



**Metropolitan Transportation Authority**

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

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## **November 2016**

### **Members**

S. Metzger

N. Brown

C. Moerdler

J. Molloy

M. Pally

A. Saul

V. Vanterpool

J. Vitiello

C. Wortendyke

N. Zuckerman

# **Metro-North Railroad Committee Meeting**

**2 Broadway  
20th Floor Board Room  
New York, NY  
Monday, 11/14/2016  
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 12*

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

### **Safety Report**

*MNR Safety Report - Page 19*

### **MTA Police Report**

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## **5. Action Item**

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### **Rockland County Tappan Zee Express Service Improvement**

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## **6. Information Items**

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### **Review of Committee Charter**

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### **Holiday Schedule**

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## **7. Procurements**

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### **Non-Competitive**

*MNR Non-Competitive Procurements - Page 41*

### **Competitive**

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### **Ratifications**

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## **8. Monthly Reports**

### **Operations**

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### **Financial**

*MNR Finance Report - Page 63*

### **Ridership**

*MNR Ridership Report - Page 84*

### **Capital Program**

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Date of Next Meeting: Monday, December 12, 2016 at 8:30 a.m.

Minutes of the Regular Meeting  
Metro-North Committee  
Wednesday, October 26, 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. Susan G. Metzger, Chair of the Metro-North Committee  
Hon. Mitchell H. Pally, Chair of the Long Island Rail Road Committee  
Hon. Norman Brown  
Hon. Ira Greenberg  
Hon. Charles G. Moerdler  
Hon. John J. Molloy  
Hon. Andrew Saul  
Hon. Veronica Vanterpool  
Hon. James E. Vitiello  
Hon. Carl V. Wortendyke  
Hon. Neal J. Zuckerman

Not Present:

Hon. Vincent Tessitore, Jr.

Also Present:

Joseph J. Giulietti – President, Metro-North Railroad  
Katherine Betries-Kendall – Vice President, Human Resources  
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  
Andrew Paul – Acting Vice President, Labor Relations  
Kim Porcelain – Vice President, Finance and Information Systems  
Michael Shiffer – Vice President, Operations Planning and Analysis  
Justin Vonashek – Vice President, System Safety

The members of the Metro-North Committee met jointly with the members of the Long Island Committee. Mr. Pally, as Chairman of the Long Island Committee, 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 October 26, 2016, should be consulted for matters addressed at the joint meeting relating to Long Island Rail Road.

## **PUBLIC COMMENT**

Two public speakers addressed the Committee.

Mr. Glucksman, Chairman Metro-North Railroad Commuter Council and the Permanent Citizen's Advisory Committee for the MTA discussed the accident at Hoboken Terminal. He expressed his opinion that New Jersey Transit does not adequately inform riders of service changes. While Mr. Glucksman appreciates the cross honoring of west of Hudson tickets on the Hudson Line, he believes west of Hudson riders are getting "short changed" and is dissatisfied with the service provided by New Jersey Transit. Mr. Glucksman complained about a number of peak hour delays and cancellations. He stated that west of Hudson riders were provided with substantially reduced weekend service following the accident because New Jersey Transit was not able to adjust its service without the use of Hoboken Terminal. Mr. Glucksman stated that, since Woodbine Yard does not have additional track space to store a train, Metro-North should require New Jersey Transit to store a protect train at the Pond Siding located between Nanuet and Pearl River Station. He stated that Metro-North must insist that New Jersey Transit operate express trains. Mr. Glucksman expressed his opinion that future operating agreements with New Jersey Transit impose strict penalties for poor performance.

Murray Bodin expressed his opinion that the painted red box at the Mt. Kisco crossing exposes Metro-North to liability and that "don't block the box" signs and traffic signals should be used at rail crossings instead.

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 September 26, 2016 Committee meeting. There were no changes to the 2016 Metro-North Work Plan.

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

President Giulietti reported on service reliability in the month of September 2016. He reported that overall east of Hudson service reliability was 95.5% with all service periods operating above goal. Train delay minutes were reduced by 51% from August with a 60% reduction in delays due to the infrastructure issues. President Giulietti noted that the railroad experiences five to ten minute delays at this time of year as a result of slippery rails due to fallen leaves.

President Giulietti presented a detailed report of the railroad's response to the New Jersey Transit September 29 accident at Hoboken which impacted Metro-North's Pascack Valley Line riders who take train number 1614. Chairman Prendergast, President Giulietti and Metro-North

staff immediately went to Hoboken following the accident. The railroad remained in constant communication with New Jersey Transit to provide assistance and support, and to ensure a sufficient alternate service plan was developed and implemented to accommodate Metro-North's west of Hudson customers. Metro-North monitored the plan daily and coordinated with New Jersey Transit to provide customers with the necessary supplemental service. President Giulietti reported on the alternate service plans instituted by Metro-North and New Jersey Transit. He discussed the railroad and New Jersey Transit's customer communication efforts. President Giulietti thanked MTA Bus for its support during the service disruptions. He noted that the National Transportation Safety Board (NTSB) is investigating the accident.

President Giulietti reported that fleet availability in September 2016 was good with a consistent compliance of 99.5%. He noted that, year-to-date August, performance of the M-8 railcars was 51% above the projected goal with an average mean distance between failure of over 454,000 miles.

President Giulietti reported that Metro-North had the lowest number of total customer complaints in September 2016 than it has had since it started tracking customer complaints using the current method in 2003. As a result of improved train performance, overall customer complaints in September 2016 were 44.9% lower than in the comparable period of 2015 and 26.9% lower than in the month of August 2016.

President Giulietti reported on ridership in the month of September 2016, noting that preliminary figures indicate that east of Hudson ridership was 1.1% lower than in the comparable period of 2015, commutation ridership was 0.5% higher, and non-commutation ridership was 3.2% lower. Year-to-date September 2016, total ridership was 0.4% higher than in the comparable period of 2015, commutation ridership was 1% higher, and non-commutation ridership was 0.4% lower.

President Giulietti announced that the MTA was one of three state agencies recognized by the New York Power Authority (NYPA) for energy efficiency measures and furthering Governor Cuomo's initiatives to increase the use of renewable energy and cut greenhouse gas emissions. The MTA achieved the largest reduction in energy use intensity (EUI) (the amount of energy used per square foot) of any agency with two million square feet or more of managed space. The MTA was recognized for achieving a 20 percent reduction in EUI at Grand Central Terminal since the 2010-2011 state fiscal year through upgrades of the Terminal's steam systems and air handlers, the replacement of chillers and cooling tower and the installation of high-efficiency lighting.

President Giulietti reported that the railroad has issued a Request for Expressions of Interest (RFEI) for the Beacon Line, a 33 mile route from the City of Beacon in Dutchess County to Southeast in Putnam County, which the railroad acquired in 1995. While there has been minimal rail traffic on the line, over the years there has been interest from outside parties on various uses for portions of the line. The portion of the line in Putnam would require sharing the right-of-way with the Putnam County Trailway Project already under development and would have to be a compatible use with the County's trail. The RFEI will help the railroad determine the degree of interest for the economic use of all or part of the Beacon Line and will assist in determining the viability of issuing a Request for Proposal (RFP) for this property in the future. The proposals under the RFEI can be from a single entity or a collaboration of entities and can also include partnering with County and local municipalities. Responses from all interested parties are due Friday, November 18th. Metro-

North has informed the Dutchess and Putnam county governments and local governments of the RFEI and placed an ad in several publications. An update will be provided to the Committee following Metro-North's review of the responses.

In response to Board member Zuckerman's question regarding Metro-North's monitoring of New Jersey Transit, President Giulietti noted that Metro-North has daily interaction with New Jersey Transit regarding fleet integration and utilization and monitors its progress with Positive Train Control (PTC). He noted that New Jersey Transit has a contractual obligation to report to Metro-North on its operation. Board Member Metzger noted that she had used Metro-North's west of Hudson service following the accident at Hoboken and was appreciative of the information provided to riders regarding service changes. She suggested that Metro-North place a sign over the schedules posted at stations to reach riders who had not received this information through other sources; President Giulietti stated that this would be done in the future. Board member Metzger stated that, following the accident, she observed Metro-North employees riding the trains to monitor service. She believes that Metro-North should conduct an examination to determine whether New Jersey Transit has enough available equipment and adequate supplies and staffing to make necessary overnight repairs. President Giulietti noted that Metro-North is working with New Jersey Transit on a number of issues. Board member Moerdler asked whether the parking agreements permit cross honoring in the event of emergency service changes. President Giulietti noted that customers were advised of areas with available parking and Metro-North provided bus service to the parking lots at all stations.

The details of the President's Report and comments by Board members are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes Board member comments regarding the President's Report.

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

Mr. Vonashek reported that the customer accident rate in August 2016 continued to be lower than it had been in the previous three years and was 28% lower than in the previous 12 months. The employee lost time injury rate increased approximately 20% versus the previous 12 month period. Metro-North continues to receive reports through the Confidential Close Call Reporting System (C3RS). The Peer Review Team has reviewed almost 600 reports in 2016. Six corrective actions are under development. The C3RS program will be discussed in detail at the October Safety Committee Meeting. Metro-North's community outreach program TRACKS reached over 7600 individuals in August, bringing the total since May to over 20,000. The pilot installation of inward and outward facing cameras on rolling stock began in August 2016. To date, four cars have been fitted with inward/outward facing cameras and five with passenger compartment cameras.

The details of Mr. Vonashek's report are contained in the safety 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 crime on the Metro-North and Long Island Rail Road systems, noting that, combined, there were 30 total major felonies in September 2015 versus 25 in 2014. There were two robberies – one at Mt. Vernon East for which a suspect has been identified and will be in MTAPD’s custody once they are released from custody with another agency and one on Long Island Rail Road at Glen Street resulting in two arrests. There were three burglaries – two at Grand Central Terminal and one at a trailer located at Mt. Vernon. There were three assaults – two police officers were assaulted and there was an assault on Long Island Rail Road territory. The MTAPD continues to monitor grade crossings. Year-to-date 1713 summons have been issued at grade crossings, 175 of which were for grade crossing violations.

Board member Moerdler asked about the increase in major felonies. Chief Coan reported that there has been a 12% decrease in major felonies on Long Island Rail Road territory and an eight percent increase on Metro-North territory. He noted that there is no apparent pattern. The increase was due to the increase in assaults and burglaries and in arrests for violation of barring notices – notices issued to individuals which bar them from entering certain business establishments. If an individual who has been issued such a notice enters the establishment from which they have been barred and is arrested, the arrest is a felony burglary.

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 comments regarding the police report.

## **JOINT INFORMATION ITEMS:**

Three joint information items were presented to the Committee:

- 2017 Preliminary Budget (Public Comment). President Nowakowski noted that the railroads’ preliminary budgets were presented at the July MTA Board meeting and are available on the MTA website. The item appears on the Committee’s agenda to provide an opportunity for public comment.
- MTA Homeless Outreach. Cynthia Wilson presented the report. In response to Board member Moerdler’s questions, Ms. Wilson noted that she works closely with the New York City Department of Homeless Services with whom she has daily contact as they provide housing resources. She also works closely with the Bowery Residents’ Committee (BRC) which has a crisis prevention program, shelter beds and is in contact with the NYC Department of Homeless Services. Board member Moerdler voiced his concern about security at the shelters. He noted that the homeless have different types of problems and may require different services. He suggested that periodic visits be made to the shelters to ensure that people are getting the appropriate level of services. Board member Metzger noted that placements have increased in Penn Station. She asked how we can increase placements. Ms. Wilson noted that the MTA Homeless Outreach work with other stakeholders to come up with strategies for helping the homeless and share their resources.

- LIRR/MNR PTC Project Update. President Nowakowski noted that the update on PTC implementation provided in the agenda book will be presented in greater detail at the October CPOC meeting and we are also available to answer any questions. Board member Pally noted that the independent engineer will also be available at CPOC to answer any questions. Board member Pally noted that we are on schedule for completion in December of 2018. There was a discussion between Board member Greenberg and President Nowakowski regarding the potential for track outages as a result of PTC implementation. It was noted that most of the work will be done without track outages as PTC is not an intensive track operation. President Nowakowski noted that PTC must be installed on all MU equipment which must be taken out of service during the installation. Board member Vanterpool had questions regarding the FRA loan. It was noted that the loan interest rate is favorable and the railroads will draw down on the loan as needed.

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, which recording contains the discussions between Board members and staff regarding the above information items.

#### **JOINT MNR/LIRR ACTION ITEM:**

One joint action item was presented to the Committee:

- Approval to lease wireless spectrum in seven New Jersey Counties to New Jersey Transit, in compliance with an Order of the Federal Communications Commission (“FCC”) requiring the MTA to “sell or lease on commercially reasonable terms” spectrum to NJ Transit as part of the granting of additional spectrum to the MTA for implementation of Positive Train Control (“PTC”).

Upon motion duly made and seconded, the forgoing joint action item was approved for recommendation to the Board. The details of the above item are contained in a staff summary 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.

#### **PROCUREMENTS:**

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

Three non-competitive procurements were presented to the Committee:

- Approval to award a non-competitive ten year (five-year base with five-year option) miscellaneous service contract in the not-to-exceed amount of \$355,000 with American Tower Corporation (ATC) for the lease of secured land, tower and transmitter space. The lease includes the cost of required air conditioning, electricity and generator backup. This rental tower provides radio signal coverage for dispatching of Metropolitan Transportation Authority (MTA) Police and MNR operations personnel covering the upper Hudson and Harlem Lines.

- Approval to award a non-competitive ten year (five year base with option for five additional years), miscellaneous service contract in the amount of \$2,750,000 with Swisslog Logistics, Inc. (Swisslog) for the maintenance and support of MNR's warehouse Automated Storage and Retrieval System. This new system is located in the New Haven Central Distribution Warehouse facility.
- Approval for additional funding in the not-to-exceed amount of \$1,232,509 for a contract modification to an existing miscellaneous procurement contract with Railware, Inc. (Railware) to upgrade the current customized proprietary software to our current Centralized Traffic Control (CTC) System. The original contract was a negotiated non-competitive procurement awarded in June 2014 for the maintenance and support of the CTC system. As part of the system software replacement, Railware will design, develop, implement, and train the Rail Traffic Controllers (RTC) on additional enhancements of the system. This includes a new Trouble Desk Software program that will allow a multi-user interface and a call out dialer upgrade that will bring the current system up to date with the most recent available version of operating systems, development systems, and data processing systems.

Board member Moerdler noted that the contract with Railware was approved as a non-competitive contract in 2014. He asked why Metro-North has not considered seeking another vendor for the work to be done under the contract modification. Mr. Hayden noted that the contract modification is for enhancement to the current train control system and that Metro-North determined that it would be too difficult and costly to make a transition to another vendor.

Board member Zuckerman questioned the capital and operating expenses of the contract with Swisslog. Mr. Muir noted the capital expense of procuring and funding the warehouse facility was borne by CDOT. Board member Saul asked why Metro-North did not ensure that maintenance and support of the system was considered when CDOT contracted with Swisslog to have the facility constructed. He asked where the MTA stands with respect to the consolidation of software packages. Mr. Kesich noted that Metro-North was in negotiation with CDOT for several years regarding the design of the component change out facility in New Haven which was constructed to support the M-8 fleet. The selection of the warehousing system was done jointly by Metro-North and CDOT. Based on CDOT's capital requirements, maintenance and support of the system could not be in the original procurement. Metro-North agreed to do the procurement through the operating agreement with CDOT by which CDOT bears 65% of the maintenance and support expenses and Metro-North bears 35% . Board members Vitiello and Saul stated that the cost of the software upgrade should have been set at the time of the original contract. Mr. Hayden noted that the facility is a unique, rack supported facility that is nine to ten stories high, consisting of robotic cranes that move pallets of materials. The maintenance of the cranes and delivery system is also included in the contract. Board member Pally asked that the Committee be provided with an overview of the proposed contract with Swisslog before the Board meeting.

Upon motion duly made and seconded, the foregoing procurement items were approved for recommendation to the Board, with the understanding that Swisslog would be advanced to the Finance Committee where this item was on the agenda.

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 which recording includes discussions between Board members and staff regarding the above procurements.

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

Board member Zuckerman asked why 37% of delays in the month of September 2016 on the Long Island Rail Road are due to customers and only 4.3% of these delays are due to customers on Metro-North. It was noted that Metro-North and Long Island Rail Road are working closely to standardize the way the categories are combined and reported by the railroads.

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.

**ADJOURNMENT**

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Linda Montanino".

Linda Montanino  
Assistant Secretary

## 2016 Metro-North Railroad Committee Work Plan

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### 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>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
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#### 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  
2016 Annual Ridership Report  
Annual Inventory Report

Finance  
Operations Planning & Analysis  
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  
Bi-Annual Report on M-9 Procurement  
Track Program Quarterly Update

President  
President  
Engineering

July 2017

Grand Central Terminal Retail Development  
Environmental Audit

MTA Real Estate  
Environmental Compliance

September 2017

2018 Preliminary Budget (Public Comment)  
2017 Mid-Year Forecast  
Diversity/EEO Report – 2<sup>nd</sup> Quarter 2017  
Track Program Quarterly Update  
2017 Fall Schedule Change

Finance  
Finance  
Diversity and EEO  
Engineering  
Operations Planning & Analysis

October 2017 (Joint meeting with LIRR)

2018 Preliminary Budget (Public Comment)  
Status Update on PTC

Finance  
President

# 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

### 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.

## **JULY 2017**

### 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 2017 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 2017**

### 2018 Preliminary Budget

Public comment will be accepted on the 2018 Budget.

### 2017 Final Mid-Year Forecast

The agency will provide the 2017 Mid-Year Forecast financial information for revenue and expense by month.

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

### 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.

### 2017 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 2017.

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

2018 Preliminary Budget

Public comment will be accepted on the 2017 Budget.

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.



**Metro-North Railroad**

# **Safety Report**

## September 2016 Safety Report

Performance			
Performance Indicator	12-Month Average		
	October 2013 - September 2014	October 2014 - September 2015	October 2015 - September 2016
FRA Reportable Customer Accident Rate per Million Customers	2.13	1.85	1.20
FRA Reportable Employee Lost Time Injury Rate per 200,000 worker hours	2.68	2.13	2.80
Grade Crossing Incidents <sup>1</sup>	3	1	3
Mainline FRA Reportable Train Derailments	1	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	
	September	Year end	September	Year to Date
Total Reports Received	0	574	151	566
Total Reports Reviewed by PRT	0	261	98	677
Total Reports that Meet C3RS Program Criteria	0	212	78	554
Total Corrective Actions being Developed	0	0	0	6
Total Corrective Actions Implemented	0	3	0	0
Customer and Community: Focus on Grade Crossings	September	Year to Date	September	Year to Date
Broken Gates	1	24	7	46
MTA Police Details	110	1,170	121	1,181
Summons	27	559	37	314
Warnings	9	175	8	91
Community Education and Outreach	NA	NA	6,538	26,946
Cameras on Rolling Stock	Fleet Size	Total Installed	% Complete	
Inward / Outward Facing Cab Cameras	956	4	0.42%	
Passenger Compartment Cameras	1,083	5	0.46%	
Total	2,039	9	0.44%	

### 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. Program began in April, 2015.

**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. Program began in May 2016.

**Cameras on Rolling Stock** - Number of complete inward/outward and passenger compartment camera installations on rolling stock. Installation began in September 2016.



# Police Report



# **METROPOLITAN TRANSPORTATION AUTHORITY**

## **Police Department Metro North Railroad**

### **October 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>5</b>	<b>0</b>	<b>5</b>	<b>100%</b>
<b>Felony Assault</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>100%</b>
<b>Burglary</b>	<b>3</b>	<b>4</b>	<b>-1</b>	<b>-25%</b>
<b>Grand Larceny</b>	<b>3</b>	<b>11</b>	<b>-8</b>	<b>-73%</b>
<b>Grand Larceny Auto</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Total Major Felonies</b>	<b>12</b>	<b>15</b>	<b>-3</b>	<b>-20%</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>16</b>	<b>9</b>	<b>7</b>	<b>78%</b>
<b>Felony Assault</b>	<b>14</b>	<b>7</b>	<b>7</b>	<b>100%</b>
<b>Burglary</b>	<b>17</b>	<b>13</b>	<b>4</b>	<b>31%</b>
<b>Grand Larceny</b>	<b>81</b>	<b>90</b>	<b>-9</b>	<b>-10%</b>
<b>Grand Larceny Auto</b>	<b>3</b>	<b>5</b>	<b>-2</b>	<b>-40%</b>
<b>Total Major Felonies</b>	<b>131</b>	<b>125</b>	<b>6</b>	<b>5%</b>



# **METROPOLITAN TRANSPORTATION AUTHORITY**

## **Police Department**

### **System Wide**

#### **October 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>7</b>	<b>1</b>	<b>6</b>	<b>600%</b>
<b>Felony Assault</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0%</b>
<b>Burglary</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0%</b>
<b>Grand Larceny</b>	<b>14</b>	<b>19</b>	<b>-5</b>	<b>-26%</b>
<b>Grand Larceny Auto</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>100%</b>
<b>Total Major Felonies</b>	<b>27</b>	<b>25</b>	<b>2</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>2</b>	<b>-2</b>	<b>-100%</b>
<b>Robbery</b>	<b>40</b>	<b>32</b>	<b>8</b>	<b>25%</b>
<b>Felony Assault</b>	<b>27</b>	<b>25</b>	<b>2</b>	<b>8%</b>
<b>Burglary</b>	<b>26</b>	<b>18</b>	<b>8</b>	<b>44%</b>
<b>Grand Larceny</b>	<b>155</b>	<b>175</b>	<b>-20</b>	<b>-11%</b>
<b>Grand Larceny Auto</b>	<b>7</b>	<b>8</b>	<b>-1</b>	<b>-13%</b>
<b>Total Major Felonies</b>	<b>255</b>	<b>260</b>	<b>-5</b>	<b>-2%</b>



# MTA Police Department Arrest Summary: Department Totals

1/1/2016 to 10/31/2016

Arrest Classification	Total Arrests	
	2016	2015
Murder	0	1
Rape	0	2
Robbery	32	26
Felony Assault	29	25
Burglary	22	9
Grand Larceny	55	45
Grand Larceny Auto	3	0
Aggravated Harassment	3	1
Aggravated Unlicensed Operator	16	10
Arson	0	1
Assault-Misdemeanor	40	37
Breach of Peace	10	14
Child Endangerment	3	3
Criminal Contempt	4	9
Criminal Impersonation	5	5
Criminal Mischief	44	36
Criminal Possession Stolen Property	12	13
Criminal Tampering	3	10
Criminal Trespass	32	26
Disorderly Conduct	5	3
Drug Offenses	47	49
DUI Offenses	9	8
Falsely Reporting an Incident	4	5
Forgery	55	46
Fraud	8	7
Graffiti	11	10
Harassment	0	4
Identity Theft	1	3
Impairment Integrity Gov Licencing Exam	0	13
Issue a Bad Check	1	1
Menacing	6	12
Obstruct Government	14	8
Official Misconduct	5	0
Panhandling	1	0
Petit Larceny	167	97
Probation/Parole Violation	0	1
Promoting Prostitution	0	1
Public Lewdness	101	26
Reckless Endangerment	3	8
Resisting Arrest	32	23
Sex Offenses	10	5
Stalking	0	1
Theft of Services	141	148
Unlawful Fleeing a Police Officer	1	0
Unlawful Imprisonment/Kidnapping	1	0
Unlawful Surveillance	0	2
VTL Offenses	3	2
Warrant Arrest	37	53
Weapons Offenses	6	6
Unauthorized Use Vehicle	0	2
<b>Total Arrests</b>	<b>982</b>	<b>817</b>

# INDEX CRIME REPORT

## Per Day Average

### October 2016

	Systemwide	LIRR	MNRR	SIRT
<b>Murder</b>	0	0	0	0
<b>Rape</b>	0	0	0	0
<b>Robbery</b>	7	2	5	0
<b>Fel. Assault</b>	1	0	1	0
<b>Burglary</b>	4	1	3	0
<b>Grand Larceny</b>	14	10	3	1
<b>GLA</b>	1	1	0	0
<b>Total</b>	27	14	12	1
<b>Crimes Per Day</b>	0.87	0.45	0.39	0.03



**Metro-North Railroad**

# **Action Item**

# Staff Summary

Page 1 of 2

<b>Subject</b> Rockland County Tappan Zee Express Service Improvement
<b>Department</b> Operations Planning & Analysis
<b>Department Head Name</b> James McCormack
<b>Department Head Signature</b>
<b>Project Manager Name</b> Scott Ornstein

<b>Date</b> November 1, 2016
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref#</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm. Mtg.				
2	MTA Fin. Comm.				
3	MTA Board Mtg.				

Internal Approvals			
Order	Approval	Order	Approval
6	President <i>JG</i>	4	Budget
	VP Operations		VP Capital Programs
5 <i>JP</i>	VP Financial Admin		Engr/Const
	Controller		Project Reporting

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	VP Planning & Development <i>[Signature]</i>		Corporate & Public Affairs		Labor Relations	3 <i>[Signature]</i>	General Counsel
	Press		VP Human Resources		Human Resources	2	Executive Vice President <i>[Signature]</i>

## PURPOSE:

To modify the existing agreement with Rockland County to incorporate changes to the Uniticket reimbursement rate; expand Saturday Tappan Zee Express service between Rockland County and Metro-North's Hudson and Harlem lines in Westchester County; and institute new Sunday Tappan Zee Express bus service.

## DISCUSSION:

In reviewing transit options available to riders west of the Hudson River, Metro-North and Rockland County have identified several initiatives that would improve transit access to Metro-North services from Rockland County and free local transit funds for local needs within Rockland County. These initiatives are:

- Modify the existing Uniticket agreement between Metro-North and Rockland County such that Metro-North will reimburse Rockland County for the full value of the Uniticket. The current reimbursement is split 50% - 50% between the two agencies.
- Expand Saturday Tappan Zee Express bus service by adding eight (8) new round trips between Westchester and Rockland Counties and extending two additional trips to White Plains. The increased service provides for more frequent service and more reasonable service intervals throughout the day.
- Institute Sunday service on the Tappan Zee Express bus, with schedules mirroring the improved Saturday schedules. The Tappan Zee Express bus has not previously operated on Sundays; this initiative offers a significant improvement in access to Metro-North's Hudson and Harlem lines from Rockland County on Sundays.

This revised agreement would become effective January 1, 2017, and continue through 2018, or until the new NYSDOT-sponsored bus service on the new Tappan Zee Bridge begins operation. The new NYSDOT service is currently planned to replace the County-operated Tappan Zee Express late in 2018.

The legal name of MTA Metro-North Railroad is Metro-North Commuter Railroad Company

**FUNDING:**

These changes will result in the following estimated increased costs for Metro-North:

	<b>2017</b>	<b>2018</b>	<b><u>Total</u></b>
Incremental Uniticket Reimbursement			
2900 Monthly Unitickets (based on annualized 2016 sales) x \$12:	\$34,800	\$34,800	\$69,600
300 Weekly Unitickets (based on annualized 2016 sales) x \$1.15:	315	315	630
<b>Uniticket Sub-Total:</b>	<b><u>\$35,115</u></b>	<b><u>\$35,115</u></b>	<b><u>\$70,230</u></b>
Expanded Saturday Tappan Zee Express Bus Service:	\$110,000	\$110,000	\$220,000
New Sunday Tappan Zee Express Bus Service:	\$370,000	\$370,000	\$740,000
<b>Sub-Total of Expanded Tappan Zee Express Service:</b>	<b><u>\$480,000</u></b>	<b><u>\$480,000</u></b>	<b><u>\$960,000</u></b>
<b>Total Incremental Annual Cost</b>	<b><u>\$515,115</u></b>	<b><u>\$515,115</u></b>	<b><u>\$1,030,230</u></b>

**RECOMMENDATION:**

It is recommended that the revised Uniticket agreement and service expansion of the Tappan Zee Express bus service, and the incremental costs thereof, be approved by the MTA Board of Directors.



**Metro-North Railroad**

# **Information Items**

## **THE METROPOLITAN TRANSPORTATION AUTHORITY**

### **COMMITTEE ON OPERATIONS OF THE METRO-NORTH COMMUTER RAILROAD**

This Charter for the Committee on the Operations of the Metro-North Commuter Railroad was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the “MTA”), on July 24, 2013.

#### **I. PURPOSE**

The Committee on the Operations of the Metro-North Commuter Railroad (the “Committee”) shall assist the Board Chair and the Board in fulfilling their responsibility to monitor and oversee the operations of the Metro-North Commuter Railroad Company (“Metro-North”).

#### **II. COMMITTEE AUTHORITY**

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA and/or Metro-North. The foregoing is not intended to alter or curtail existing rights of individual Board members to access books, records or staff in connection with the performance of their fiduciary duties as Board members.

#### **III. COMMITTEE MEMBERSHIP**

The Committee shall consist of 3 or more members of the Board, appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall appoint the chairperson of the Committee. In the absence of the chairperson at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair.

#### **IV. COMMITTEE MEETINGS**

The Committee shall meet on a regularly-scheduled basis at least 11 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings, which shall include records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, Metro-North or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information at the Committee requests. The President of Metro-North and the President of the MTA Capital Construction Company shall each (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda relating to his or her organization, (2) provide the chairperson of the Committee with all information regarding the affairs of his or her organization that is material to the Committee's monitoring and oversight of the operations of such organization, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing the operations of his or her organization.

## **V. COMMITTEE REPORTS.**

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

## **VI. KEY RESPONSIBILITIES**

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall:

- 1 monitor and update the Board Chair and the Board on the operating performance of Metro-North, including information on railroad service;
- 2 monitor and update the Board Chair and the Board on the safety record of Metro-North; such monitoring shall include reviewing and monitoring customer and employee safety;
- 3 monitor and update the Board Chair and the Board on the implementation of security programs pertaining to Metro-North operations and facilities;
- 4 monitor and update the Board Chair and the Board on the finances of Metro-North, including financial reports, ridership reports, and the use of funds by Metro-North;
- 5 review and make recommendations to the Board Chair and the Board regarding proposed procurement contracts of Metro-North that require Board approval;
- 6 review and make recommendations to the Board Chair and the Board on proposed capital projects of Metro-North and monitor the status of such projects;
- 7 review and make recommendations to the Board Chair and the Board regarding Metro-North service and policy changes that require Board approval;

- 8 facilitate the identification of approaches and solutions that address Metro-North security issues, including best practices in national and international security respecting transportation operations and facilities and review and make recommendations to the Board Chair and the Board regarding Metro-North security issues;
- 9 review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of Metro-North: (i) legal and regulatory matters that may have a material impact on Metro-North; and (ii) the scope and effectiveness of compliance policies and programs;
- 10 conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
- 11 review and assess the adequacy of this Charter annually; and
- 12 report regularly to the Board Chair and the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

With respect to capital projects undertaken by the MTA Capital Construction Company (MTACC) on behalf of Metro-North:

- 1 Review and make recommendations to the Board Chair and Board with respect to the proposed procurements made by the MTACC that require Board approval;
- 2 Review and make recommendations to the Board Chair and the Board with respect to contract procurement solicitations that require Board approval;
- 3 Monitor the progress of the capital projects undertaken by the MTACC;
- 4 Monitor the budget and the schedule of capital projects undertaken by the MTACC;
- 5 Monitor the progress of contract commitments and completions with respect to capital projects; and
- 6 Track funding needs of capital projects as well as the availability of funds to meet such needs from all sources of funding.

# Memorandum



## Metro-North Railroad

**Date** November 7, 2016

**To** Metro-North Committee

**From** Joe Giulietti 

**Re** 2016 Holiday and Special Event Services

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Outlined below for your information are Metro-North's service plans for the upcoming 2016 Thanksgiving and Christmas/New Year's holiday periods. Ridership increases significantly during these holidays when many discretionary customers include Metro-North in their travel plans.

As in past years, key elements of this year's holiday service plan include:

- Additional trains;
- Special revenue collection/selling activities;
- Marketing/advertising holiday programs;
- Enhanced customer information.

The objectives of the program are to:

- Increase ridership;
- Ensure collection of all fares and revenue;
- Provide a comfortable, safe and reliable service.

The Thanksgiving holiday program remains essentially the same as in 2015, while the Christmas and New Year's holiday service differs from 2015 because Christmas and New Year's Day fall on Sundays. Based on historical ridership data, regular customers will be taking a three-day weekend with many discretionary riders coming into New York City on the day after Christmas and the day after New Year's Day. Special Thanksgiving Weekend and Christmas/New Year's Weekend timetables have been developed to address the travel demands of our customers over both holiday weekend periods.

Details of the special services being provided throughout the holiday period are as follows:

### **THANKSGIVING HOLIDAY WEEKEND**

Metro-North will publish and operate a special four-day schedule for the Thanksgiving holiday weekend (Thursday, November 24th through Sunday, November 27th) that is tailored to the travel needs of our customers; these schedules will also be available through our IVR/call center, the internet, and via TrainTime. As in past years, off-peak fares will be valid throughout the entire four-day period.

**Wednesday, the day before Thanksgiving**

Historically, this is the heaviest travel day of the year with outbound ridership between noon and 8 PM over 25% higher than a normal weekday. Although ridership in this time period in 2014 was significantly lower than in previous years, it rebounded in 2015, justifying our maintenance of the same robust service level as provided in the past, and we will continue with that level of service this year. To that end, Metro-North will operate a regular weekday schedule with longer trains at key times and 18 additional trains (5 Hudson, 3 Harlem, 10 New Haven) departing GCT between noon and 4:10 PM. All service is shown in the current timetables.

**Thanksgiving Day**

Metro-North will provide additional inbound morning service for customers going to the Macy's Thanksgiving Day Parade. There will also be expanded outbound service starting in the late morning and continuing until mid-afternoon for customers traveling to suburban destinations. Finally, there will be expanded evening service for customers returning to New York City.

During the key outbound period between 10 AM and 2 PM all fares from Grand Central and from Harlem-125th Street will be collected from customers before they board trains. "Gate collection" of fares will take place to ensure that a fare is collected from each customer. During this period in 2015, over 28,000 customers departed Grand Central. Overall, we project that Metro-North will provide more than 100,000 rides on Thanksgiving Day.

**Friday, the day after Thanksgiving**

Fewer commuters (22% of normal Friday AM peak ridership in fall 2015) and greatly increased discretionary travel (a 177% ridership increase compared to a normal Friday on trains arriving at Grand Central between 10 AM and 2 PM in fall 2015) require a significant change to regular weekday service. A special schedule included in Metro-North's four-day timetable addresses the unique travel patterns of our ridership on this day by featuring a Saturday schedule with extra service in the traditional AM and PM peak periods plus extra inbound service after 10 AM and extra outbound service after noon.

**Thanksgiving Weekend (Saturday and Sunday)**

Saturday and Sunday schedules complete the four-day timetable with extra trains and additional cars on existing trains. Saturday service will feature upper Hudson and outer New Haven Line Shoppers' Special service. Regular half-hour service to/from Stamford on the New Haven Line and to/from North White Plains on the Harlem Line will be operated all day on Saturday. Sunday service will feature outer New Haven Line Shoppers' Specials in addition to the normal half-hourly service on all lines.

### **THANKSGIVING – CHRISTMAS/NEW YEAR'S PERIOD**

For the four-week period from November 19 and December 18, Metro-North will supplement regular weekend train service to meet the travel demands of increased discretionary ridership by providing:

- Additional cars and extra staffing on existing train service during key times throughout the holiday period.
- Hudson and New Haven Lines Shoppers' Special trains on Saturdays, and New Haven Line Shoppers Specials on Sundays.

As ridership continues to grow year by year, it should be noted that service is constrained in certain time periods by infrastructure, and some trains may operate with heavier than optimal loadings—especially on the New Haven Line. We continually monitor ridership (we perform passenger counts of almost every train at GCT every weekend between November 21 and New Year's Weekend) and, to the extent possible, divert the limited resources (cars and crews) to the time periods where ridership is heaviest.

### **CHRISTMAS/NEW YEAR'S HOLIDAYS**

To accommodate customers' special travel needs on the Christmas and New Year's holidays, Metro-North will publish a special Christmas/New Year's holiday timetable. This timetable will cover Christmas Day, New Year's Eve, and New Year's Day.

#### **Christmas Getaway (Friday, December 23)**

Ridership on the Christmas Getaway follows the Thanksgiving Eve patterns, so Metro-North will provide the same service as on the Wednesday before Thanksgiving - a regular weekday schedule with longer trains at key times and 18 additional trains (5 Hudson, 3 Harlem, 10 New Haven) departing GCT between noon and 4:10 PM. All service is shown in the current timetables.

#### **Christmas Eve**

On Christmas Eve, Metro-North will operate a regular Saturday schedule, without Shoppers' Specials.

#### **Christmas Day and New Year's Day**

The Christmas Day holiday (along with New Year's Day) historically has the lowest ridership of any holiday. Metro-North will operate a regular Sunday schedule on Christmas Day and New Year's Day.

#### **Christmas federal holiday (Monday, December 26)**

The day after Christmas is one of the heaviest non-weekday travel days of the year. On the Monday after Christmas, the federal holiday observing Christmas, Metro-North will operate a Saturday with Shoppers' Specials to accommodate anticipated ridership.

#### **New Year's Getaway (Friday, December 30)**

Ridership on the New Year's Getaway also follows Thanksgiving Eve patterns, and Metro-North will provide the same service pattern as provided for the Thanksgiving Getaway.

**New Year's Eve**

On New Year's Eve, MNR will operate a modified Saturday schedule, including extra late afternoon and early evening service inbound to GCT as well as overnight New Year's morning service inbound and outbound for those attending New Year's celebrations.

As in past years, customers riding home on Metro-North's early morning New Years' service will have their tickets collected prior to boarding trains at Grand Central.

**CHRISTMAS-NEW YEAR'S WEEK (Tuesday, Dec. 27 – Thursday, Dec. 29)**

Historically, mid-day inbound ridership between 10 AM and 2 PM increases by more than 100% on the weekdays between Christmas and New Year's Eve. This increase reflects high discretionary ridership while school is on the holiday recess, as well as shoppers taking advantage of after-Christmas sales. To meet this demand, Metro-North will adjust train lengths and operate additional trains on all lines.

**New Year's Day federal holiday (Monday, January 2, 2017)**

On the Monday after New Year's Day Christmas, the federal holiday observing Christmas, January 2<sup>nd</sup>, Metro-North will operate a regular Saturday schedule.

**NCAA COLLEGE FOOTBALL AT YANKEE STADIUM**

Again this year, Yankee Stadium will be the venue for NCAA college football, the 2016 New Era Pinstripe Bowl Game. The New Era Pinstripe Bowl will be played Wednesday, December 28th at 3:30 PM. Metro-North will provide convenient service to/from this event, featuring direct service to Yankees-East 153rd Street station on the Hudson Line, shuttle service between Grand Central Terminal, Harlem-125th Street and Yankees-E. 153rd Street, and convenient connections at Harlem-125th Street station for customers traveling on the Harlem and New Haven lines.

cc: T. Prendergast

A. Paul

K. Betries-Kendall

S. Doering

J. Kesich

J. Kennard

K. Porcelain

C. Rinaldi

S. Sarch

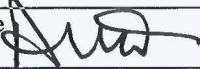
M. Shiffer

M. Mannix



**Metro-North Railroad**

# **Procurements**

<b>Subject</b>	Request for Authorization to Award Various Procurements
<b>Department</b>	Procurement and Material Management
<b>Department Head Name</b>	Alfred Muir, Sr. Director
<b>Department Head Signature</b>	
<b>Project Manager Name</b>	

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	11-14-16	X		
2	MTA Board Mtg.	11-16-16	X		

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

<b>Date</b>	November 7, 2016
<b>Vendor Name</b>	Various
<b>Contract Number</b>	Various
<b>Contract Manager Name</b>	Various
<b>Table of Contents Ref #</b>	

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 Finance & IT 		

**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:

# of Actions      \$ Amount

Schedules Requiring Two-Thirds Vote (or more, where noted)

NONE

Schedules Requiring Majority Vote

Schedule H:	Modifications to Personal/Miscellaneous Service Contracts	1	\$2,230,691
	• Brookville Equipment Corporation      \$2,230,691		
Schedule J:	Modifications to Miscellaneous Procurement Contracts	1	\$429,878,052
	• Kawasaki Rail Car, Inc.      \$429,878,052		
SUB TOTAL:		2	\$432,108,743

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

	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		
<u>Schedules Requiring Majority Vote</u>		
Schedule G: Miscellaneous Service Contracts	1	\$15,572,869
• MotivePower, Inc.                      \$15,572,869		
	SUB TOTAL:	1              \$15,572,869

**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	1	\$3,374,382
• Masabi, LLC. \$3,374,382		
	SUB TOTAL:	1 \$3,374,382
	TOTAL:	4 \$451,055,994

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.

**NOVEMBER 2016**

**METRO-NORTH RAILROAD**

**LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**Schedules Requiring Majority Vote:**

**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)

**1. Brookville Equipment Corporation                      \$2,230,691 (not-to-exceed)      Staff Summary Attached**  
**Overhaul of GP35 Locomotives**

In August 2013, the MTA Board approved an award to Brookville Equipment Corporation (“BEC”) to provide overhaul services for seven MNR-owned GP35 locomotives that support the Railroad’s East of Hudson Service.

The GP35 Locomotives are primarily used as work trains when wayside track work is performed, and also facilitate movement of equipment in yards and rescue disabled passenger revenue trains as necessary. The GP35’s are part of a larger fleet of work locomotives that also includes MNR’s BL-20 locomotives. In a separate action this month, MNR seeks approval of a competitively-solicited contract for the overhaul of the BL-20’s.

MNR is currently undertaking a very high level of track and wayside maintenance activities, including the federally-mandated installation of Positive Train Control (PTC) wayside devices. At the same time, the overall aging of the MNR work locomotive fleet, requiring concurrent overhauls of both the GP35’s and the BL-20’s, creates a significant risk of a shortage of available, ready-for-service work locomotives, such that critical infrastructure work could be delayed.

In order to mitigate this risk, it is necessary to acquire an additional work locomotive in an expedited manner. A review of the market (both new and previously used locomotives) was undertaken supported by MNR’s engineering consultant, Raul Bravo & Associates. As the GP-35 locomotive is one of a few commercially available work locomotives that meet all of the Railroad’s very restrictive clearance envelopes, MNR determined that the acquisition and overhaul of a previously used GP35, through the existing BEC contract, is the only way to efficiently and economically expand its work locomotive fleet.

Accordingly, approval is requested for a contract change order for additional funding under the current miscellaneous service contract with (“BEC”), in the total amount of \$2,230,691, for the acquisition and overhaul of a GP35 locomotive, including the installation of a required PTC on-board unit. The addition of this locomotive to the overall fleet will ensure sufficient equipment availability to support all ongoing Maintenance of Way work, as well as support of revenue service.

The acquisition cost of the Locomotive, was reviewed by MNR’s consultant Raul Bravo & Associates, and found to be fair market value. The negotiated cost of the additional GP35 purchase and overhaul resulted in a 12% savings from the original proposed cost consistent with the engineer’s estimate for

these services. The total cost was deemed fair and reasonable. This change order is to be funded by the MNR Operating Budget.

MNR completed a new Responsibility review of BEC in connection with this Change Order. There is no significant adverse information concerning BEC, and BEC has been determined to be a responsible vendor.

**J. Modifications to Miscellaneous Procurement Contracts**

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

**2. Kawasaki Rail Car, Inc. \$302,610,544 (NTE) Option \$127,267,508 (NTE) *Staff Summary Attached* Design, Manufacture Test and Delivery of 60 M8 Cars (plus up to 34 Option Cars) and Additional M-8 work**

In partnership with the Connecticut Department of Transportation, MNR seeks approval to purchase 60 additional M-8 cars (plus up to 34 option cars) to meet critical service needs on the New Haven Line in the most expeditious and efficient manner, and approval for other modifications to the M-8 contract to implement Positive Train Control, CCTV and other necessary enhancements.

The M-8 purchase was sized based on ridership growth forecasts. It was anticipated that additional NHL fleet cars would not be needed to accommodate growth until the next rolling stock procurement was initiated in the 2020-2024 Capital Program. However, the service expansions in 2012-2015 and the addition of parking capacity at Fairfield-Metro and West Haven Stations beginning in 2011 attracted more peak-of-the-peak ridership. As a result, the most heavily travelled trains in the AM peak for example, have already experienced ridership growth which was not projected to occur until 2020.

The cost of the additional 60 M-8 cars has been negotiated at \$3.83M/Car, or \$229.8M. MTA Audit has conducted a review of this pricing, using as a starting point of KRC's actual cost to design and fabricate the M-8 base cars. Previously, MTA Audit estimated it would cost approximately \$3.137M to build an M-8 car in 2010 (more than \$800K above the 2006 base car price of \$2.326M). MTA Audit then made further adjustments to reflect current pricing considerations, and determined an estimated price of \$3,650M for each of the 60 Cars. The negotiated price is approximately 4.7% higher than the audit estimate, which KRC attributes to certain supplier pricing which exceeds the audit estimate. Efforts to reduce such supplier pricing have been unavailing; the alternative is to introduce new untested components in exchange for a relatively small price break, which would jeopardize the success of this effort and is not recommended. The reasonableness of KRC's own direct and indirect costs have been confirmed by MTA Audit's review, as have supplier costs except as noted. The price of the 34 option cars has been negotiated at \$3.71M/Car.

Based upon these findings, KRC's price is determined to be fair and reasonable. This procurement is to be funded by MNR (35%) and by CDOT (65%), provided that CDOT will have an option to procure nine of the new cars as Café Cars, configured to sell snacks and beverages to customers. If this option is exercised, CDOT will be responsible for the full cost of these nine cars. (One additional existing M-8 car currently under repair will be prototyped as a Café Car, entirely at CDOT's cost, at an amount to be negotiated and approved by CDOT.)

Independent of the purchase of the additional cars, the entire MNR fleet is being upgraded with Positive Train Control (PTC) equipment and CCTV cameras and recording equipment in cabs and passenger

areas. As the Board has been previously informed, PTC is an enhancement required under Federal law, and CCTV is being added at the direction of the Chairman in response to a recommendation by the National Transportation Safety Board (NTSB). KRC is presently working on the M-8 fleet, implementing contractually-required modifications as discussed above. KRC is therefore uniquely positioned to design and implement these fleet modifications in the most efficient and cost effective manner, reducing overall out-of-service times for the vehicles. The majority of the PTC and CCTV work (excluding software development) will be performed at KRC's Yonkers facility and/or in CDOT's New Haven shop facilities. Following negotiations, the price of the PTC work has been set at not-to-exceed \$33,532,223, and the price of the CCTV work at not-to-exceed \$11,402,032. These costs are comparable to the costs being incurred for similar work on the rest of the MNR fleet by other vendors, and is deemed to be fair and reasonable.

Additionally, MNR needs to purchase Special Tools and Test Equipment, which was contemplated in the initial M-8 contract but not included in that award based on the need to fully design and cost-out such equipment. The price of this equipment, which is necessary for the ongoing maintenance of the M-8 fleet, has been negotiated at not-to-exceed \$14,943,413. Costs have been validated and found comparable to similar procurements for other fleets.

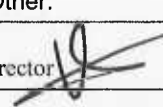
Finally, MNR has negotiated change orders to (a) incorporate train line diagnostic functionality and (b) to facilitate operation of the M-8's on CDOT's Shore Line East (SLE) service. These changes are being incorporated as they will have a direct impact on the operational safety, service reliability, equipment availability and performance of the M-8 rail cars. The cost of this design enhancement is not-to-exceed \$6,768,257. All of the above modifications will be funded 65% CDOT and 35% MNR, except the SLE modification and any costs associated with Café Cars, which are 100% CDOT funded.

At this time, MNR is requesting Board approval for an additional \$303,810,544 and a contract time extension through June 2021. In addition, approval is requested in the not-to-exceed amount of \$127,267,508 for the optional 34 M-8 cars to be elected at MNR and CDOT's sole discretion which will be advanced when funding is identified.

Funding for the immediate M-8 actions will be from a new project – M-8 Car Purchase in the 2015-2019 Capital Program established upon board approval as part of this action. PTC costs were previously funded under the PTC project and CCTV costs were previously funded under the Operating Budget.

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

Item Number: H

<b>Vendor Name (&amp; Location)</b> Brookville Equipment Corporation (Brookville, PA)		<b>Contract Number</b> 01-281	<b>AWO/Modification #</b> 1
<b>Description</b> Overhaul GP35 Locomotives		<b>Original Amount:</b> \$9,685,547	
<b>Contract Term (including Options, if any)</b> N/A		<b>Prior Modifications:</b> \$238,920	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<b>Prior Budgetary Increases:</b> \$0.00	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		<b>Current Amount:</b> \$9,924,467	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		<b>This Request:</b> \$2,230,691	
<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> 22.5%	
<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> 25.5%	

**Discussion:** In August 2013, the MTA Board approved an award to Brookville Equipment Corporation ("BEC") to provide overhaul services for seven MNR-owned GP35 locomotives that support the Railroad's East of Hudson Service.

The GP35 Locomotives are primarily used as work trains when wayside track work is performed, and also facilitate movement of equipment in yards and rescue disabled passenger revenue trains as necessary. The GP35's are part of a larger fleet of work locomotives that also includes MNR's BL-20 locomotives. In a separate action this month, MNR seeks approval of a competitively-solicited contract for the overhaul of the BL-20's.

MNR is currently undertaking a very high level of track and wayside maintenance activities, including the federally-mandated installation of Positive Train Control (PTC) wayside devices. At the same time, the overall aging of the MNR work locomotive fleet, requiring concurrent overhauls of both the GP35's and the BL-20's, creates a significant risk of a shortage of available, ready-for-service work locomotives, such that critical infrastructure work could be delayed.

In order to mitigate this risk, it is necessary to acquire an additional work locomotive in an expedited manner. A review of the market (both new and previously used locomotives) was undertaken supported by MNR's engineering consultant, Raul Bravo & Associates. As the GP-35 locomotive is one of a few commercially available work locomotives that meet all of the Railroad's very restrictive clearance envelopes, MNR determined that the acquisition and overhaul of a previously used GP35, through the existing BEC contract, is the only way to efficiently and economically expand its work locomotive fleet.

Accordingly, approval is requested for a contract change order for additional funding under the current miscellaneous service contract with ("BEC"), in the total amount of \$2,230,691, for the acquisition and overhaul of a GP35 locomotive, including the installation of a required PTC on-board unit. The addition of this locomotive to the overall fleet will ensure sufficient equipment availability to support all ongoing Maintenance of Way work, as well as support of revenue service.

The acquisition cost of the Locomotive, was reviewed by MNR's consultant Raul Bravo & Associates, and found to be fair market value. The negotiated cost of the additional GP35 purchase and overhaul resulted in a 12% savings from the original proposed cost consistent with the engineer's estimate for these services. The total cost was deemed fair and reasonable. This change order is to be funded by the MNR Operating Budget.

MNR completed a new Responsibility review of BEC in connection with this Change Order. There is no significant adverse information concerning BEC, and BEC has been determined to be a responsible vendor.

## Schedule J: Modifications to Miscellaneous Procurement Contracts



Item Number:

<b>Vendor Name (&amp; Location)</b> Kawasaki Rail Car, Inc. (KRC) 29 Wells Avenue Bldg. #4 Yonkers, NY 10701		<b>Contract Number</b> 12797	<b>AWO/Modification #</b> 004
<b>Description</b> Design, Manufacture, Test and Delivery of 60 M-8 Cars (plus up to 34 Option Cars) and additional M-8 work			
<b>Contract Term (including Options, if any)</b>		<b>Original Amount:</b> \$ 521,521,500	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<b>Prior Modifications:</b> \$490,201,654	
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive		<b>Prior Budgetary Increases:</b> \$0	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: sole source change order		<b>Current Amount:</b> \$1,011,723,154	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: CDOT		<b>This Request:</b> \$302,610,544 Option: \$127,267,508	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Procurement & Material Management, Al Muir, Sr. Director		<b>% of This Request to Current Amount:</b> 29.9%	
		<b>% of Modifications (including This Request) to Original Amount:</b> 152%	

### Discussion:

#### Purpose and Recommendation:

In partnership with the Connecticut Department of Transportation, MNR seeks approval to purchase 60 additional M-8 cars (plus up to 34 option cars) to meet critical service needs on the New Haven Line in the most expeditious and efficient manner, and approval for other modifications to the M-8 Contract to implement Positive Train Control, CCTV and other necessary enhancements.

#### Background and Discussion:

In August 2006, a contract was awarded to Kawasaki Rail Car Inc. (KRC) for the Design, Manufacture, Test and Delivery of M-8 Railcars. The initial award included the base amount of 210 M-8 cars, with options for 170 additional cars, all of which have been elected. (The 380 cars are configured as 'A' and 'B' cars coupled in married pairs.) In July 2011, the Board approved a negotiated change order to purchase 25 additional M-8 cars in a single car (S-Car) configuration, to provide additional capacity and operational flexibility.

Metro-North's New Haven Line is the busiest commuter line in the country, providing more than 130,000 passenger rides daily. It is operated by MNR under an agreement with the Connecticut Department of Transportation (CDOT), which agreement provides for joint decision-making responsibility for infrastructure investment, including acquisition of rolling stock. CDOT owns the capital facilities located in Connecticut and is responsible for 65% of the operating costs of the New Haven Line (including the cost of new rolling stock).

The M-8 purchase was sized based on ridership growth forecasts. It was anticipated that additional NHL fleet cars would not be needed to accommodate growth until the next rolling stock procurement was initiated in the 2020-2024 Capital Program. However, the service expansions in 2012-2015 and the addition of parking capacity at Fairfield-Metro and West Haven Stations beginning in 2011 attracted more peak-of-the-peak ridership. As a result, the most heavily travelled trains in the AM peak, for example, have already experienced ridership growth which was not projected to occur until 2020.

Presently, 24 M-8 cars purchased solely with CDOT monies, intended for usage on CDOT's Shore Line East (SLE) service, are dedicated to the NHL to meet the growing ridership needs. Facing increasing crowding on NHL trains, and the prospect of programmed standees on many peak hour trains, CDOT requested that Metro-North examine alternatives for adding additional cars to the NHL fleet in the most expeditious and efficient manner.

Based on current and expected future needs and possible available funding, CDOT desires to add approximately 60 cars to the NHL service at the earliest possible time, with an option for up to 34 additional cars; MNR concurs in this approach. A new procurement process for railcars would take approximately four years or more before cars become available for service, based on past experience. A new fleet would not be interoperable with the existing

M-8 fleet, and the costs of operating such a small fleet of vehicles, and of procuring new parts, would be substantially higher than an add-on to the existing M-8 fleet. Further, small sized, “orphan” fleets such as the NHL’s M-4’s and M-6’s historically have performed relatively poorly and been retired earlier than larger fleets.

In contrast, the purchase of additional cars as a modification to the M-8 contract would result in the first cars arriving in less than three years. All such cars will be fully interoperable and benefit from parts compatibility, reducing operating and future procurement costs. In a short time, the M-8’s have achieved very high reliability numbers – the year-to-date Mean Distance Between Failure rate for the M-8 fleet as of September 2016 was 460,277 miles, 53% above the goal of 300,000 miles – even though these cars, which are capable of drawing power from the overhead catenary wire and the third rail, are the most technologically sophisticated in the MNR fleet. Further improvements are being integrated into the M-8 fleet as part of a modification program which is being undertaken at the expense of the Carbuilder. Purchase of additional M-8 cars ensures that new cars will be reliable from their first day on the railroad, and CDOT and MNR will benefit from the extensive testing, operation and refinement of the sizable M-8 fleet.

**Procurement of the Additional M-8 Cars:**

The only cost effective and technically sound method of purchasing the additional 60 M-8 cars is via a change order to the M-8 contract. KRC is uniquely qualified and positioned to produce these cars. MNR will benefit from KRC’s service proven designs, manufacturing methods and established supply chains. In addition, the use of the existing technologies will afford MNR the ability to have full interoperability with the M-8 fleet. The relatively expedited schedule (as compared to a new procurement) will allow MNR and CDOT to meet growing service needs as quickly as possible.

CDOT, which is responsible for two-thirds of the rolling stock acquisition costs for the NHL, strongly endorses this path forward.

The cost of the additional M-8 cars has been negotiated at \$3.83M/Car, or \$229.8M. MTA Audit has conducted a review of this pricing, using as a starting point KRC’s actual cost to design and fabricate the M-8 base cars. Previously, MTA Audit estimated it would cost approximately \$3.137M to build an M-8 car in 2010 (more than \$800K above the 2006 base car price of \$2.326M). MTA Audit then made further adjustments to reflect current pricing considerations, and determined an estimated price of \$3,650,000 for each of the 60 Cars. The negotiated price is approximately 4.7% higher than the audit estimate, which KRC attributes to certain supplier pricing which exceeds the audit estimate. Efforts to reduce such supplier pricing have been unavailing; the alternative is to introduce new untested components in exchange for a relatively small price break, which would jeopardize the success of this effort and is not recommended. The reasonableness of KRC’s own direct and indirect costs have been confirmed by MTA Audit’s review, as have supplier costs except as noted. The price of the 34 option cars has been negotiated at \$3.71M/Car.

Based upon these findings, KRC’s price is determined to be fair and reasonable. This procurement is to be funded by MNR (35%) and by CDOT (65%), provided that CDOT will have an option to procure nine of the new cars as Café Cars, configured to sell snacks and beverages to customers. If this option is exercised, CDOT will be responsible for the full cost of these nine cars. (One additional existing M-8 car currently under repair will be prototyped as a Café Car, entirely at CDOT’s cost, at an amount to be negotiated and approved by CDOT.)

**Alternatives:**

The alternative to purchasing the additional cars through the M-8 contract is to launch a new procurement for electric cars. As discussed above, this strategy will delay delivery of badly-needed cars, exacerbating overcrowding on the NHL. Further, a small, non-interoperable fleet would be created, increasing operating and future parts procurement costs and jeopardizing reliable service. The past purchases of differently configured, small size fleets have negatively impacted service on the NHL over many years, and this approach is not recommended.

**Other M-8 Related Modifications:**

Independent of the purchase of the additional cars, the entire MNR fleet is being upgraded with Positive Train Control (PTC) equipment and CCTV cameras and recording equipment in cabs and passenger areas. As the Board has been previously informed, PTC is an enhancement required under Federal law, and CCTV is being added at the direction of the Chairman in response to a recommendation by the National Transportation Safety Board (NTSB). KRC is presently working on the M-8 fleet, implementing contractually-required modifications as discussed above. KRC is therefore uniquely positioned to design and implement these fleet modifications in the most efficient and cost effective manner, reducing overall out-of-service times for the vehicles. The majority of the PTC and CCTV work (excluding software development) will be performed at KRC's Yonkers facility and/or in CDOT's New Haven shop facilities. Following negotiations, the price of the PTC work has been set at not-to-exceed \$33,532,223, and the price of the CCTV work at not-to-exceed \$11,402,032. These costs are comparable to the costs being incurred for similar work on the rest of the MNR fleet by other vendors, and is deemed to be fair and reasonable.

Additionally, MNR needs to purchase Special Tools and Test Equipment, which was contemplated in the initial M-8 contract but not included in that award based on the need to fully design and cost-out such equipment. The price of this equipment, which is necessary for the ongoing maintenance of the M-8 fleet, has been negotiated at not-to-exceed \$14,943,413. Costs have been validated and found comparable to similar procurements for other fleets.

Finally, MNR has negotiated change orders to (a) incorporate train line diagnostic functionality and (b) to facilitate operation of the M-8's on CDOT's Shore Line East (SLE) service. These changes are being incorporated as they will have a direct impact on the operational safety, service reliability, equipment availability and performance of the M-8 rail cars. The cost of this design enhancement is not-to-exceed \$6,768,257. All of the above modifications will be funded 65% CDOT and 35% MNR, except the SLE modification and any costs associated with Café Cars, which are 100% CDOT

In conjunction with this award recommendation an extensive responsibility review was conducted. Kawasaki was requested to reaffirm in writing that there have been no negative responsibility issues since the initial contract award. A review of this submission along with a review of various databases available to the MTA found Kawasaki to be a responsible contractor.

All of the above modifications will be funded 65% CDOT and 35% MNR, except the SLE modification and any costs associated with Café Cars, which are 100% CDOT funded. The optional additional thirty four cars in the not to exceed amount of \$127,267,508 shall be elected at MNR and CDOT's sole discretion and upon confirmation of funding availability.

**Impact on Funding:**

As part of this action, MNR seeks board approval to establish a new M-8 Car Purchase project in the 2015-2019 Capital Program in the amount of \$92 million which will pay for Metro-North's share of the M-8 related costs. Funding for this project will come from available funds within the existing rolling stock element. A corresponding reduction will be made to the M-3 Replacement project leaving sufficient monies to replace all older M-3 cars used on the Harlem and Hudson Lines. Funding for the PTC related work was previously set aside in the PTC project and funding for CCTV was previously set aside in MNR's operating budget. The State of Connecticut has provided their share of funding on all of these initiatives.

**NOVEMBER 2016**

**METRO-NORTH RAILROAD**

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**Schedules Requiring Majority Vote:**

**G. Miscellaneous Service Contracts**

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

<b>1. MotivePower, Inc.</b>	<b>\$15,572,869 (not-to-exceed)</b>	<b><u>Staff Summary Attached</u></b>
<b>Overhaul of Twelve BL20GH Locomotives</b>		

Approval is requested to award a 48 month, competitively solicited miscellaneous service contract (five proposals received), in the not-to-exceed amount of \$15,572,869 to MotivePower, Inc. ("MPI") for the overhaul, system redesign and integration, transport and warranty of 12 BL20GH locomotives. MNR received Board approval to use the Request for Proposal (RFP) process at the September 2015 MTA Board meeting.

In addition to operating in revenue service, the BL20GH fleet is also used for switcher and shuttle service, work trains, yard movements and service protection. The project will include, but not be limited to the replacement of the main engine and overhaul of the main alternator and HEP diesel engine alternator packages, engine control systems, and all rotating components. The overhaul requirements have been established by EPA maintenance intervals and Reliability Centered Maintenance data generated since the locomotives have been in service and will further extend the reliability and availability of these locomotives.

On April 14, 2016, MNR RFP No. 9708-A was advertised in the New York State Contract Reporter, El Diario, The Daily Challenge and NY Post and posted on the MNR website.

After reviewing the submitted BAFO's, the Selection Committee agreed that MotivePower, Inc. could perform the scope of work and meet the aggressive schedule requirements. MPI provided several value advantages over the other short listed firms providing and committing key engineering resources to the project while also demonstrating great insight into the scope of work. MPI's cost per unit resulted in a savings to MNR of \$10,250,375 over the course of the contract. MNR does not have the in-house design or capacity to complete the scope of the specified work.

The Selection Committee unanimously agreed to recommend MotivePower, Inc. for award. The committee believes the price to be fair and reasonable and the best value to MNR. The total cost for this procurement is not-to-exceed \$15,572,869 and is to be funded by MNR's Operating Budget.

# Staff Summary

Item Number G					
Dept. & Dept. Head Name: Procurement & Material Management, Al Muir, Sr. Director					
Division & Division Head Name: Executive Vice President, Catherine Rinaldi					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm. Mtg.	11-14-16	X		
2	MTA Board Mtg.	11-16-16	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	General Counsel		
X	Sr. V.P. Operations				
X	V.P. Finance & IT				
X	Capital Programs				

<b>SUMMARY INFORMATION</b>	
Vendor Name MotivePower, Inc.	Contract Number 9708-A
Description Overhaul of 12 BL20 Locomotives	
Total Amount \$15,572,869	
Contract Term (including Options, if any) 48 Months	
Option(s) included in Total Amount? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Renewal? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

## Narrative

### I. PURPOSE/RECOMMENDATION:

Approval is requested to award a 48 month, competitively solicited miscellaneous service contract (five proposals received), in the not-to-exceed amount of \$15,572,869, to MotivePower, Inc. ("MPI") for complete overhaul, system redesign, system integration, transport and warranty of 12 BL20GH locomotives.

### II. DISCUSSION:

The scope of services of this project includes the overhaul of 12 BL20GH locomotives which have been maintained by the Maintenance of Equipment ("Mof E") Department for MNR's East of Hudson Service. The locomotives have approached their midlife cycle required overhaul and this will be the fleet's first overhaul since its inception into service in 2008. In addition to operating in revenue service, the BL20GH fleet is also used for switcher shuttle service, work trains, yard movements and service protection.

The project will include, but not be limited to, replacement of the main engine and overhaul of the main alternator and HEP diesel engine alternator packages, engine control systems, and all rotating components. The overhaul is driven by EPA maintenance intervals and will further extend the reliability and service life of these locomotives. MNR received Board approval to use the Request for Proposal (RFP) process for this procurement at the September 2015 meeting.

On April 14, 2016, MNR RFP No. 9708-A was advertised in the New York State Contract Reporter, El Diario, The Daily Challenge, NY Post and posted on the MNR website. On the proposal due date of June 9, 2016, five proposals were received from the following firms:

Brookville Equipment Corporation ("Brookville"), Higher Power Industries ("HPI"), Motive Power, Inc. ("Motive Power"), Ohio Locomotive Works, LLC ("OLW") and Progress Rail Services Corporation ("PSR").

A Selection Committee comprised of five voting members representing MNR's MofE, Transportation and Procurement Departments evaluated the proposals using a two phase approach. The criteria in order of importance for selection established in the RFP are as follows:

## Phase 1: Technical Proposal

1. Demonstrate understanding of the Technical Specification Requirements
2. Past Experience and performance on similar projects
3. Demonstrate capability and financial resources to perform the assigned Scope of Work in the time projected
4. Diversity Practices

## Phase 2: Cost Proposal

1. Evaluation of completeness and competitiveness of cost and price for completing the work as outlined in the Technical Provisions.

After the Selection Committee's evaluation of the five Phase 1 technical proposals, each committee member scored the proposers against the Phase 1 criteria. Based upon the numerical overall evaluations of all proposals received, a "shortlist" was established, and the following three firms were selected to move forward to Phase 2, which was a review of their cost proposal as it relates to the technical requirements of the contract:

1. Brookville Equipment Corporation
2. MotivePower, Inc.
3. Progress Rail Services Corporation

During the Phase 2 evaluations, presentations were made by each of the proposers, including a question and answer period based on previously provided questions (technical and cost related) from the Selection Committee. At the conclusion of the presentations, each proposer was requested by the Selection Committee to submit its Best and Final Offer ("BAFO").

After reviewing the submitted BAFO's, the Selection Committee agreed that MotivePower, Inc. and Progress Rail Services Corporation could perform the scope of work and meet the schedule requirements as provided in the contract. Brookville Equipment Corporation was not able to commit to the schedule duration of 48 months as required by the contract. MPI provided several value oriented advantages over PRS to MNR. MPI provided several value advantages over the other short listed firms providing and committing key engineering resources to the project while also demonstrating great insight into the scope of work. This difference of \$854,198 per unit results in a savings to MNR of \$10,250,376 over the course of the contract.

Based on all the evaluation factors and the above noted cost savings, the Selection Committee unanimously agreed to recommend MPI for award. The committee believes the price to be fair and reasonable and of best value to MNR.

It is recommended that the MTA Board approve the selection of MotivePower, Inc. for the overhaul of 12 BL20GH Locomotives. The overhaul of the 12 locomotives will begin upon award of the contract.

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

The MTA Office of Civil Rights has established a 0% MBE and 0% WBE goal for this contract.

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

The total cost for this procurement is not to exceed \$15,572,869 and is to be funded by MNR's Operating Budget.

### **V. ALTERNATIVES:**

MNR does not have the in-house design or capacity to complete the scope of the specified work.

## **VI. RESPONSIBILITY:**

In connection with a previous contract awarded to the Contractor, the Contractor was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel. No new SAI has been found relating to the Contractor and the Contractor has been found to be responsible.

**NOVEMBER 2016**

**METRO-NORTH RAILROAD**

**LIST OF RATIFICATIONS FOR BOARD APPROVAL**

**Schedules Requiring Majority Vote:**

**K. Ratification of Completed Procurement Actions**

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

**1. Masabi, LLC. \$3,374,382 (not-to-exceed) Staff Summary Attached**  
**Mobile Ticketing Program for MNR and LIRR**

Ratification is requested to award a contract change order for additional funding under the current miscellaneous service contract with Masabi, LLC (Masabi) in the total amount of \$3,374,382 to support a pilot program for an interoperable mobile-ticketing solution. Masabi will develop a design and pilot a solution that meets the MTA's requirements on an accelerated timeline. The goal of this modification is to formalize the ongoing project support and to allow the MTA and Masabi to advance this initiative.

In April, 2014, the MTA Board approved the award of a MNR/LIRR joint procurement to Masabi for the implementation of a Mobile Ticketing Program, providing customers with the ability to purchase tickets on their mobile devices that can be presented for validation. The original contract was for six years and envisioned future interoperability with NYCT.

By allowing the MTA to test this technology on the NYCT system, the pilot will help inform future decisions on how to enhance fare payment interoperability among MTA agencies. Currently the pilot will deploy up to 100 readers in 2017 at NYCT stations used by railroad customers, and is being coordinated with other ongoing MTA fare and ticketing initiatives. The contract provides the MTA with pricing for additional device quantities if desired in the future.

The clarification of scope and negotiations resulted in a significant reduction in the cost of this pilot program. The original Masabi proposal of \$8,558,163 was negotiated, over several discussions by MNR procurement along with MTA and LIRR staff, to \$3,374,382 for a cost avoidance of \$5,183,780. MNR completed a new Responsibility review of Masabi, LLC. in connection with this Change Order. There is no significant adverse information concerning Masabi, LLC. and Masabi, LLC. has been determined to be a responsible vendor. This change order is to be funded by the NYCT Capital Budget.

## Schedule K: Ratification

Item Number: K

<b>Vendor Name (&amp; Location)</b> Masabi, LLC
<b>Description</b> Mobile Ticketing Program
<b>Contract Term (including Options, if any)</b> Six years
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

<b>Contract Number</b> 36844	<b>AWO/Modification #</b> 001
<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Total Amount:</b> \$3,374,382	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" 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:

Ratification is requested to award a contract change order for additional funding under the current miscellaneous service contract with Masabi, LLC (Masabi) in the total amount of \$3,374,382 to support a pilot program for an interoperable mobile-ticketing solution. Masabi will develop a design and pilot a solution that meets the MTA's requirements on an accelerated timeline. The goal of this modification is to formalize the ongoing project support and to allow the MTA and Masabi to advance this initiative.

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**Metro-North Railroad**

# **Operations Report**



# **MONTHLY OPERATING REPORT**

October 2016

Date Issued:  
Sunday, November 06, 2016

Performance Summary			2016 Data			2015 Data	
			Annual Goal	October	YTD thru October	October	YTD thru October
<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>94.0%</b>	<b>93.9%</b>	<b>94.1%</b>	<b>93.3%</b>
		AM Peak	93.0%	92.3%	92.5%	88.0%	90.2%
		AM Reverse Peak	93.0%	93.3%	95.2%	95.6%	94.5%
		PM Peak	93.0%	96.5%	94.9%	97.7%	95.9%
		<b>Total Peak</b>	<b>93.0%</b>	<b>94.2%</b>	<b>93.9%</b>	<b>93.1%</b>	<b>93.2%</b>
		Off Peak Weekday	93.0%	92.5%	92.6%	93.4%	92.4%
		Weekend	93.0%	96.2%	96.4%	97.1%	95.4%
	<b>Hudson Line</b>	<b>Overall</b>	<b>93.0%</b>	<b>94.8%</b>	<b>95.0%</b>	<b>94.0%</b>	<b>94.0%</b>
		AM Peak	93.0%	92.1%	92.2%	90.8%	91.4%
		AM Reverse Peak	93.0%	97.0%	97.0%	93.8%	96.7%
		PM Peak	93.0%	97.3%	96.7%	97.6%	96.9%
		<b>Total Peak</b>	<b>93.0%</b>	<b>94.8%</b>	<b>94.7%</b>	<b>94.0%</b>	<b>94.4%</b>
		Off Peak Weekday	93.0%	94.8%	94.1%	92.6%	92.8%
		Weekend	93.0%	94.6%	96.8%	96.4%	95.5%
	<b>Harlem Line</b>	<b>Overall</b>	<b>93.0%</b>	<b>95.6%</b>	<b>94.9%</b>	<b>94.0%</b>	<b>94.0%</b>
		AM Peak	93.0%	96.1%	94.0%	84.6%	90.4%
		AM Reverse Peak	93.0%	95.7%	96.0%	94.5%	94.6%
		PM Peak	93.0%	97.8%	94.9%	97.4%	95.5%
		<b>Total Peak</b>	<b>93.0%</b>	<b>96.7%</b>	<b>94.7%</b>	<b>91.4%</b>	<b>93.2%</b>
		Off Peak Weekday	93.0%	94.6%	94.1%	94.0%	93.8%
		Weekend	93.0%	95.4%	96.7%	99.0%	96.1%
	<b>New Haven Line</b>	<b>Overall</b>	<b>93.0%</b>	<b>92.3%</b>	<b>92.6%</b>	<b>94.2%</b>	<b>92.4%</b>
		AM Peak	93.0%	89.3%	91.4%	89.0%	89.2%
		AM Reverse Peak	93.0%	89.1%	93.5%	97.7%	93.2%
		PM Peak	93.0%	95.1%	93.8%	98.1%	95.4%
		<b>Total Peak</b>	<b>93.0%</b>	<b>91.6%</b>	<b>92.7%</b>	<b>94.0%</b>	<b>92.3%</b>
		Off Peak Weekday	93.0%	89.8%	90.7%	93.5%	91.1%
		Weekend	93.0%	97.7%	96.1%	96.2%	95.0%
<b>Operating Statistics</b>							
	<b>Trains Scheduled</b>			<b>19,436</b>	<b>192,961</b>	<b>19,956</b>	<b>193,036</b>
	<b>Avg. Delay per Late Train (min)</b> <i>excluding trains canceled or terminated</i>			11.3	12.9	11.1	11.7
	<b>Trains Over 15 min. Late</b> <i>excluding trains canceled or terminated</i>		1,800	182	2,224	155	2,152
	<b>Trains Canceled</b>		220	13	284	11	240
	<b>Trains Terminated</b>		220	15	284	14	282
	<b>Percent of Scheduled Trips Completed</b>		99.7%	99.9%	99.7%	99.9%	99.7%
<b>Consist Compliance</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>	<b>System</b>	<b>Overall</b>	<b>99.8%</b>	<b>99.6%</b>	<b>99.6%</b>	<b>99.8%</b>	<b>99.7%</b>
		AM Peak	99.8%	98.8%	99.1%	99.8%	99.4%
		AM Reverse Peak	99.8%	99.9%	99.9%	100.0%	99.9%
		PM Peak	99.8%	99.4%	99.1%	99.7%	99.0%
		<b>Total Peak</b>	<b>99.8%</b>	<b>99.2%</b>	<b>99.2%</b>	<b>99.8%</b>	<b>99.3%</b>
		Off Peak Weekday	99.8%	99.8%	99.8%	99.9%	99.9%
		Weekend	99.8%	99.9%	99.9%	99.8%	99.9%
	<b>Hudson Line</b>	AM Peak	99.8%	100.0%	99.9%	99.9%	99.9%
		PM Peak	99.8%	100.0%	99.9%	100.0%	99.8%
	<b>Harlem Line</b>	AM Peak	99.8%	99.1%	99.2%	99.6%	99.1%
		PM Peak	99.8%	99.8%	99.1%	99.4%	98.9%
	<b>New Haven Line</b>	AM Peak	99.8%	97.8%	98.4%	100.0%	99.3%
		PM Peak	99.8%	98.7%	98.5%	99.6%	98.4%

**SYSTEM Category of Delay**

Delay Minutes / Delay Threshold	% Total	September	October	2016 Data YTD thru October	October	2015 Data YTD thru October	YTD 2016 Vs 2015
Engineering (Scheduled)	14.6%	389	371	3,008	353	3,049	-41
Engineering (Unscheduled)	29.8%	719	756	9,148	867	11,782	-2,634
Maintenance of Equipment	12.8%	359	326	4,118	451	4,107	11
Transportation	3.4%	79	87	796	114	887	-91
Capital Projects	2.1%	6	54	154	2	26	128
Weather and Environmental	18.3%	27	466	2,332	351	2,551	-219
Police	11.7%	226	296	3,184	110	1,814	1,370
Customers	3.1%	84	79	915	106	1,124	-209
Other	4.0%	67	102	3,245	128	1,810	1,435
3rd Party Operations	0.1%	1	3	30	0	57	-27
<b>TOTAL</b>	<b>100.0%</b>	<b>1,957</b>	<b>2,540</b>	<b>26,930</b>	<b>2,482</b>	<b>27,207</b>	<b>-277</b>

HUDSON LINE	% Total	September	October	YTD thru October	October	YTD thru October	YTD 2016 Vs 2015
Engineering	39.8%	125	151	1,590	296	2,678	-1,088
Maintenance of Equipment	17.4%	144	66	1,079	64	840	239
Transportation	7.1%	14	27	160	34	194	-34
Capital Projects	0.0%	0	0	4	0	0	4
Weather and Environmental	23.5%	0	89	384	38	459	-75
Police	4.0%	89	15	388	29	292	96
Customers	7.9%	37	30	248	34	320	-72
Other	0.3%	26	1	770	12	416	354
3rd Party Operations	0.0%	0	0	2	0	7	-5
<b>TOTAL</b>	<b>100.0%</b>	<b>435</b>	<b>379</b>	<b>4,625</b>	<b>507</b>	<b>5,206</b>	<b>-581</b>

HARLEM LINE	% Total	September	October	YTD thru October	October	YTD thru October	YTD 2016 Vs 2015
Engineering	25.0%	176	137	2,254	208	3,259	-1,005
Maintenance of Equipment	11.1%	121	61	1,085	184	1,077	8
Transportation	2.9%	31	16	231	26	218	13
Capital Projects	0.4%	0	2	4	0	0	4
Weather and Environmental	33.0%	8	181	925	161	898	27
Police	22.1%	46	121	872	20	692	180
Customers	3.3%	11	18	222	30	283	-61
Other	2.2%	5	12	969	42	533	436
3rd Party Operations	0.0%	0	0	1	0	0	1
<b>TOTAL</b>	<b>100.0%</b>	<b>398</b>	<b>548</b>	<b>6,563</b>	<b>671</b>	<b>6,960</b>	<b>-397</b>

NEW HAVEN LINE	% Total	September	October	YTD thru October	October	YTD thru October	YTD 2016 Vs 2015
Engineering	37.6%	419	468	5,305	364	5,845	-540
Maintenance of Equipment	16.1%	94	200	1,954	203	2,190	-236
Transportation	3.5%	34	44	405	54	474	-69
Capital Projects	4.2%	6	52	146	2	26	120
Weather and Environmental	15.7%	19	196	1,023	152	1,195	-172
Police	12.9%	92	161	1,924	61	830	1,094
Customers	2.5%	36	31	444	41	520	-76
Other	7.2%	36	90	1,506	75	860	646
3rd Party Operations	0.2%	1	3	27	0	50	-23
<b>TOTAL</b>	<b>100.0%</b>	<b>737</b>	<b>1,245</b>	<b>12,734</b>	<b>952</b>	<b>11,990</b>	<b>744</b>



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

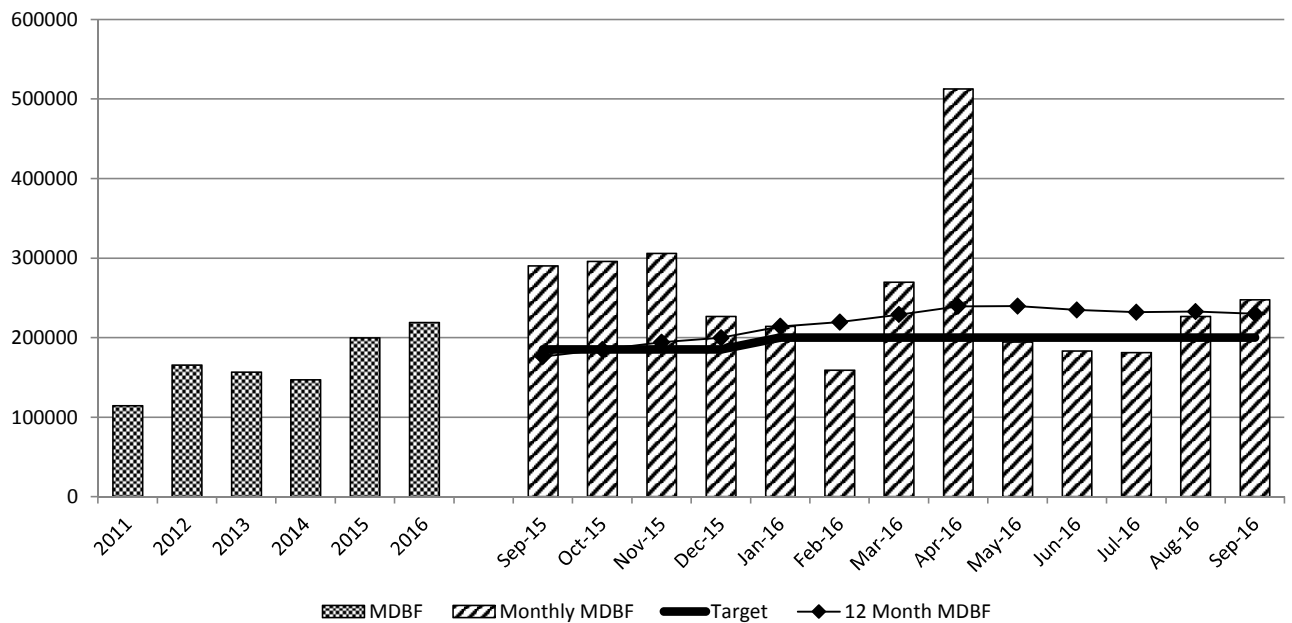
DateDayDESCRIPTION OF EVENT			Number of Late Trains												TOTAL			
			AM Peak			AM Reverse			PM Peak			Off Peak						
			L	C	T	L	C	T	L	C	T	L	C	T	Late	Cxld	Term	
10/18	Tue	Catenary wire down on track 3 from Cat. 618 to Cat. 620, Greens Farms.	0	0	0	0	0	0	0	0	0	0	16	0	0	16	0	0
10/20	Thu	Slippery rail conditions causing delays.	0	0	0	0	0	0	0	37	0	0	30	0	0	67	0	0
10/21	Fri	Slippery rail conditions causing delays.	7	0	0	0	0	0	0	0	0	0	6	0	0	18	0	0
10/24	Mon	Slippery rail conditions causing delays.	41	0	0	0	0	0	0	0	0	0	2	0	0	46	0	0
10/24	Mon	Crossing gate malfunction at Broad Street crossing in Norwalk.	5	0	0	0	0	0	0	0	0	0	4	0	0	11	0	0
10/25	Tue	Cos Cob Bridge opened and unable to close.	12	0	0	0	0	0	0	0	0	0	1	0	0	18	0	0
10/26	Wed	Congestion due to police activity at Woodlawn.	0	0	0	0	0	0	0	0	0	0	25	0	0	25	0	0
10/27	Thu	Engineer reported failure of the main/middle switch in New Canaan.	0	0	0	0	0	0	0	0	1	2	0	7	0	0	8	2
10/27	Thu	Truck struck the overpass at Tomac Avenue in Old Greenwich.	8	0	0	0	0	0	0	0	0	0	1	0	0	12	0	0
10/27	Thu	Slippery rail conditions causing delays.	15	0	0	0	0	0	0	9	0	0	52	0	0	85	0	0
10/31	Mon	Amtrak train 2150 had a cab signal issue on track 2 between CP223 and CP229.	3	0	0	0	0	0	0	5	0	0	8	0	0	16	0	0
TOTAL FOR MONTH			91	0	0	0	0	0	0	32	0	0	46	1	2	145	7	0
324																		

	Equip- ment Type	Total Fleet Size	2016 Data						2015 Data		
			MDBF Goal (miles)	Sep MDBF (miles)	Primary Failure Goal	Sep No. of Primary Failures	YTD MDBF thru Sep (miles)	12 month MDBF Rolling Avg (miles)	Sep MDBF (miles)	Sep No. of Primary Failures	YTD MDBF thru Sep (miles)
<b>Mean Distance Between Failures</b>	M2	36	20,000	59,335	3	1	32,216	33,606	27,326	0	39,058
	M8	405	300,000	516,816	8	5	460,277	390,739	437,050	6	290,315
	M3	138	135,000	308,878	2	1	100,060	118,326	289,301	1	137,024
	M7	334	460,000	341,480	4	6	443,457	543,414	519,376	4	417,201
	Coach	210	295,000	724,313	5	2	231,760	252,174	477,322	3	306,424
	P-32	31	30,000	18,984	6	10	22,735	24,730	26,868	7	21,938
	BL-20	12	13,000	20,385	3	2	32,691	30,125	20,734	2	14,624
	<b>Fleet</b>	<b>1166</b>	<b>200,000</b>	<b>247,423</b>	<b>31</b>	<b>27</b>	<b>219,139</b>	<b>230,061</b>	<b>290,345</b>	<b>23</b>	<b>183,863</b>
	M2/8		200,000	440,569	11	6	373,327	325,143	441,605	6	202,375
	M3/7		320,000	336,823	6	7	309,085	375,616	473,361	5	329,646
	Diesel/Coach		120,000	119,945	14	14	105,939	113,601	290,345	12	103,643

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	October	YTD thru October	October	YTD thru October
<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>94.2%</b>	<b>96.2%</b>	<b>95.2%</b>	<b>95.0%</b>
		AM Peak	95.5%	86.1%	95.3%	93.2%	94.8%
		PM Peak	95.5%	91.4%	96.1%	97.2%	95.1%
		<b>Total Peak</b>	<b>95.5%</b>	<b>88.7%</b>	<b>95.7%</b>	<b>95.1%</b>	<b>94.9%</b>
		Off Peak Weekday	95.5%	94.0%	96.1%	95.4%	94.9%
		Weekend	95.5%	99.0%	97.0%	94.7%	95.3%
	<b>Pascack Line</b>	<b>Overall</b>	<b>96.5%</b>	<b>94.9%</b>	<b>96.8%</b>	<b>94.9%</b>	<b>95.2%</b>
	<b>Valley Line</b>	AM Peak	96.5%	84.7%	95.8%	94.3%	95.2%
		PM Peak	96.5%	93.5%	97.1%	96.8%	94.7%
		<b>Total Peak</b>	<b>96.5%</b>	<b>88.9%</b>	<b>96.4%</b>	<b>95.5%</b>	<b>95.0%</b>
		Off Peak Weekday	96.5%	94.9%	96.7%	94.4%	95.1%
		Weekend	96.5%	100.0%	97.4%	94.9%	95.5%
	<b>Port Jervis Line</b>	<b>Overall</b>	<b>95.0%</b>	<b>93.4%</b>	<b>95.3%</b>	<b>95.6%</b>	<b>94.7%</b>
		AM Peak	95.0%	87.9%	94.6%	91.7%	94.2%
		PM Peak	95.0%	89.0%	95.0%	97.7%	95.6%
		<b>Total Peak</b>	<b>95.0%</b>	<b>88.5%</b>	<b>94.8%</b>	<b>94.7%</b>	<b>94.9%</b>
		Off Peak Weekday	95.0%	92.9%	95.3%	96.7%	94.5%
		Weekend	95.0%	97.8%	96.3%	94.4%	94.8%
<b>Operating Statistics</b>							
	<b>Trains Scheduled</b>			<b>1,473</b>	<b>16,608</b>	<b>1,732</b>	<b>16,789</b>
	<b>Avg. Delay per Late Train (min)</b> <small>excluding trains canceled or terminated</small>			19.0	20.5	18.0	18.8
	<b>Trains Over 15 min. Late</b> <small>excluding trains canceled or terminated</small>		200	38	274	31	313
	<b>Trains Canceled</b>		60	3	63	4	67
	<b>Trains Terminated</b>		60	1	56	7	52
	<b>Percent of Scheduled Trips Completed</b>		99.4%	99.7%	99.3%	99.4%	99.3%

**OCTOBER NOTE:** Due to the Hoboken Derailment on Thursday, September 29th, from Monday, October 3 through Friday, October 7, the Saturday Schedule ran on both the Port Jervis and Pascack Valley Lines. From Monday, October 10 through Friday, October 14, regular weekday schedule ran without the NYS Express Trains (trains 50 and 59 on the Port Jervis Line and 1606, 1618, 1629, 1639 and 9653 on the Pascack Valley Line).



# OCTOBER 2016 STANDEE REPORT

## East of Hudson

East of Hudson			OCT 2015	YTD 2015	OCT 2016	YTD 2016	
Daily Average AM Peak	Hudson Line	Program Standees	0	0	0	0	
		Add'l Standees	1	0	0	0	
		Total Standees	1	0	0	0	
	Harlem Line	Program Standees	0	0	0	0	
		Add'l Standees	0	18	21	18	
		Total Standees	0	18	21	18	
	New Haven Line	Program Standees	0	0	0	0	
		Add'l Standees	0	13	18	28	
		Total Standees	0	13	18	28	
	EAST OF HUDSON TOTAL - AM PEAK		1	31	39	46	
	Daily Average PM Peak	Hudson Line	Program Standees	0	0	0	0
			Add'l Standees	0	1	0	1
Total Standees			0	1	0	1	
Harlem Line		Program Standees	0	0	0	0	
		Add'l Standees	10	22	21	17	
		Total Standees	10	22	21	17	
New Haven Line		Program Standees	0	0	0	0	
		Add'l Standees	2	27	44	46	
		Total Standees	2	27	44	46	
EAST OF HUDSON TOTAL - PM PEAK		12	50	65	64		

## West of Hudson

West of Hudson			OCT 2015	YTD 2015	OCT 2016	YTD 2016
Daily Average AM Peak	Port Jervis Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	Pascack Valley Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	WEST OF HUDSON TOTAL - AM PEAK		0	0	0	0
Daily Average PM Peak	Port Jervis Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	Pascack Valley Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	WEST OF HUDSON TOTAL - PM PEAK		0	0	0	0

## 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.

The October 2016 and YTD 2016 East of Hudson numbers shown above reflect a correction to the October 2016 report previously issued, which contained a calculation error.

## ELEVATOR AND ESCALATOR OPERATING REPORT

### FOR MONTH OF    October 2016

<b>Elevator Availability</b>	<b>2016</b>		<b>2015</b>	
	October	Year to Date	October	Year to Date
Grand Central Terminal	100.00%	98.88%	99.81%	98.95%
Harlem	99.85%	99.72%	97.43%	99.18%
Hudson	99.94%	99.86%	99.94%	99.74%
New Haven	98.00%	99.58%	100.00%	99.95%
Overall Average	99.45%	99.51%	99.29%	99.46%

<b>Escalator Availability</b>	<b>2016</b>		<b>2015</b>	
	October	Year to Date	October	Year to Date
Grand Central Terminal	99.25%	98.53%	99.50%	97.92%
White Plains	100.00%	100.00%	100.00%	99.85%
Overall Average	99.63%	99.27%	99.75%	98.88%



**Metro-North Railroad**

# **Finance Report**



## **FINANCIAL STATEMENTS**

**MONTH ENDED: SEPTEMBER 2016**

OFFICE OF VICE PRESIDENT OF FINANCE & INFORMATION SYSTEMS

**MTA METRO-NORTH RAILROAD  
SEPTEMBER 2016 FINANCIAL REPORT  
YEAR TO DATE ACTUAL VERSUS MID-YEAR FORECAST  
(\$ in millions)**

**SUMMARY**

September 2016 YTD Net Deficit (Non-Reimbursable and Reimbursable) of \$553.2 million was \$18.4 million or 3.2% lower than the Mid-Year Forecast. The month of September Net Deficit (Non-Reimbursable and Reimbursable) of \$57.5 million was \$5.6 million or 8.8% lower than the Mid-Year Forecast.

Major drivers of the September 2016 YTD favorable results of \$18.4 million include lower Non-Reimbursable Expenses of \$28.5 million primarily due to a non-cash adjustment to reflect Metro-North's net pension liability (\$21.4 million), timing of both maintenance contracts and professional services expenditures (\$13.4 million), lower than budgeted energy rates for both electric power and fuel (\$4.8 million) and lower depreciation expense due to timing of capitalization of assets (\$2.0 million). Partly offsetting these favorable expense results were higher payroll costs due to the reallocation of reimbursable project forces to operations (\$5.0 million), higher materials & supplies expense related to the component change-out shops, support shop work and on-going repairs (\$4.4 million) and higher claims expense related to the Bridgeport derailment (\$1.9 million). In addition, Non-Reimbursable Revenues were \$10.1 million unfavorable due to lower farebox revenue (\$8.5 million) primarily reflecting lower than forecasted ridership growth and lower other operating revenue reflecting decreased advertising revenue (\$1.6 million).

September 2016 YTD Reimbursable results (Capital and Other Reimbursements) of \$149.4 million was \$5.1 million lower than the Mid-Year Forecast primarily due to timing for several capital projects including Signal Replacement – Greenwich to South Norwalk, Turnouts: Mainline/High Speed, GCT Turnouts Switch Renewal and NH Yard – Component Change Out Shop partially offset by higher contractual expenditures for the Positive Train Control project.

**REVENUE/RIDERSHIP**

- Farebox Revenue – YTD was lower than the Mid-Year Forecast by \$8.5 million (1.6%) primarily due to lower than forecasted growth for both commutation and non-commutation ridership as well as non-commutation ridership losses from the fire under the Park Avenue Viaduct on May 17th, which was not factored into the Mid-Year Forecast. For the month, revenue was \$2.0 million lower than the Mid-Year Forecast primarily reflecting lower ridership.
- YTD Ridership of 64.4 million was 1.3% below the Mid-Year Forecast and 0.4% higher than YTD 2015. September ridership of 7.3 million was 2.6% below the Mid-Year Forecast and 1.1% lower than 2015.
- YTD East of Hudson Ridership of 63.1 million was 1.3% below the Mid-Year Forecast and 0.4% higher than YTD 2015. East of Hudson ridership for September of 7.1 million was 2.6% lower than the Mid-Year Forecast and 1.1% lower than 2015.
  - YTD commutation ridership of 36.7 million was 0.9% lower than the Mid-Year Forecast and 1.0% higher than YTD 2015. September commutation ridership of 4.1 million was 1.4% lower than the Mid-Year Forecast and 0.5% higher than 2015.
  - YTD non-commutation ridership of 26.4 million was 1.8% below the Mid-Year Forecast and 0.4% lower than 2015. September non-commutation ridership of 3.0 million was 4.2% lower than the Mid-Year Forecast and 3.2% lower than 2015.
- YTD West of Hudson Ridership of 1.3 million was 2.2% below the Mid-Year Forecast and 0.9% lower than YTD 2015. September ridership of 0.1 million was 3.9% below the Mid-Year Forecast and 2.4% lower than 2015.
- **Other Operating Revenue** – YTD was \$1.6 million (3.4%) below the Mid-Year Forecast reflecting lower than forecasted advertising revenue due to a decrease in advertising sales. For the month, revenue was \$0.5 million above the Mid-Year Forecast.
- **Capital and Other Reimbursements** – YTD was \$5.1 million lower than the Mid-Year Forecast due to scheduling and timing changes noted above. For the month, reimbursements were \$4.3 million lower than the Mid-Year Forecast.

## **TOTAL EXPENSES**

Total Expenses – YTD expenses of \$1,258.1 million were \$33.6 million or 2.6% lower than the Mid-Year Forecast through September. For the month, expenses of \$139.9 million were \$11.4 million or 7.6% lower than the Mid-Year Forecast.

**Labor Expenses (including fringes and overhead recoveries)** of \$759.6 million YTD were \$2.3 million higher than the Mid-Year Forecast. For the month, expenses of \$84.2 million were \$3.3 million lower than the Mid-Year Forecast.

- **Payroll** – YTD was \$2.1 million below the Mid-Year Forecast due to unfilled positions. For the month, expenses were \$1.9 million below the Mid-Year Forecast.
- **Overtime** – YTD was \$4.0 million above the Mid-Year Forecast due to higher Reimbursable project activity and accelerated infrastructure maintenance partially offset by improved employee availability for train service coverage and fewer weather events. For the month, expenses were \$0.2 million below the Mid-Year Forecast.

**Non-Labor Expenses** of \$290.7 million YTD were \$12.3 million lower than the Mid-Year Forecast. For the month, expenses of \$35.9 million were lower by \$2.0 million compared to the Mid-Year Forecast.

- **Electric Power** – Lower rates yielded favorable results vs. the Mid-Year Forecast of \$3.8 million YTD and \$0.5 million for the month.
- **Fuel** – YTD expenses were lower by \$0.9 million due to lower diesel fuel prices per gallon. For the month, expenses were \$0.1 million above when compared to the Mid-Year Forecast.
- **Maintenance & Other Operating Contracts** – \$7.2 million below the YTD Mid-Year Forecast primarily due to timing of Non-Reimbursable expenses for maintenance services, contracted repairs of M-8 equipment damaged in the Bridgeport derailment, M7 Systems Equipment Replacement Project and RCM technical support as well as lower expenditures for GCT utilities. For the month, expenses were \$1.4 million lower than the Mid-Year Forecast.
- **Professional Services** – YTD was \$3.1 million below the Mid-Year Forecast primarily due to the timing of Non-Reimbursable expenses for consulting and engineering services, market research studies, advertising and legal services partially offset by the timing of Reimbursable projects activity. For the month, expenses were favorable by \$1.2 million compared to the Mid-Year Forecast.
- **Materials & Supplies** – YTD was \$0.7 million above the Mid-Year Forecast primarily due to higher Non-Reimbursable expenses for rolling stock parts and supplies related to the component change-out shops, support shop work and on-going repairs as well as purchase price adjustments mostly offset by the timing of Reimbursable project activity. For the month, expenses were \$1.1 million above the Mid-Year Forecast.
- **Other Business Expenses** – YTD expenses were \$0.2 million above the Mid-Year Forecast primarily due to Reimbursable expenses for NHL Grade Crossing Renewal and Positive Train Control projects. For the month, expenses were \$0.2 million higher than the Mid-Year Forecast.

**Depreciation and Other Non-Cash Liability Adjustments** were \$23.6 million YTD lower than the Mid-Year Forecast primarily due to the GASB 68 Pension Adjustment (\$21.4 million), timing of the capitalization of assets (\$2.0 million) and environmental remediation (\$0.3 million). For the month, expenses were \$6.1 million below the Mid-Year Forecast.

## **CASH DEFICIT SUMMARY**

September YTD Net Cash Deficit of \$355.6 million was \$2.2 million or 0.6% favorable to the Mid-Year Forecast primarily due to lower expenditures of \$35.8 million (mainly timing of claims payments and maintenance and professional services) largely offset by both lower receipts of \$21.8 million (timing of reimbursements and lower farebox revenue) and higher labor expenditures of \$11.9 million primarily due to timing of payments.

## **FINANCIAL PERFORMANCE MEASURES**

September YTD performance indicators primarily reflect lower overall expenses:

- Adjusted Farebox Operating Ratio of 66.9% was 1.5% higher than the Mid-Year Forecast.
- Adjusted Cost per Passenger of \$13.45 was \$0.35 lower than the Mid-Year Forecast.
- Revenue per Passenger of \$8.16 was \$0.03 lower than the Mid-Year Forecast.

**MTA METRO-NORTH RAILROAD**  
**JULY FINANCIAL PLAN - 2016 MID-YEAR FORECAST**  
**ACCURAL STATEMENT OF OPERATIONS by CATEGORY**  
 September 2016  
 (\$ in millions)

SCHEDULE I - A

	Nonreimbursable				Reimbursable				Total			
	Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)			
	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent
<b>Revenue</b>												
Farebox Revenue	\$59,462	\$57,427	(\$2,034)	(3.4)	\$0,000	\$0,000	\$0,000	-	\$59,462	\$57,427	(\$2,034)	(3.4)
Vehicle Toll Revenue	0,000	0,000	0,000	-	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Other Operating Revenue	5,186	5,700	0,513	9.9	0,000	0,000	0,000	-	5,186	5,700	0,513	9.9
<b>Capital &amp; Other Reimbursements:</b>												
MTA	0,000	0,000	0,000	-	12,411	7,361	(5,050)	(40.7)	12,411	7,361	(5,050)	(40.7)
CDOT	0,000	0,000	0,000	-	9,211	10,132	0,921	10.0	9,211	10,132	0,921	10.0
Other	0,000	0,000	0,000	-	1,987	1,787	(0,200)	(10.1)	1,987	1,787	(0,200)	(10.1)
Total Capital and Other Reimbursements	0,000	0,000	0,000	-	23,609	19,281	(4,328)	(18.3)	23,609	19,281	(4,328)	(18.3)
<b>Total Revenue/Receipts</b>	<b>\$64,648</b>	<b>\$63,127</b>	<b>(\$1,521)</b>	<b>(2.4)</b>	<b>\$23,609</b>	<b>\$18,281</b>	<b>(\$4,328)</b>	<b>(18.3)</b>	<b>\$88,257</b>	<b>\$82,408</b>	<b>(\$5,849)</b>	<b>(6.6)</b>
<b>Expenses</b>												
<b>Labor</b>												
Payroll	\$40,717	\$40,426	\$0,292	0.7	\$4,826	\$5,198	\$1,628	33.7	\$45,543	\$43,623	\$1,920	4.2
Overtime	7,815	7,415	0,400	5.1	1,709	1,881	(0,152)	(8.9)	9,525	9,277	0,248	2.6
Health and Welfare	8,895	8,910	(0,016)	(0.2)	1,523	1,105	0,418	27.4	10,417	10,015	0,402	3.9
OPEB Current Payment	2,423	2,264	0,159	6.6	0,000	0,000	0,000	-	2,423	2,264	0,159	6.6
Pensions	7,762	7,625	0,137	1.8	0,998	0,744	0,254	25.4	8,760	8,369	0,391	4.5
Other Fringe Benefits	9,816	9,861	(0,045)	(0.5)	1,148	0,858	0,290	25.3	10,964	10,718	0,245	2.2
<b>Reimbursable Overhead</b>	<b>(4,849)</b>	<b>(3,673)</b>	<b>(1,176)</b>	<b>(24.2)</b>	<b>4,673</b>	<b>3,582</b>	<b>1,091</b>	<b>23.3</b>	<b>(0,176)</b>	<b>(0,091)</b>	<b>(0,085)</b>	<b>(48.3)</b>
<b>Total Labor</b>	<b>\$72,579</b>	<b>\$72,827</b>	<b>(\$0,248)</b>	<b>(0.3)</b>	<b>\$14,877</b>	<b>\$11,348</b>	<b>\$3,529</b>	<b>23.7</b>	<b>\$87,456</b>	<b>\$84,176</b>	<b>\$3,280</b>	<b>3.8</b>
<b>Non-Labor</b>												
Electric Power	\$5,683	\$5,135	\$0,548	9.6	\$0,000	\$0,024	(\$0,024)	-	\$5,683	\$5,159	\$0,524	9.2
Fuel	1,181	1,306	(0,125)	(10.6)	0,000	0,000	0,000	-	1,181	1,306	(0,125)	(10.6)
Insurance	1,597	1,333	0,264	16.5	0,430	0,405	0,024	5.6	2,026	1,738	0,288	14.2
Claims	0,112	0,075	0,037	32.9	0,000	0,000	0,000	-	0,112	0,075	0,037	32.9
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	9,421	7,799	1,622	17.2	1,103	1,347	(0,244)	(22.1)	10,525	9,146	1,379	13.1
Professional Service Contracts	3,337	2,926	0,411	12.3	3,087	2,341	0,746	24.2	6,424	5,286	1,138	18.0
Materials & Supplies	6,481	7,868	(1,387)	(21.4)	4,077	3,743	0,333	8.2	10,558	11,612	(1,054)	(10.0)
Other Business Expenses	1,337	1,486	(0,149)	(11.2)	0,036	0,072	(0,036)	-	1,373	1,558	(0,186)	(13.5)
<b>Total Non-Labor</b>	<b>\$29,149</b>	<b>\$27,928</b>	<b>\$1,221</b>	<b>4.2</b>	<b>\$8,733</b>	<b>\$7,933</b>	<b>\$0,800</b>	<b>9.2</b>	<b>\$37,881</b>	<b>\$35,861</b>	<b>\$2,021</b>	<b>5.3</b>
<b>Other Adjustments:</b>												
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>\$101,728</b>	<b>\$100,756</b>	<b>\$0,972</b>	<b>1.0</b>	<b>\$23,609</b>	<b>\$18,281</b>	<b>\$4,329</b>	<b>18.3</b>	<b>\$125,337</b>	<b>\$120,036</b>	<b>\$5,301</b>	<b>4.2</b>
Depreciation	19,883	20,416	(0,533)	(2.7)	0,000	0,000	0,000	-	19,883	20,416	(0,533)	(2.7)
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	(7,190)	7,190	-	0,000	0,000	0,000	-	0,000	(7,190)	7,190	-
Environmental Remediation	0,417	0,948	(0,531)	-	0,000	0,000	0,000	-	0,417	0,948	(0,531)	-
<b>Total Expenses</b>	<b>\$127,721</b>	<b>\$120,623</b>	<b>\$7,098</b>	<b>5.6</b>	<b>\$23,609</b>	<b>\$18,281</b>	<b>\$4,329</b>	<b>18.3</b>	<b>\$151,330</b>	<b>\$139,903</b>	<b>\$11,427</b>	<b>7.6</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$63,073)</b>	<b>(\$57,495)</b>	<b>\$5,578</b>	<b>8.8</b>	<b>\$0,000</b>	<b>\$0,000</b>	<b>(\$0,000)</b>	<b>-</b>	<b>(\$63,073)</b>	<b>(\$57,495)</b>	<b>\$5,578</b>	<b>8.8</b>
<b>Cash Conversion Adjustments:</b>												
Depreciation	19,883	20,416	(0,533)	(2.7)	0,000	0,000	0,000	-	19,883	20,416	(0,533)	(2.7)
Operating/Capital	(3,183)	(6,889)	(3,506)	-	0,000	0,000	0,000	-	(3,183)	(6,889)	(3,506)	-
Other Cash Adjustments	(7,607)	(9,668)	(2,060)	(27.1)	0,000	0,000	0,000	-	(7,607)	(9,668)	(2,060)	(27.1)
<b>Total Cash Conversion Adjustments</b>	<b>\$9,093</b>	<b>\$4,059</b>	<b>\$5,034</b>	<b>(55.4)</b>	<b>\$0,000</b>	<b>\$0,000</b>	<b>\$0,000</b>	<b>-</b>	<b>\$9,093</b>	<b>\$4,059</b>	<b>\$5,034</b>	<b>(55.4)</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$53,980)</b>	<b>(\$53,436)</b>	<b>\$0,544</b>	<b>1.0</b>	<b>\$0,000</b>	<b>\$0,000</b>	<b>(\$0,000)</b>	<b>-</b>	<b>(\$53,980)</b>	<b>(\$53,436)</b>	<b>\$0,544</b>	<b>1.0</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 month's actuals are preliminary and may change with the final close of the subsequent month's YTD results.  
 - Differences are due to rounding.  
 - Variance exceeds 100%.  
 - \*\*GASB68 became effective 12/31/15

**MTA METRO-NORTH RAILROAD**  
**JULY FINANCIAL PLAN - 2016 MID-YEAR FORECAST**  
**ACCRUAL STATEMENT OF OPERATIONS by CATEGORY**  
 September Year-To-Date  
 (\$ in millions)

SCHEDULE I - B

	Nonreimbursable				Reimbursable				Total			
	Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)			
	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent
<b>Revenue</b>												
Farebox Revenue	\$518,049	\$509,590	(\$8,459)	(1.6)	\$0,000	\$0,000	\$0,000	-	\$518,049	\$509,590	(\$8,459)	(1.6)
Vehicle Toll Revenue	0,000	0,000	0,000	-	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Other Operating Revenue	47,430	45,831	(1,599)	(3.4)	0,000	0,000	0,000	-	47,430	45,831	(1,599)	(3.4)
<b>Capital &amp; Other Reimbursements:</b>												
MTA	0,000	0,000	0,000	-	77,314	68,122	(9,192)	(11.9)	77,314	68,122	(9,192)	(11.9)
CDOT	0,000	0,000	0,000	-	60,591	64,340	3,749	6.2	60,591	64,340	3,749	6.2
Other	0,000	0,000	0,000	-	16,605	16,973	368	2.2	16,605	16,973	368	2.2
<b>Total Capital and Other Reimbursements</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>-</b>	<b>154,510</b>	<b>149,435</b>	<b>(5,074)</b>	<b>(3.3)</b>	<b>154,510</b>	<b>149,435</b>	<b>(5,074)</b>	<b>(3.3)</b>
<b>Total Revenue/Receipts</b>	<b>\$565,479</b>	<b>\$555,411</b>	<b>(\$10,068)</b>	<b>(1.8)</b>	<b>\$154,510</b>	<b>\$149,435</b>	<b>(\$5,074)</b>	<b>(3.3)</b>	<b>\$719,990</b>	<b>\$704,847</b>	<b>(\$15,143)</b>	<b>(2.1)</b>
<b>Expenses</b>												
<b>Labor</b>												
Payroll	\$359,495	\$364,446	(\$4,950)	(1.4)	\$36,850	\$29,764	\$7,087	19.2	\$396,346	\$394,209	\$2,136	0.5
Overtime	68,405	67,309	1,096	1.6	12,742	17,809	(5,067)	(39.8)	81,148	85,118	(3,972)	(4.9)
Health and Welfare	77,998	78,398	(400)	(0.5)	11,394	10,274	1,110	9.7	89,392	88,672	720	0.8
OP&B Current Payment	21,731	22,373	(642)	(3.0)	0,000	0,000	0,000	-	21,731	22,373	(642)	(3.0)
Pensions	66,313	66,767	(453)	(0.7)	7,499	6,854	645	8.6	73,813	73,621	192	0.3
Other Fringe Benefits	85,698	86,729	(1,033)	(1.2)	8,675	7,998	677	7.8	94,373	94,728	(355)	(0.4)
<b>Reimbursable Overhead</b>	<b>(36,547)</b>	<b>(35,596)</b>	<b>(951)</b>	<b>(2.6)</b>	<b>35,153</b>	<b>34,468</b>	<b>685</b>	<b>1.9</b>	<b>(1,394)</b>	<b>(1,117)</b>	<b>(277)</b>	<b>(19.9)</b>
<b>Total Labor</b>	<b>\$645,001</b>	<b>\$652,436</b>	<b>(\$7,435)</b>	<b>(1.2)</b>	<b>\$112,302</b>	<b>\$107,167</b>	<b>\$5,136</b>	<b>4.6</b>	<b>\$757,304</b>	<b>\$759,603</b>	<b>(\$2,299)</b>	<b>(0.3)</b>
<b>Non-Labor:</b>												
Electric Power	\$51,347	\$47,481	\$3,866	7.5	\$0,000	\$0,084	(\$0,084)	-	\$51,347	\$47,565	\$3,782	7.4
Fuel	10,994	10,077	917	8.3	0,000	0,000	0,000	-	10,994	10,077	917	8.3
Insurance	14,286	13,815	471	3.2	3,285	3,650	(365)	(11.1)	17,571	17,464	107	0.6
Claims	0,000	2,714	(2,714)	-	0,000	0,000	0,000	-	0,000	2,714	(2,714)	-
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	84,778	75,970	8,808	10.4	9,216	10,804	(1,588)	(17.2)	93,994	86,774	7,220	7.7
Professional Service Contracts	27,562	22,945	4,617	16.8	9,181	10,747	(1,566)	(17.1)	36,743	33,692	3,051	8.3
Materials & Supplies	61,347	65,705	(4,358)	(7.1)	20,213	16,510	3,703	18.3	81,560	82,215	(655)	(0.8)
Other Business Expenses	9,657	9,721	(64)	(0.7)	0,312	0,474	(0,162)	(52.1)	9,969	10,195	(226)	(2.3)
<b>Total Non-Labor</b>	<b>\$260,741</b>	<b>\$248,428</b>	<b>\$12,313</b>	<b>4.7</b>	<b>\$42,208</b>	<b>\$42,269</b>	<b>(\$61)</b>	<b>(0.1)</b>	<b>\$302,949</b>	<b>\$290,697</b>	<b>\$12,252</b>	<b>4.0</b>
<b>Other Adjustments</b>												
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 Adj.</b>	<b>\$905,743</b>	<b>\$900,864</b>	<b>\$4,879</b>	<b>0.5</b>	<b>\$154,510</b>	<b>\$149,435</b>	<b>\$5,074</b>	<b>3.3</b>	<b>\$1,060,253</b>	<b>\$1,050,300</b>	<b>\$9,953</b>	<b>0.9</b>
Depreciation	177,250	175,256	1,995	1.1	0,000	0,000	0,000	-	177,250	175,256	1,995	1.1
OP&B Obligation	51,237	51,237	0,000	0.0	0,000	0,000	0,000	-	51,237	51,237	0,000	0.0
GASB68 Pension Adjustment**	0,000	(21,378)	21,378	-	0,000	0,000	0,000	-	0,000	(21,378)	21,378	-
Environmental Remediation	2,916	2,656	260	8.9	0,000	0,000	0,000	-	2,916	2,656	260	8.9
<b>Total Expenses</b>	<b>\$1,137,147</b>	<b>\$1,108,635</b>	<b>\$28,512</b>	<b>2.5</b>	<b>\$154,510</b>	<b>\$149,435</b>	<b>\$5,074</b>	<b>3.3</b>	<b>\$1,291,657</b>	<b>\$1,258,071</b>	<b>\$33,586</b>	<b>2.6</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$571,667)</b>	<b>(\$553,224)</b>	<b>\$18,444</b>	<b>3.2</b>	<b>\$0,000</b>	<b>(\$0,000)</b>	<b>\$0,000</b>	<b>-</b>	<b>(\$571,667)</b>	<b>(\$553,224)</b>	<b>\$18,444</b>	<b>3.2</b>
<b>Cash Conversion Adjustments:</b>												
Depreciation	177,250	175,256	(1,995)	(1.1)	0,000	0,000	0,000	-	177,250	175,256	(1,995)	(1.1)
Operating/Capital	(27,530)	(21,781)	5,749	20.9	0,000	0,000	0,000	-	(27,530)	(21,781)	5,749	20.9
Other Cash Adjustments	64,124	64,113	11	(0.02)	0,000	0,000	0,000	-	64,124	64,113	11	(0.02)
<b>Total Cash Conversion Adjustments</b>	<b>\$213,844</b>	<b>\$197,588</b>	<b>\$16,257</b>	<b>(7.6)</b>	<b>\$0,000</b>	<b>\$0,000</b>	<b>\$0,000</b>	<b>-</b>	<b>\$213,844</b>	<b>\$197,588</b>	<b>\$16,257</b>	<b>(7.6)</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$357,823)</b>	<b>(\$355,636)</b>	<b>\$2,187</b>	<b>0.6</b>	<b>\$0,000</b>	<b>(\$0,000)</b>	<b>\$0,000</b>	<b>-</b>	<b>(\$357,823)</b>	<b>(\$355,636)</b>	<b>\$2,187</b>	<b>0.6</b>

**Notes:**  
 - Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that this current month's actuals are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that this current month's actuals are based on the preliminary close of the general ledger and are subject to review and adjustment.  
 - Differences are due to rounding.  
 - \*\*GASB68 became effective 12/31/15

**MTA METRO-NORTH RAILROAD**  
**ACCUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS**  
**JULY FINANCIAL PLAN - 2016 MID-YEAR FORECAST**  
**SEPTEMBER 2016**  
**(\$ in millions)**

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast				Year to Date vs. Mid-Year Forecast			
		Variance Fav (Unfav)		Reason for Variance		Variance Fav (Unfav)		Reason for Variance	
		\$	%			\$	%		
OTHER OPERATING REVENUE	Non-Reimb	\$0.513	9.9%	Reflects higher net GCT revenues partially offset by lower advertising revenue.		(\$1.599)	(3.4%)	Primarily due to lower advertising revenue due to a decrease in advertising sales.	
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$4.329)	(18.3%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.		(\$5.074)	(3.3%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.	
PAYROLL	Reimb	\$1.628	33.7%	Reflects timing of expenses for the following projects: Program Scope Development Program, Turnouts Mainline/High Speed, West Of Hudson Signal Improvement, C-30 Track Program, CT Catenary C1A & C2 Replacement, Substation Bridge 23 Construction and GCT Turnouts.		\$7.087	19.2%	YTD reflects timing of expenses for the following projects: Program Scope Development, Turnouts Mainline/High Speed, West of Hudson Signal Improvements, Railroad Culverts, Harlem & Hudson Lines Power Improvement, WHRTAS Study Phase II AA and Substation Bridge 23 Construction.	
OVERTIME	Non-Reimb Reimb	\$0.400 (\$0.152)	5.1% (8.9%)	See overtime tables. See overtime tables.		\$1.096 (\$5.067)	1.6% (39.8%)	See overtime tables. See overtime tables.	
HEALTH AND WELFARE	Reimb	\$0.418	27.4%	Reflects timing of expenses for the following projects: C-30 Track Program, Program Scope Development Program, GCT Turnout Switch Renewal, Substation Bridge 23 Construction, Replace Timbers Undergrade and Sound Beach & Tomac Bridge.		\$1.110	9.7%	YTD reflects timing of expenses for the following projects: GCT Turnout Switch Renewal, Positive Train Control, Program Scope Development Program, C-30 Track Program, Turnouts Mainline/High Speed, West of Hudson Signal Improvement and Replacement of Timbers for the UG Bridges.	
PENSIONS	Reimb	\$0.254	25.4%	Reflects timing of expenses for the following projects: Program Scope Development Program, C-30 Track Program, GCT Turnout Switch Renewal, Substation Bridge 23 Construction and West of Hudson Signal Improvements.		\$0.646	8.6%	YTD reflects timing of expenses for the following projects: GCT Turnout Switch Renewal, Program Scope Development, C-30 Track Program, West of Hudson Signal Improvement, Turnouts Mainline/High Speed, Replace Timbers for the UG Bridges, NHL Signal Improvements and Substation Bridge 23 Construction.	

**MTA METRO-NORTH RAILROAD**  
**ACCUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS**  
**JULY FINANCIAL PLAN - 2016 MID-YEAR FORECAST**  
**SEPTEMBER 2016**  
**(\$ in millions)**

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast				Year to Date vs. Mid-Year Forecast			
		Variance Fav (Unfav)		Reason for Variance		Variance Fav (Unfav)		Reason for Variance	
		\$	%			\$	%		
OTHER FRINGE BENEFITS	Reimb	\$0.290	25.3%	Reflects timing of expenses for the following projects: C-30 Track Program, Program Scope Development Program, Positive Train Control, GCT Turnout Switch Renewal and Substation Bridge 23 Construction.		\$0.677	7.8%	Reflects timing of expenses for the following projects: GCT Turnout Switch Renewal, Positive Train Control, Program Scope Development Program, C-30 Track Program, Turnouts/Mainline High Speed, West of Hudson Signal Improvements and Replace Timbers for the UG Bridges.	
REIMBURSABLE OVERHEAD	Non-Reimb	(\$1.176)	(24.2%)	The non-reimbursable and reimbursable variances reflect timing of expenses for the following projects: Positive Train Control, Program Scope Development Program, GCT Turnout Switch Renewal, Substation Bridge 23 Construction, West of Hudson Signal Improvements, Cyclical Track Program, Replace Timbers for the UG Bridges, C-30 Track Program, Design of Railway C&S Systems, Sound Beach & Tamac Bridge and Install Bridge Timbers Program.		(\$0.961)	(2.6%)		
ELECTRIC POWER	Reimb	\$1.091	23.3%			\$0.684	1.9%		YTD variance primarily due to favorable rates.
FUEL	Non-Reimb	\$0.548	9.6%	Primarily due to favorable rates.		\$3.866	7.5%		
INSURANCE	Non-Reimb	(\$0.125)	(10.6%)	Reflects timing of payments for diesel fuel purchases.		\$0.917	8.3%		YTD variance reflects a lower diesel fuel price per gallon.
CLAIMS	Reimb	\$0.024	5.6%	Reflects timing of expenses for Positive Train Control, GCT Turnout Switch Renewal and Substation Bridge 23 Construction projects.		(\$0.364)	(11.1%)		Reflects timing of expenses for Turnouts Mainline/ High Speed, GCT Turnouts Switch Renewal and Cyclical Track Program projects.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$0.037	32.9%	Reflects timing of claims expense.		(\$1.924)	*		Reflects higher claims expense primarily related to the 2013 Bridgeport derailment.
	Non-Reimb	\$1.622	17.2%	Primarily due to timing of expenses for maintenance services, contracted repairs of M-8 equipment damaged in the Bridgeport derailment and GCT utilities.		\$8.808	10.4%		Reflects timing of expenses for maintenance services, contracted repairs of M-8 equipment damaged in the Bridgeport derailment, M7 Systems Equipment Replacement Project and RCM technical support as well as lower expenditures for GCT utilities.
	Reimb	(\$0.244)	(22.1%)	Reflects timing of expenses for the Positive Train Control in CT.		(\$1.588)	(17.2%)		Reflects timing of expenses for the following projects: Positive Train Control in CT, MNR East Side Access and Harmon Shop Improvements.

**MTA METRO-NORTH RAILROAD**  
**ACCUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS**  
**JULY FINANCIAL PLAN - 2016 MID-YEAR FORECAST**  
**SEPTEMBER 2016**  
**(\$ in millions)**

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast				Year to Date vs. Mid-Year Forecast			
		Variance Fav (Unfav)		Reason for Variance		Variance Fav (Unfav)		Reason for Variance	
		\$	%			\$	%		
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$0.411	12.3%	Primarily due to timing of expenses for consulting and engineering, market research studies, legal services and advertising.		\$4.617	16.8%	Primarily due to timing of expenses for consulting and engineering, market research studies, advertising and legal services.	
	Reimb	\$0.746	24.2%	Reflects timing of expenses for the Signal Replacement between Greenwich and South Norwalk, Cameras-Audio for M8 Fleet and Positive Train Control in CT projects.		(\$1.566)	(17.1%)	Reflects timing of expenses for the following projects: Fordham Station Improvements, Repair of Park Ave Viaduct at 118th Street, GCT Elevator Renewal, Design of Railway C&S Systems, Replacement of 6 Anchor Bridge Substations, Stamford Station Real Time, Cameras-Audio for Non-M8 Fleet, MNR Technology Move and Bridgeport Station Improvement.	
MATERIAL AND SUPPLIES	Non-Reimb	(\$1.387)	(21.4%)	Primarily due to inventory valuation adjustments and higher expenses for rolling stock parts and supplies related to the component change-out shops, support shop work and on-going repairs.		(\$4.358)	(7.1%)	YTD variance 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 as well as timing of obsolescence reserve adjustments.	
	Reimb	\$0.333	8.2%	Reflects timing of expenses for the Bronx Stations Capacity Improvement project.		\$3.703	18.3%	Reflects timing of expenses for the following projects: Turnouts Mainline/High Speed, Bronx Stations Capacity Improvement and Cyclical Track Program.	
OTHER BUSINESS EXPENSES	Non-Reimb	(\$0.149)	(11.2%)	Primarily reflects lower Amtrak recoveries.		(\$0.064)	(0.7%)		
	Reimb	(\$0.036)	*	Driven primarily by the C-30 Track Program.		(\$0.162)	(52.1%)	Driven primarily by the NHL Grade Crossing Renewal project.	
DEPRECIATION	Non-Reimb	(\$0.533)	(2.7%)	Reflects the timing of the capitalization of assets.		\$1.995	1.1%		
GASB68 PENSION ADJUSTMENT	Non-Reimb	\$7.190	-	This amount reflects MNR's 2 <sup>nd</sup> Quarter adjustment to account for its net pension liability.		\$21.378	-	This amount reflects MNR's YTD adjustment to account for its net pension liability.	
ENVIRONMENTAL REMEDIATION	Non-Reimb	(\$0.531)	*	Primarily due to the timing of projects requiring remediation.		\$0.260	8.9%	Primarily due to the timing of projects requiring remediation.	
OPERATING CAPITAL	Non-Reimb	(\$3.506)	*	Reflects timing of expenses for the Cameras-Audio on Non-M8 Fleet project offset by the timing of invoices for the DVI Comm-Graybar 7th Floor Renovation.		\$5.749	20.9%	Reflects timing of the following projects: Cameras-Audio on M-8 Fleet, WofH Camera Install, Overhaul 6 GP35 Locomotives, Avaya Phone System Upgrade, VEH Replacement Provision and Expand Real-Time Train Status.	

\* Variance exceeds 100%.

**MTA Metro-North Railroad**  
**July Financial Plan - 2016 Mid-Year Forecast**  
**Non-Reimbursable/Reimbursable Overtime**  
(\$ in millions)

	September			Year To Date(September)			
	Mid-Year Forecast Hours	\$	Actual Hours	Actual Hours	\$	Var. - Fav/(Unfav)	
						Hours	\$
<b>NON-REIMBURSABLE OVERTIME</b>							
<u>Scheduled Service</u> <sup>1</sup>	54,082 \$ 3.191	45,984 \$ 2.769	8,097 \$0.421 15.0% 13.2%	432,310 \$ 26.106	38,580 \$1.689 8.2% 6.1%		
<u>Unscheduled Service</u>	0 \$ -	0 \$ -	0 \$ -	0 \$ -	0 \$ -		
<u>Programmatic/Routine Maintenance</u>	50,744 \$ 2.791	45,938 \$ 2.586	4,806 \$0.205 9.5% 7.4%	429,851 \$ 24.017	(24,630) (\$1.706) -6.1% -7.6%		
<u>Unscheduled Maintenance</u>	962 \$ 0.050	616 \$ 0.030	345 \$0.020 35.9% 40.5%	10,731 \$ 0.572	(2,694) (\$0.154) -33.5% -36.9%		
<u>Vacancy/Absentee Coverage</u> <sup>2</sup>	28,528 \$ 1.483	24,332 \$ 1.280	4,196 \$0.203 14.7% 13.7%	250,630 \$ 13.087	(3,864) (\$0.235) -1.6% -1.8%		
<u>Weather Emergencies</u>	5,455 \$ 0.300	3,530 \$ 0.205	1,925 \$0.095 35.3% 31.8%	61,508 \$ 3.432	22,674 \$1.214 26.9% 26.1%		
<u>Safety/Security/Law Enforcement</u> <sup>3</sup>	0 \$ -	0 \$ -	0 \$ -	0 \$ -	0 \$ -		
<u>Other</u> <sup>4</sup>	0 \$ -	0 \$ 0.545	(\$0.545)	0 \$ 0.096	- \$0.287		
Subtotal	139,770 \$ 7.815	120,400 \$ 7.415	19,370 \$0.400 13.9% 5.1%	1,185,030 \$ 67.309	30,066 \$1.096 2.5% 1.6%		
<b>REIMBURSABLE OVERTIME</b>	32,328 \$ 1.709	32,609 \$ 1.861	(281) (\$0.152) -0.9% -8.9%	291,830 \$ 17.809	(65,816) (\$5.067) -29.1% -39.8%		
<b>TOTAL OVERTIME</b>	<b>172,098 \$ 9.525</b>	<b>153,009 \$ 9.276</b>	<b>19,089 \$0.248 11.1% 2.6%</b>	<b>1,476,860 \$ 85.118</b>	<b>(35,750) (\$3.972) -2.5% -4.9%</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**  
**July Financial Plan - 2016 Mid-Year Forecast**  
**Non-Reimbursable/Reimbursable Overtime**  
**(\$ in millions)**

	September		Year To Date(September)	
	Var. - Fav. / (Unfav)	Hours	Var. - Fav. / (Unfav)	Hours
	\$		\$	
<b>NON-REIMBURSABLE OVERTIME</b>				
Scheduled Service <sup>1</sup>				
	8,097	\$0.421	38,580	\$1,689
	15.0%	13.2%	8.2%	6.1%
Unscheduled Service	0 \$ -		0 \$ -	
Programmatic/Routine Maintenance	4,806	\$0.205	(24,630)	(\$1,706)
	9.5%	7.4%	-6.1%	-7.6%
Unscheduled Maintenance	345	\$0.020	(2,694)	(\$0,154)
	35.9%	40.5%	-33.5%	-36.9%
Vacancy/Absentee Coverage <sup>2</sup>	4,196	\$0.203	(3,864)	(\$0,235)
	14.7%	13.7%	-1.6%	-1.8%
Weather Emergencies	1,925	\$0.095	22,674	\$1,214
	35.3%	31.8%	26.9%	26.1%
Safety/Security/Law Enforcement <sup>3</sup>	0 \$ -		0 \$ -	
Other <sup>4</sup>	0	(\$0.545)	0	\$0.287
<b>Subtotal</b>	<b>19,370</b>	<b>\$0.400</b>	<b>30,066</b>	<b>\$1,096</b>
	13.9%	5.1%	2.5%	1.6%
<b>REIMBURSABLE OVERTIME</b>				
	(281)	(\$0.152)	(65,816)	(\$5,067)
	-0.9%	-8.9%	-29.1%	-39.8%
<b>TOTAL OVERTIME</b>	<b>19,089</b>	<b>\$0.248</b>	<b>(35,750)</b>	<b>(\$3,972)</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**

<b><u>Type</u></b>	<b><u>Definition</u></b>
<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**  
**JULY FINANCIAL PLAN - 2016 MID-YEAR FORECAST**  
**CASH RECEIPTS AND EXPENDITURES**  
(\$ in millions)

	September 2016				Year-to-Date				SCHEDULE III	
	Mid-Year Forecast	Favorable (Unfavorable)			Mid-Year Forecast	Favorable (Unfavorable)				
		Actual	Variance	Percent		Actual	Variance	Percent		
<b>Receipts</b>										
Farebox Receipts	\$59,944	\$57,999	(\$1,945)	(3.2)	\$523,130	\$514,015	(\$9,115)	(1.7)		
Toll Receipts	0,000	0,000	0,000	-	0,000	0,000	0,000	-		
Other Operating Receipts	16,517	7,281	(9,236)	(55.9)	78,347	59,597	(18,750)	(23.9)		
<i>Capital &amp; Other Reimbursements:</i>										
MTA	9,319	5,678	(3,641)	(39.1)	92,131	99,041	6,910	7.5		
CDOT	9,211	12,031	2,820	30.6	60,700	58,965	(1,735)	(2.9)		
Other	1,987	2,206	0,219	11.0	19,437	20,326	0,889	4.6		
Total Capital and Other Reimbursements	20,517	19,915	(602)	(2.9)	172,268	178,332	6,064	3.5		
<b>Total Receipts</b>	<b>\$96,979</b>	<b>\$85,195</b>	<b>(\$11,784)</b>	<b>(12.2)</b>	<b>\$773,745</b>	<b>\$751,944</b>	<b>(\$21,801)</b>	<b>(2.8)</b>		
<b>Expenditures</b>										
<i>Labor:</i>										
Payroll	\$50,429	\$52,080	(\$1,651)	(3.3)	\$395,505	\$397,934	(\$2,429)	(0.6)		
Overtime	11,151	8,695	2,456	22.0	82,969	85,003	(2,034)	(2.5)		
Health and Welfare	10,777	10,098	0,679	6.3	97,509	98,880	(1,371)	(1.4)		
OPEB Current Payment	2,423	2,628	(0,205)	(8.5)	21,733	22,517	(0,784)	(3.6)		
Pensions	8,856	8,562	0,294	3.3	77,091	76,601	0,490	0.6		
Other Fringe Benefits	12,696	10,156	2,540	20.0	98,367	104,088	(5,721)	(5.8)		
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>\$96,332</b>	<b>\$92,219</b>	<b>\$4,113</b>	<b>4.3</b>	<b>\$773,173</b>	<b>\$785,023</b>	<b>(\$11,850)</b>	<b>(1.5)</b>		
<i>Non-Labor:</i>										
Electric Power	\$5,683	\$5,420	\$0,263	4.6	\$47,945	\$44,240	\$3,705	7.7		
Fuel	0,956	0,932	0,024	2.5	10,063	9,568	0,495	4.9		
Insurance	2,433	1,563	0,870	35.8	17,207	16,407	0,800	4.7		
Claims	5,111	0,467	4,644	90.9	18,781	7,808	10,973	58.4		
Paratransit Service Contracts	0,000	0,000	0,000	-	0,000	0,000	0,000	-		
Maintenance and Other Operating Contracts	15,793	19,976	(4,183)	(26.5)	98,323	89,351	8,972	9.1		
Professional Service Contracts	9,336	4,754	4,582	49.1	43,271	33,940	9,331	21.6		
Materials & Supplies	10,996	11,534	(0,538)	(4.9)	88,553	91,985	(3,432)	(3.9)		
Other Business Expenditures	4,319	1,766	2,553	59.1	34,251	29,258	4,993	14.6		
<b>Total Non-Labor</b>	<b>\$54,627</b>	<b>\$46,412</b>	<b>\$8,215</b>	<b>15.0</b>	<b>\$358,394</b>	<b>\$322,557</b>	<b>\$35,837</b>	<b>10.0</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>\$150,959</b>	<b>\$138,631</b>	<b>\$12,328</b>	<b>8.2</b>	<b>\$1,131,567</b>	<b>\$1,107,580</b>	<b>\$23,987</b>	<b>2.1</b>		
<b>Net Cash Deficit ( excludes Opening Cash Balance)</b>	<b>(\$53,980)</b>	<b>(\$53,436)</b>	<b>\$0,544</b>	<b>1.0</b>	<b>(\$357,823)</b>	<b>(\$355,636)</b>	<b>\$2,187</b>	<b>0.6</b>		
<b>Subsidies</b>										
MTA	45,114	26,048	(19,066)	(42.3)	275,593	249,712	(25,881)	(9.4)		
CDOT	8,867	13,436	4,569	51.5	80,947	103,809	22,862	28.2		
<b>Total Subsidies</b>	<b>\$53,981</b>	<b>\$39,484</b>	<b>(\$14,497)</b>	<b>(26.9)</b>	<b>\$356,540</b>	<b>\$353,521</b>	<b>(\$3,019)</b>	<b>(0.8)</b>		
<b>Cash Timing and Availability Adjustment</b>	<b>\$0,000</b>	<b>\$7,993</b>	<b>\$7,993</b>	<b>-</b>	<b>\$0,000</b>	<b>\$2,115</b>	<b>\$2,115</b>	<b>-</b>		

-- Results are preliminary and subject to audit review.  
-- Differences are due to rounding.  
\* Variance exceeds 100%.

**MTA METRO-NORTH RAILROAD**  
**JULY FINANCIAL PLAN - 2016 MID-YEAR FORECAST**  
**CASH RECEIPTS AND EXPENDITURES**  
**EXPLANATION OF VARIANCE BETWEEN FORECAST AND ACTUAL RESULTS**  
(\$ in millions)

Generic Receipt or Expense Category	September Month vs Mid-Year Forecast			Year-To-Date as of September 30, 2016			\$ Detail
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance	
	\$	%		\$	%		
FARE REVENUE	(1,945)	(3.2%)	Timing of cash in transit.	(9,115)	(1.7%)		
OTHER OPERATING REVENUE	(9,236)	(55.9%)	Timing of anticipated FMTAC reimbursements for injury claims and timing of PRIIA reimbursement partially offset by higher GCT revenues.	(18,750)	(23.9%)	Timing of PRIIA and FMTAC reimbursements partially offset by higher GCT revenues.	
CAPITAL AND OTHER REIMBURSEMENTS:							
MTA	(3,641)	(39.1%)	Lower cash receipts due to lower capital related project activity partially offset by timing of payments.	6,910	7.5%	Higher cash receipts due to timing of payments partially offset by lower capital related project activity.	
CDOT	2,820	30.6%	Higher cash receipts due to timing of payments combined with higher capital related project activity.	(1,735)	(2.9%)		
OTHER	0,219	11.0%	Higher cash receipts due to timing of payments partially offset by lower capital related project activity.	0,889	4.6%		
PAYROLL	(1,651)	(3.3%)	Timing of hiring reflected in monthly forecast lower than actual.	(2,429)	(0.6%)		
OVERTIME	2,456	22.0%	Reflects timing differences related to payroll and calendar cutoff dates.	(2,034)	(2.5%)		
HEALTH & WELFARE	0,679	6.3%	Timing of NYSHIP payments.	(1,371)	(1.4%)		
OPEB CURRENT PAYMENT	(0,205)	(8.5%)	Timing of vision/dental premiums for retirees.	(0,784)	(3.6%)		
OTHER FRINGE BENEFITS	2,540	20.0%	Timing of payroll taxes combined with lower employee claims.	(5,721)	(5.8%)	Timing of payroll and unemployment taxes partially offset by lower employee claims.	
ELECTRIC POWER	0,263	4.6%		3,705	7.7%	Primarily reflects lower electric rates.	
INSURANCE	0,870	35.8%	Timing of premiums paid for Station Liability, Force Account, All Agency Property - Terrorism and Auto partially offset by All Agency Property.	0,800	4.7%		
CLAIMS	4,644	90.9%	Timing of passenger injury settlements relating to the Spuyten Duyvil incident and other passenger injury claims.	10,973	58.4%	Timing of passenger injury settlements relating to the Spuyten Duyvil incident and other passenger injury claims.	
MAINTENANCE & OTHER OPERATING CONTRACTS	(4,183)	(26.5%)	Timing of Security Surveillance Equipment and Maintenance & Repairs.	8,972	9.1%	Timing of payments for MTA Police, Operating Capital related projects (Overhaul 6 GP35 Locomotives, DVI: Comm - Graybar 7th Floor Renovation and Vehicle Replacement Provision) and Maintenance & Repairs.	

MTA METRO-NORTH RAILROAD  
JULY FINANCIAL PLAN - 2016 MID-YEAR FORECAST  
CASH RECEIPTS AND EXPENDITURES  
EXPLANATION OF VARIANCE BETWEEN FORECAST AND ACTUAL RESULTS  
(\$ in millions)

Generic Receipt or Expense Category	September Month vs Mid-Year Forecast				Year-To-Date as of September 30, 2016			\$ Detail
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance		
	\$	%		\$	%			
PROFESSIONAL SERVICE CONTRACTS	4,582	49.1%	Timing of payments for NHL BSC Costs.	9,331	21.6%	Timing of NHL BSC Costs partially offset by higher I.T. Costs.		
MATERIALS & SUPPLIES	(0,538)	(4.9%)	Timing of materials placed into inventory.	(3,432)	(3.9%)			
OTHER BUSINESS EXPENSES	2,553	59.1%	Lower subsidy payments to New Jersey Transit and lower Travel, Meeting & Conventions.	4,993	14.6%	Lower subsidy payments to New Jersey Transit, lower Stationary, Printing & Office Supplies and Travel, Meeting & Conventions.		
MTA SUBSIDY RECEIPTS	(19,066)	(42.3%)	Impact of cash balances, higher CDOT subsidy and lower cash deficit.	(25,881)	(9.4%)	Higher CDOT subsidy, lower cash deficit and the impact of cash balances.		
CDOT SUBSIDY RECEIPTS	4,569	51.5%	Timing of Admin Assets payment combined with higher deficit of prior month.	22,862	28.2%	Timing of September subsidy payment, YTD calendarization adjustment, admin assets and higher estimated monthly deficit than forecasted.		

\* Variance exceeds 100%

**MTA METRO-NORTH RAILROAD**  
**JULY FINANCIAL PLAN - 2016 MID-YEAR FORECAST**  
**CASH CONVERSION (CASH FLOW ADJUSTMENT)**  
(\$ in millions)

	September 2016				Year-to-Date			
	Favorable (Unfavorable)			Percent	Favorable (Unfavorable)			Percent
	Mid-Year Forecast	Actual	Variance		Mid-Year Forecast	Actual	Variance	
<b>Receipts</b>								
Farebox Revenue	\$0.483	\$0.572	\$0.089	18.3	\$5.080	\$4.435	(\$0.645)	(12.7)
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	11.331	1.581	(9.750)	(86.0)	30.917	13.766	(17.151)	(55.5)
<b>Capital &amp; Other Reimbursements:</b>								
MTA	(3.092)	(1.683)	1.409	45.6	0.000	0.000	0.000	*
CDOT	0.000	1.899	1.899	-	14.817	30.919	16.102	*
Other	0.000	0.419	0.419	-	0.109	(5.375)	(5.485)	*
Total Capital and Other Reimbursements	(3.092)	0.634	3.726	*	2.832	3.353	0.521	18.4
<b>Total Revenue/Receipts</b>	<b>\$8.722</b>	<b>\$2.787</b>	<b>(\$5.935)</b>	<b>(68.0)</b>	<b>\$53.755</b>	<b>\$47.097</b>	<b>(\$6.658)</b>	<b>(12.4)</b>
<b>Expenditures</b>								
<b>Labor:</b>								
Payroll	(\$4.886)	(\$8.457)	(\$3.571)	(73.1)	\$0.841	(\$3.725)	(\$4.566)	*
Overtime	(1.626)	0.582	2.207	*	(1.822)	0.115	1.938	*
Health and Welfare	(0.360)	(0.083)	0.277	77.0	(8.217)	(10.208)	(1.992)	(24.2)
OPEB Current Payment	0.000	(0.364)	0.000	(0.141)	(0.003)	(0.141)	(0.141)	*
Pensions	(0.097)	(0.193)	(0.096)	(99.7)	(1.278)	(0.980)	0.298	23.3
Other Fringe Benefits	(1.732)	0.562	2.294	*	(3.996)	(9.360)	(5.365)	*
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0.176)	(0.091)	0.085	48.3	(1.394)	(1.117)	0.277	19.9
<b>Total Labor</b>	<b>(\$8.876)</b>	<b>(\$8.043)</b>	<b>\$0.833</b>	<b>9.4</b>	<b>(\$15.869)</b>	<b>(\$25.420)</b>	<b>(\$9.551)</b>	<b>(60.2)</b>
<b>Non-Labor:</b>								
Electric Power	\$0.000	(\$0.261)	(\$0.261)	-	\$3.402	\$3.325	(\$0.077)	(2.3)
Fuel	0.225	0.374	0.149	66.0	0.930	0.509	(0.422)	(45.3)
Insurance	(0.407)	0.175	0.582	*	0.345	1.057	0.713	*
Claims	(4.998)	(0.392)	4.607	92.2	(17.990)	(5.094)	12.897	71.7
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	(5.269)	(10.830)	(5.561)	*	(4.329)	(2.577)	1.752	40.5
Professional Service Contracts	(2.912)	0.512	3.424	*	(6.527)	(0.248)	6.279	96.2
Materials & Supplies	(0.438)	0.078	0.516	*	(6.993)	(9.770)	(2.777)	(39.7)
Other Business Expenses	(2.947)	(0.208)	2.739	93.0	(24.282)	(19.063)	5.220	21.5
<b>Total Non-Labor</b>	<b>(\$16.746)</b>	<b>(\$10.551)</b>	<b>\$6.194</b>	<b>37.0</b>	<b>(\$55.445)</b>	<b>(\$31.860)</b>	<b>\$23.585</b>	<b>42.5</b>
<b>Other Adjustments:</b>								
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 Adjs.</b>	<b>(\$25.622)</b>	<b>(\$18.595)</b>	<b>\$7.027</b>	<b>27.4</b>	<b>(\$71.315)</b>	<b>(\$57.280)</b>	<b>\$14.035</b>	<b>19.7</b>
Depreciation	19.883	20.416	0.533	2.7	177.250	175.256	(1.995)	(1.1)
OPEB Obligation	5.693	5.693	0.000	0.0	51.237	51.237	0.000	0.0
GASB68 Pension Adjustment**	0.000	(7.190)	(7.190)	-	0.000	(21.378)	(21.378)	-
Environmental Remediation	0.417	0.948	0.531	*	2.916	2.856	(0.260)	8.9
<b>Total Expenditures Adjustments</b>	<b>\$0.371</b>	<b>\$1.272</b>	<b>\$0.901</b>	<b>*</b>	<b>\$160.089</b>	<b>\$150.491</b>	<b>(\$9.599)</b>	<b>(6.0)</b>
<b>Total Cash Conversion Adjustments</b>	<b>\$9.093</b>	<b>\$4.059</b>	<b>(\$5.034)</b>	<b>(55.4)</b>	<b>\$213.844</b>	<b>\$197.588</b>	<b>(\$16.257)</b>	<b>(7.6)</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 month's 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**  
**JULY FINANCIAL PLAN - 2016 MID-YEAR FORECAST**  
**RIDERSHIP/UTILIZATION**  
**SEPTEMBER 2016**  
(In millions)

	MONTH		VARIANCE		YTD		VARIANCE	
			Fav(Unfav)				Fav(Unfav)	
	MID-YEAR FORECAST	2016	2015	MID-YEAR FORECAST	2016	2015	MID-YEAR FORECAST	2015
			\$	%			\$	%
<b>FAREBOX REVENUE</b>								
Harlem Line - Commutation	9,247	9,127	9,017	-1.3%	82,421	81,763	(6,657)	-0.8%
Harlem Line - Non-Commutation	8,490	8,035	8,345	-5.4%	71,940	70,274	(1,666)	-2.3%
TOTAL HARLEM LINE	\$17,737	\$17,162	\$17,362	-3.2%	\$154,361	\$152,037	(\$2,323)	-1.5%
Hudson Line - Commutation	5,997	5,969	5,902	-0.5%	53,488	53,068	(421)	-0.8%
Hudson Line - Non-Commutation	7,033	6,651	6,875	-5.4%	58,475	57,336	(1,139)	-1.9%
TOTAL HUDSON LINE	\$13,030	\$12,620	\$12,777	-3.1%	\$111,963	\$110,404	(\$1,559)	-1.4%
New Haven Line - Commutation	12,919	12,660	12,596	-2.0%	114,212	113,068	(1,144)	-1.0%
New Haven Line - Non-Commutation	15,750	14,960	15,206	-5.0%	137,258	133,814	(3,444)	-2.5%
TOTAL NEW HAVEN LINE	\$28,670	\$27,620	\$27,802	-3.7%	\$251,470	\$246,882	(\$4,588)	-1.8%
All Lines - Commutation	28,164	27,757	27,515	-1.4%	250,121	247,899	(2,222)	-0.9%
All Lines - Non-Commutation	31,273	29,645	30,426	-5.2%	267,673	261,424	(6,249)	-2.3%
TOTAL EAST OF HUDSON LINES	\$59,437	\$57,402	\$57,941	-3.4%	\$517,794	\$509,323	(\$8,471)	-1.6%
West of Hudson Mail-n-Ride Revenue (1)	\$0,025	\$0,025	\$0,029	0.0%	\$0,255	\$0,257	\$0,002	0.8%
TOTAL FAREBOX REVENUE	\$59,462	\$57,427	\$57,970	-3.4%	\$518,049	\$509,580	(\$8,469)	-1.6%
<b>RIDERSHIP</b>								
Harlem Line - Commutation	1,429	1,417	1,397	-0.8%	12,775	12,674	(101)	-0.8%
Harlem Line - Non-Commutation	0,955	0,917	0,950	-4.0%	8,093	7,942	(150)	-1.9%
TOTAL HARLEM LINE	2,384	2,334	2,347	-2.1%	20,868	20,616	(251)	-1.2%
Hudson Line - Commutation	0,790	0,787	0,776	-0.4%	7,078	7,025	(53)	-0.8%
Hudson Line - Non-Commutation	0,650	0,617	0,644	-5.0%	5,400	5,315	(85)	-1.6%
TOTAL HUDSON LINE	1,440	1,404	1,420	-2.4%	12,478	12,340	(138)	-1.1%
New Haven Line - Commutation	1,956	1,912	1,921	-2.2%	17,204	17,020	(183)	-1.1%
New Haven Line - Non-Commutation	1,535	1,474	1,514	-4.0%	13,387	13,126	(261)	-1.9%
TOTAL NEW HAVEN LINE	3,491	3,386	3,435	-3.0%	30,590	30,146	(444)	-1.5%
Total Ridership East of Hudson	4,174	4,115	4,094	-1.4%	37,057	36,719	(338)	-0.9%
All Lines - Commutation	3,140	3,008	3,109	-4.2%	26,879	26,383	(496)	-1.8%
All Lines - Non-Commutation	7,315	7,123	7,203	-2.6%	63,936	63,102	(834)	-1.3%
TOTAL EAST OF HUDSON LINES								
West of Hudson (2)	0,152	0,146	0,150	-3.9%	1,324	1,295	(29)	-2.2%
TOTAL EAST & WEST OF HUDSON LINES	7,467	7,269	7,353	-2.6%	68,260	64,397	(3,863)	-5.7%

(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 to the Pascack Valley Line and Port Jervis Line.

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

**MTA METRO-NORTH RAILROAD**  
**2016 MID-YEAR FORECAST VS. ACTUALS**  
**TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS**  
**September 30, 2016**

<u>Department</u>	<u>Mid-Year Forecast</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Notes</u>
<b>Administration</b>				
President	4	4	-	
Labor Relations	18	15	3	
Safety	54	45	9	A
Security	19	18	1	
Office of the Executive VP	10	7	3	
Corporate & Public Affairs	19	18	1	
Customer Service	60	56	4	
Legal	17	16	1	
Claims	14	11	3	
Environmental Compliance & Svce	7	6	1	
Human Resources	46	41	5	
Training	90	76	14	A
Employee Relations & Diversity	6	6	-	
VP Planning	2	2	-	
Operations Planning & Analysis	22	19	3	
Capital Planning & Programming	15	12	3	
Long Range Planning	8	7	1	
VP Finance & Info Systems	2	2	-	
Controller	77	72	5	
Budget	20	17	3	
Procurement & Material Management	34	25	9	A
Corporate	-	-	-	
<b>Total Administration</b>	<b>544</b>	<b>473</b>	<b>71</b>	
<b>Operations</b>				
Operations Administration	66	54	12	A
Transportation	1,550	1,561	(12)	B
Customer Service	318	301	17	A
Metro-North West	32	27	5	
<b>Total Operations</b>	<b>1,966</b>	<b>1,944</b>	<b>21</b>	
<b>Maintenance</b>				
Maintenance of Equipment	1,624	1,626	(2)	
Maintenance of Way	2,158	2,066	92	A
Procurement & Material Mgmt	123	118	5	A
<b>Total Maintenance</b>	<b>3,905</b>	<b>3,810</b>	<b>95</b>	
<b>Engineering/Capital</b>				
Construction Management	40	38	2	
Engineering & Design	76	68	8	
<b>Total Engineering/Capital</b>	<b>116</b>	<b>106</b>	<b>10</b>	
<b>Total Positions</b>	<b>6,531</b>	<b>6,334</b>	<b>197</b>	
<b>Non-Reimbursable</b>	<b>5,768</b>	<b>5,877</b>	<b>(109)</b>	C
<b>Reimbursable</b>	<b>763</b>	<b>457</b>	<b>306</b>	
<b>Total Full-Time</b>	<b>6,530</b>	<b>6,333</b>	<b>197</b>	
<b>Total Full-Time-Equivalents</b>	<b>1</b>	<b>1</b>	<b>-</b>	
<b>(of part-time positions)</b>				

**Notes**

(A) Variance reflects delayed hiring of vacant positions and higher attrition than planned.

(B) Variance reflects higher recruiting than planned.

(C) Variance reflects higher Maintenance of Way and Transportation positions performing operating work resulting from the rescheduling of Capital projects.

MTA METRO-NORTH RAILROAD  
2016 MID-YEAR FORECAST VS. ACTUALS  
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS  
SEPTEMBER 30, 2016

FUNCTION/OCCUPATION	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance
<b>Administration</b>			
Managers/Supervisors	160	153	7
Professional, Technical, Clerical	384	320	64
Operational Hourlies	-	-	-
<b>Total Administration</b>	<b>544</b>	<b>473</b>	<b>71</b>
<b>Operations</b>			
Managers/Supervisors	226	241	(15)
Professional, Technical, Clerical	185	164	21
Operational Hourlies	1,555	1,539	16
<b>Total Operations</b>	<b>1,966</b>	<b>1,944</b>	<b>21</b>
<b>Maintenance</b>			
Managers/Supervisors	631	605	26
Professional, Technical, Clerical	482	476	6
Operational Hourlies	2,792	2,729	63
<b>Total Maintenance</b>	<b>3,905</b>	<b>3,810</b>	<b>95</b>
<b>Engineering/Capital</b>			
Managers/Supervisors	43	40	3
Professional, Technical, Clerical	73	66	7
Operational Hourlies	-	-	-
	<b>116</b>	<b>106</b>	<b>10</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	1,060	1,040	20
Professional, Technical, Clerical	1,124	1,026	98
Operational Hourlies	4,347	4,268	79
<b>Total Positions</b>	<b>6,531</b>	<b>6,334</b>	<b>197</b>

**MTA METRO-NORTH RAILROAD**  
**2016 MID-YEAR FORECAST VS. ACTUALS**  
**SEPTEMBER 30, 2016**

<b>Agency-wide (Non-Reimbursable and Reimbursable)</b>	<b>Mid-Year Forecast</b>	<b>Actual</b>	<b>Favorable (Unfavorable) Variance</b>	<b>Explanation of Variances</b>
<i>Functional Classification:</i> Operations	1,966	1,944	21	Reflects delayed hiring of vacant positions and higher attrition than planned.
Maintenance	3,905	3,810	95	Reflects vacant positions in Maintenance of Way (electrical workers, engineers, machine/vehicle operators, terminal attendants, trackworkers) 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 positions.
Administration	544	473	71	Vacancies reflects timing differences in hiring of positions primarily in the Training, Safety and Procurement departments.
Engineering / Capital	116	106	10	
<b>Total Agency-wide Headcount</b>	<b>6,531</b>	<b>6,334</b>	<b>197</b>	
Non-Reimbursable	5,768	5,877	(109)	Primarily reflects fewer Maintenance of Way positions working on reimbursable projects and performing operating work.
Reimbursable	763	457	306	

**MTA METRO-NORTH RAILROAD  
2016 MID-YEAR FORECAST VS. ACTUALS  
MONTHLY PERFORMANCE INDICATORS <sup>(A)</sup>  
SEPTEMBER 2016**

MONTH		VARIANCE Fav/(Unfav)
MYF	2015	

Farebox Operating Ratio			
Standard <sup>(B)</sup>	59.4%	60.2%	62.8%
Adjusted <sup>(C)</sup>	66.5%	68.5%	70.9%
Cost per Passenger			
Standard <sup>(B)</sup>	\$13.84	\$13.54	\$12.95
Adjusted <sup>(C)</sup>	\$13.57	\$13.21	\$12.65
Passenger Revenue/Passenger <sup>(D)</sup>	\$8.22	\$8.15	\$8.13

VARIANCE Fav/(Unfav)		2015
MYF	2015	

0.8% -2.6%  
2.0% -2.4%

\$0.30 (\$0.59)  
\$0.36 (\$0.56)  
(\$0.07) \$0.02

**YEAR-TO-DATE**

VARIANCE Fav/(Unfav)		2015
MYF	2015	

Farebox Operating Ratio			
Standard <sup>(B)</sup>	58.2%	59.3%	58.5%
Adjusted <sup>(C)</sup>	65.4%	66.9%	65.9%
Cost per Passenger			
Standard <sup>(B)</sup>	\$14.08	\$13.77	\$13.85
Adjusted <sup>(C)</sup>	\$13.80	\$13.45	\$13.56
Passenger Revenue/Passenger <sup>(D)</sup>	\$8.19	\$8.16	\$8.10

VARIANCE Fav/(Unfav)		2015
MYF	2015	

1.1% 0.8%  
1.5% 1.0%

\$0.31 \$0.08  
\$0.35 \$0.11  
(\$0.03) \$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**

**SEPTEMBER 2016**

Operations Planning & Analysis Department  
November, 2016

# SEPTEMBER 2016 RIDERSHIP & REVENUE REPORT

## MTA METRO-NORTH RAILROAD

### EXECUTIVE SUMMARY

#### September Ridership and Revenue (millions)

	September 2016	% Change vs. 2015
Total Rail Ridership	7.269	-1.1% ▼
Commutation Ridership	4.197	+0.5% ▲
Non-Commutation Ridership	3.072	-3.3% ▼
Connecting Service Ridership	0.050	+4.9% ▲
Total MNR System Ridership	7.319	-1.1% ▼
Rail Revenue	\$58.7	-1.0% ▼

#### Key Factors Impacting September Ridership

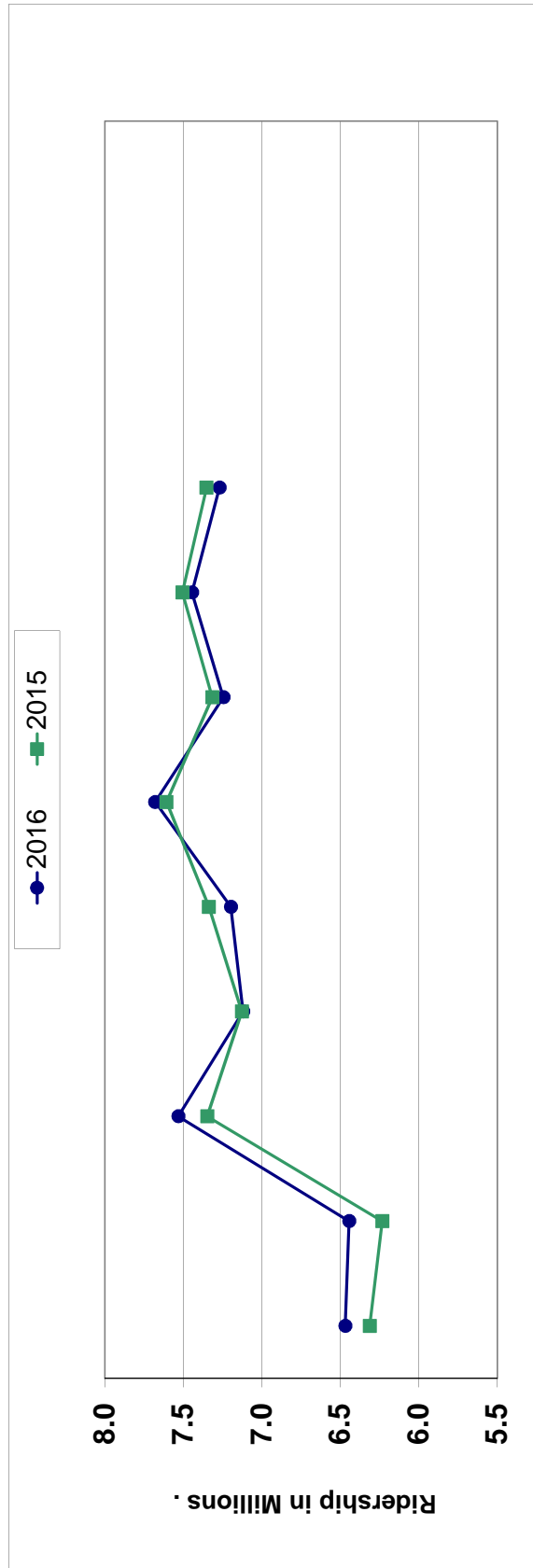
- West of Hudson ridership was adversely impacted due to the September 29<sup>th</sup> Hoboken Terminal Train Derailment:
  - West of Hudson ridership decreased 2.6%
  - Ridership decreased 1.3% on the Port Jervis Line and 4.6% on the Pascack Valley Line

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

	YTD 2016	% Change vs. 2015	Comparison to Forecast
Total Rail Ridership	64.397	+0.4% ▲	-1.3% ▼
Commutation Ridership	37.450	+1.0% ▲	-0.9% ▼
Non-Commutation Ridership	26.947	-0.4% ▼	-1.9% ▼
Connecting Service Ridership	0.435	+4.5% ▲	+2.1% ▲
Total MNR System Ridership	64.832	+0.4% ▲	-1.3% ▼
Rail Revenue	\$520.5	+1.8% ▲	-1.7% ▼

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

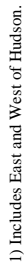
- September's Total Rail Ridership was 1.1% below 2015 and 2.6% below forecast.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2016	6.5	6.4	7.5	7.1	7.2	7.7	7.2	7.4	7.3				64.4
2015	6.3	6.2	7.3	7.1	7.3	7.6	7.3	7.5	7.4				64.1
PCT CHG.	2.5%	3.4%	2.5%	-0.1%	-1.9%	1.0%	-1.0%	-0.8%	-1.1%				0.4%

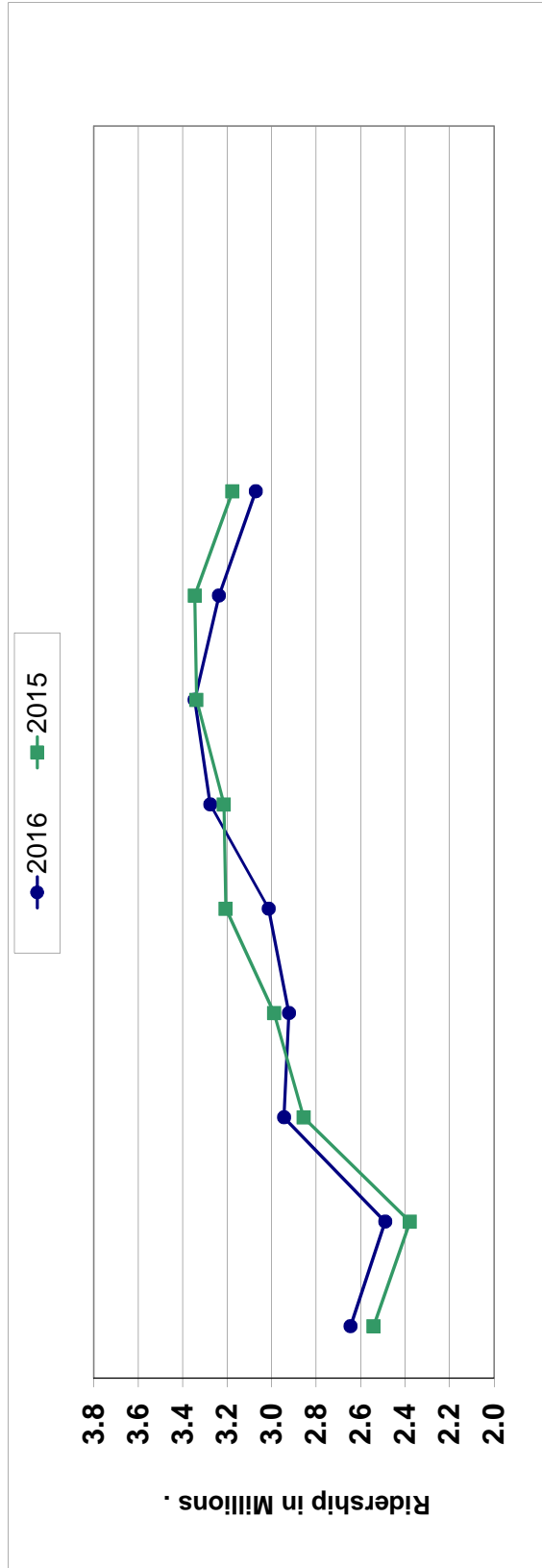
<sup>1)</sup> Includes East and West of Hudson.

## (1)



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

- September's Rail Non-Commutation Ridership was 3.3% below 2015 and 4.4% below forecast.

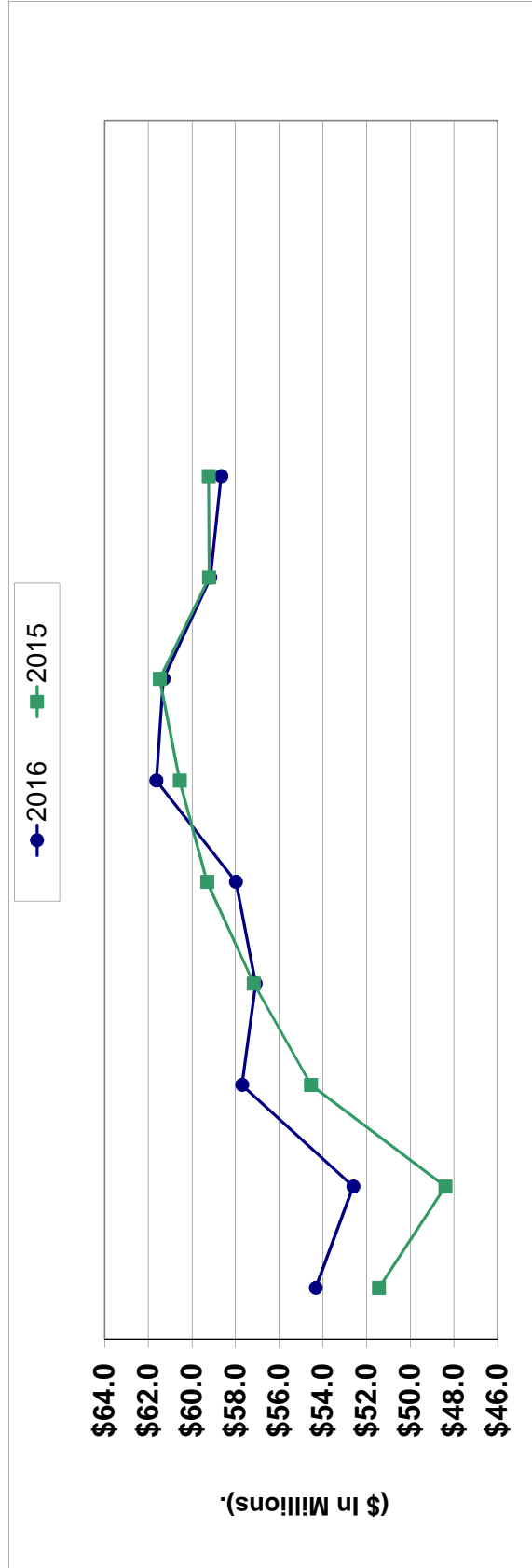


		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Y-T-D
2016		2.6	2.5	2.9	2.9	3.0	3.3	3.3	3.2	3.1				26.9	
2015		2.5	2.4	2.9	3.0	3.2	3.2	3.3	3.3	3.2				27.0	
PCT CHG.		4.1%	4.7%	3.1%	-2.2%	-6.0%	1.9%	0.2%	-3.3%	-3.3%				-0.4%	

1) Includes East and West of Hudson.

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

- September's Total Rail Revenue was 1.0% below 2015 and 3.5% below forecast.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2016	\$54.3	\$52.6	\$57.7	\$57.1	\$58.0	\$61.6	\$61.3	\$59.2	\$58.7				\$520.5
2015	\$51.4	\$48.4	\$54.5	\$57.2	\$59.3	\$60.6	\$61.5	\$59.2	\$59.2				\$511.3
PCT CHG.	5.6%	8.7%	5.8%	-0.1%	-2.2%	1.8%	-0.3%	-0.1%	-1.0%				1.8%

<sup>1)</sup> Includes East and West of Hudson.

# MTA METRO-NORTH RAILROAD RIDERSHIP SUMMARY SEPTEMBER 2016

TICKET TYPE/SERVICE	SEPTEMBER 2016 ACTUAL	SEPTEMBER 2016 MID-YEAR	VARIANCE VS. MID-YEAR		SEPTEMBER 2015 RESTATE <sup>(1)</sup>	CHANGE FROM 2015	
			AMOUNT	PERCENT		AMOUNT	PERCENT
<b>RAIL COMMUTATION RIDERSHIP</b>							
East of Hudson	4,115,431	4,174,392	(58,961)	-1.4%	4,094,127	21,304	0.5%
West of Hudson	81,829	80,303	1,526	1.9%	81,841	(12)	0.0%
<b>Total Rail Commutation Ridership</b>	<b>4,197,260</b>	<b>4,254,695</b>	<b>(57,435)</b>	<b>-1.3%</b>	<b>4,175,968</b>	<b>21,292</b>	<b>0.5%</b>
<b>RAIL NON-COMMUTATION RIDERSHIP</b>							
East of Hudson	3,008,122	3,140,255	(132,133)	-4.2%	3,108,537	(100,415)	-3.2%
West of Hudson	63,779	71,600	(7,821)	-10.9%	67,704	(3,925)	-5.8%
<b>Total Rail Non-Commutation Ridership</b>	<b>3,071,901</b>	<b>3,211,855</b>	<b>(139,954)</b>	<b>-4.4%</b>	<b>3,176,241</b>	<b>(104,340)</b>	<b>-3.3%</b>
<b>TOTAL RAIL RIDERSHIP</b>							
East of Hudson	7,123,553	7,314,647	(191,094)	-2.6%	7,202,664	(79,111)	-1.1%
West of Hudson <sup>(2)</sup>	145,608	151,903	(6,295)	-4.1%	149,545	(3,937)	-2.6%
<b>TOTAL RAIL RIDERSHIP</b>	<b>7,269,161</b>	<b>7,466,550</b>	<b>(197,389)</b>	<b>-2.6%</b>	<b>7,352,209</b>	<b>(83,048)</b>	<b>-1.1%</b>
<b>CONNECTING SERVICES RIDERSHIP <sup>(3)</sup></b>							
	49,640	47,095	2,545	5.4%	47,308	2,332	4.9%
<b>TOTAL MNR SYSTEM RIDERSHIP</b>	<b>7,318,801</b>	<b>7,513,645</b>	<b>(194,844)</b>	<b>-2.6%</b>	<b>7,399,517</b>	<b>(80,716)</b>	<b>-1.1%</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 MID-YEAR	VARIANCE VS. MID-YEAR		2015 YTD RESTATED <sup>(1)</sup>	CHANGE FROM 2015	
			AMOUNT	PERCENT		AMOUNT	PERCENT
<b>RAIL COMMUTATION RIDERSHIP</b>							
East of Hudson	36,719,274	37,057,030	(337,756)	-0.9%	36,339,323	379,951	1.0%
West of Hudson	731,421	732,976	(1,555)	-0.2%	748,026	(16,605)	-2.2%
<b>Total Rail Commutation Ridership</b>	<b>37,450,695</b>	<b>37,790,006</b>	<b>(339,311)</b>	<b>-0.9%</b>	<b>37,087,349</b>	<b>363,346</b>	<b>1.0%</b>
<b>RAIL NON-COMMUTATION RIDERSHIP</b>							
East of Hudson	26,383,343	26,879,116	(495,773)	-1.8%	26,481,676	(98,333)	-0.4%
West of Hudson	563,282	590,518	(27,236)	-4.6%	565,406	(2,124)	-0.4%
<b>Total Rail Non-Commutation Ridership</b>	<b>26,946,625</b>	<b>27,469,634</b>	<b>(523,009)</b>	<b>-1.9%</b>	<b>27,047,082</b>	<b>(100,457)</b>	<b>-0.4%</b>
<b>TOTAL RAIL RIDERSHIP</b>							
East of Hudson	63,102,617	63,936,146	(833,529)	-1.3%	62,820,999	281,618	0.4%
West of Hudson	1,294,703	1,323,494	(28,791)	-2.2%	1,313,432	(18,729)	-1.4%
<b>TOTAL RAIL RIDERSHIP</b>	<b>64,397,320</b>	<b>65,259,640</b>	<b>(862,320)</b>	<b>-1.3%</b>	<b>64,134,431</b>	<b>262,889</b>	<b>0.4%</b>
<b>CONNECTING SERVICES RIDERSHIP <sup>(2)</sup></b>							
	434,609	425,784	8,825	2.1%	416,043	18,566	4.5%
<b>TOTAL MNR SYSTEM RIDERSHIP</b>	<b>64,831,929</b>	<b>65,685,424</b>	<b>(853,495)</b>	<b>-1.3%</b>	<b>64,550,474</b>	<b>281,455</b>	<b>0.4%</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

### SEPTEMBER 2016

LINE	SEPTEMBER 2016 ACTUAL	SEPTEMBER 2015 RESTATED <sup>(1)</sup>	CHANGE FROM 2015	
			AMOUNT	PERCENT
<b>EAST OF HUDSON</b>				
Harlem Line	2,333,897	2,346,955	(13,058)	-0.6%
Hudson Line	1,404,276	1,420,180	(15,904)	-1.1%
New Haven Line	3,385,380	3,435,529	(50,149)	-1.5%
<b>Total East of Hudson</b>	<b>7,123,553</b>	<b>7,202,664</b>	<b>(79,111)</b>	<b>-1.1%</b>
<b>WEST OF HUDSON</b>				
Port Jervis Line	87,908	89,066	(1,158)	-1.3%
Pascack Valley Line	57,700	60,479	(2,779)	-4.6%
<b>Total West of Hudson <sup>(2)</sup></b>	<b>145,608</b>	<b>149,545</b>	<b>(3,937)</b>	<b>-2.6%</b>
<b>TOTAL RAIL RIDERSHIP</b>	<b>7,269,161</b>	<b>7,352,209</b>	<b>(83,048)</b>	<b>-1.1%</b>
<b>CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS</b>				
Hudson Rail Link	32,723	30,407	2,316	7.6%
Haverstraw-Ossining Ferry	11,200	10,958	242	2.2%
Newburgh-Beacon Ferry	5,717	5,943	(226)	-3.8%
<b>Total Connecting Services</b>	<b>49,640</b>	<b>47,308</b>	<b>2,332</b>	<b>4.9%</b>
<b>TOTAL MNR SYSTEM</b>	<b>7,318,801</b>	<b>7,399,517</b>	<b>(80,716)</b>	<b>-1.1%</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	20,616,376	20,486,999	129,377	0.6%
Hudson Line	12,339,657	12,280,307	59,350	0.5%
New Haven Line	30,146,584	30,053,693	92,891	0.3%
<b>Total East of Hudson</b>	<b>63,102,617</b>	<b>62,820,999</b>	<b>281,618</b>	<b>0.4%</b>
<b>WEST OF HUDSON</b>				
Port Jervis Line	767,367	781,601	(14,234)	-1.8%
Pascack Valley Line	527,336	531,831	(4,495)	-0.8%
<b>Total West of Hudson</b>	<b>1,294,703</b>	<b>1,313,432</b>	<b>(18,729)</b>	<b>-1.4%</b>
<b>TOTAL RAIL RIDERSHIP</b>	<b>64,397,320</b>	<b>64,134,431</b>	<b>262,889</b>	<b>0.4%</b>
<b>CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS</b>				
Hudson Rail Link	289,027	284,315	4,712	1.7%
Haverstraw-Ossining Ferry	99,041	86,680	12,361	14.3%
Newburgh-Beacon Ferry	46,541	45,048	1,493	3.3%
<b>Total Connecting Services</b>	<b>434,609</b>	<b>416,043</b>	<b>18,566</b>	<b>4.5%</b>
<b>TOTAL MNR SYSTEM</b>	<b>64,831,929</b>	<b>64,550,474</b>	<b>281,455</b>	<b>0.4%</b>

Notes:

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



**Metro-North Railroad**

# **Capital Program Report**

## **CAPITAL PROGRAM**

### **HIGHLIGHTS**

**October 31, 2016**

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

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

Progress in the train shed continues with: de-leading 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. At the street-level completed repairs on 49th Street between Lexington and Park Avenue and anticipate completing the remaining work on Park Avenue at East 47<sup>th</sup> Street in November 2016.

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: Elevator has been turned-over to Metro-North for 30-day operational testing.

SE-2: Elevator work will commence upon completion of SE-1 and is forecasted to be placed in service in the January 2017.

A-car: Completed installation of rail brackets in elevator shaft; delivery of new elevator car is forecasted for December 2016. A-Car is anticipated to be placed in service in the second 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)**

Installation of pipes and hangers and identification of utility conflicts continue at Track 200 and in the 43<sup>rd</sup> Street and 45<sup>th</sup> Street tunnels; and has commenced in the vicinity of Track 115. Field inspections of the facility are ongoing for shop drawing generation.

Overall project completion anticipated in December 2017.

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

- 42<sup>nd</sup> Street: Installation of sidewalk hatch door adjacent to the Vineyard Vines store is underway.
- Vanderbilt Avenue: Continue with masonry restoration and Park Avenue Viaduct balustrade and historic light pole base pier reconstruction. West and east sidewalk joint

excavation and steel reconstruction work are ongoing between East 43<sup>rd</sup> and 45<sup>th</sup> Streets. Foundation work continues for signal installation at East 43<sup>rd</sup>, 44<sup>th</sup>, 45<sup>th</sup>, 46<sup>th</sup>, and 47<sup>th</sup> Street intersections.

- 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 the northbound bridge columns; installation of temporary support for the northbound bridge; abrasive blasting and painting of the southbound bridge; steel repairs at the northbound bridge columns. Completed removal of concrete encasement at the girders at street level and within the surrounding sidewalk utilizing temporary enclosures; steel repairs at the southbound 45<sup>th</sup> Street Bridge columns; and assessment of the 45<sup>th</sup> Street northbound columns for required structural steel repairs. Estimated completion is in December 2016.
- Park Avenue Viaduct: Catch basin replacement as directed along the Park Avenue Viaduct southbound, over sidewalk space adjacent to the La Fonda restaurant, has been completed. Remaining miscellaneous steel work, fireproofing installation, and ceiling restoration work are to be completed by November 2016.
- Taxi Stand: In the northern half section, masonry pier repairs are scheduled to commence and be completed in November 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 investigated the replacement grout for the existing grout plinths that support the fastener bodies atop the deck and made a recommendation regarding the type of product. Upon receipt of authorization from Metro-North, the consultant will engage a test lab to construct a mockup of the recommended design and subject it 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 is anticipated for December 2017.

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

#### **Station Building Renewal Projects**

The project scope is to furnish and install a new elevator at Port Chester Station and replace the adjacent stairs to the platform (outbound side); demolish an abandoned building; and construct an ADA compliant ramp on the inbound side. Installation of signs directing customers to the temporary ADA ramp is complete and the ramp is open for public use. Project is forecasted for completion in the third quarter of 2017.

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

Solicitation for design-build proposals is scheduled to commence in November 2016 with project kickoff by summer 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 under way to prepare GCT and Outlying Station Design Packages for visual and audio public address system infrastructure. Both GCT and Outlying Stations will be 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 awarded a contract 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 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. It is anticipated that a design-build contract will be awarded in spring 2017.

## ***POWER***

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

Continued Track 3 outage from CP26 to CP33 (North of Tarrytown to South of Croton Harmon); with completion forecasted in January 2017. During this outage, reverse off-peak busing will be provided for customers at Philipse Manor and Scarborough stations. The following is the work:

- Completed continuity jumper installation for the track 3 outage limits.
- Completed elevated raceways between Philipse Manor and Scarborough.
- Continued installation of: trough and duct bank between Philipse Manor and Scarborough; conduits on the retaining wall between Ossining and Scarborough; and conduits under the station platforms at Philipse Manor.
- On Track 4 side, commenced with pulling communication and fiber cable at Ossining (near elevated steel platform).

Overall project completion of Phase I is anticipated in December 2017.

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

Riverdale and Tarrytown: Factory acceptance tests for the electrical equipment are underway with final testing anticipated in November 2016. Delivery of the prefabricated substation and electrical equipment is anticipated in December 2016.

Croton-Harmon: Fabrication of the substation is underway. Factory Acceptance Testing and delivery of the substation and its associated electrical equipment is anticipated in December 2016.

Overall project completion anticipated in April 2017.

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

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

- 86th St: Demolition to commence at the west platform. Core drilling on the east platform will commence after Metro-North completes asbestos abatement in the vicinity. Conduit installation to supply power for Verizon wireless service and emergency radio communication service is in progress. Fabrication of AC and DC switchgears is in progress and forecasted to be delivered in first quarter of 2017.
- 110th St (replacement of negative return reactors in the substation under the viaduct): Facility is complete and operating as of July 2016.

### *Brewster Substation*

- Continue to install conduits in ductbanks. Fabrication of switchgear is underway with delivery forecasted in first quarter of 2017.

Brewster Substation completion will be in third quarter 2017 with overall project completion by first quarter 2018.

## **Substation Replacement Bridge-23**

- Mount Vernon - Auto Transformer AT-1 is scheduled for testing in November 2016.
- Pelham - Final testing of the voltage balancing station has commenced and is expected to be complete in November 2016.
- New Rochelle – Final preparation for a future 15KV power redundancy connection is under review.

Overall project completion anticipated in June 2017.

## ***TRACK AND STRUCTURES***

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

Installation of High-Density Polyethylene Pipe along Tracks 1, 2, 3 and 4, per base scope of the contract, has been completed and pipe installation required under options 1 & 2 between E 162nd Street and E 168th Street is currently in progress. The track outages are being coordinated with the CP109 project. The work includes the 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.

Overall project completion is anticipated in June 2018.

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

The field inspection phase of the bridges continues and is approximately 79% complete. Bridge inspectors continue to progress with the inspection across Metro-North's territory, focusing on the Harlem Line and Port Jervis Line bridges.

Associated Inspection and Load Rating reports continue to be submitted and reviewed by key stakeholders. Preliminary Seismic Screening Procedure was also submitted for review by key stakeholders.

Project completion anticipated in March 2018.

### **Repair Park Avenue Viaduct at 118<sup>th</sup> Street**

The Park Avenue Viaduct emergency repairs, as a result of the May 17, 2016 fire, are proceeding on an expedited schedule with: removal of the damaged column which has been completed; fabrication of the new column which is underway; and removal of existing paint and application with new which is progressing. Completion anticipated by the end of November 2016.

### **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 all seven of the bridges: JS 44.80, JS 63.04, JS 61.56, JS 47.19, JS 58.64, 62.00 and JS 66.22. Anticipate commencement of the force account construction of the repair of three bridges in the second quarter of 2017. Overall project completion anticipated in December 2018.

## **COMMUNICATIONS AND SIGNAL**

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

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

Transponders continue to be installed and tested for Civil Speed Enforcement on both the Hudson and New Haven Lines. Installation and testing of transponders for Civil Speed Enforcement on the New Haven Line are 100% percent complete and Civil Speed Enforcement was placed into revenue service for Amtrak and Freight Carriers from CP 261 to CP 274 on New Haven Line. Installation and testing of PTC transponders is 100% complete for both the Pilot Lines. Wayside subsystem deliveries continue to support the installation of pilot locations. Wayside segment deliveries continue. P32 locomotives and Cab Car On Board hardware installation is ongoing. P32 locomotives and Cab Car On Board hardware installation is ongoing. M7A on-board PTC hardware installation commenced in August 2016. Project Completion is progressing towards the December 31, 2018 deadline.

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

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, Metro-North force account is continuing work along Segment 1 (CP-Sterling to CP-Harriman), with cutover anticipated in the second quarter of 2017.

## **SHOPS AND YARDS**

### **Harmon Shop Improvements**

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

- Consist Shop Facility/Building 6 (CSF): Continued with: placement of concrete for slabs and track pedestal supports; installation of structural steel and roof decking with completion forecasted in December 2016.
- EMU (Electric Multiple Unit) Annex Building: Continued with: the installation of metal wall panels on the east wall; placement of concrete for the 2<sup>nd</sup> floor slab; installation of temporary power & lighting on the 1<sup>st</sup> and 2<sup>nd</sup> floors. Exterior metal wall panels are forecasted to be complete by February 2017. Installation of lower roof is forecasted to commence in March 2017.
- West of the EMU Annex Building (Chirico Street): Installation of medium voltage communication conduits, duct banks, spicing chamber racks, and gas main are progressing.
- Welding Training Facility - continued with installation of fire suppression system.

*Phase V Stage II Preliminary Design*

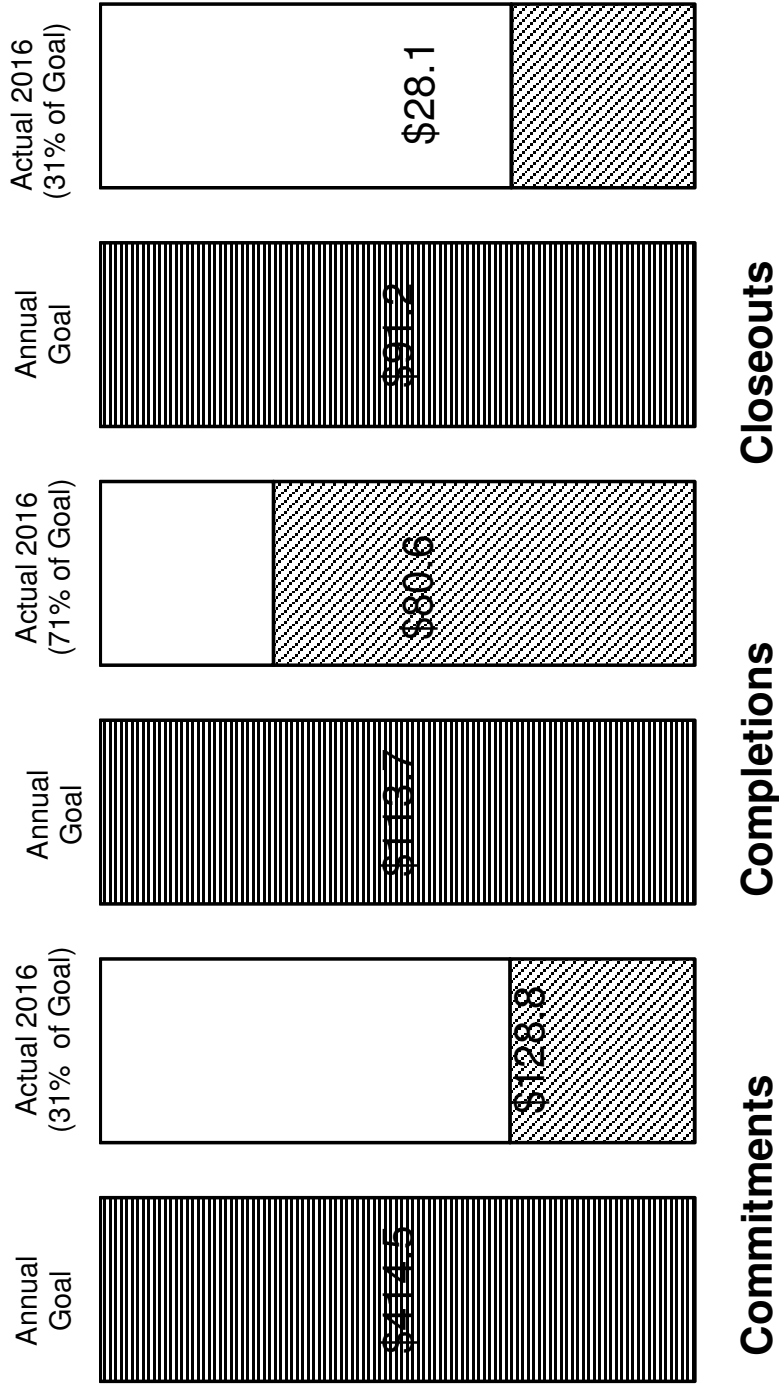
- Stage II Preliminary Design for the Running Repair and Support Facility continues with information and data gathering activities to facilitate the update of the Harlem and Hudson Master Plan for Harmon Yard and other NY Maintenance of Equipment facilities. Design completion is anticipated in January 2018.

Overall project completion anticipated in January 2018.

# 2016 MNR Capital Program Goals

As of October 31, 2016

In Millions



■ 2016 Goals

■ Actual as of October 31, 2016