFP process, 3 proposals received) to Ecco III Enterprises, Inc. to provide design and construction services for permanent repairs to the Park Avenue Viaduct at 118<sup>th</sup> St.

A fire at 118<sup>th</sup> Street seriously damaged part of the structure of the Park Avenue Viaduct. To restore a limited level of service, the Metro-North Track and Structures Department immediately mobilized to the site that night and installed steel shoring columns around the buckled column to support the loads carried by the floor beams and girders. The temporary columns were installed within twenty four hours of the fire being extinguished. While the temporary support has been working effectively, allowing safe operation of the Railroad, train speed has been reduced on two tracks from 60 mph to 30 mph due to continued settlement of the structure.

Under a “Declaration of Emergency”, expedited procurement actions were initiated in order to provide permanent repairs to the Viaduct. On June 20<sup>th</sup>, Metro-North solicited proposals from three contractors with the requisite expertise and experience, all of whom are presently mobilized at other Railroad locations. As the three proposers were required to perform design work for a more robust temporary support structure, the RFP included a \$25,000 stipend for the unsuccessful proposers. The use of stipends was added to the new All Agency Procurement Guidelines as a way of encouraging contractor participation in Design Build Contracts.

The Metro-North Selection Committee unanimously selected ECCO III Enterprises, Inc. (ECCO) to perform the work. ECCO submitted a temporary design that best instilled confidence in the Committee. ECCO’s scheduled completion date for the more robust temporary supports is August 29, 2016, at which point all speed restrictions may be removed. Final completion of all work, including painting, will be done by November 30, 2016. ECCO’s price of \$3,245,000 was the lowest submitted by the proposers. On July 15, a Notice of Award was issued to ECCO in the amount of \$3,245,000.

The awarded, 4 ½ month contract in the amount of \$3,245,000 is to be funded by the MNR Capital Budget. In addition, MNR will issue stipends to Ad Tech Enterprises, Inc. and Tully Construction in the amount of \$25,000 each as compensation for their design work. The total value of this procurement is \$3,295,000.

**Schedule K: Ratification**



**Item Number:** K

<b>Vendor Name (&amp; Location)</b> SNT Bus, Inc.
<b>Description</b> Hudson Rail Link Bus Service
<b>Contract Term (including Options, if any)</b> Four-Year Base (plus 2 Three-Year Options)
<b>Option(s) included in Total Amount?</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>Contract Number</b> 52537	<b>AWO/Modification #</b>
<b>Renewal?</b>	Yes <input checked="" type="checkbox"/> No
<b>Total Amount:</b>	\$8,561,334 (not-to-exceed, base only)
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr. Director	

**Discussion:**

Competitively solicited, ten year (4 year base + two 3 year renewal options) miscellaneous service contract (RFP process, two proposals received) to SNT Bus, Inc. (“SNT”) to provide a fixed route, scheduled feeder bus service (known as the Hudson Rail Link Bus Service) to MNR’s Spuyten Duyvil and Riverdale Stations located in the West Bronx on the Hudson Line.

The Hudson Rail Link has operated for almost 25 years and provides feeder service for an annual ridership of approximately 376,000 passengers using a fleet of fourteen MNR owned buses. Through this service, MNR provides fixed-route, scheduled feeder bus service to the Spuyten Duyvil and Riverdale Stations. Passengers rely on this service because of difficult station access due to the limited amount of available parking at these stations. Prior to MNR initiating this service, most residents in the service area used other means for travel into Manhattan including express buses, private autos and private van services.

A Request for Proposal (RFP) for the Hudson Rail Link Bus Service was solicited in February 2016. Twelve vendors were provided an RFP and two proposals were received (one of which was from the incumbent vendor).

A Selection Committee consisting of representatives from the Procurement & Material Management and Operations Planning & Analysis Departments evaluated the proposals based on the criteria set forth in the RFP. Proposers submitted fully loaded hourly rates with fixed hours as estimated by MNR. SNT submitted the lowest average hourly rate and total proposal price of the two responding proposers. After reviewing all information in the proposals, the Selection Committee unanimously selected SNT as the best firm to perform these services. MNR conducted a responsibility review and other due diligence reviews on SNT and has deemed the firm responsible for award. Several weeks prior to the current contract expiring, there was a change in labor rates as a result of a new Collective Bargaining Agreement entered into by the incumbent vendor, who was also a proposer under the RFP. After negotiations with SNT, SNT’s overall cost of \$23,762,357 for the full ten-year term (including options) was still 5% lower than the current incumbent’s total proposal price. A further review of SNT’s pricing by the MNR selection committee found all costs to be fair and reasonable.

This is being presented as a ratification as final negotiations were completed past the date of the June Board meeting and were only resolved days before the prior contract expired. MNR proceeded with the contract award to ensure continuity of this important commuter service. The new vendor SNT has successfully completed the transition with no inconvenience to the public.

At this time, MNR has awarded a total not-to-exceed contract of \$8,561,334 for the four year base contract which is to be funded by the MNR Operating Budget. If any option terms are elected, MNR will bring such options to the Board for approval.

**Schedule K: Ratification**



**Item Number:** K

<b>Vendor Name (&amp; Location)</b> Ecco III Enterprises, Inc.
<b>Description</b> Design and Construction for Repairs to Park Ave. Viaduct at 118 <sup>th</sup> Street
<b>Contract Term (including Options, if any)</b> 4 1/2 months
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

<b>Contract Number</b> 1000071957	<b>AWO/Modification #</b>
<b>Renewal?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total Amount:</b>	\$3,295,000
<b>Funding Source</b>	
Operating <input checked="" type="checkbox"/> Capital    Federal <input type="checkbox"/> Other:	
Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr. Director	

**Discussion:**

Competitively solicited, 4 ½ month Design-Build Contract (limited RFP process, 3 proposals received) to Ecco III Enterprises, Inc. to provide design and construction services for permanent repairs to the Park Avenue Viaduct at 118<sup>th</sup> St.

On the night of May 17<sup>th</sup>, a fire at 118<sup>th</sup> Street seriously damaged part of the structure of the Park Avenue Viaduct, such that the center column was no longer able to fully support the weight of the trains passing along the viaduct, more specifically on the two center tracks, 1 and 2. The center girders and various floor beams supporting the tracks above were also damaged.

To restore a limited level of service, the Metro-North Track and Structures Department immediately mobilized to the site that night and installed steel shoring columns around the buckled column to support the loads carried by the floor beams and girders. The temporary columns were installed within twenty four hours of the fire being extinguished. The installation, while providing temporary support to the damaged portion of the viaduct, does not address all of the conditions found during the post-fire inspection, necessitating constant monitoring and improvement of the system by Track and Structures personnel. All work is being monitored by representatives from the Capital Engineering Department and by Ammann & Whitney, an engineering design consultant currently performing inspection and design at all bridges on Metro-North’s New York State territory. While the temporary support has been working effectively, allowing safe operation of the Railroad, train speed has been reduced on two tracks from 60 mph to 30 mph due to continued settlement of the structure.

Under a “Declaration of Emergency”, expedited procurement actions were initiated in order to provide permanent repairs to the Viaduct. On June 20<sup>th</sup>, Metro-North solicited proposals from three contractors with the requisite expertise and experience, all of whom are presently mobilized at other Railroad locations. A Request for Proposal was quickly developed and initial design plans were prepared by Ammann & Whitney. As the three proposers were required to perform design work for a more robust temporary support structure, the RFP included a \$25,000 stipend for the unsuccessful proposers. The use of stipends was added to the new All Agency Procurement Guidelines as a way of encouraging contractor participation in Design Build Contracts.

A Selection Committee consisting of representatives from the Procurement & Material Management, Capital Engineering and Track and Structures Departments evaluated the proposals based on the criteria set forth in the RFP. Proposers were evaluated on their design of temporary supports, schedule and cost. On July 8, 2016, proposals were received from the three selected contractors: Tully Construction, Ad Tech Enterprises, Inc. and Ecco III Enterprises, Inc. The Selection Committee convened and all three firms were invited to participate individually with the Selection Committee to review their proposals on July 11. As a result of those meetings additional questions were formulated by Metro-North’s Capital Engineering and Structure Departments and forwarded to the contractors on July 13. Responses were received and the Committee reconvened on July 14<sup>th</sup>.

## Schedule K: Ratification

The Metro-North Selection Committee unanimously selected ECCO III Enterprises, Inc. (ECCO) to perform the work. ECCO submitted a temporary design that best instilled confidence in the Committee. ECCO's scheduled completion date for the more robust temporary supports is August 29, 2016, at which point all speed restrictions may be removed. Final completion of all work, including painting, will be done by November 30, 2016. ECCO's price of \$3,245,000 was the lowest submitted by the proposers. On July 15, a Notice of Award was issued to ECCO in the amount of \$3,245,000.

The awarded, 4 1/2 month contract in the amount of \$3,245,000 is to be funded by the MNR Capital Budget. In addition, MNR will issue stipends to Ad Tech Enterprises, Inc. and Tully Construction in the amount of \$25,000 each as compensation for their design work. The total value of this procurement is \$3,295,000.



**Metro-North Railroad**

# **Operations Report**

Performance Summary			2016 Data			2015 Data		
			Annual Goal	June	YTD thru June	June	YTD thru June	
<b>On Time Performance</b> <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	<b>System</b>	<b>Overall</b>	<b>93.0%</b>	<b>92.9%</b>	<b>94.2%</b>	<b>94.0%</b>	<b>92.1%</b>	
		AM Peak	93.0%	94.0%	91.8%	94.5%	87.9%	
		AM Reverse Peak	93.0%	94.7%	95.2%	97.2%	92.6%	
		PM Peak	93.0%	91.9%	94.6%	96.2%	95.4%	
		<b>Total Peak</b>	<b>93.0%</b>	<b>93.3%</b>	<b>93.5%</b>	<b>95.6%</b>	<b>91.7%</b>	
		Off Peak Weekday	93.0%	90.7%	93.4%	92.2%	91.3%	
		Weekend	93.0%	97.2%	96.6%	95.1%	94.2%	
		<b>Hudson Line</b>	<b>Overall</b>	<b>93.0%</b>	<b>94.2%</b>	<b>94.9%</b>	<b>94.6%</b>	<b>93.6%</b>
		AM Peak	93.0%	92.9%	91.3%	95.2%	89.3%	
		AM Reverse Peak	93.0%	95.9%	96.7%	96.3%	96.2%	
		PM Peak	93.0%	96.1%	96.3%	96.8%	97.7%	
		<b>Total Peak</b>	<b>93.0%</b>	<b>94.6%</b>	<b>94.1%</b>	<b>96.0%</b>	<b>93.6%</b>	
		Off Peak Weekday	93.0%	91.8%	94.5%	91.7%	93.1%	
		Weekend	93.0%	98.1%	96.8%	97.7%	94.2%	
		<b>Harlem Line</b>	<b>Overall</b>	<b>93.0%</b>	<b>94.2%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>92.8%</b>
		AM Peak	93.0%	96.5%	92.9%	94.8%	88.8%	
		AM Reverse Peak	93.0%	94.7%	95.4%	96.9%	92.9%	
		PM Peak	93.0%	92.3%	93.6%	93.6%	94.6%	
		<b>Total Peak</b>	<b>93.0%</b>	<b>94.5%</b>	<b>93.6%</b>	<b>94.7%</b>	<b>91.8%</b>	
		Off Peak Weekday	93.0%	92.7%	94.4%	94.4%	92.7%	
		Weekend	93.0%	97.3%	96.8%	94.9%	94.6%	
	<b>New Haven Line</b>	<b>Overall</b>	<b>93.0%</b>	<b>91.1%</b>	<b>93.4%</b>	<b>93.2%</b>	<b>90.7%</b>	
	AM Peak	93.0%	92.7%	91.2%	93.7%	86.4%		
	AM Reverse Peak	93.0%	94.1%	94.3%	98.0%	90.4%		
	PM Peak	93.0%	88.6%	94.4%	97.9%	94.6%		
	<b>Total Peak</b>	<b>93.0%</b>	<b>91.3%</b>	<b>93.0%</b>	<b>96.1%</b>	<b>90.3%</b>		
	Off Peak Weekday	93.0%	88.8%	92.2%	90.9%	89.3%		
	Weekend	93.0%	96.6%	96.2%	93.6%	93.9%		
<b>Operating Statistics</b>	<b>Trains Scheduled</b>		<b>19,531</b>	<b>114,678</b>	<b>19,487</b>	<b>114,111</b>		
	<b>Avg. Delay per Late Train (min)</b> <small>excluding trains canceled or terminated</small>		12.8	13.4	11.9	12.1		
	<b>Trains Over 15 min. Late</b> <small>excluding trains canceled or terminated</small>		1,800	270	1,286	182		
	<b>Trains Canceled</b>		220	11	225	18		
	<b>Trains Terminated</b>		220	12	200	36		
	<b>Percent of Scheduled Trips Completed</b>		99.7%	99.9%	99.6%	99.7%		
<b>Consist Compliance</b>	<b>System</b>	<b>Overall</b>	<b>99.8%</b>	<b>99.7%</b>	<b>99.7%</b>	<b>99.6%</b>	<b>99.6%</b>	
<i>(Percent of trains where the number of seats provided was greater than or equal to the required number of seats per loading standards)</i>		AM Peak	99.8%	99.3%	99.4%	99.2%	99.2%	
		AM Reverse Peak	99.8%	100.0%	100.0%	100.0%	99.9%	
		PM Peak	99.8%	99.5%	99.2%	99.0%	98.5%	
		<b>Total Peak</b>	<b>99.8%</b>	<b>99.5%</b>	<b>99.4%</b>	<b>99.2%</b>	<b>99.1%</b>	
		Off Peak Weekday	99.8%	99.7%	99.8%	99.8%	99.8%	
		Weekend	99.8%	99.9%	99.9%	99.9%	99.9%	
		<b>Hudson Line</b>	AM Peak	99.8%	100.0%	99.9%	100.0%	99.9%
		PM Peak	99.8%	99.9%	99.9%	99.7%	99.7%	
		<b>Harlem Line</b>	AM Peak	99.8%	99.3%	99.2%	98.6%	98.9%
		PM Peak	99.8%	99.4%	99.0%	98.4%	98.6%	
		<b>New Haven Line</b>	AM Peak	99.8%	98.9%	99.2%	99.2%	99.0%
		PM Peak	99.8%	99.3%	99.0%	98.9%	97.7%	

**SYSTEM Category of Delay**

Delay Minutes / Delay Threshold	% Total	May	2016 Data		2015 Data		YTD 2016 Vs 2015
			June	YTD thru June	June	YTD thru June	
Engineering (Scheduled)	10.8%	284	352	1,280	368	1,779	-499
Engineering (Unscheduled)	37.2%	907	1,212	4,537	999	8,491	-3,954
Maintenance of Equipment	16.3%	310	532	2,202	339	2,782	-580
Transportation	2.4%	74	79	424	96	539	-115
Capital Projects	0.8%	16	25	82	0	23	59
Weather and Environmental	14.7%	308	481	1,504	210	2,093	-589
Police	8.2%	97	269	1,881	424	1,337	544
Customers	2.7%	98	88	504	96	721	-217
Other	6.7%	1,860	218	2,851	52	1,268	1,583
3rd Party Operations	0.2%	2	6	20	2	49	-29
<b>TOTAL</b>	<b>100.0%</b>	<b>3,956</b>	<b>3,262</b>	<b>15,285</b>	<b>2,586</b>	<b>19,082</b>	<b>-3,797</b>

HUDSON LINE	% Total	May	June	YTD thru June	June	YTD thru June	YTD 2016 Vs 2015
Engineering	48.8%	128	269	918	222	1,600	-682
Maintenance of Equipment	25.8%	143	142	671	71	518	153
Transportation	2.4%	7	13	78	22	103	-25
Capital Projects	0.4%	1	2	4	0	0	4
Weather and Environmental	0.5%	2	3	257	9	371	-114
Police	6.0%	23	33	186	10	125	61
Customers	4.0%	23	22	107	40	205	-98
Other	12.2%	477	67	682	14	362	320
3rd Party Operations	0.0%	0	0	1	2	3	-2
<b>TOTAL</b>	<b>100.0%</b>	<b>804</b>	<b>551</b>	<b>2,904</b>	<b>390</b>	<b>3,287</b>	<b>-383</b>

HARLEM LINE	% Total	May	June	YTD thru June	June	YTD thru June	YTD 2016 Vs 2015
Engineering	44.9%	241	345	1,345	184	2,480	-1,135
Maintenance of Equipment	19.4%	80	149	583	60	687	-104
Transportation	3.0%	13	23	127	18	131	-4
Capital Projects	0.1%	0	1	1	0	0	1
Weather and Environmental	11.7%	302	90	592	193	718	-126
Police	11.3%	3	87	648	329	619	29
Customers	3.0%	26	23	148	20	175	-27
Other	6.5%	538	50	885	2	358	527
3rd Party Operations	0.0%	0	0	1	0	0	1
<b>TOTAL</b>	<b>100.0%</b>	<b>1,203</b>	<b>768</b>	<b>4,330</b>	<b>806</b>	<b>5,168</b>	<b>-838</b>

NEW HAVEN LINE	% Total	May	June	YTD thru June	June	YTD thru June	YTD 2016 Vs 2015
Engineering	37.5%	539	597	2,274	592	4,410	-2,136
Maintenance of Equipment	15.2%	87	242	948	208	1,578	-630
Transportation	2.8%	53	44	219	55	305	-86
Capital Projects	1.4%	14	22	78	0	23	55
Weather and Environmental	24.4%	4	389	655	7	1,004	-349
Police	9.4%	71	149	1,047	85	593	454
Customers	2.8%	48	44	248	36	342	-94
Other	6.3%	846	100	1,284	36	548	736
3rd Party Operations	0.4%	2	6	18	0	46	-28
<b>TOTAL</b>	<b>100.0%</b>	<b>1,664</b>	<b>1,593</b>	<b>6,771</b>	<b>1,019</b>	<b>8,849</b>	<b>-2,078</b>



**EVENTS RESULTING IN 10 or MORE LATE (L), CANCELED (C) or TERMINATED (T) TRAINS**

Date	Day	DESCRIPTION OF EVENT	Number of Late Trains														
			AM Peak			AM Reverse			PM Peak			Off Peak			TOTAL		
			L	C	T	L	C	T	L	C	T	L	C	T	Late	Cxld Term	
06/01	Wed	Residual delays from fire at 118th Street on Tuesday, May 17th.	25	0	0	3	0	0	0	0	0	5	0	0	33	0	0
06/02	Thu	Train 853 lost brake pipe pressure at CP5 on track 4.	0	0	0	0	0	0	9	0	0	11	0	0	20	0	0
06/06	Mon	Train 1409 sustained a penalty brake application on track 1 at Cat. 213.	5	0	0	4	0	0	0	0	0	4	0	1	13	0	1
06/09	Thu	Tree grounded the overhead wire east of Mt. Vernon East Station.	0	0	0	0	0	0	33	4	0	19	2	1	52	6	1
06/09	Thu	Tree down fouling tracks 4 and 2 at 168th Street.	0	0	0	0	0	0	0	0	0	48	0	0	48	0	0
06/10	Fri	Third Rail failure required single tracking between CP143 and CP152.	0	0	0	0	0	0	4	0	0	6	0	0	10	0	0
06/13	Mon	Trespasser on track 3 north of CP1.	0	0	0	0	0	0	0	0	0	11	0	0	11	0	0
06/15	Wed	First track circuit south of Fordham on track 1 was down.	9	0	0	1	0	0	2	0	0	2	0	0	14	0	0
06/21	Tue	Broken miter rail on track 3 on the 138th Street Bridge, unable to lock northeast span on tracks 2/4.	0	0	0	0	0	0	0	0	0	38	1	0	38	1	0
06/21	Tue	Train 557 was unable to take power on track 1 north of CP3.	0	0	0	0	0	0	57	1	1	45	0	0	102	1	1
06/22	Wed	Congestion account brush fire at Greystone.	4	0	0	1	0	0	17	0	0	20	0	0	42	0	0
06/22	Wed	Congestion account problems with scheduled 138th Street Bridge opening.	0	0	0	0	0	0	0	0	0	18	0	0	18	0	0
06/23	Thu	Congestion account broken rail on track 2 at CP4.	0	0	0	0	0	0	30	0	0	24	0	0	54	0	0

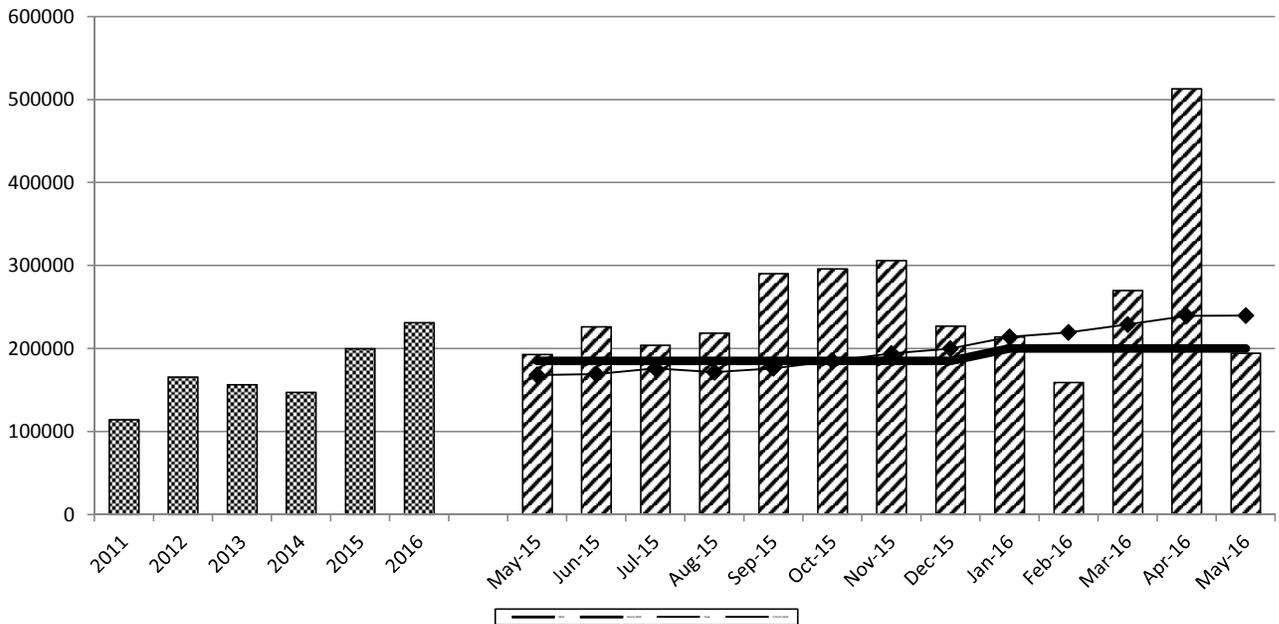
**EVENTS RESULTING IN 10 or MORE LATE (L), CANCELED (C) or TERMINATED (T) TRAINS**

Date	Day	DESCRIPTION OF EVENT	Number of Late Trains														
			AM Peak			AM Reverse			PM Peak			Off Peak			TOTAL		
			L	C	T	L	C	T	L	C	T	L	C	T	Late	Cxld	Term
06/24	Fri	Deadhead train 5369 was unable to take power on track 1 at CP212.	0	0	0	0	0	0	5	0	0	8	0	0	13	0	0
<b>TOTAL FOR MONTH</b>			43	0	0	9	0	0	157	5	1	259	3	2	468	8	3
															<b>479</b>		

			2016 Data						2015 Data		
	Equip-ment Type	Total Fleet Size	MDBF Goal (miles)	May MDBF (miles)	Primary Failure Goal	May No. of Primary Failures	YTD MDBF thru May (miles)	12 month MDBF Rolling Avg (miles)	May MDBF (miles)	May No. of Primary Failures	YTD MDBF thru May (miles)
<b>Mean Distance Between Failures</b>	M2	36	20,000	29,937	3	1	27,777	53,585	53,495	5	32,301
	M8	405	300,000	433,525	8	6	479,793	358,581	271,613	9	259,306
	M3	138	135,000	304,053	2	1	84,057	119,825	145,186	2	140,242
	M7	334	460,000	505,049	4	4	465,748	625,749	516,035	4	331,506
	Coach	210	295,000	142,683	5	10	263,812	336,348	241,234	6	233,607
	P-32	31	30,000	15,581	6	12	24,019	23,909	31,560	6	24,311
	BL-20	12	13,000	40,985	3	0	49,133	23,385	13,629	3	14,882
	<b>Fleet</b>	<b>1166</b>	<b>200,000</b>	<b>194,416</b>	<b>31</b>	<b>34</b>	<b>231,332</b>	<b>239,673</b>	<b>192,690</b>	<b>35</b>	<b>157,739</b>
	M2/8		200,000	375,870	11	7	386,731	318,932	193,714	14	153,543
	M3/7		320,000	464,850	6	5	299,370	413,115	392,419	6	280,192
Diesel/Coach		120,000	75,218	14	22	117,946	119,833	111,843	15	100,315	

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

### ALL FLEETS Mean Distance Between Failures 2011 - 2016



<b>West of Hudson Performance Summary</b>			<b>2016 Data</b>			<b>2015 Data</b>	
			Annual Goal	June	YTD thru June	June	YTD thru June
<b>On Time Performance</b> <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	<b>West of Hudson Total</b>	<b>Overall</b>	<b>95.5%</b>	<b>95.6%</b>	<b>96.8%</b>	<b>97.6%</b>	<b>94.3%</b>
		AM Peak	95.5%	94.2%	95.9%	98.1%	94.2%
		PM Peak	95.5%	94.4%	97.5%	99.3%	93.3%
		<b>Total Peak</b>	<b>95.5%</b>	<b>94.3%</b>	<b>96.7%</b>	<b>98.7%</b>	<b>93.8%</b>
		Off Peak Weekday	95.5%	96.9%	97.1%	96.5%	94.4%
		Weekend	95.5%	95.1%	96.7%	98.7%	94.7%
	<b>Pascack Line</b>	<b>Overall</b>	<b>96.5%</b>	<b>97.1%</b>	<b>97.3%</b>	<b>97.9%</b>	<b>94.4%</b>
	<b>Valley Line</b>	AM Peak	96.5%	97.7%	96.6%	98.3%	95.1%
		PM Peak	96.5%	96.8%	98.2%	99.4%	92.6%
		<b>Total Peak</b>	<b>96.5%</b>	<b>97.3%</b>	<b>97.4%</b>	<b>98.8%</b>	<b>93.9%</b>
		Off Peak Weekday	96.5%	97.2%	97.3%	96.7%	94.8%
		Weekend	96.5%	96.4%	97.0%	99.5%	94.5%
	<b>Port Jervis Line</b>	<b>Overall</b>	<b>95.0%</b>	<b>93.6%</b>	<b>96.3%</b>	<b>97.2%</b>	<b>94.0%</b>
		AM Peak	95.0%	89.4%	95.0%	97.7%	93.1%
		PM Peak	95.0%	91.7%	96.7%	99.2%	94.1%
		<b>Total Peak</b>	<b>95.0%</b>	<b>90.5%</b>	<b>95.8%</b>	<b>98.5%</b>	<b>93.6%</b>
		Off Peak Weekday	95.0%	96.4%	96.7%	96.1%	93.9%
		Weekend	95.0%	92.9%	96.1%	97.3%	95.2%
	<b>Operating Statistics</b>	<b>Trains Scheduled</b>		<b>1,694</b>	<b>10,025</b>	<b>1,690</b>	<b>9,953</b>
	<b>Avg. Delay per Late Train (min)</b> <small>excluding trains canceled or terminated</small>		25.5	21.0	22.8	19.4	
	<b>Trains Over 15 min. Late</b> <small>excluding trains canceled or terminated</small>	200	41	155	17	220	
	<b>Trains Canceled</b>	60	6	19	2	44	
	<b>Trains Terminated</b>	60	7	25	4	32	
	<b>Percent of Scheduled Trips Completed</b>	99.4%	99.2%	99.6%	99.6%	99.2%	

## JUNE 2016 STANDEE REPORT

### East of Hudson

			JUNE 2015	YTD 2015	JUNE 2016	YTD 2016
<b>Daily Average</b>	Hudson Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		<b>Total Standees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>AM Peak</b>	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	8	19	15	15
		<b>Total Standees</b>	<b>8</b>	<b>19</b>	<b>15</b>	<b>15</b>
	New Haven Line	Program Standees	0	0	0	0
		Add'l Standees	10	16	18	19
		<b>Total Standees</b>	<b>10</b>	<b>16</b>	<b>18</b>	<b>19</b>
<b>EAST OF HUDSON TOTAL - AM PEAK</b>			<b>18</b>	<b>35</b>	<b>33</b>	<b>34</b>
<b>Daily Average</b>	Hudson Line	Program Standees	0	0	0	0
		Add'l Standees	0	2	0	1
		<b>Total Standees</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>
<b>PM Peak</b>	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	35	30	10	18
		<b>Total Standees</b>	<b>35</b>	<b>30</b>	<b>10</b>	<b>18</b>
	New Haven Line	Program Standees	0	0	0	0
		Add'l Standees	13	41	16	36
		<b>Total Standees</b>	<b>13</b>	<b>41</b>	<b>16</b>	<b>36</b>
<b>EAST OF HUDSON TOTAL - PM PEAK</b>			<b>48</b>	<b>73</b>	<b>26</b>	<b>55</b>

### West of Hudson

			MAY 2015	YTD 2015	MAY 2016	YTD 2016
<b>Daily Average</b>	Port Jervis Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		<b>Total Standees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>AM Peak</b>	Pascack Valley Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		<b>Total Standees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>WEST OF HUDSON TOTAL - AM PEAK</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Daily Average</b>	Port Jervis Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		<b>Total Standees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PM Peak</b>	Pascack Valley Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		<b>Total Standees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>WEST OF HUDSON TOTAL - PM PEAK</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Definitions

Weekday standees are calculated based on the most recent average weekday customer counts for the train's maximum load point. For Hudson, Harlem and most New Haven Line trains, this point occurs at GCT/125th St.. However, for certain New Haven Line trains, this maximum load point is east of Stamford.

"Program Standees" is the average number of customers in excess of programmed seating capacity.

"Additional Standees" reflect the impact of reduced train car consists reported as consist compliance less than 100%.

**Note:** These statistics do not include the effects of daily ridership variation or uneven distribution of customers within trains. Holidays and Special Events for which there are special equipment programs are not included.

**ELEVATOR AND ESCALATOR OPERATING REPORT**  
**FOR MONTH OF June 2016**

<b>Elevator Availability</b>	<b>2016</b>		<b>2015</b>	
	June	Year to Date	June	Year to Date
Grand Central Terminal	100.00%	99.53%	98.75%	98.65%
Harlem	100.00%	99.93%	99.85%	99.70%
Hudson	100.00%	99.81%	98.81%	99.61%
New Haven	100.00%	99.64%	100.00%	99.92%
Overall Average	100.00%	99.73%	99.35%	99.47%

<b>Escalator Availability</b>	<b>2016</b>		<b>2015</b>	
	June	Year to Date	June	Year to Date
Grand Central Terminal	99.25%	97.81%	99.75%	98.49%
White Plains	100.00%	100.00%	100.00%	99.75%
Overall Average	99.63%	98.90%	99.88%	99.12%



**Metro-North Railroad**

# **Finance Report**



**FINANCIAL STATEMENTS**

**MONTH ENDED: MAY 2016**

OFFICE OF VICE PRESIDENT OF FINANCE & INFORMATION SYSTEMS

**MTA METRO-NORTH RAILROAD  
MAY 2016 FINANCIAL REPORT  
YEAR TO DATE ACTUAL VERSUS ADOPTED BUDGET  
(\$ in millions)**

**SUMMARY**

May 2016 YTD Net Deficit (Non-Reimbursable and Reimbursable) of \$308.4 million was \$35.2 million or 10.2% lower than the Adopted Budget. The month of May Net Deficit (Non-Reimbursable and Reimbursable) of \$55.0 million was \$9.0 million or 14.1% lower than the Adopted Budget.

Major drivers of the May 2016 YTD favorable results of \$35.2 million include higher Non-Reimbursable Revenues of \$0.5 million primarily due to higher other operating revenue from net GCT retail operations (\$1.3 million) largely offset by lower farebox revenue due to approximately 275,000 fewer rides as a result of the fire under the Park Avenue Viaduct on May 17<sup>th</sup>. In addition, Non-Reimbursable Expenses were \$34.7 million favorable primarily due to timing of both maintenance contracts and professional services expenditures (\$14.1 million), lower than budgeted energy rates for both electric power and fuel (\$13.5 million), an adjustment to account for the net pension liability (\$7.0 million), lower overtime costs due to fewer weather events and improved employee availability for train service coverage (\$3.1 million) and lower NJT subsidy payments for West of Hudson operations (\$2.4 million). Partly offsetting these favorable results were higher payroll costs of \$4.2 million resulting from higher than budgeted final payouts to retirees and the reallocation of reimbursable project forces to operations.

Reimbursable results (Capital and Other Reimbursements) year-to-date of \$73.6 million was \$23.7 million lower than the Adopted Budget primarily due to scheduling changes for several capital projects including Positive Train Control, Network Infrastructure Replacement, Cyclical Track Program, Waterbury Branch Signaling Project and Bronx Stations/Capacity Improvements.

**REVENUE/RIDERSHIP**

- Farebox Revenue – YTD was lower than the Adopted Budget by \$0.8 million (0.3%) primarily due to lower non-commutation ridership noted above partially offset by higher commutation ridership on all lines. For the month, revenue was \$2.4 million lower than the Adopted Budget reflecting the non-commutation ridership losses from the fire under the Park Avenue Viaduct.
- YTD Ridership of 34.8 million was 0.3% below the Adopted Budget and 1.2% higher than YTD 2015. May ridership of 7.2 million was 3.1% below the Adopted Budget and 1.8% lower than 2015.
- YTD East of Hudson Ridership of 34.1 million was 0.2% below the Adopted Budget and 1.2% higher than YTD 2015. East of Hudson ridership for May of 7.1 million was 3.1% lower than the Adopted Budget and 1.9% lower than 2015.
  - YTD commutation ridership of 20.3 million was 1.0% higher than the Adopted Budget and 1.9% higher than YTD 2015. May commutation ridership of 4.1 million was 0.3% higher than the Adopted Budget and 1.4% higher than 2015.
  - YTD non-commutation ridership of 13.7 million was 2.0% below the Adopted Budget and 0.3% higher than YTD 2015. May non-commutation ridership of 3.0 million was 7.5% lower than the Adopted Budget and 6.1% lower than 2015.
- YTD West of Hudson ridership of 0.7 million was 3.0% lower than the Adopted Budget and 0.5% lower than YTD 2015. May ridership of 0.1 million was 3.4% lower than the Adopted Budget and 1.3% higher than 2015.
- **Other Operating Revenue** – YTD was \$1.3 million (5.4%) above the Adopted Budget reflecting higher revenue from net GCT retail operations (\$0.8 million), commuter parking (\$0.2 million) and commissary sales (\$0.2 million). For the month, revenue was \$0.1 million below the Adopted Budget.
- **Capital and Other Reimbursements** – YTD was \$23.7 million lower than the Adopted Budget due to the scheduling changes previously discussed. For the month, reimbursements were \$5.6 million lower than the Adopted Budget.

**TOTAL EXPENSES**

Total Expenses – YTD expenses of \$681.7 million were \$58.3 million or 7.9% lower than the Adopted Budget through May. For the month, expenses of \$133.0 million were \$17.2 million or 11.5% lower than the Adopted Budget.

**Labor Expenses (including fringes and overhead recoveries)** of \$415.7 million YTD were \$0.1 million higher than the Adopted Budget. For the month, expenses of \$85.7 million were \$0.3 million lower than the Adopted Budget.

- **Payroll** – YTD was \$2.7 million above the Adopted Budget primarily due to higher than budgeted payouts to retirees for unused vacation and sick time. For the month, expenses were on target with the Adopted Budget.
- **Overtime** – YTD was \$1.2 million below the Adopted Budget due to fewer winter weather events and improved employee availability for train service coverage partially offset by accelerated infrastructure maintenance and higher Reimbursable activity. For the month, expenses were \$0.2 million below the Adopted Budget.

**Non-Labor Expenses** of \$147.1 million YTD and \$29.0 million for the month were lower by \$49.4 million and \$9.6 million, respectively, when compared to the Adopted Budget.

- **Electric Power** – Lower rates yielded favorable results vs. the Adopted Budget of \$9.9 million YTD and \$0.7 million for the month.
- **Fuel** – YTD and the month were lower by \$3.6 million and \$0.4 million, respectively, due to lower diesel fuel prices per gallon.
- **Maintenance & Other Operating Contracts** – \$9.7 million below the YTD Adopted Budget primarily due to the timing of Non-Reimbursable expenses for maintenance services, the rescheduling of the Genesis locomotive overhaul to June, M7 Systems Equipment Replacement Project, lower expenditures for GCT utilities, car repairs for equipment damaged in the 2013 Bridgeport derailment and an adjustment for prior period MTA Police services. For the month, expenses were \$1.6 million lower than the Adopted Budget.
- **Professional Services** – YTD was \$9.1 million below the Adopted Budget primarily due to timing differences for Reimbursable project activity and timing of Non-Reimbursable expenses for advertising, outside training, engineering and consulting services, Rail Network Simulation project and MetLife Stadium Connecting Services. For the month, expenses were favorable by \$1.5 million compared to the Adopted Budget.
- **Materials & Supplies** – YTD was \$14.2 million below the Adopted Budget primarily due to timing differences of \$16.1 million for Reimbursable project activity partially offset by higher Non-Reimbursable activity for rolling stock parts and supplies related to the component change-out shops, support shop work and on-going repairs (\$1.9 million). For the month, expenses were \$4.8 million below the Adopted Budget.
- **Other Business Expenses** – YTD expenses were lower than the Adopted Budget by \$2.3 million primarily due to lower NJT subsidy payments for West of Hudson operations due to inflationary adjustments as well as higher Amtrak recoveries. For the month, expenses were \$0.5 million lower than the Adopted Budget.

**Depreciation and Other Non-Cash Liability Adjustments** were \$9.1 million YTD lower than the Adopted Budget primarily due to the GASB 68 Pension Adjustment (\$7.0 million), timing of the capitalization of assets (\$1.2 million) and fewer projects requiring environmental remediation (\$0.8 million). For the month, expenses were \$7.4 million below the Adopted Budget.

### **CASH DEFICIT SUMMARY**

May YTD Net Cash Deficit of \$174.7 million was \$84.2 million or 32.5% favorable to the Adopted Budget reflecting the timing of cash payouts for passenger injury settlements (\$52.2 million), timing of expenses for both maintenance and professional services (\$38.9 million) and lower energy rates (\$17.3 million) partially offset by timing of claim reimbursements from FMTAC and PRIIA reimbursements (\$16.9 million) and payment of payroll taxes, unemployment taxes and employee claims (\$7.0 million).

### **FINANCIAL PERFORMANCE MEASURES**

May YTD performance indicators primarily reflect lower overall expenses:

- Adjusted Farebox Operating Ratio of 66.5% was 5.9% higher than the Adopted Budget.
- Adjusted Cost per Passenger of \$13.54 was \$1.24 lower than the Adopted Budget.
- Revenue per Passenger of \$8.13 was on target with the Adopted Budget.

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET**  
**ACCRUAL STATEMENT of OPERATIONS by CATEGORY**  
**May 2016**  
(\$ in millions)

SCHEDULE I - A

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Favorable (Unfavorable)			Adopted Budget	Favorable (Unfavorable)			Adopted Budget	Favorable (Unfavorable)		
		Actual	Variance	Percent		Actual	Variance	Percent		Actual	Variance	Percent
<b>Revenue</b>												
Farebox Revenue	\$59.195	\$56.759	(\$2.436)	(4.1)	\$0.000	\$0.000	\$0.000	-	\$59.195	\$56.759	(\$2.436)	(4.1)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	4.760	4.615	(0.145)	(3.0)	0.000	0.000	0.000	-	4.760	4.615	(0.145)	(3.0)
<i>Capital &amp; Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	13.125	8.020	(5.105)	(38.9)	13.125	8.020	(5.105)	(38.9)
CDOT	0.000	0.000	0.000	-	7.525	6.574	(0.952)	(12.6)	7.525	6.574	(0.952)	(12.6)
Other	0.000	0.000	0.000	-	1.558	1.989	0.431	27.7	1.558	1.989	0.431	27.7
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	22.209	16.583	(5.625)	(25.3)	22.209	16.583	(5.625)	(25.3)
<b>Total Revenue/Receipts</b>	<b>\$63.955</b>	<b>\$61.374</b>	<b>(\$2.581)</b>	<b>(4.0)</b>	<b>\$22.209</b>	<b>\$16.583</b>	<b>(\$5.625)</b>	<b>(25.3)</b>	<b>\$86.164</b>	<b>\$77.957</b>	<b>(\$8.207)</b>	<b>(9.5)</b>
<b>Expenses</b>												
<i>Labor:</i>												
Payroll	\$40.440	\$40.770	(\$0.331)	(0.8)	\$4.018	\$3.727	\$0.291	7.2	\$44.457	\$44.497	(\$0.040)	(0.1)
Overtime	8.152	7.343	0.809	9.9	1.623	2.185	(0.562)	(34.6)	9.775	9.528	0.247	2.5
Health and Welfare	9.025	8.603	0.422	4.7	1.298	1.293	0.005	0.4	10.322	9.896	0.427	4.1
OPEB Current Payment	2.274	2.698	(0.424)	(18.7)	0.000	0.000	0.000	-	2.274	2.698	(0.424)	(18.7)
Pensions	7.775	7.714	0.060	0.8	0.853	0.868	(0.016)	(1.8)	8.627	8.583	0.045	0.5
Other Fringe Benefits	9.848	9.676	0.171	1.7	0.992	0.999	(0.008)	(0.8)	10.839	10.676	0.164	1.5
Reimbursable Overhead	(5.276)	(4.481)	(0.795)	(15.1)	4.988	4.311	0.677	13.6	(0.288)	(0.170)	(0.118)	(41.1)
<b>Total Labor</b>	<b>\$72.236</b>	<b>\$72.324</b>	<b>(\$0.088)</b>	<b>(0.1)</b>	<b>\$13.771</b>	<b>\$13.384</b>	<b>\$0.387</b>	<b>2.8</b>	<b>\$86.007</b>	<b>\$85.708</b>	<b>\$0.299</b>	<b>0.3</b>
<i>Non-Labor:</i>												
Electric Power	\$5.711	\$5.006	\$0.705	12.3	\$0.000	\$0.054	(\$0.054)	-	\$5.711	\$5.060	\$0.651	11.4
Fuel	1.537	1.097	0.440	28.6	0.000	0.000	0.000	-	1.537	1.097	0.440	28.6
Insurance	1.651	1.598	0.053	3.2	0.328	0.458	(0.130)	(39.4)	1.979	2.056	(0.077)	(3.9)
Claims	0.098	(0.096)	0.194	*	0.000	0.000	0.000	-	0.098	(0.096)	0.194	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	10.251	8.659	1.592	15.5	1.004	0.986	0.018	1.8	11.255	9.645	1.610	14.3
Professional Service Contracts	3.074	2.745	0.329	10.7	1.530	0.399	1.131	73.9	4.604	3.144	1.460	31.7
Materials & Supplies	6.601	6.137	0.465	7.0	5.540	1.251	4.289	77.4	12.141	7.388	4.753	39.2
Other Business Expenses	1.206	0.661	0.544	45.1	0.036	0.052	(0.016)	(43.7)	1.242	0.714	0.528	42.5
<b>Total Non-Labor</b>	<b>\$30.129</b>	<b>\$25.808</b>	<b>\$4.321</b>	<b>14.3</b>	<b>\$8.438</b>	<b>\$3.200</b>	<b>\$5.239</b>	<b>62.1</b>	<b>\$38.567</b>	<b>\$29.007</b>	<b>\$9.560</b>	<b>24.8</b>
<i>Other Adjustments:</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
<b>Total Other Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$102.365</b>	<b>\$98.132</b>	<b>\$4.233</b>	<b>4.1</b>	<b>\$22.209</b>	<b>\$16.583</b>	<b>\$5.625</b>	<b>25.3</b>	<b>\$124.574</b>	<b>\$114.715</b>	<b>\$9.859</b>	<b>7.9</b>
Depreciation	19.508	19.605	(0.097)	(0.5)	0.000	0.000	0.000	-	19.508	19.605	(0.097)	(0.5)
OPEB Obligation	5.693	5.693	0.000	0.0	0.000	0.000	0.000	-	5.693	5.693	0.000	0.0
GASB68 Pension Adjustment**	0.000	(7.046)	7.046	-	0.000	0.000	0.000	-	0.000	(7.046)	7.046	-
Environmental Remediation	0.417	0.000	0.417	100.0	0.000	0.000	0.000	-	0.417	0.000	0.417	100.0
<b>Total Expenses</b>	<b>\$127.982</b>	<b>\$116.383</b>	<b>\$11.599</b>	<b>9.1</b>	<b>\$22.209</b>	<b>\$16.583</b>	<b>\$5.625</b>	<b>25.3</b>	<b>\$150.191</b>	<b>\$132.966</b>	<b>\$17.225</b>	<b>11.5</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$64.028)</b>	<b>(\$55.010)</b>	<b>\$9.018</b>	<b>14.1</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>-</b>	<b>(\$64.028)</b>	<b>(\$55.010)</b>	<b>\$9.018</b>	<b>14.1</b>
<i>Cash Conversion Adjustments:</i>												
Depreciation	19.508	19.605	0.097	0.5	0.000	0.000	0.000	-	19.508	19.605	0.097	0.5
Operating/Capital	(2.436)	(1.541)	0.895	36.7	0.000	0.000	0.000	-	(2.436)	(1.541)	0.895	36.7
Other Cash Adjustments	5.876	6.799	0.923	15.7	0.000	0.000	0.000	-	5.876	6.799	0.923	15.7
<b>Total Cash Conversion Adjustments</b>	<b>\$22.947</b>	<b>\$24.863</b>	<b>\$1.916</b>	<b>8.3</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$22.947</b>	<b>\$24.863</b>	<b>\$1.916</b>	<b>8.3</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$41.080)</b>	<b>(\$30.147)</b>	<b>\$10.933</b>	<b>26.6</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>-</b>	<b>(\$41.080)</b>	<b>(\$30.147)</b>	<b>\$10.933</b>	<b>26.6</b>

**Notes:**

-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current months' actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.

-- Differences are due to rounding.

\* Variance exceeds 100%.

\*\* GASB68 became effective 12/31/15

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET**  
**ACCRUAL STATEMENT of OPERATIONS by CATEGORY**  
**May Year-To-Date**  
(\$ in millions)

SCHEDULE I - B

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Favorable (Unfavorable)			Adopted Budget	Favorable (Unfavorable)			Adopted Budget	Favorable (Unfavorable)		
		Actual	Variance	Percent		Actual	Variance	Percent		Actual	Variance	Percent
<b>Revenue</b>												
Farebox Revenue	\$274.705	\$273.921	(\$0.784)	(0.3)	\$0.000	\$0.000	\$0.000	-	\$274.705	\$273.921	(\$0.784)	(0.3)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	24.457	25.776	1.319	5.4	0.000	0.000	0.000	-	24.457	25.776	1.319	5.4
<i>Capital &amp; Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	54.546	35.666	(18.880)	(34.6)	54.546	35.666	(18.880)	(34.6)
CDOT	0.000	0.000	0.000	-	35.283	28.266	(7.017)	(19.9)	35.283	28.266	(7.017)	(19.9)
Other	0.000	0.000	0.000	-	7.505	9.710	2.205	29.4	7.505	9.710	2.205	29.4
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	97.334	73.642	(23.692)	(24.3)	97.334	73.642	(23.692)	(24.3)
<b>Total Revenue/Receipts</b>	<b>\$299.162</b>	<b>\$299.697</b>	<b>\$0.536</b>	<b>0.2</b>	<b>\$97.334</b>	<b>\$73.642</b>	<b>(\$23.692)</b>	<b>(24.3)</b>	<b>\$396.495</b>	<b>\$373.339</b>	<b>(\$23.156)</b>	<b>(5.8)</b>
<b>Expenses</b>												
<i>Labor:</i>												
Payroll	\$196.256	\$200.457	(\$4.201)	(2.1)	\$17.436	\$15.955	\$1.481	8.5	\$213.692	\$216.412	(\$2.720)	(1.3)
Overtime	40.343	37.229	3.113	7.7	7.370	9.320	(1.950)	(26.5)	47.713	46.549	1.163	2.4
Health and Welfare	43.871	43.115	0.755	1.7	5.677	5.410	0.268	4.7	49.548	48.525	1.023	2.1
OPEB Current Payment	11.368	12.347	(0.980)	(8.6)	0.000	0.000	0.000	-	11.368	12.347	(0.980)	(8.6)
Pensions	37.853	37.872	(0.020)	(0.1)	3.724	3.615	0.109	2.9	41.577	41.487	0.089	0.2
Other Fringe Benefits	48.739	46.793	1.946	4.0	4.338	4.235	0.104	2.4	53.077	51.027	2.049	3.9
Reimbursable Overhead	(23.332)	(19.001)	(4.331)	(18.6)	21.863	18.303	3.560	16.3	(1.469)	(0.698)	(0.771)	(52.5)
<b>Total Labor</b>	<b>\$355.096</b>	<b>\$358.813</b>	<b>(\$3.716)</b>	<b>(1.0)</b>	<b>\$60.408</b>	<b>\$56.838</b>	<b>\$3.570</b>	<b>5.9</b>	<b>\$415.505</b>	<b>\$415.651</b>	<b>(\$0.146)</b>	<b>(0.0)</b>
<i>Non-Labor:</i>												
Electric Power	\$36.982	\$27.038	\$9.944	26.9	\$0.000	\$0.058	(\$0.058)	-	\$36.982	\$27.095	\$9.886	26.7
Fuel	8.918	5.318	3.600	40.4	0.000	0.000	0.000	-	8.918	5.318	3.600	40.4
Insurance	8.323	7.695	0.628	7.5	1.332	1.888	(0.556)	(41.8)	9.655	9.583	0.072	0.7
Claims	0.478	0.036	0.442	92.5	0.000	0.000	0.000	-	0.478	0.036	0.442	92.5
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	50.111	39.919	10.192	20.3	4.206	4.666	(0.460)	(10.9)	54.317	44.585	9.732	17.9
Professional Service Contracts	16.450	12.535	3.915	23.8	7.406	2.197	5.208	70.3	23.856	14.732	9.124	38.2
Materials & Supplies	32.328	34.199	(1.871)	(5.8)	23.799	7.686	16.113	67.7	56.127	41.885	14.242	25.4
Other Business Expenses	5.978	3.569	2.409	40.3	0.184	0.309	(0.125)	(68.2)	6.161	3.878	2.283	37.1
<b>Total Non-Labor</b>	<b>\$159.568</b>	<b>\$130.308</b>	<b>\$29.260</b>	<b>18.3</b>	<b>\$36.925</b>	<b>\$16.804</b>	<b>\$20.122</b>	<b>54.5</b>	<b>\$196.493</b>	<b>\$147.112</b>	<b>\$49.381</b>	<b>25.1</b>
<i>Other Adjustments</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
<b>Total Other Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$514.664</b>	<b>\$489.121</b>	<b>\$25.543</b>	<b>5.0</b>	<b>\$97.334</b>	<b>\$73.642</b>	<b>\$23.692</b>	<b>24.3</b>	<b>\$611.998</b>	<b>\$562.763</b>	<b>\$49.235</b>	<b>8.0</b>
Depreciation	97.538	96.291	1.247	1.3	0.000	0.000	0.000	-	97.538	96.291	1.247	1.3
OPEB Obligation	28.465	28.465	0.000	0.0	0.000	0.000	0.000	-	28.465	28.465	0.000	0.0
GASB68 Pension Adjustment**	0.000	(7.046)	7.046	-	0.000	0.000	0.000	-	0.000	(7.046)	7.046	-
Environmental Remediation	2.083	1.267	0.816	39.2	0.000	0.000	0.000	-	2.083	1.267	0.816	39.2
<b>Total Expenses</b>	<b>\$642.750</b>	<b>\$608.098</b>	<b>\$34.653</b>	<b>5.4</b>	<b>\$97.334</b>	<b>\$73.642</b>	<b>\$23.692</b>	<b>24.3</b>	<b>\$740.084</b>	<b>\$681.740</b>	<b>\$58.344</b>	<b>7.9</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$343.589)</b>	<b>(\$308.401)</b>	<b>\$35.188</b>	<b>10.2</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>-</b>	<b>(\$343.589)</b>	<b>(\$308.401)</b>	<b>\$35.188</b>	<b>10.2</b>
<i>Cash Conversion Adjustments:</i>												
Depreciation	97.538	96.291	(1.247)	(1.3)	0.000	0.000	0.000	-	97.538	96.291	(1.247)	(1.3)
Operating/Capital	(18.740)	(7.189)	11.551	61.6	0.000	0.000	0.000	-	(18.740)	(7.189)	11.551	61.6
Other Cash Adjustments	5.910	44.620	38.709	*	0.000	0.000	0.000	-	5.910	44.620	38.709	*
<b>Total Cash Conversion Adjustments</b>	<b>\$84.709</b>	<b>\$133.722</b>	<b>\$49.013</b>	<b>57.9</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$84.709</b>	<b>\$133.722</b>	<b>\$49.013</b>	<b>57.9</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$258.880)</b>	<b>(\$174.679)</b>	<b>\$84.201</b>	<b>32.5</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>-</b>	<b>(\$258.880)</b>	<b>(\$174.679)</b>	<b>\$84.201</b>	<b>32.5</b>

**Notes:**

-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current months' actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.

-- Differences are due to rounding.

\* Variance exceeds 100%.

\*\* GASB68 became effective 12/31/15

**MTA METRO-NORTH RAILROAD**  
**ACCURAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS**  
**FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET**  
**MAY 2016**  
**(\$ in millions)**

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
FAREBOX REVENUE	Non-Reimb	(\$2.436)	(4.1%)	Reflects lower non-commutation ridership due to the May 17 <sup>th</sup> fire underneath the Park Avenue Viaduct. The estimated ridership loss is approximately 275,000.	(\$0.784)	(0.3%)	
OTHER OPERATING REVENUE	Non-Reimb	(\$0.145)	(3.0%)	Primarily reflects timing of advertising revenue.	\$1.319	5.4%	Primarily reflects higher revenue from net GCT retail operations, commuter parking and commissary sales.
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$5.625)	(25.3%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.	(\$23.692)	(24.3%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.
PAYROLL	Reimb	\$0.291	7.2%	Reflects lower monthly activity for Program Scope Development project and timing for Cyclical Track Program.	\$1.481	8.5%	Reflects lower YTD activity for Power Infrastructure Restoration, Positive Train Control and Program Scope Development projects.
OVERTIME	Non-Reimb	\$0.809	9.9%	See overtime tables.	\$3.113	7.7%	See overtime tables.
	Reimb	(\$0.562)	(34.6%)	See overtime tables.	(\$1.950)	(26.5%)	See overtime tables.
HEALTH AND WELFARE	Reimb	\$0.005	0.4%	Reflects lower monthly project activity driven by GCT Turnout / Switch Renewal project.	\$0.268	4.7%	Reflects lower YTD activity for Power Infrastructure Restoration, Positive Train Control and Program Scope Development projects.
OPEB CURRENT PAYMENT	Non-Reimb	(\$0.424)	(18.7%)	Reflects additional retirees.	(\$0.980)	(8.6%)	Reflects additional retirees.
OTHER FRINGE BENEFITS	Reimb	(\$0.008)	(0.8%)	Reflects higher monthly activity on NHL-Cos Cob Bridge Mitre Rail Replacement project.	\$0.104	2.4%	Reflects lower YTD activity for C-30 Track Program and GCT Turnouts Switch Program projects.
REIMBURSABLE OVERHEAD	Non-Reimb	(\$0.795)	(15.1%)	The non-reimbursable and reimbursable variances reflect timing of the following projects: Cyclical Track Program, Turnouts Mainline High Speed and Positive Train Control.	(\$4.331)	(18.6%)	The non-reimbursable and reimbursable variances reflect timing of the following projects: C-30 Track Program, Cyclical Track Program, Positive Train Control and GCT Turnouts Switch Renewal.
	Reimb	\$0.677	13.6%		\$3.560	16.3%	

**MTA METRO-NORTH RAILROAD**  
**ACCURAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS**  
**FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET**  
**MAY 2016**  
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
ELECTRIC POWER	Non-Reimb	\$0.705	12.3%	Primarily due to favorable rates.	\$9.944	26.9%	YTD variance primarily due to favorable rates.
FUEL	Non-Reimb	\$0.440	28.6%	Reflects a lower diesel fuel price per gallon.	\$3.600	40.4%	YTD variance reflects a lower diesel fuel price per gallon.
INSURANCE	Non-Reimb	\$0.053	3.2%	Reflects higher activity on Turnouts Mainline/High Speed project.	\$0.628	7.5%	Reflects lower premiums for all agency property, excess and station liability insurance.
	Reimb	(\$0.130)	(39.4%)		(\$0.556)	(41.8%)	Reflects higher activity for Turnouts and Devon Bridge Repairs projects.
CLAIMS	Non-Reimb	\$0.194	*	MTD variance reflects lower claim payments.	\$0.442	92.5%	YTD variance reflects lower claim payments.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$1.592	15.5%	Timing of expenses for contracted car repairs for equipment damaged in the 2013 Bridgeport derailment, M7 Systems Equipment Replacement project and maintenance services.	\$10.192	20.3%	Primarily due to the timing of expenses for maintenance services, the rescheduling of the Genesis locomotive overhaul to June, M7 Systems Equipment Replacement project and contracted car repairs for equipment damaged in the 2013 Bridgeport derailment as well as lower expenditures for GCT utilities and an adjustment for prior period MTA Police services.
	Reimb	\$0.018	1.8%	Reflects lower activity on NHL Bridge Timber & Mitre Rails projects.	(\$0.460)	(10.9%)	Primarily due to the West of Hudson Track Program.
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$0.329	10.7%	Primarily due to timing of expenses for legal and medical services and advertising.	\$3.915	23.8%	Primarily due to timing of expenses for advertising, outside training, engineering and consulting services, Rail Network Simulation project and MetLife Stadium Connecting Services.
	Reimb	\$1.131	73.9%	Reflects timing differences on Waterbury Branch Cab Signal and CT Camera-Audio for Non M8 Fleet projects.	\$5.208	70.3%	Reflects timing differences on Waterbury Branch Cab Signal and CT Camera-Audio for Non M8 Fleet projects.
MATERIAL AND SUPPLIES	Non-Reimb	\$0.465	7.0%	Primarily reflects lower material usage for the Infrastructure Improvement Program.	(\$1.871)	(5.8%)	Primarily due to higher expenses for rolling stock parts and supplies related to the component change-out shops, support shop work and on-going repairs.
	Reimb	\$4.289	77.4%	Reflects timing differences for Positive Train Control, Bronx Stations Capacity Improvement, and GCT Turnouts Switch Renewal projects.	\$16.113	67.7%	Reflects delayed receipt of expansion and mitre rail materials for NHL-Cos Cob Bridge Mitre Rail Replacement project, timing of Positive Train Control and Bronx Stations/Capacity Imp. projects.

**MTA METRO-NORTH RAILROAD**  
**ACCRAAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS**  
**FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET**  
**MAY 2016**  
**(\$ in millions)**

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
OTHER BUSINESS EXPENSES	Non-Reimb	\$0.544	45.1%	Primarily reflects lower subsidy payment to NJT for West of Hudson operations due to favorable fuel-related inflation adjustments.	\$2.409	40.3%	Reflects lower subsidy payment to NJT for West of Hudson operations due to favorable fuel-related inflation adjustments as well as higher Amtrak recoveries.
	Reimb	(\$0.016)	(43.7%)	Primarily driven by NHL Grade Crossing Renewal project.	(\$0.125)	(68.2%)	Primarily driven by NHL Grade Crossing Renewal project.
GASB68 PENSION ADJUSTMENT	Non-Reimb	\$7.046	-	This amount reflects MNR's adjustment to account for its net pension liability.	\$7.046	-	This amount reflects MNR's adjustment to account for its net pension liability.
ENVIRONMENTAL REMEDIATION	Non-Reimb	\$0.417	100.0%	Primarily due to the timing of projects requiring remediation.	\$0.816	39.2%	Primarily due to the timing of projects requiring remediation.
OPERATING CAPITAL	Non-Reimb	\$0.895	36.7%	Primarily reflects lower activity for the Cameras-Audio on M8/Non-M8 fleet and GCT Escalator Replacement projects and timing of payments for the Purchase of an Autonomous Track Geometry Measuring System and GCT Apple Elevator - Carey's Hole projects.	\$11.551	61.6%	Primarily reflects lower activity for the Cameras-Audio on M8/Non-M8 fleet projects, timing of the Purchase Furniture for the CCO New Haven Shop, Graybar 7th Floor Renovation, Overhaul of 6 GP35 Locomotives, Snow Fighting Equipment and GCT Service Elevator projects.

\* Variance exceeds 100%.

**MTA Metro-North Railroad**  
**2016 Adopted Budget**  
**Non-Reimbursable/Reimbursable Overtime**  
(\$ in millions)

	May						Year To Date(May)					
	Adopted Budget		Actual		Var. - Fav/(Unfav)		Adopted Budget		Actual		Var. - Fav/(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
<b>NON-REIMBURSABLE OVERTIME</b>												
<u>Scheduled Service</u> <sup>1</sup>	56,218	\$ 3,425	55,550	\$ 3,362	668	\$0.063	274,652	\$ 16,704	251,705	\$ 15,161	22,946	\$1,544
					1.2%	1.8%					8.4%	9.2%
<u>Unscheduled Service</u>	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -
<u>Programmatic/Routine Maintenance</u>	51,815	\$ 2,967	54,474	\$ 3,053	(2,659)	(\$0.087)	187,832	\$ 10,266	229,703	\$ 12,777	(41,872)	(\$2,512)
					-5.1%	-2.9%					-22.3%	-24.5%
<u>Unscheduled Maintenance</u>	938	\$ 0,050	4,060	\$ 0,224	(3,122)	(\$0.174)	6,076	\$ 0,250	6,716	\$ 0,360	(640)	(\$0.110)
					*	*					-10.5%	-43.8%
<u>Vacancy/Absentee Coverage</u>	25,466	\$ 1,410	30,828	\$ 1,594	(5,362)	(\$0.184)	125,376	\$ 7,023	136,520	\$ 7,096	(11,144)	(\$0.073)
					-21.1%	-13.0%					-8.9%	-1.0%
<u>Weather Emergencies</u>	5,329	\$ 0,300	331	\$ 0,019	4,999	\$0.281	109,949	\$ 6,100	51,425	\$ 2,854	58,524	\$3,246
					93.8%	93.6%					53.2%	53.2%
<u>Safety/Security/Law Enforcement</u> <sup>2</sup>	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -
<u>All Other</u> <sup>3</sup>	0	\$ -	0	\$ (0.910)	-	\$0.910	0	\$ (0.000)	0	\$ (1.020)	-	\$1.020
Subtotal	139,766	\$ 8,152	145,242	\$ 7,343	(5,476)	\$0.809	703,884	\$ 40,343	676,070	\$ 37,228	27,814	\$3,115
					-3.9%	9.9%					4.0%	7.7%
<b>REIMBURSABLE OVERTIME</b>	29,028	\$ 1,623	38,414	\$ 2,185	(9,386)	(\$0.562)	131,783	\$ 7,370	154,763	\$ 9,320	(22,980)	(\$1,950)
					-32.3%	-34.6%					-17.4%	-26.5%
<b>TOTAL OVERTIME</b>	<b>168,794</b>	<b>\$ 9,775</b>	<b>183,656</b>	<b>\$ 9,528</b>	<b>(14,862)</b>	<b>\$0.248</b>	<b>835,667</b>	<b>\$ 47,712</b>	<b>830,833</b>	<b>\$ 46,547</b>	<b>4,834</b>	<b>\$1,165</b>
					<b>-8.8%</b>	<b>2.5%</b>					<b>0.6%</b>	<b>2.4%</b>

1 Includes Service Delay, Tour Length and Holiday overtime.

2 Not Applicable

3 Reflects overtime for customer service, material management, other administrative functions and technical adjustments.

\* Exceeds 100%

**MTA Metro-North Railroad  
2016 Adopted Budget  
Non-Reimbursable/Reimbursable Overtime  
(\$ in millions)**

	May			Year To Date(May)		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
<b>NON-REIMBURSABLE OVERTIME</b>						
<u>Scheduled Service</u> <sup>1</sup>	668	\$0.063	Higher staff availability due to recently graduated conductor classes available for service coverage.	22,946	\$1.544	Higher staff availability due to recently graduated conductor classes available for service coverage.
	1.2%	1.8%		8.4%	9.2%	
<u>Unscheduled Service</u>	0	\$0.000		0	\$ -	
<u>Programmatic/Routine Maintenance</u>	(2,659)	(\$0.087)	Higher infrastructure and GCT maintenance.	(41,872)	(\$2.512)	Accelerated infrastructure maintenance due to the mild winter, higher maintenance in GCT as well as a work force in Maintenance of Equipment with fewer years of experience due to retirements.
	-5.1%	-2.9%		-22.3%	-24.5%	
<u>Unscheduled Maintenance</u>	(3,122)	(\$0.174)	Coverage for the May 17 <sup>th</sup> fire underneath the Park Avenue Viaduct.	(640)	(\$0.110)	Coverage for the May 17 <sup>th</sup> fire underneath the Park Avenue Viaduct.
	*	*		-10.5%	-43.8%	
<u>Vacancy/Absentee Coverage</u> <sup>2</sup>	(5,362)	(\$0.184)	Increased vacancies due to a work force in Maintenance of Equipment with fewer years of experience due to retirements.	(11,144)	(\$0.073)	Slightly higher vacation, sick and vacancy coverage requirements. The budgeted hourly rate in the Vacancy/Absentee Coverage category is significantly higher than the actual hourly rate resulting in a disconnect between the hours versus expense variance. This issue will be addressed in the July Financial Plan.
	-21.1%	-13.0%		-8.9%	-1.0%	
<u>Weather Emergencies</u>	4,999	\$0.281	Fewer weather events than budgeted.	58,524	\$3.246	Fewer winter weather events than budgeted. Results for January included \$1.5 million of overtime requirements for the preparation, coverage and clean-up for Winter Storm Jonas.
	93.8%	93.6%		53.2%	53.2%	
<u>Safety/Security/Law Enforcement</u> <sup>3</sup>	0	\$0.000		0	\$ -	
<u>Other</u> <sup>4</sup>	0	\$0.910	Reflects timing differences related to payroll and calendar cutoff dates.	0	\$1.020	Reflects timing differences related to payroll and calendar cutoff dates.
		0.0%			0.0%	
<b>Subtotal</b>	<b>(5,476)</b>	<b>\$0.809</b>		<b>27,814</b>	<b>\$3.115</b>	
	-3.9%	9.9%		4.0%	7.7%	
<b>REIMBURSABLE OVERTIME</b>	(9,386)	(\$0.562)	Reflects higher activity for Devon Bridge Repairs and Turnouts Mainline High Speed Program projects.	(22,980)	(\$1.950)	Reflects higher YTD activity for Devon Bridge Repairs, Turnouts Mainline High Speed, Sound Beach & Tomac Bridge Green and NHL Grade Crossing Renewal projects.
	-32.3%	-34.6%		-17.4%	-26.5%	
<b>TOTAL OVERTIME</b>	<b>(14,862)</b>	<b>\$0.248</b>		<b>4,834</b>	<b>\$1.165</b>	

NOTE: Percentages are based on each type of Overtime and not on Total Overtime.  
\* Exceeds 100%

<sup>1</sup> Includes Service Delay and Tour Length related overtime.

<sup>2</sup> Excludes T&E crew coverage (included in Scheduled Service category)

<sup>3</sup> Not Applicable

<sup>4</sup> Reflects overtime for Customer Service and Material Management Depts. as well as other administrative functions. Also reflects timing differences related to payroll and calendar cutoff dates.

**MTA METRO-NORTH RAILROAD**  
**2016 Overtime Report**  
**Overtime Legend**

**REVISED OVERTIME DECOMPOSITION LEGEND DEFINITIONS**

<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.
<i>Reimbursable Overtime</i>	Overtime incurred to support projects that are reimbursed from the MTA Capital Program and other funding sources.

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET**  
**CASH RECEIPTS AND EXPENDITURES**  
(\$ in millions)

SCHEDULE III

	May 2016				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
<b>Receipts</b>								
Farebox Receipts	\$59.602	\$48.657	(\$10.945)	(18.4)	\$276.737	\$274.261	(\$2.476)	(0.9)
Toll Receipts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Receipts	6.476	11.648	5.172	79.9	53.249	36.381	(16.868)	(31.7)
<i>Capital &amp; Other Reimbursements:</i>								
MTA	9.602	8.794	(0.808)	(8.4)	65.599	62.097	(3.502)	(5.3)
CDOT	7.525	9.398	1.873	24.9	35.283	28.029	(7.254)	(20.6)
Other	1.336	0.702	(0.634)	(47.5)	7.163	9.972	2.809	39.2
Total Capital and Other Reimbursements	18.464	18.894	0.430	2.3	108.045	100.098	(7.947)	(7.4)
<b>Total Receipts</b>	<b>\$84.541</b>	<b>\$79.199</b>	<b>(\$5.342)</b>	<b>(6.3)</b>	<b>\$438.032</b>	<b>\$410.740</b>	<b>(\$27.292)</b>	<b>(6.2)</b>
<b>Expenditures</b>								
<i>Labor:</i>								
Payroll	\$41.517	\$41.009	\$0.508	1.2	\$214.061	\$212.497	\$1.564	0.7
Overtime	8.777	8.313	0.464	5.3	46.292	45.727	0.565	1.2
Health and Welfare	10.647	11.512	(0.865)	(8.1)	51.187	58.953	(7.766)	(15.2)
OPEB Current Payment	2.274	2.638	(0.364)	(16.0)	11.368	12.529	(1.161)	(10.2)
Pensions	8.746	8.509	0.237	2.7	42.181	42.462	(0.281)	(0.7)
Other Fringe Benefits	9.960	9.800	0.160	1.6	51.851	58.841	(6.990)	(13.5)
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
<b>Total Labor</b>	<b>\$81.921</b>	<b>\$81.781</b>	<b>\$0.140</b>	<b>0.2</b>	<b>\$416.940</b>	<b>\$431.009</b>	<b>(\$14.069)</b>	<b>(3.4)</b>
<i>Non-Labor:</i>								
Electric Power	\$5.842	\$4.904	\$0.938	16.1	\$37.637	\$23.931	\$13.706	36.4
Fuel	1.537	1.031	0.506	32.9	8.698	5.132	3.566	41.0
Insurance	0.358	0.021	0.337	94.1	10.206	5.885	4.321	42.3
Claims	2.207	0.067	2.140	97.0	53.696	1.491	52.205	97.2
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	12.111	5.842	6.269	51.8	60.624	37.097	23.527	38.8
Professional Service Contracts	5.167	(1.132)	6.299	*	29.397	14.054	15.343	52.2
Materials & Supplies	12.471	9.850	2.621	21.0	59.600	48.842	10.758	18.1
Other Business Expenditures	4.008	6.982	(2.974)	(74.2)	20.115	17.978	2.137	10.6
<b>Total Non-Labor</b>	<b>\$43.701</b>	<b>\$27.565</b>	<b>\$16.136</b>	<b>36.9</b>	<b>\$279.971</b>	<b>\$154.410</b>	<b>\$125.561</b>	<b>44.8</b>
<i>Other Adjustments:</i>								
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Post Employment Benefits	0.000	0.000	0.000	-	0.000	0.000	0.000	-
<b>Total Other Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$125.622</b>	<b>\$109.346</b>	<b>\$16.276</b>	<b>13.0</b>	<b>\$696.912</b>	<b>\$585.419</b>	<b>\$111.493</b>	<b>16.0</b>
<b>Net Cash Deficit ( excludes Opening Cash Balance)</b>	<b>(\$41.080)</b>	<b>(\$30.147)</b>	<b>\$10.933</b>	<b>26.6</b>	<b>(\$258.880)</b>	<b>(\$174.679)</b>	<b>\$84.201</b>	<b>32.5</b>
<b>Subsidies</b>								
MTA	31.809	27.634	(4.175)	(13.1)	205.493	117.072	(88.421)	(43.0)
CDOT	9.269	0.000	(9.269)	(100.0)	53.376	57.187	3.811	7.1
<b>Total Subsidies</b>	<b>\$41.078</b>	<b>\$27.634</b>	<b>(\$13.444)</b>	<b>(32.7)</b>	<b>\$258.869</b>	<b>\$174.259</b>	<b>(\$84.610)</b>	<b>(32.7)</b>
<b>Cash Timing and Availability Adjustment</b>	<b>\$0.000</b>	<b>(\$0.630)</b>	<b>(\$0.630)</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.420</b>	<b>\$0.420</b>	<b>-</b>

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

-- Reclassified \$7.256M from Farebox Receipts into Other Operating Receipts and \$3.206M from Professional Service Contracts to Other Business Expenditures.

**MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET  
CASH RECEIPTS AND EXPENDITURES  
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS  
(\$ in millions)**

\$ Detail

Generic Receipt or Expense Category	May Month vs Budget			Year-To-Date as of May 31, 2016		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
FARE REVENUE	(10.945)	(18.4%)	Reclassification of Graybar Building condominium status property tax refund to Other Operating Revenue combined with timing of cash in transit and lower non-commutation ridership due to the May 17 <sup>th</sup> fire underneath the Park Avenue Viaduct.	(2.476)	(0.9%)	
OTHER OPERATING REVENUE	5.172	79.9%	Reclassification of Graybar Building condominium status property tax refund from Fare Revenue partially offset by timing of PRIIA reimbursement.	(16.868)	(31.7%)	Timing of anticipated reimbursements from FMTAC for injury claims to be paid, PRIIA and MTA TWU Pass reimbursements partially offset by the reclassification of Graybar condominium status property tax refund from Fare Revenue.
CAPITAL AND OTHER REIMBURSEMENTS:						
MTA	(0.808)	(8.4%)	Lower cash receipts due to lower capital related project activity combined with timing of payments.	(3.502)	(5.3%)	Lower cash receipts due to lower capital related project activity partially offset by timing of payments.
CDOT	1.873	24.9%	Higher cash receipts due to timing of payments partially offset by lower capital related project activity.	(7.254)	(20.6%)	Lower cash receipts due to lower capital related project activity partially offset by timing of payments.
OTHER	(0.634)	(47.5%)	Lower cash receipts due to timing of payments partially offset by higher capital related project activity.	2.809	39.2%	Higher cash receipts due to higher capital related project activity partially offset by timing of payments.
OVERTIME	0.464	5.3%	Reflects timing differences related to payroll and calendar cutoff dates.	0.565	1.2%	
HEALTH & WELFARE	(0.865)	(8.1%)	Timing of NYSHIP payments.	(7.766)	(15.2%)	Timing of payments for vision/dental, NYSHIP and life insurance premiums.
OPEB CURRENT PAYMENT	(0.364)	(16.0%)	Higher retirees than anticipated.	(1.161)	(10.2%)	Higher retirees than anticipated.
OTHER FRINGE BENEFITS	0.160	1.6%		(6.990)	(13.5%)	Timing of payroll & unemployment taxes and employee claims.
ELECTRIC POWER	0.938	16.1%	Primarily reflects lower electric rates combined with timing of payments.	13.706	36.4%	Primarily reflects lower electric rates combined with prepayment of January invoice in December 2015.
FUEL	0.506	32.9%	Reflects lower diesel fuel prices per gallon.	3.566	41.0%	Reflects lower diesel fuel prices per gallon.

**MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET  
CASH RECEIPTS AND EXPENDITURES  
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS  
(\$ in millions)**

\$ Detail

Generic Receipt or Expense Category	May Month vs Budget			Year-To-Date as of May 31, 2016		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
INSURANCE	0.337	94.1%	Timing of premiums paid for Force Account.	4.321	42.3%	Timing of premiums paid for All Agency Property, Force Account, Excess and Station Liability.
CLAIMS	2.140	97.0%	Timing of passenger injury settlements relating to the Spuyten Duyvil incident and other passenger injury claims.	52.202	97.2%	Timing of passenger injury settlements relating to the Spuyten Duyvil incident and other passenger injury claims.
MAINTENANCE & OTHER OPERATING CONTRACTS	6.269	51.8%	Timing of payments for MTA Police, Real Estate Rentals, Maintenance & Repair, Operating Capital related projects (GCT Elevators, West of Hudson Camera and GCT SMO Design & Reconfig.) and Track Leases.	23.527	38.8%	Timing of payments for MTA Police, Maintenance & Repairs, Real Estate Rentals, Operating Capital related projects (DVI: Comm - Graybar 7th Floor Renovation and Overhaul 6 GP35 Locomotives) and Track Leases.
PROFESSIONAL SERVICE CONTRACTS	6.299	*	Reclassification of credit from MTA for IT costs (originally in Other Business Expense), timing of Capital related projects (Waterbury Branch Cab Signal and Camera's/Audio for Fleet) and Engineering Services.	15.343	52.2%	Timing of Capital related projects (Camera/Audio for Fleet, Waterbury Branch Cab Signal, Furniture for CCO Shop in New Haven, CCO Shop Furniture Acquisition and Expand Real-Time Train Status) and Engineering Services.
MATERIALS & SUPPLIES	2.621	21.0%	Timing of purchases of materials for Truck Suspension, Friction Brake, Carbody and Propulsion.	10.758	18.1%	Timing of purchases of materials for Truck Suspension, Friction Brake and Carbody.
OTHER BUSINESS EXPENSES	(2.974)	(74.2%)	Reclassification to Professional Service Contracts of IT costs partially offset by lower subsidy payments to NJ Transit.	2.137	10.6%	Lower NJ Transit subsidy paid due to lower inflation rates.
MTA SUBSIDY RECEIPTS	(4.175)	(13.1%)	Lower cash deficit combined with impact of cash balances partially offset by lower CDOT subsidy.	(88.421)	(43.0%)	Lower cash deficit combined with a higher CDOT subsidy and impact of cash balances.
CDOT SUBSIDY RECEIPTS	(9.269)	(100.0%)	Timing of CDOT subsidy received in April.	3.811	7.1%	Timing of subsidy reimbursements for RWA and Admin Assets.

\* Variance exceeds 100%

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET**  
**CASH CONVERSION (CASH FLOW ADJUSTMENT)**  
(\$ in millions)

	May 2016				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
<b>Receipts</b>								
Farebox Revenue	\$0.406	(\$8.102)	(\$8.508)	*	\$2.032	\$0.340	(\$1.693)	(83.3)
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	1.716	7.033	5.317	*	28.793	10.605	(18.188)	(63.2)
<i>Capital &amp; Other Reimbursements:</i>		0.000			0.000	0.000		
MTA	(3.523)	0.774	4.297	*	11.053	26.431	15.378	*
CDOT	0.000	2.824	2.824	-	0.000	(0.237)	(0.237)	-
Other	(0.222)	(1.287)	(1.065)	*	(0.342)	0.262	0.604	*
Total Capital and Other Reimbursements	(3.745)	2.311	6.055	*	10.711	26.456	15.745	*
<b>Total Revenue/Receipts</b>	<b>(\$1.622)</b>	<b>\$1.242</b>	<b>\$2.864</b>	<b>*</b>	<b>\$41.536</b>	<b>\$37.401</b>	<b>(\$4.135)</b>	<b>(10.0)</b>
<b>Expenditures</b>								
<i>Labor:</i>								
Payroll	\$2.940	\$3.488	\$0.548	18.6	(\$0.369)	\$3.915	\$4.284	*
Overtime	0.998	1.215	0.217	21.7	1.420	0.822	(0.598)	(42.1)
Health and Welfare	(0.324)	(1.616)	(1.292)	*	(1.639)	(10.428)	(8.789)	*
OPEB Current Payment	0.000	0.060	0.000		0.000	(0.182)	(0.182)	-
Pensions	(0.119)	0.074	0.192	*	(0.604)	(0.975)	(0.370)	(61.3)
Other Fringe Benefits	0.879	0.876	(0.003)	(0.4)	1.225	(7.814)	(9.039)	*
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0.288)	(0.170)	0.118	41.1	(1.469)	(0.698)	0.771	52.5
<b>Total Labor</b>	<b>\$4.086</b>	<b>\$3.927</b>	<b>(\$0.159)</b>	<b>(3.9)</b>	<b>(\$1.435)</b>	<b>(\$15.358)</b>	<b>(\$13.923)</b>	<b>*</b>
<i>Non-Labor:</i>								
Electric Power	(\$0.131)	\$0.156	\$0.287	*	(\$0.655)	\$3.164	\$3.819	*
Fuel	0.000	0.066	0.066	-	0.220	0.186	(0.034)	(15.7)
Insurance	1.621	2.035	0.414	25.5	(0.551)	3.698	4.248	*
Claims	(2.109)	(0.163)	1.946	92.3	(53.218)	(1.455)	51.762	97.3
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	(0.856)	3.803	4.659	*	(6.307)	7.488	13.795	*
Professional Service Contracts	(0.564)	4.276	4.840	*	(5.542)	0.678	6.220	*
Materials & Supplies	(0.329)	(2.462)	(2.133)	*	(3.473)	(6.957)	(3.484)	*
Other Business Expenses	(2.766)	(6.268)	(3.503)	*	(13.954)	(14.100)	(0.147)	(1.1)
<b>Total Non-Labor</b>	<b>(\$5.134)</b>	<b>\$1.442</b>	<b>\$6.576</b>	<b>*</b>	<b>(\$83.478)</b>	<b>(\$7.298)</b>	<b>\$76.180</b>	<b>91.3</b>
<i>Other Adjustments:</i>								
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-
<b>Total Other Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenditures Adjustments before Non-Cash Liability Adj.</b>	<b>(\$1.048)</b>	<b>\$5.369</b>	<b>\$6.417</b>	<b>*</b>	<b>(\$84.914)</b>	<b>(\$22.656)</b>	<b>\$62.257</b>	<b>73.3</b>
Depreciation	19.508	19.605	0.097	0.5	97.538	96.291	(1.247)	(1.3)
OPEB Obligation	5.693	5.693	0.000	0.0	28.465	28.465	0.000	0.0
GASB68 Pension Adjustment**	0.000	(7.046)	(7.046)	-	0.000	(7.046)	(7.046)	-
Environmental Remediation	0.417	0.000	(0.417)	(100.0)	2.083	1.267	(0.816)	39.2
<b>Total Expenditures Adjustments</b>	<b>\$24.569</b>	<b>\$23.620</b>	<b>(\$0.949)</b>	<b>(3.9)</b>	<b>\$43.173</b>	<b>\$96.321</b>	<b>\$53.148</b>	<b>*</b>
<b>Total Cash Conversion Adjustments</b>	<b>\$22.947</b>	<b>\$24.863</b>	<b>\$1.916</b>	<b>8.3</b>	<b>\$84.709</b>	<b>\$133.722</b>	<b>\$49.013</b>	<b>57.9</b>

**Notes:**  
-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current months' actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.  
-- Differences are due to rounding.  
\* Variance exceeds 100%.  
\*\*GASB68 became effective 12/31/15.

**MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET  
RIDERSHIP/UTILIZATION  
MAY 2016  
(in millions)**

	MONTH			VARIANCE Fav/(Unfav)				YTD			VARIANCE Fav/(Unfav)			
	ADOPTED BUDGET	2016	2015	ADOPTED BUDGET		2015		ADOPTED BUDGET	2016	2015	ADOPTED BUDGET		2015	
				\$	%	\$	%				\$	%	\$	%
<b>FAREBOX REVENUE</b>														
<i>Harlem Line - Commutation</i>	9.077	9.081	8.925	0.004	0.0%	0.156	1.7%	45.202	45.596	43.536	0.394	0.9%	2.060	4.7%
<i>Harlem Line - Non-Commutation</i>	8.556	7.663	8.346	(0.893)	-10.4%	(0.683)	-8.2%	37.804	36.627	35.684	(1.177)	-3.1%	0.943	2.6%
<b>TOTAL HARLEM LINE</b>	<b>\$17.634</b>	<b>\$16.744</b>	<b>\$17.271</b>	<b>(\$0.890)</b>	<b>-5.0%</b>	<b>(\$0.527)</b>	<b>-3.1%</b>	<b>\$83.006</b>	<b>\$82.222</b>	<b>\$79.219</b>	<b>(\$0.783)</b>	<b>-0.9%</b>	<b>\$3.003</b>	<b>3.8%</b>
<i>Hudson Line - Commutation</i>	5.943	5.921	5.859	(0.022)	-0.4%	0.062	1.1%	29.736	29.808	28.732	0.072	0.2%	1.076	3.7%
<i>Hudson Line - Non-Commutation</i>	7.049	6.530	6.877	(0.519)	-7.4%	(0.347)	-5.0%	29.964	29.383	28.576	(0.582)	-1.9%	0.806	2.8%
<b>TOTAL HUDSON LINE</b>	<b>\$12.992</b>	<b>\$12.450</b>	<b>\$12.735</b>	<b>(\$0.541)</b>	<b>-4.2%</b>	<b>(\$0.285)</b>	<b>-2.2%</b>	<b>\$59.700</b>	<b>\$59.191</b>	<b>\$57.308</b>	<b>(\$0.509)</b>	<b>-0.9%</b>	<b>\$1.882</b>	<b>3.3%</b>
<i>New Haven Line - Commutation</i>	12.536	12.612	12.332	0.075	0.6%	0.279	2.3%	62.313	62.941	60.898	0.628	1.0%	2.043	3.4%
<i>New Haven Line - Non-Commutation</i>	16.000	14.924	15.701	(1.076)	-6.7%	(0.777)	-4.9%	69.515	69.422	67.543	(0.092)	-0.1%	1.879	2.8%
<b>TOTAL NEW HAVEN LINE</b>	<b>\$28.536</b>	<b>\$27.535</b>	<b>\$28.033</b>	<b>(\$1.001)</b>	<b>-3.5%</b>	<b>(\$0.498)</b>	<b>-1.8%</b>	<b>\$131.827</b>	<b>\$132.363</b>	<b>\$128.441</b>	<b>\$0.536</b>	<b>0.4%</b>	<b>\$3.922</b>	<b>3.1%</b>
<b>All Lines - Commutation</b>	<b>27.556</b>	<b>27.613</b>	<b>27.116</b>	<b>0.057</b>	<b>0.2%</b>	<b>0.497</b>	<b>1.8%</b>	<b>137.250</b>	<b>138.344</b>	<b>133.165</b>	<b>1.094</b>	<b>0.8%</b>	<b>5.179</b>	<b>3.9%</b>
<b>All Lines - Non-Commutation</b>	<b>31.605</b>	<b>29.117</b>	<b>30.924</b>	<b>(2.489)</b>	<b>-7.9%</b>	<b>(1.807)</b>	<b>-5.8%</b>	<b>137.283</b>	<b>135.432</b>	<b>131.803</b>	<b>(1.851)</b>	<b>-1.3%</b>	<b>3.629</b>	<b>2.8%</b>
<b>TOTAL EAST OF HUDSON LINES</b>	<b>\$59.161</b>	<b>\$56.730</b>	<b>\$58.040</b>	<b>(\$2.431)</b>	<b>-4.1%</b>	<b>(\$1.310)</b>	<b>-2.3%</b>	<b>\$274.533</b>	<b>\$273.776</b>	<b>\$264.969</b>	<b>(\$0.757)</b>	<b>-0.3%</b>	<b>\$8.807</b>	<b>3.3%</b>
<i>West of Hudson Mail-n-Ride Revenue <sup>(1)</sup></i>	<i>\$0.034</i>	<i>\$0.029</i>	<i>\$0.032</i>	<i>(0.005)</i>	<i>-14.7%</i>	<i>(0.003)</i>	<i>-9.4%</i>	<i>\$0.172</i>	<i>\$0.145</i>	<i>\$0.158</i>	<i>(0.027)</i>	<i>-15.7%</i>	<i>(0.013)</i>	<i>-8.2%</i>
<b>TOTAL FAREBOX REVENUE</b>	<b>\$59.195</b>	<b>\$56.759</b>	<b>\$58.072</b>	<b>(\$2.436)</b>	<b>-4.1%</b>	<b>(\$1.313)</b>	<b>-2.3%</b>	<b>\$274.705</b>	<b>\$273.921</b>	<b>\$265.127</b>	<b>(\$0.785)</b>	<b>-0.3%</b>	<b>\$8.794</b>	<b>3.3%</b>
<b>RIDERSHIP</b>														
<i>Harlem Line - Commutation</i>	1.411	1.413	1.393	0.002	0.1%	0.020	1.4%	6.959	7.026	6.885	0.067	1.0%	0.142	2.1%
<i>Harlem Line - Non-Commutation</i>	0.968	0.878	0.947	(0.090)	-9.3%	(0.070)	-7.3%	4.339	4.191	4.191	(0.148)	-3.4%	0.001	0.0%
<b>TOTAL HARLEM LINE</b>	<b>2.379</b>	<b>2.291</b>	<b>2.340</b>	<b>(0.088)</b>	<b>-3.7%</b>	<b>(0.050)</b>	<b>-2.1%</b>	<b>11.298</b>	<b>11.217</b>	<b>11.075</b>	<b>(0.081)</b>	<b>-0.7%</b>	<b>0.142</b>	<b>1.3%</b>
<i>Hudson Line - Commutation</i>	0.785	0.786	0.776	0.001	0.1%	0.011	1.4%	3.882	3.908	3.844	0.026	0.7%	0.064	1.7%
<i>Hudson Line - Non-Commutation</i>	0.648	0.611	0.634	(0.036)	-5.6%	(0.023)	-3.7%	2.776	2.722	2.710	(0.054)	-1.9%	0.012	0.4%
<b>TOTAL HUDSON LINE</b>	<b>1.433</b>	<b>1.397</b>	<b>1.410</b>	<b>(0.035)</b>	<b>-2.5%</b>	<b>(0.013)</b>	<b>-0.9%</b>	<b>6.658</b>	<b>6.630</b>	<b>6.555</b>	<b>(0.028)</b>	<b>-0.4%</b>	<b>0.075</b>	<b>1.1%</b>
<i>New Haven Line - Commutation</i>	1.893	1.904	1.878	0.011	0.6%	0.026	1.4%	9.301	9.406	9.238	0.105	1.1%	0.168	1.8%
<i>New Haven Line - Non-Commutation</i>	1.573	1.461	1.558	(0.112)	-7.1%	(0.098)	-6.3%	6.890	6.813	6.784	(0.077)	-1.1%	0.030	0.4%
<b>TOTAL NEW HAVEN LINE</b>	<b>3.465</b>	<b>3.365</b>	<b>3.437</b>	<b>(0.101)</b>	<b>-2.9%</b>	<b>(0.072)</b>	<b>-2.1%</b>	<b>16.191</b>	<b>16.219</b>	<b>16.021</b>	<b>0.028</b>	<b>0.2%</b>	<b>0.198</b>	<b>1.2%</b>
<b>Total Ridership East of Hudson</b>	<b>4.089</b>	<b>4.103</b>	<b>4.047</b>	<b>0.014</b>	<b>0.3%</b>	<b>0.056</b>	<b>1.4%</b>	<b>20.142</b>	<b>20.340</b>	<b>19.967</b>	<b>0.198</b>	<b>1.0%</b>	<b>0.373</b>	<b>1.9%</b>
<b>All Lines - Commutation</b>	<b>3.188</b>	<b>2.950</b>	<b>3.140</b>	<b>(0.239)</b>	<b>-7.5%</b>	<b>(0.190)</b>	<b>-6.1%</b>	<b>14.005</b>	<b>13.726</b>	<b>13.685</b>	<b>(0.279)</b>	<b>-2.0%</b>	<b>0.042</b>	<b>0.3%</b>
<b>All Lines - Non-Commutation</b>	<b>3.188</b>	<b>2.950</b>	<b>3.140</b>	<b>(0.239)</b>	<b>-7.5%</b>	<b>(0.190)</b>	<b>-6.1%</b>	<b>14.005</b>	<b>13.726</b>	<b>13.685</b>	<b>(0.279)</b>	<b>-2.0%</b>	<b>0.042</b>	<b>0.3%</b>
<b>TOTAL EAST OF HUDSON LINES</b>	<b>7.277</b>	<b>7.053</b>	<b>7.187</b>	<b>(0.224)</b>	<b>-3.1%</b>	<b>(0.134)</b>	<b>-1.9%</b>	<b>34.147</b>	<b>34.066</b>	<b>33.651</b>	<b>(0.081)</b>	<b>-0.2%</b>	<b>0.415</b>	<b>1.2%</b>
<i>West of Hudson <sup>(2)</sup></i>	<i>0.150</i>	<i>0.145</i>	<i>0.143</i>	<i>(0.005)</i>	<i>-3.4%</i>	<i>0.002</i>	<i>1.3%</i>	<i>0.714</i>	<i>0.693</i>	<i>0.697</i>	<i>(0.021)</i>	<i>-3.0%</i>	<i>(0.004)</i>	<i>-0.5%</i>
<b>TOTAL EAST &amp; WEST OF HUDSON LINES</b>	<b>7.427</b>	<b>7.197</b>	<b>7.330</b>	<b>-0.229</b>	<b>-3.1%</b>	<b>-0.133</b>	<b>-1.8%</b>	<b>34.861</b>	<b>34.759</b>	<b>34.348</b>	<b>-0.102</b>	<b>-0.3%</b>	<b>0.411</b>	<b>1.2%</b>

(1) West of Hudson ticket sales received through Metro-North Mail & Ride program are reported as Metro-North Farebox Revenues; all other West of Hudson ticket revenues are offset against New Jersey Transit operating costs for providing service for both Pascack Valley and Port Jervis lines.

(2) West of Hudson total ridership for both Pascack Valley and Port Jervis lines.

**MTA METRO-NORTH RAILROAD  
2016 ADOPTED BUDGET VS. ACTUALS  
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS  
May 31, 2016**

<u>Department</u>	<u>Adopted Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Notes</u>
<b>Administration</b>				
President	4	4	-	
Labor Relations	18	17	1	
Safety	53	44	9	A
Security	19	16	3	
Office of the Executive VP	7	6	1	
Corporate & Public Affairs	18	20	(2)	B
Customer Service	57	57	0	
Legal	19	17	2	
Claims	14	13	1	
Environmental Compliance & Svce	8	6	2	
Human Resources	45	41	4	
Training	98	69	29	A
Employee Relations & Diversity	6	6	0	
VP Planning	2	2	-	
Operations Planning & Analysis	22	19	3	
Capital Planning & Programming	17	10	7	A
Long Range Planning	8	6	2	
VP Finance & Info Systems	3	2	1	
Controller	77	74	3	
Budget	22	18	4	A, C
Procurement & Material Management	37	27	10	A
Corporate	-	-	-	
<b>Total Administration</b>	<b>554</b>	<b>475</b>	<b>79</b>	
<b>Operations</b>				
Operations Administration	85	55	30	A, E
Transportation	1,480	1,525	(46)	D, E
Customer Service	324	304	20	A
Metro-North West	39	28	11	
<b>Total Operations</b>	<b>1,928</b>	<b>1,912</b>	<b>15</b>	
<b>Maintenance</b>				
Maintenance of Equipment	1,744	1,627	117	A
Maintenance of Way	2,173	2,027	146	A
Procurement & Material Mgmt	128	123	5	
<b>Total Maintenance</b>	<b>4,045</b>	<b>3,776</b>	<b>269</b>	
<b>Engineering/Capital</b>				
Construction Management	42	36	6	
Engineering & Design	79	70	9	
<b>Total Engineering/Capital</b>	<b>121</b>	<b>106</b>	<b>15</b>	
<b>Total Positions</b>	<b>6,648</b>	<b>6,270</b>	<b>377</b>	
<b>Non-Reimbursable</b>	<b>5,885</b>	<b>5,822</b>	<b>64</b>	
<b>Reimbursable</b>	<b>762</b>	<b>449</b>	<b>314</b>	
<b>Total Full-Time</b>	<b>6,647</b>	<b>6,269</b>	<b>377</b>	
<b>Total Full-Time-Equivalents (of part-time positions)</b>	<b>1</b>	<b>1</b>	<b>-</b>	

**Notes**

- (A) Variance reflects delayed and internal hiring of vacant positions.
- (B) Variance reflects the addition of a succession planning position to replace potential attrition.
- (C) Variance reflects higher attrition than planned.
- (D) Variance reflects lower attrition than planned as well as employees in training not ready for service.
- (E) Variance reflects the transfer of positions from Operations Administration to the Transportation department as a result of the Operations Administration reorganization..

MTA METRO-NORTH RAILROAD  
2016 ADOPTED BUDGET VS. ACTUALS  
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS  
May 31, 2016

FUNCTION/OCCUPATION	Adopted Budget	Actual	Favorable (Unfavorable) Variance
<b>Administration</b>			
Managers/Supervisors	149	159	(10)
Professional, Technical, Clerical	405	317	88
Operational Hourlies	-	-	-
<b>Total Administration</b>	<b>554</b>	<b>475</b>	<b>79</b>
<b>Operations</b>			
Managers/Supervisors	245	213	32
Professional, Technical, Clerical	189	168	21
Operational Hourlies	1,494	1,531	(38)
<b>Total Operations</b>	<b>1,928</b>	<b>1,912</b>	<b>15</b>
<b>Maintenance</b>			
Managers/Supervisors	617	609	8
Professional, Technical, Clerical	534	450	84
Operational Hourlies	2,894	2,717	177
<b>Total Maintenance</b>	<b>4,045</b>	<b>3,776</b>	<b>269</b>
<b>Engineering/Capital</b>			
Managers/Supervisors	46	42	4
Professional, Technical, Clerical	75	64	11
Operational Hourlies	-	-	-
<b>Total Engineering/Capital</b>	<b>121</b>	<b>106</b>	<b>15</b>
<b>Public Safety</b>			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
<b>Total Public Safety</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Positions</b>			
Managers/Supervisors	1,057	1,022	35
Professional, Technical, Clerical	1,203	999	204
Operational Hourlies	4,388	4,249	139
<b>Total Positions</b>	<b>6,648</b>	<b>6,270</b>	<b>377</b>

**MTA METRO-NORTH RAILROAD  
2016 ADOPTED BUDGET VS. ACTUALS**

May 31, 2016

<u>Agency-wide (Non-Reimbursable and Reimbursable)</u>	<u>Adopted Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Explanation of Variances</u>
<i>Functional Classification:</i>				
Operations	1,928	1,912	15	Primarily reflects delayed and internal hiring of vacant positions.
Maintenance	4,045	3,776	269	Reflects vacant positions in Maintenance of Way (directors, managers, mechanics, machine operators and signalman) and Maintenance of Equipment (car cleaners, electricians, machinists, and foreman) which are under active recruitment. Vacancies are driven by a high degree of internal transfers in filling open jobs which has extended the time of filling vacant
Administration	554	475	79	Vacancies reflects timing differences in hiring of positions primarily in the Training, Safety, Procurement, Capital Planning and Budget departments.
Engineering / Capital	121	106	15	
<b>Total Agency-wide Headcount</b>	<b>6,648</b>	<b>6,270</b>	<b>377</b>	
Non-Reimbursable	5,885	5,822	64	
Reimbursable	762	449	314	

**MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN - 2016 ADOPTED BUDGET  
MONTHLY PERFORMANCE INDICATORS <sup>(A)</sup>  
MAY 2016**

	MONTH			VARIANCE	
	BUDGET	2016	2015	Fav/(Unfav)	
				BUDGET	2015
Farebox Operating Ratio					
Standard <sup>(B)</sup>	59.1%	64.2%	65.1%	5.1%	-0.9%
Adjusted <sup>(C)</sup>	65.8%	72.1%	74.7%	6.3%	-2.6%
Cost per Passenger					
Standard <sup>(B)</sup>	\$13.91	\$12.67	\$12.82	\$1.24	\$0.15
Adjusted <sup>(C)</sup>	\$13.63	\$12.34	\$12.39	\$1.29	\$0.05
Passenger Revenue/Passenger <sup>(D)</sup>	\$8.22	\$8.14	\$8.34	(\$0.08)	(\$0.20)

	YEAR-TO-DATE			VARIANCE	
	BUDGET	2016	2015	Fav/(Unfav)	
				BUDGET	2015
Farebox Operating Ratio					
Standard <sup>(B)</sup>	54.0%	58.7%	56.2%	4.7%	2.5%
Adjusted <sup>(C)</sup>	60.6%	66.5%	63.5%	5.9%	3.0%
Cost per Passenger					
Standard <sup>(B)</sup>	\$15.06	\$13.86	\$14.36	\$1.20	\$0.50
Adjusted <sup>(C)</sup>	\$14.78	\$13.54	\$14.06	\$1.24	\$0.52
Passenger Revenue/Passenger <sup>(D)</sup>	\$8.13	\$8.13	\$8.07	\$0.00	\$0.06

(A) Monthly Performance Indicators include both East and West of Hudson revenue and expenses. Total passenger revenue also includes the West of Hudson passenger revenue which is reclassified from the net subsidy paid to New Jersey Transit for west of Hudson Lines operations.

(B) Standard Farebox Operating Ratio and Cost Per Passenger indicators reflect MTA-wide adopted calculations that exclude non-cash liability adjustments: Depreciation, Other Post Employment Benefits, Environmental Remediation (GASB-49), and the NHL share of MTA Police, Business Service Center and IT costs.

(C) Adjusted Fare Operating Ratio and Cost Per Passenger indicators have been adjusted for comparability between Metro-North and the LIRR and are being presented only at the railroad operating committees. These adjustments are not being used MTA-wide. Adjustments have been made to reflect all operating revenues and significant financial impacts that are outside management's control. These adjustments include: Inclusion of Other Operating Revenue, Removal of OPEB retiree expenses, and Inclusion of estimated farebox revenue from an equalization of the Connecticut fare structure.

(D) Includes Commissary Services.



**Metro-North Railroad**

# **Ridership Report**

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**MTA METRO-NORTH RAILROAD**

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**MONTHLY RIDERSHIP REPORT**

**MAY 2016**

Operations Planning & Analysis Department  
July, 2016

# MAY 2016 RIDERSHIP & REVENUE REPORT MTA METRO-NORTH RAILROAD

## EXECUTIVE SUMMARY

### May Ridership and Revenue (millions)

	May 2016	% Change vs. 2015
Total Rail Ridership	7.197	-1.9% ▼
Commutation Ridership	4.184	+1.3% ▲
Non-Commutation Ridership	3.013	-6.0% ▼
Connecting Service Ridership	0.046	+2.6% ▲
Total MNR System Ridership	7.243	-1.9% ▼
Rail Revenue	\$58.0	-2.2% ▼

### Key Factors Impacting May Ridership

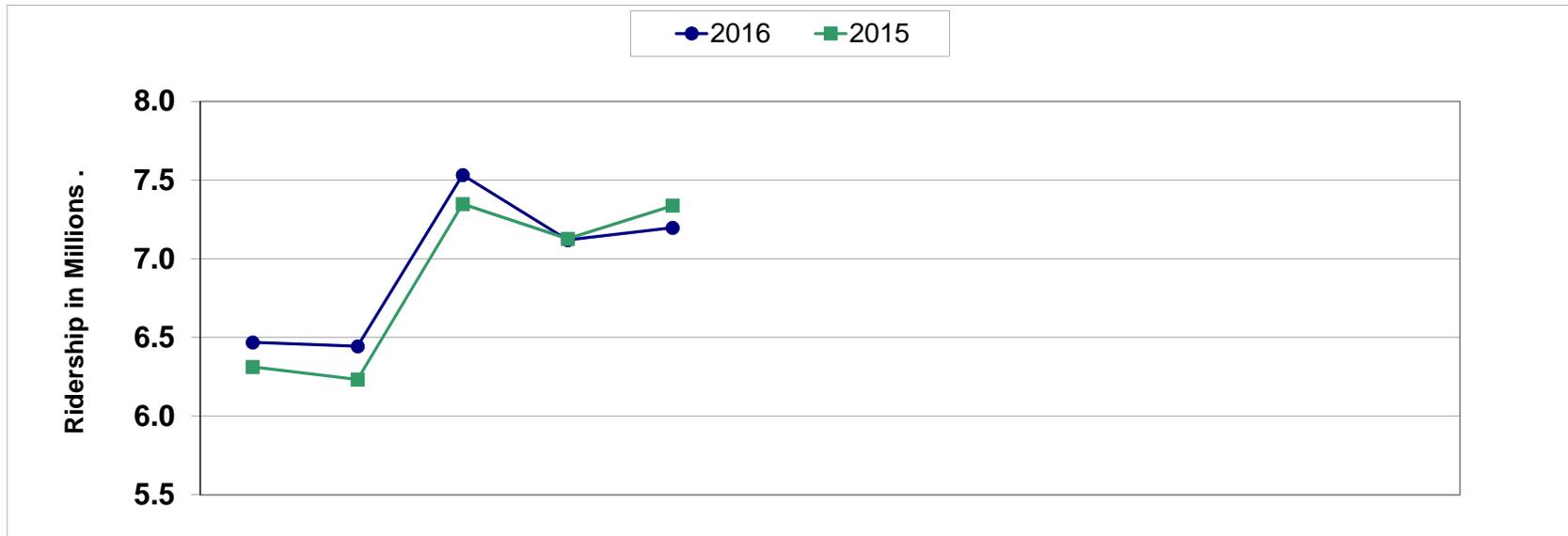
- This large decrease in non-commutation ridership was primarily due to the May 17<sup>th</sup> fire under the Park Avenue Viaduct. This resulted in a decrease of approximately 275,000 fewer rides. Had this incident not occurred, rail ridership would have increased by 2.0% vs. May 2015.

### Year-to-Date to May Ridership and Revenue (millions)

	YTD 2016	% Change vs. 2015	Comparison to Budget
Total Rail Ridership	34.759	+1.2% ▲	-0.3% ▼
Commutation Ridership	20.744	+1.8% ▲	+0.9% ▲
Non-Commutation Ridership	14.015	+0.3% ▲	-2.0% ▼
Connecting Service Ridership	0.239	+7.5% ▲	+4.0% ▲
Total MNR System Ridership	34.998	+1.2% ▲	-0.3% ▼
Rail Revenue	\$279.7	+3.3% ▲	-0.3% ▼

## MAY RAIL RIDERSHIP <sup>(1)</sup>

- May's Total Rail Ridership was 1.9% below 2015 and 3.1% below budget.

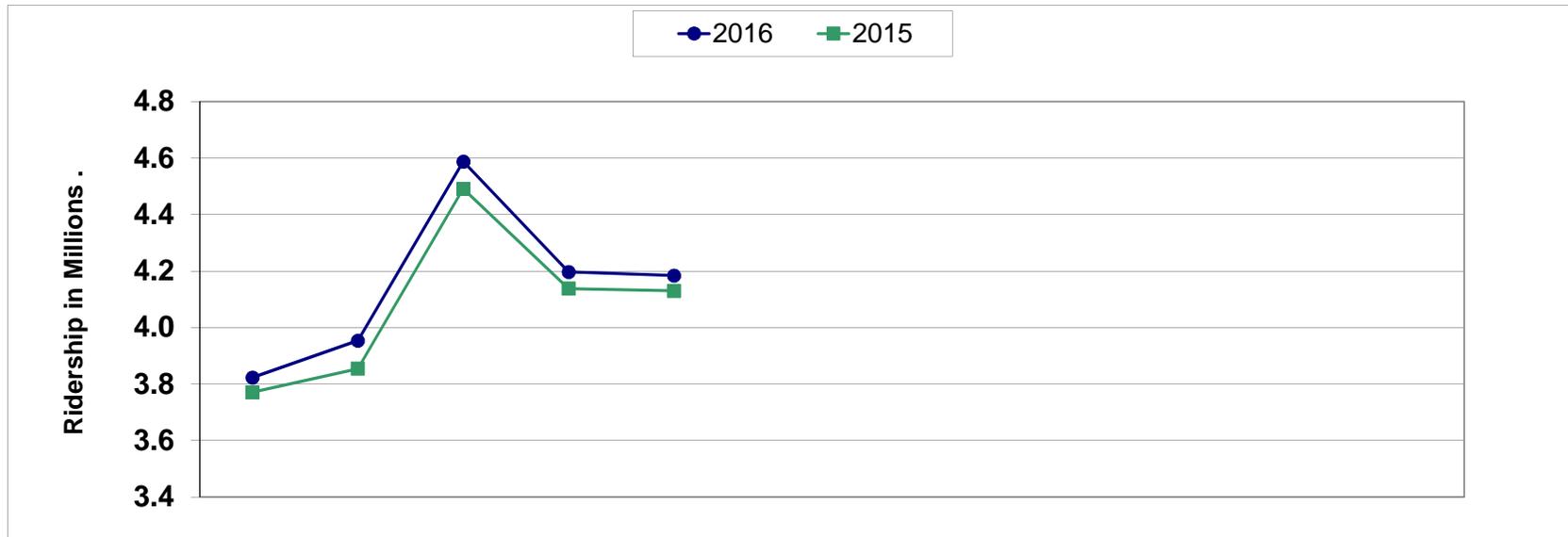


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2016</b>	6.5	6.4	7.5	7.1	7.2								<b>34.8</b>
<b>2015</b>	6.3	6.2	7.3	7.1	7.3								<b>34.4</b>
<b>PCT CHG.</b>	2.5%	3.4%	2.5%	-0.1%	-1.9%								<b>1.2%</b>

1) Includes East and West of Hudson.

# MAY RAIL COMMUTATION RIDERSHIP <sup>(1)</sup>

- May's Rail Commutation Ridership was 1.3% above 2015 and 0.2% above budget.

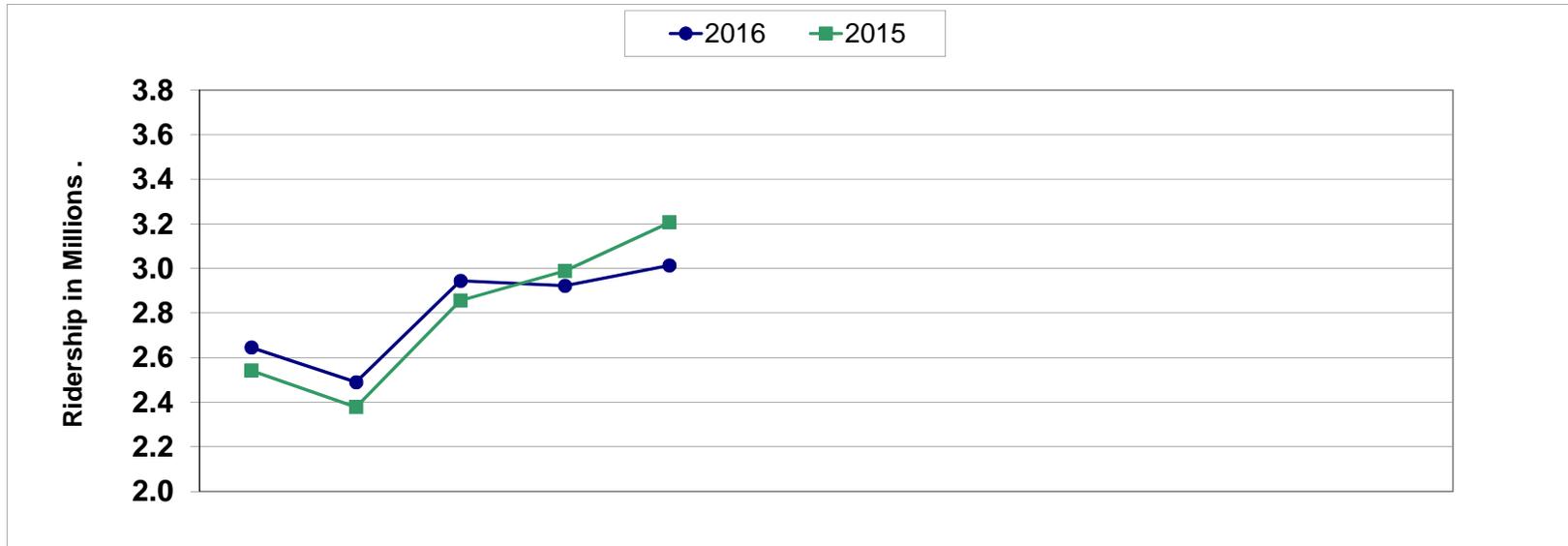


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2016</b>	3.8	4.0	4.6	4.2	4.2								20.7
<b>2015</b>	3.8	3.9	4.5	4.1	4.1								20.4
<b>PCT CHG.</b>	1.4%	2.6%	2.1%	1.4%	1.3%								1.8%

1) Includes East and West of Hudson.

# MAY RAIL NON-COMMUTATION RIDERSHIP <sup>(1)</sup>

- May's Rail Non-Commutation Ridership was 6.0% below 2015 and 7.4% below budget.

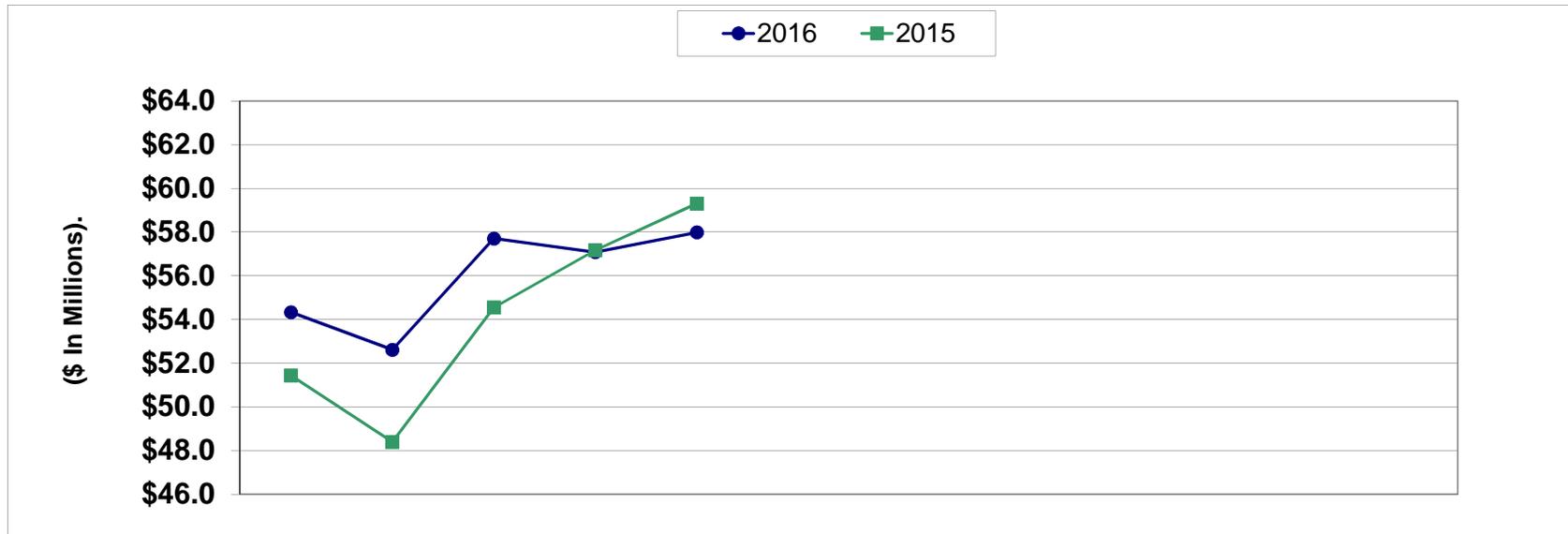


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2016</b>	2.6	2.5	2.9	2.9	3.0								<b>14.0</b>
<b>2015</b>	2.5	2.4	2.9	3.0	3.2								<b>14.0</b>
<b>PCT CHG.</b>	4.1%	4.7%	3.1%	-2.2%	-6.0%								<b>0.3%</b>

1) Includes East and West of Hudson.

## MAY RAIL REVENUE <sup>(1)</sup>

- May's Total Rail Revenue was 2.2% below 2015 and 4.1% below budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2016</b>	\$54.3	\$52.6	\$57.7	\$57.1	\$58.0								\$279.7
<b>2015</b>	\$51.4	\$48.4	\$54.5	\$57.2	\$59.3								\$270.8
<b>PCT CHG.</b>	5.6%	8.7%	5.8%	-0.1%	-2.2%								3.3%

1) Includes East and West of Hudson.

**MTA METRO-NORTH RAILROAD  
RIDERSHIP SUMMARY  
MAY 2016**

TICKET TYPE/SERVICE	MAY 2016 ACTUAL	MAY 2016 BUDGET	VARIANCE VS. BUDGET		MAY 2015 RESTATE <sup>(1)</sup>	CHANGE FROM 2015	
			AMOUNT	PERCENT		AMOUNT	PERCENT
<b>RAIL COMMUTATION RIDERSHIP</b>							
East of Hudson	4,103,095	4,088,978	14,117	0.3%	4,047,108	55,987	1.4%
West of Hudson	80,563	84,423	(3,860)	-4.6%	82,981	(2,418)	-2.9%
<b>Total Rail Commutation Ridership</b>	<b>4,183,658</b>	<b>4,173,401</b>	<b>10,257</b>	<b>0.2%</b>	<b>4,130,089</b>	<b>53,569</b>	<b>1.3%</b>
<b>RAIL NON-COMMUTATION RIDERSHIP</b>							
East of Hudson	2,949,531	3,188,092	(238,561)	-7.5%	3,139,935	(190,404)	-6.1%
West of Hudson	64,166	65,350	(1,184)	-1.8%	66,848	(2,682)	-4.0%
<b>Total Rail Non-Commutation Ridership</b>	<b>3,013,697</b>	<b>3,253,442</b>	<b>(239,745)</b>	<b>-7.4%</b>	<b>3,206,783</b>	<b>(193,086)</b>	<b>-6.0%</b>
<b>TOTAL RAIL RIDERSHIP</b>							
East of Hudson	7,052,626	7,277,070	(224,444)	-3.1%	7,187,043	(134,417)	-1.9%
West of Hudson <sup>(2)</sup>	144,729	149,773	(5,044)	-3.4%	149,829	(5,100)	-3.4%
<b>TOTAL RAIL RIDERSHIP</b>	<b>7,197,355</b>	<b>7,426,843</b>	<b>(229,488)</b>	<b>-3.1%</b>	<b>7,336,872</b>	<b>(139,517)</b>	<b>-1.9%</b>
<b>CONNECTING SERVICES RIDERSHIP <sup>(3)</sup></b>	<b>46,276</b>	<b>45,863</b>	<b>413</b>	<b>0.9%</b>	<b>45,111</b>	<b>1,165</b>	<b>2.6%</b>
<b>TOTAL MNR SYSTEM RIDERSHIP</b>	<b>7,243,631</b>	<b>7,472,706</b>	<b>(229,075)</b>	<b>-3.1%</b>	<b>7,381,983</b>	<b>(138,352)</b>	<b>-1.9%</b>

Notes:

- 1) 2015 ridership figures have been restated to eliminate calendar impacts on ridership.
- 2) West of Hudson ridership figures are preliminary.
- 3) Includes Hudson Rail Link, Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry.

**MTA METRO-NORTH RAILROAD  
RIDERSHIP SUMMARY  
2016 YEAR-TO-DATE**

TICKET TYPE/SERVICE	2016 YTD ACTUAL	2016 YTD BUDGET	VARIANCE VS. BUDGET		2015 YTD RESTATE <sup>(1)</sup>	CHANGE FROM 2015	
			AMOUNT	PERCENT		AMOUNT	PERCENT
<b>RAIL COMMUTATION RIDERSHIP</b>							
East of Hudson	20,339,906	20,142,289	197,617	1.0%	19,966,615	373,291	1.9%
West of Hudson	404,408	423,392	(18,984)	-4.5%	416,690	(12,282)	-2.9%
<b>Total Rail Commutation Ridership</b>	<b>20,744,314</b>	<b>20,565,681</b>	<b>178,633</b>	<b>0.9%</b>	<b>20,383,305</b>	<b>361,009</b>	<b>1.8%</b>
<b>RAIL NON-COMMUTATION RIDERSHIP</b>							
East of Hudson	13,726,421	14,004,940	(278,519)	-2.0%	13,684,760	41,661	0.3%
West of Hudson	288,310	290,715	(2,405)	-0.8%	286,976	1,334	0.5%
<b>Total Rail Non-Commutation Ridership</b>	<b>14,014,731</b>	<b>14,295,655</b>	<b>(280,924)</b>	<b>-2.0%</b>	<b>13,971,736</b>	<b>42,995</b>	<b>0.3%</b>
<b>TOTAL RAIL RIDERSHIP</b>							
East of Hudson	34,066,327	34,147,229	(80,902)	-0.2%	33,651,375	414,952	1.2%
West of Hudson	692,718	714,107	(21,389)	-3.0%	703,666	(10,948)	-1.6%
<b>TOTAL RAIL RIDERSHIP</b>	<b>34,759,045</b>	<b>34,861,336</b>	<b>(102,291)</b>	<b>-0.3%</b>	<b>34,355,041</b>	<b>404,004</b>	<b>1.2%</b>
<b>CONNECTING SERVICES RIDERSHIP <sup>(2)</sup></b>	<b>239,063</b>	<b>229,935</b>	<b>9,128</b>	<b>4.0%</b>	<b>222,419</b>	<b>16,644</b>	<b>7.5%</b>
<b>TOTAL MNR SYSTEM RIDERSHIP</b>	<b>34,998,108</b>	<b>35,091,271</b>	<b>(93,163)</b>	<b>-0.3%</b>	<b>34,577,460</b>	<b>420,648</b>	<b>1.2%</b>

Notes:

- 1) 2015 ridership figures have been restated to eliminate calendar impacts on ridership.
- 2 Includes Hudson Rail Link, Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry.

**MTA METRO-NORTH RAILROAD  
RIDERSHIP BY LINE  
MAY 2016**

LINE	MAY 2016 ACTUAL	MAY 2015 RESTATE <sup>(1)</sup>	CHANGE FROM 2015	
			AMOUNT	PERCENT
<b>EAST OF HUDSON</b>				
Harlem Line	2,290,681	2,340,497	(49,816)	-2.1%
Hudson Line	1,397,282	1,409,904	(12,622)	-0.9%
New Haven Line	3,364,663	3,436,642	(71,979)	-2.1%
<b>Total East of Hudson</b>	<b>7,052,626</b>	<b>7,187,043</b>	<b>(134,417)</b>	<b>-1.9%</b>
<b>WEST OF HUDSON</b>				
Port Jervis Line	86,124	90,255	(4,131)	-4.6%
Pascack Valley Line	58,605	59,574	(969)	-1.6%
<b>Total West of Hudson (2)</b>	<b>144,729</b>	<b>149,829</b>	<b>(5,100)</b>	<b>-3.4%</b>
<b>TOTAL RAIL RIDERSHIP</b>				
	<b>7,197,355</b>	<b>7,336,872</b>	<b>(139,517)</b>	<b>-1.9%</b>
<b>CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS</b>				
Hudson Rail Link	31,287	29,653	1,634	5.5%
Haverstraw-Ossining Ferry	10,097	9,669	428	4.4%
Newburgh-Beacon Ferry	4,892	5,789	(897)	-15.5%
<b>Total Connecting Services</b>	<b>46,276</b>	<b>45,111</b>	<b>1,165</b>	<b>2.6%</b>
<b>TOTAL MNR SYSTEM</b>				
	<b>7,243,631</b>	<b>7,381,983</b>	<b>(138,352)</b>	<b>-1.9%</b>

Notes:

1) 2015 ridership figures have been restated to eliminate calendar impacts on ridership.

2) West of Hudson ridership figures are preliminary.

**MTA METRO-NORTH RAILROAD  
RIDERSHIP BY LINE  
2016 YEAR-TO-DATE**

TICKET TYPE/SERVICE	2016 YTD ACTUAL	2015 YTD RESTATE <sup>(1)</sup>	CHANGE FROM 2015	
			AMOUNT	PERCENT
<b>EAST OF HUDSON</b>				
Harlem Line	11,217,481	11,075,167	142,314	1.3%
Hudson Line	6,629,803	6,554,737	75,066	1.1%
New Haven Line	16,219,043	16,021,471	197,572	1.2%
<b>Total East of Hudson</b>	<b>34,066,327</b>	<b>33,651,375</b>	<b>414,952</b>	<b>1.2%</b>
<b>WEST OF HUDSON</b>				
Port Jervis Line	409,287	417,808	(8,521)	-2.0%
Pascack Valley Line	283,431	285,858	(2,427)	-0.8%
<b>Total West of Hudson</b>	<b>692,718</b>	<b>703,666</b>	<b>(10,948)</b>	<b>-1.6%</b>
<b>TOTAL RAIL RIDERSHIP</b>	<b>34,759,045</b>	<b>34,355,041</b>	<b>404,004</b>	<b>1.2%</b>
<b>CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS</b>				
Hudson Rail Link	162,701	159,663	3,038	1.9%
Haverstraw-Ossining Ferry	52,752	41,966	10,786	25.7%
Newburgh-Beacon Ferry	23,610	20,790	2,820	13.6%
<b>Total Connecting Services</b>	<b>239,063</b>	<b>222,419</b>	<b>16,644</b>	<b>7.5%</b>
<b>TOTAL MNR SYSTEM</b>	<b>34,998,108</b>	<b>34,577,460</b>	<b>420,648</b>	<b>1.2%</b>

Notes:

1) 2015 ridership figures have been restated to eliminate calendar impacts on ridership.



**Metro-North Railroad**

# **Capital Program Report**

## CAPITAL PROGRAM

### HIGHLIGHTS

June 30, 2016

#### ***GRAND CENTRAL TERMINAL (GCT)***

##### **GCT Train Shed Rehabilitation**

Project is 85% complete with steel repairs finalized and paint applied in many areas. In progress work includes: deleading of steel, fabrication, and delivery of new steel; application of paint around steel repaired connections; installation of protective shield at various deficiency locations; and installation of temporary column supports at girder repair locations. Street-level repairs continue with permits received from the NYCDOT to close portions of the sidewalks on 48th and 49th Streets to enable the work to proceed. Repair work is underway along East 49th Street.

Overall project completion anticipated in February 2017.

##### **GCT Elevators Rehabilitation Phase 4 (SE-1 & SE-2 serve upper and lower levels and Depew Place loading dock; A-car elevator serves M42 substation)**

SE-1: Continued installation of wiring and commenced cab installation. The elevator is forecasted to be placed in service in August 2016. SE-2 elevator will commence subsequently and is forecasted to be placed in service in the fourth quarter of 2016. A-car: Elevator shaft repairs continue; delivery of new elevator car is forecasted for third quarter of 2016. A-Car is anticipated to be placed in service in the first quarter of 2017.

##### **GCT Utilities (fire suppression system upgrade at lower level of train shed and utility tunnels, and replacement of 49<sup>th</sup> St. existing fire pump)**

Field inspection of the facility, preparation for mobilization and submittal phase continues. Installation of pipe hangers has commenced in the 43<sup>rd</sup> Street utility tunnel.

Overall project completion anticipated in December 2017.

##### **GCT Leaks Remediation Phase II**

- *42nd Street Bridge*: Restoration activities were on hold at 89th East 42nd Street via reinstallation of the stones encasing the bridge columns, while the adjacent sidewalk shed was in place. With the recent removal of the sidewalk shed, masonry restoration activities to commence in July 2016.
- *Vanderbilt Avenue*: Concrete placement & curing, as well as asphalt paving, have been completed for Vanderbilt Avenue West, 43<sup>rd</sup> to 44<sup>th</sup> Streets. Concrete placement & curing, as well as asphalt paving, have been completed for Vanderbilt Avenue East, immediately south of the East 45<sup>th</sup> Street intersection. Required support steel repairs have been substantially completed under Vanderbilt Avenue's V5 roadway joint.
- *45th Street Bridges*: Restoration of the southbound and northbound 45th Street bridges continues with: offsite cleaning and painting of the architectural panels; removal of concrete encasement from bridge columns and girders continues at street level and within the surrounding sidewalk utilizing temporary enclosures; and assessment of the columns for required structural steel repairs is in progress. The south and north roadway expansion joints for the southbound 45<sup>th</sup> Street Bridge were reconstructed and fully waterproofed. Estimated completion anticipated in December 2016.

- *42nd Street:* Masonry façade cleaning, joint mortar repointing, historic light pole base masonry pier reconstruction and balustrade restoration are in progress east of the Park Avenue Bridge. The masonry façade & Park Avenue Viaduct balustrade cleaning/restoration work were accepted above the sidewalk shed west of the Park Avenue bridge; thereafter, that portion of sidewalk shed and scaffold have been removed.
- *Park Avenue Viaduct:* Catch basin replacement as directed along the Park Avenue Viaduct southbound, over sidewalk space adjacent to the La Fonda restaurant, is underway.
- *Taxi Stand:* In the northern half section, masonry pier repairs will be scheduled and completed in fourth quarter 2016.

Overall project completion anticipated in December 2016.

### **Park Avenue Viaduct Direct Fixation**

The design consultant has completed tension testing of the existing threaded inserts in the concrete deck that anchor the direct fixation “fastener bodies,” which sit atop the deck and hold the rails in place. The data that was collected has been evaluated and a draft report has been submitted and reviewed by project stakeholders. The consultant is investigating the replacement grout for the existing grout plinths that support the fastener bodies atop the deck. Upon finalization of the recommended repairs the consultant will construct a mockup of the recommended design and this will be subjected to cyclical loading to test the integrity of the proposed system. Subsequently, the design consultant will prepare design documents to enable Metro-North force account to commence with repairs. Overall project completion anticipated in December 2016.

## ***STATIONS/PARKING/FACILITIES***

### **Station Building Renewal Projects**

- *Furnish and Install New Elevator at Port Chester Station (outbound side)* – Construction bids were received and are under review; anticipate contract award in July 2016. Project completion forecasted for third quarter of 2017.
- *Hartsdale Window and Exterior Renovations (contract is under the Small Business Mentoring Program)* – Contract achieved substantial completion in June 2016.

### **Croton-Harmon Station Interior Improvements**

A Small Business Development Tier II Program project to perform station improvements which includes: new light fixtures, ceiling tiles, wall panels, concession stand panels, floor tiles and air conditioning throughout the station. Miscellaneous work continues, including work on the ticket office’s new window installation, with substantial completion anticipated in July 2016.

### **Fordham Station Improvements**

Overall state of good repair project that increases safety, enhances communications with customers, and improves access and experience at the station. The scope of work provides for: widening of outbound platform, new canopies, new lighting, stairs, heated shelters, refurbished elevator, and new customer communication systems (PA system, signage, information monitors) and passenger amenities.

The project achieved substantial completion in June 2016.

### **Strategic Facilities – Design-Build Replacement of Prospect Hill Road Bridge (Southeast Station)**

Design consultant is finalizing design-build documents with project stakeholders. Solicitation for proposals is scheduled to commence in August 2016 with project kickoff by early 2017. It is anticipated that Prospect Hill Road Bridge will be opened for vehicular service by year end of 2018.

### **Design of Grand Central Terminal (GCT) and Outlying Stations Audio and Visual Information System Replacements**

The purpose of this project is to design a replacement for GCT's Information System (big boards, gate boards, digital track indicators, monitors and platform displays) with a modern, more capable and robust infrastructure as well as develop a new station public address system that will provide audio and visual display of scheduled trains at outlying stations. The preliminary design is underway to prepare GCT and Outlying Station Design Packages for visual and audio public address system infrastructure. Both GCT and Outlying Stations are proceeding with design-build project delivery methods.

### **Enhanced Station Improvements at Harlem-125th Street, Riverdale, Crestwood, White Plains and Port Chester**

Through a joint procurement, Metro-North and Long Island Rail Road will make an award in July 2016 to a Best Practices Design Consultant to advise on industry best practices as a means to enhance the aesthetics and amenities of the stations, passenger's experience and improve stations through design innovation and excellence, all with minimal disruptions to customers. Architectural enhancements such as: artistic lighting and lighting of historic stations as well as other types of enhancement opportunities will be explored as part of this effort. By year's end it is anticipated that a design-build contract will be awarded to execute the results of this effort.

## ***POWER***

### **Power, C&S Infrastructure Restoration Phase I – Sandy (Design-Build)**

- Substantial Completion was achieved adjacent to track 4 for the following installation work: communication, signal, and power duct banks; elevated steel platforms; third rail set-ups; and track crossings. With miscellaneous punch list work underway, track 4 is scheduled to return to service in July 2016. Subsequently, a continuous track 2 outage will commence for two to three weeks, and two continuous weekend outages will commence at track 1, CP26 interlocking (Philipse Manor). This will enable MNR force account crew to perform maintenance work from Philipse Manor to Croton-Harmon (CP26-34). It is anticipated that the design-builder will perform approximately 13 track crossings during the track 2 and 1 outages.
- Track 3 outage is tentatively scheduled from early August 2016 through the end of 2016. During this outage, reverse off-peak bussing will be provided for customers at Philipse Manor and Scarborough.
- Continue to progress design development towards 90% level for the Phase I limits CP19 (Greystone) to CP35 (Croton-Harmon).

Overall project completion is anticipated in June 2017.

### **Power Infrastructure Restoration – Substations – Sandy**

*Riverdale:* Continued with pulling cable for traction power, negative return, and impedance bonds under the track crossings; anticipate completion by July 2016. The factory acceptance test and delivery of the substation and associated electrical equipment is scheduled for early August 2016. The foundation is ready for trailer placement for the crew quarter; delivery and installation is anticipated in September 2016.

*Tarrytown:* Continued 15kV cable pulling and terminations from the substation vault to: manhole no. 3, negative impedance bond cable from track 4, and impedance bond cable pulls under track 3. The factory acceptance test and delivery of the substation and associated electrical equipment is scheduled for end of August 2016.

*Croton-Harmon:* Completed concrete placement for the ductbanks and the northern transformer pad. Fabrication of substation and associated electrical equipment are underway with delivery anticipated in September 2016.

Overall project completion anticipated in February 2017.

### **Harlem & Hudson Lines Power Improvements**

#### *Construction of 110<sup>th</sup> Negative Return Reactors and 86<sup>th</sup> Street Substation*

- 110th St (replacement of negative return reactors in the substation under the viaduct): Negative reactors in-service testing continues. Installation of handrails, viaduct gates, completion of grounding and bonding, removal of existing negative reactors, cleanup and demobilization are planned to be complete in July 2016.
- 86th St: Core drilling on the east platform will commence after MNR completes asbestos abatement in the vicinity. Fabrication of AC and DC switchgears is in progress and forecasted to be delivered in fourth quarter of 2016.

*Brewster Substation* – Completed concrete placement for south and north retaining walls; continued installation of ductbanks and installation of traction power conduits in the substation vault. Fabrication of switchgear is underway with delivery forecasted in fourth quarter of 2016.

Overall project completion anticipated in February 2017.

### **Substation Replacement Bridge-23**

Installation of lighting, smoke detectors, and bus duct has commenced at New Rochelle substation. Circuit breaker cubicles, to be inserted in the spare compartments of the existing switchgear, are scheduled for delivery by end of July 2016.

Final testing of Pelham's voltage balancing station is anticipated to commence in July 2016.

Overall project completion anticipated in June 2017.

### **Harlem River Lift Bridge-Cable Replacement/Control System**

Elevator rehabilitation work to gain access to the bridge control and machine rooms is now complete for both the Manhattan and Bronx towers. Motor control testing is ongoing in addition to miscellaneous punch list work. The bridge is available to support river traffic upon request.

Overall project completion anticipated in August 2016.

## ***TRACK AND STRUCTURES***

### **Bronx Drainage Phase II B Improvements between Mott Haven and Fordham**

Installation of HDPE pipes along tracks 1, 2, 3 and 4, north of E 170<sup>th</sup> St. station continues. To date, 1695LF of pipe along 3, 1125LF along track 4 and 2470LF between tracks 1&2 has been installed. The track outages are being coordinated with the CP-109 and Fordham projects. The work includes: installation of a track under-drain system between Mott Haven Yard and Fordham on Metro-North's Harlem Line. This work is the second phase of

a multi-phase project in which this system will be connected to the New York City Department of Environmental Protection's (NYCDEP) combined sewer at the intersection point where NYCDEP's pipes cross under the tracks.

### **Inspection and Load Rating of Select Undergrade Bridges in New York State**

- The field inspection phase of the bridges continues and is approximately 64% complete. Bridge inspectors continue to progress with the inspection across Metro-North's territory including Woodbury Viaduct on the Port Jervis Line.
- As a result of the May 17, 2016 fire under the Park Avenue Viaduct, the following design efforts are underway: strain gage testing on the damaged steel; soil borings, including a geotechnical engineering report; installation of a remote monitoring system; steel and concrete material testing; survey of the emergency temporary support system; lead testing on the existing paint system; and hazardous material testing of the soil. A fire damage assessment report is also being prepared. Bids for the permanent reconstruction of the fire damaged area were received and are under review, award will follow.
- Associated Inspection and Load Rating reports continue to be submitted and reviewed by key stakeholder's review.

Overall project completion anticipated in January 2020.

### **Undergrade Bridges East of Hudson - Repair/Replacement**

Continuing the work of previous Capital Programs, the 2015 to 2019 Capital Program will continue the repair/replacement of undergrade bridges east of the Hudson River to bring them to a State of Good Repair. It is envisioned that there will be four design and eleven construction packages. The first bid package, to replace two Harlem Line bridges located north of Patterson, New York, is being finalized. It is anticipated that bids will be received in fourth quarter 2016, with award in first quarter 2017.

### **Undergrade Bridges – West of Hudson**

The designs for in-house force account repairs to seven undergrade bridges on the Port Jervis Line (between Harriman and Campbell Hall stations) have the following status: final designs are complete for five of the bridges: JS 63.04, JS 61.56, JS 47.19, JS 58.64 and JS 62.00; bridge JS 44.80's final design was submitted for Metro-North's stakeholders' review; JS 66.22's design is underway. Anticipate a contract award for repair work for two bridges, JS 63.04 and JS 62.00, in the third quarter of 2016. Overall project completion anticipated in December 2018.

## ***COMMUNICATIONS AND SIGNAL***

### **Positive Train Control (PTC)**

Transponders continue to be installed for Civil Speed Enforcement on both the Hudson and New Haven Lines. Civil Speed Enforcement was placed into revenue service for Amtrak and Freight Carriers from CP 261 to CP 274 on the New Haven Line. Wayside subsystem deliveries continue to support the installation of pilot locations in advance of final design completion. P32 locomotives and Cab Car On Board hardware installation is ongoing. First M7 complete pilot equipment delivery and installation at Arch Street is scheduled for July 2016. The Federal Communications Commission issued a proposed order granting the spectrum modification request for Fairfield, New Haven, Orange and Dutchess Counties; final approval is still pending. Project Completion is progressing towards the December 31, 2018 deadline.

### **West of Hudson Signal Improvements**

Metro-North force account is continuing work along Segment 1 (CP-Sterling to CP-Harriman), with cutover anticipated in the first quarter of 2017. The purpose of this project is to install a new 100 Hz Cab Signal system

replacing the existing antiquated system on the Port Jervis Line between Suffern, NY (MP 31.3) and Sparrowbush, NY (MP 89.9), with the work divided into five segments. Currently, force account cutover work remains, as the cable and signal infrastructure equipment installation was substantially completed in April 2015 by a third party contractor.

Overall project completion anticipated in February 2020.

## ***SHOPS AND YARDS***

### **Harmon Shop Improvements**

#### *Phase V, Stage I Design-Build*

- Consist Shop Facility/ Building 6 (CSF) - In the new building footprint, work completed includes: excavation; installation of foundation piers; and installation of traction power and electrical distribution conduit. Continued with: foundation work (formwork/rebar); subbase preparation for concrete foundation and industrial waste piping; and conduit installation for traction power and electrical distribution in the area south of the building; Anticipate delivery of structural steel for CSF to commence in September 2016.
- EMU (Electric Multiple Unit) Annex Building – Continued with steel erection; installation of electrical and communication ductbank working from north to south along the adjacent roadway; and shop drawing preparation for EMU industrial major equipment.
- Fire protection water line - installation at west side of CSF continues.

#### *Phase V Stage II Preliminary Design*

- Stage II Preliminary Design for the Running Repair and Support Facility continues with information and data gathering activities to facilitate the update of the Harlem and Hudson Master Plan for Harmon Yard and other NY Maintenance of Equipment facilities. Design completion anticipated in March 2017.

Overall project completion anticipated in January 2018.

# 2016 MNR Capital Program Goals

As of June 30, 2016  
In Millions

