Metropolitan Transportation Authority

Meeting of the Metro-North Railroad Committee

July 2017

Members

S. Metzger
N. Brown
R. Glucksman
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, New York

Monday, 7/24/2017
8:30 - 9:30 AM ET

1. PUBLIC COMMENTS PERIOD

2. Approval of Minutes
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4. President's Report

Safety Report
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Acquisition of Property from Greentree Realty LLC (Metro-Enviro site) adjacent to the Harmon Yard in Croton-on-Hudson
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6. Procurements
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No August meeting. Next meeting on September 25th at 8:30 a.m.

Minutes of the Regular Meeting
Metro-North Committee
Monday, June 19, 2017

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

The following members were present:

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. 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. Ira Greenberg
Hon. Vincent Tessitore, Jr.

Also Present:

Veronique Hakim, Interim Executive Director, MTA
Joseph J. Giulietti – President, Metro-North Railroad
Catherine Rinaldi – Executive Vice President
Susan J. Doering – Vice President, Customer Service and Stations
Richard L. Gans – Vice President and General Counsel
Glen Hayden – Vice President, Engineering
John Kesich – Senior Vice President, Operations
John Kennard – Vice President – Capital Programs
Owen Monaghan – Chief, MTA Police Department
Kim Porcelain – Vice President, Finance and Information Systems
Michael Shiffer – Vice President, Planning
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 Chair 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 June 19, 2017, should be consulted for matters addressed at the joint meeting relating to the Long Island Rail Road.

President Nowakowski led the Committee in observing a moment of silence in memory of Track Foreman Michael Ollek who was struck and killed by a train near Queens Village Station. He noted that the FRA and NTSB are investigating the incident. Further details are contained in to the video recording of the meeting produced by the MTA and maintained in MTA records, and in the minutes of the Long Island Rail Road.

Interim Executive Director Hakim acknowledged the loss of Track Foreman Ollek. She announced that President Giulietti will be retiring the end of August 2017. She stated that President Giulietti and his senior team changed the culture and success of Metro-North.

Interim Executive Director Hakim affirmed that the MTA intends to withhold further payments to Amtrak and expects Amtrak to pay the costs incurred by the MTA due to Amtrak's emergency work in Penn Station.

PUBLIC COMMENT

There were four public speakers.

Randy Glucksman, Chairman Metro-North Railroad Commuter Council and the Permanent Citizen's Advisory Committee for the MTA, commented on the two morning Pascack Valley Line express trains that were made local trains by New Jersey Transit. He noted that commuters who had used the express trains will now be reaching their destination approximately 20 to 30 minutes later than they had riding the express trains.

Orrin Getz, Vice Chairman Metro-North Railroad Commuter Council discussed the alternatives available to Pascack Valley Line and Pt. Jervis Line riders when Amtrak begins the work in Penn Station. He also discussed certain plans to cross honor tickets and stated that MTA is not offering any discounts.

Sasha Blair-Goldensohn commented on a Long Island Rail Road matter.

Murray Bodin expressed his opinion that many of the laws and operating rules are outdated. He commented on sole source procurements stating that these procurements should be reviewed.

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 and in the minutes of the Long Island Committee meeting held this day.

APPROVAL OF MINUTES AND 2017 WORK PLAN

Upon motion duly made and seconded, the Committee approved the minutes of the May 22, 2017 Metro-North Committee meeting. There were no changes to the 2017 Metro-North Railroad

Committee Work Plan. The details of the work plan are contained in the 2017 Metro-North Railroad Committee Work Plan filed with the records of this meeting.

MTA LONG ISLAND RAIL ROAD PRESIDENT'S REPORT

President Nowakowski reported on the work to be undertaken by Amtrak this summer, the difficulties the Long Island Rail Road and New Jersey Transit will experience in providing their services and alternative travel plans. Following President Nowakowski's report there was a discussion with Board members regarding the Amtrak outages. The details of President Nowakowski's report and the discussions with Board members regarding that report are contained in the minutes of the Long Island Rail road held this day and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

MTA METRO-NORTH RAILROAD PRESIDENT'S REPORT

President Giulietti reported that there will be minor adjustments to the Hoboken timetable for Port Jervis and Pascack Valley Line trains as a result of Amtrak's upcoming work in Penn Station. For customers who travel to and from Penn Station, there will not be major changes to service. Most of the New Jersey Transit trains that are being diverted from Penn Station do not stop at Secaucus Junction and therefore are not trains that our customers use, although some off-peak customers' connecting trains will change. Of course, delays in and out of Penn Station are possible throughout the summer and if they occur our customers would experience those delays. Customers who travel to Hoboken are likely to experience delays during the peak periods due to the much greater volume of trains that will be using Hoboken Terminal. In addition, connecting PATH and ferry services are likely to be crowded although New Jersey Transit is funding an expansion of ferry service to midtown. Movement to and from PATH and ferries, through the Hoboken Terminal complex, will be congested. East of Hudson service will not be impacted. The six Amtrak trains that will be operating into and out of Grand Central Terminal will be integrated into Metro-North's operation south of Spuyten Duyvil with little noticeable effect on Metro-North service. Schedule details will be announced shortly.

President Giulietti reported on service reliability, noting that overall east of Hudson service operated at 93.1% during the month of May 2017 and at 95.2% year-to-date. Both the Hudson and Harlem lines performed above goal while New Haven Line service reliability in the month of May was reduced by 4% to 89.9% due to the May 18th derailment at Rye, New York. Overall west of Hudson service operated at 96.2% during the month of May. East of Hudson overall consist compliance in the month of May was at 99.3%. Service disruptions caused New Haven consist compliance to be below goal during the peak periods. Through the month of April 2017, the fleet Mean Distance Between Failures was above goal at 232,283 miles.

President Giulietti reported on the pilot program that was implemented last fall to increase service at Melrose and Tremont stations from the current two-hour frequency to hourly frequency, making service at Melrose and Tremont stations consistent with most other Bronx stations. The pilot also extended the service day, with earlier inbound service on weekdays and significantly later outbound service on weekdays and weekends. Metro-North has determined that the increased service frequency has had no significant negative impact on train operations, reliability or

infrastructure maintenance and that the service increase addresses a condition that would have been viewed as a Title VI deficiency. Metro-North wants to undertake the necessary steps to make the service changes permanent. Metro-North is required to conduct a public hearing on any service change that represents a change in frequency of service at any station by more than 25%. There is an action item to be voted on at this meeting seeking Committee and Board approval to hold a public hearing to make the pilot program of service changes permanent.

President Giulietti reported that in the month of May 2017 customer complaints rose slightly by 15% from April, but were 36% less than in the comparable period of 2016. He noted that the overall trend on customer complaints continues downward.

President Giulietti reported that, following a decline in March 2017, east of Hudson total rail ridership in April 2017 was 1.1% higher than in the comparable period of 2016; commutation ridership was 1.9% lower and non-commutation ridership was 5.3% higher. President Giulietti noted that the large increase in non-commutation ridership may be attributed to a combination of factors including the warmer weather in April 2017 versus that in April 2016, a 25% increase in pre-Easter week off-peak inbound ridership in April 2017 versus April 2016, and a 9.2% increase in Hudson line non-commutation ridership due in part to off-peak customer diversions from west of Hudson service, and higher Yankee game day ridership. West of Hudson total rail ridership was 1.8% lower in April 2017 than in the comparable period of 2016. Year-to-date total rail ridership was 0.2% higher than in the comparable period of 2016.

There was a discussion between Board member Vitiello and Mr. Kesich regarding the three Amtrak trains that will be operating into Grand Central Terminal beginning July 10. Board member Moerdler stated that President Giulietti should be recognized for his service to Metro-North. Board members Moerdler and Vanterpool expressed their appreciation for the increased Bronx service.

The details of the President's Report are contained in the video recording of the meeting produced by the MTA and maintained in the MTA, 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 April 2017 was down nearly 14% versus the previous 12 months. In April 2017, the employee lost time injury rate was up nearly 11% versus the previous 12 months. Metro-North's community outreach program, TRACKS, reached over 2,000 individuals in April bringing the total for the year to over 23,000. On June 2, Metro-North participated in the International Level Crossing Awareness Day. Brochures were handed out at eight crossings in New York, including west of Hudson, and Connecticut, reaching 2700 individuals. On June 7, Metro-North held its second quarterly Safety Focus Day where various topics were discussed, including job safety briefings, reporting of safety concerns, and personal protective equipment.

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 Monaghan reported on crime statistics, noting that system wide the number of major felonies in May 2017 decreased by 3% versus the previous May, 28 versus 29. Year-to-date May 2017, system wide the number of major felonies decreased by 11%, 108 versus 121. There was a 13% increase in major felonies on the Metro-North system in May 2017 versus the previous May, 18 versus 16. Year-to-date, total major felonies in May 2017 on the Metro-North system were down 7%, 57 versus 61.

There was a discussion regarding the type of crimes that come under the category of grand larceny. Chief Monaghan noted that most of these crimes have to do with unattended property. Board members Vanterpool and Saul thanked Chief Monaghan for the increased police presence at 125th Street. Chief Monaghan will work collaboratively with the NYPD, homeless facilities and private entities in the area to address conditions outside the station. Board member Metzger noted that there has been an increase in drug offenses, she asked if the MTA Police Department (MTAPD) is prepared to deal with drug overdoses. Chief Monaghan reported that the MTAPD has rescued 50 individuals through the use of Narcan. Board member Vanterpool asked that an analysis be conducted on hate crimes on the Metro-North and Long Island Rail Road systems. The MTAPD will survey the area under the Park Avenue Viaduct from 118th Street to 125th Street for fire hazards as requested by Board member Moerdler.

The details of Chief Monaghan'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 discussions regarding the MTAPD report.

MERTO-NORTH ACTION ITEMS:

One action item was presented to the Committee:

- Authorization to hold a public hearing with regard to permanent service changes at Melrose and Tremont stations on the Harlem Line.

Upon motion duly made and seconded, the foregoing action item was approved for recommendation to the Board. The details of the above action 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.

JOINT INFORMATION ITEMS:

Two joint information items were presented to the Committee:

- Bi-Annual Report on M-9 Procurement – Refer to the Committee book.
- Status Update on PTC – To be presented at the June CPOC meeting to be held this day.

President Nowakowski responded to Board member Pally's question, noting that the M-9 procurement is still on schedule. Board member Saul is pleased with the M-9 pricing. He noted that the M-8 cars are complex cars to be used on the New Haven Line. He asked that a report be given at the July Committee meeting regarding the M-8 and M-9 procurements. Board member Zuckerman stated that there should be a vibrant discussion on PTC at CPOC.

The details of the above joint information items are contained in reports filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes discussions regarding the joint information items.

MTA METRO-NORTH INFORMATION ITEMS:

Two information items were presented to the Committee:

- License agreement with Philipstown Depot Theater – Garrison Station – Authorization to use and make improvements to the former platform area located behind the former Garrison Station building to be used as an outside plaza.
- Sub-Lease with the Town of Fishkill – Breakneck Ridge Station – Use of a portion of Metro-North's property to construct, operate and maintain a multi-use trail of approximately three-quarters of a mile, located between New York State Route 9D and Metro North's Hudson Line.

Board members Zuckerman, Vitiello and Pally stated that the two information items above help communities, will delight customers and is appreciated by the municipalities.

OPERATIONS, FINANCIAL, RIDERSHIP AND CAPITAL PROGRAM REPORTS:

The details of the Operations, Financial, Ridership and Capital Program Reports 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,

Linda Montanino

Linda Montanino
Assistant Secretary

June 2017 Committee Minutes –FINAL
Legal/Corporate/Committee Minutes Current

Metropolitan Transportation Authority

2017 Metro-North Railroad Committee Work Plan

I. RECURRING AGENDA ITEMS	Responsibility
Approval of Minutes	Committee Chairs & Members
2017 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
.....	
July 2017	
Grand Central Terminal Retail Development	MTA Real Estate
Environmental Audit	Environmental Compliance
Track Program Quarterly Update	Engineering
September 2017	
2018 Preliminary Budget (Public Comment)	Finance
2017 Mid-Year Forecast	Finance
Diversity/EEO Report – 2nd Quarter 2017	Diversity and EEO
2017 Fall Schedule Change	Operations Planning & Analysis
October 2017 (Joint meeting with LIRR)	
2018 Preliminary Budget (Public Comment)	Finance
Status Update on PTC	President
Track Program Quarterly Update	Engineering
MTA Homeless Outreach	MTA
Bi-Annual Report on M-9 Procurement	President
November 2017	
Review of Committee Charter	Committee Chairs & Members
Holiday Schedule	Operations Planning & Analysis
December 2017 (Joint meeting with LIRR)	
2018 Final Proposed Budget	Finance
2018 Proposed Committee Work Plan	Committee Chairs & Members
Diversity/EEO Report – 3rd Quarter 2017	Diversity and EEO

<u>January 2018</u>	
Approval of 2018 Committee Work Plan	Committee Chairs & Members
Track Program Quarterly Update	Engineering
<u>February 2018 (Joint meeting with LIRR)</u>	
Adopted Budget/Financial Plan 2018	Finance
2017 Annual Operating Results	Operations
2017 Annual Fleet Maintenance Report	Operations
Status Update on PTC	President
Diversity/EEO Report – 4th Quarter 2017	Diversity and EEO
<u>March 2018</u>	
Annual Strategic Investments & Planning Studies	Capital Planning
2018 Spring/Summer Schedule Change	Operations Planning & Analysis
Annual Elevator & Escalator Report	Engineering
<u>April 2018 (Joint meeting with LIRR)</u>	
Final Review of 2017 Operating Budget Results	Finance
2017 Annual Ridership Report	Operations Planning & Analysis
Annual Inventory Report	Procurement
Track Program Quarterly Update	Engineering
MTA Homeless Outreach	MTA
<u>May 2018</u>	
Diversity/EEO Report – 1st Quarter 2018	Diversity and EEO
<u>June 2018 (Joint meeting with LIRR)</u>	
Status Update on PTC	President
Bi-Annual Report on M-9 Procurement	President

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.

2017 Work Plan
The Work Plan will list, by month, the topics scheduled for review. The Committee will be advised if any changes have been made to the plan.

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

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

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

Information Items (if any)
Materials presented to the Committee for review pertaining to certain agency initiatives and functions.

Action Items (if any)
Staff summary documents presented to the Board for approval of items affecting business standards and practices.

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

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

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

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

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

II. SPECIFIC AGENDA ITEMS

JULY 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.

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.

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– 2nd 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.

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 2018 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.

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.

MTA Homeless Outreach
MTA Operations Support will provide a bi-annual report on homeless outreach efforts including an update on service providers and placements.

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.

NOVEMBER 2017

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 2017 (Joint Meeting with LIRR)

2018 Final Proposed Budget
The Committee will recommend action to the Board on the Final Proposed Budget for 2018.

2018 Proposed Committee Work Plan
The Committee Chair will present a draft Metro-North Committee Work Plan for 2018 that will address initiatives to be reported throughout the year.

Diversity & EEO Report– 3rd 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.

JANUARY 2018

Approval of 2018 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.

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.

FEBRUARY 2018 (Joint Meeting with LIRR)

Adopted Budget/Financial Plan 2018
The Agency will present its revised 2018 Financial Plan. These plans will reflect the 2018 Adopted Budget and an updated Financial Plan for 2018 reflecting the out-year impact of any changes incorporated into the 2018 Adopted Budget.

2017 Annual Operating Results
A review of the prior year's performance of railroad service will be provided to the Committee.

2017 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– 4th 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.

MARCH 2018

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.

2018 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 2018.

Annual Elevator/Escalator Report

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

APRIL 2018 (Joint Meeting with LIRR)

Final Review of 2017 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.

2017 Annual Ridership Report

A report will be presented to the Committee on Metro-North's ridership trends during 2017 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.

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.

MTA Homeless Outreach

MTA Operations Support will provide a bi-annual report on homeless outreach efforts including an update on service providers and placements.

MAY 2018

Diversity & EEO Report– 1st Quarter 2018

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 2018 (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.

Metro-North Railroad

Safety Report

Metro-North Railroad
Office of System Safety

May 2017 Safety Report

Performance

Performance Indicator	12-Month Average		
	June 2014 -May 2015	June 2015 -May 2016	June 2016 -May 2017
FRA Reportable Customer Accident Rate per Million Customers	1.74	1.22	1.03
FRA Reportable Employee Lost Time Injury Rate per 200,000 worker hours	2.34	2.54	3.11
Grade Crossing Incidents [1]	1	3	1
Mainline FRA Reportable Train Derailments	1	1	2
Mainline FRA Reportable Train Collisions	0	0	0

[1] 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

Safety Training	2016		2017	
	May	Year End	May	Year to Date
First Responders Trained	-	1,314	118	789
Employee Safety Training Courses	-	307	104	244
Employees Trained	-	6,161	796	4,157
Employee Safety Training Hours	-	268,469	11,862	100,196

Customer and Community: Focus on Grade Crossings	2016		2017	
	May	Year to Date	May	Year to Date
Broken Gates	5	25	0	13
MTA Police Details	155	698	91	665
Summons	40	212	49	296
Warnings	5	65	34	80
Community Education and Outreach	NA	NA	2,615	25,955

Cars Equipped with Cameras	Fleet Size	Total Cars Equipped	% Complete
Inward / Outward Facing Cab Cameras	957	13	1.36%
Passenger Compartment Cameras	1,088	14	1.29%

Definitions:

First Responders Trained - The number of first responders trained by MNR's Emergency Management to assist in crisis events, such as train evacuation.

Employee Safety Training Courses - The number of distinct safety-related courses offered, including technical courses that have a safety element. Repeats are excluded so that each course is counted only once.

Employees Trained - The number of unique employees that attended one or more of these safety-related courses.

Employee Safety Training Hours - The total hours of training completed by employees in all safety-related courses attended.

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 individuals reached at a TRACKS event. Program began in May 2016.

Cars Equipped with Cameras - Number of complete inward/outward and passenger compartment camera installations on rolling stock. Installation began in August 2016.

Police Report

METROPOLITAN TRANSPORTATION AUTHORITY
Police Department
Metro North Railroad

June 2017 vs. 2016

	2017	2016	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	1	0	1	100%
Felony Assault	3	5	-2	-40%
Burglary	1	1	0	0%
Grand Larceny	6	7	-1	-14%
Grand Larceny Auto	1	1	0	0%
Total Major Felonies	12	14	-2	-14%

Year to Date 2017 vs. 2016

	2017	2016	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	7	8	-1	-13%
Felony Assault	10	9	1	11%
Burglary	5	8	-3	-38%
Grand Larceny	41	47	-6	-13%
Grand Larceny Auto	6	3	3	100%
Total Major Felonies	69	75	-6	-8%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION

METROPOLITAN TRANSPORTATION AUTHORITY
Police Department
System Wide

June 2017 vs. 2016

	2017	2016	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	8	3	5	167%
Felony Assault	6	7	-1	-14%
Burglary	1	2	-1	-50%
Grand Larceny	10	15	-5	-33%
Grand Larceny Auto	1	1	0	0%
Total Major Felonies	26	28	-2	-7%

Year to Date 2017 vs. 2016

	2017	2016	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	26	23	3	13%
Felony Assault	21	18	3	17%
Burglary	6	15	-9	-60%
Grand Larceny	74	89	-15	-17%
Grand Larceny Auto	7	4	3	75%
Total Major Felonies	134	149	-15	-10%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION

MTA Police Department
Arrest Summary: Department Totals

1/1/2017 to 6/30/2017

Arrest Classification	Total Arrests	
	2017	2016
Robbery	19	16
Felony Assault	26	18
Burglary	4	11
Grand Larceny	29	24
Grand Larceny Auto	2	3
Aggravated Harassment	3	1
Aggravated Unlicensed Operator	8	12
Assault-Misdemeanor	30	24
Breach of Peace	6	7
Child Endangerment	2	2
Criminal Contempt	6	2
Criminal Impersonation	6	4
Criminal Mischief	28	28
Criminal Possession Stolen Property	7	6
Criminal Tampering	7	2
Criminal Trespass	19	22
Disorderly Conduct	2	2
Drug Offenses	46	27
DUI Offenses	5	3
Failure to Appear	1	0
Falsely Reporting an Incident	3	1
Forgery	25	31
Fraud	0	6
Graffiti	15	6
Harassment	2	0
Identity Theft	0	1
Issue a Bad Check	0	1
Menacing	5	2
Obstruct Government	7	11
Official Misconduct	0	5
Panhandling	0	1
Petit Larceny	67	104
Public Lewdness	11	92
Reckless Endangerment	3	1
Resisting Arrest	23	20
Sex Offenses	8	6
Stalking	1	0
Theft of Services	99	84
Unlawful Imprisonment/Kidnapping	0	1
VTL Offenses	0	1
Warrant Arrest	20	26
Weapons Offenses	3	3
Total Arrests	548	617

INDEX CRIME REPORT
Per Day Average
June 2017

	Systemwide	LIRR	MNRR	SIRT
Murder	0	0	0	0
Rape	0	0	0	0
Robbery	8	3	1	4
Fel. Assault	6	2	3	1
Burglary	1	0	1	0
Grand Larceny	10	2	6	2
GLA	1	0	1	0
Total	26	7	12	7
Crimes Per Day	0.87	0.23	0.40	0.23

Metro-North Railroad

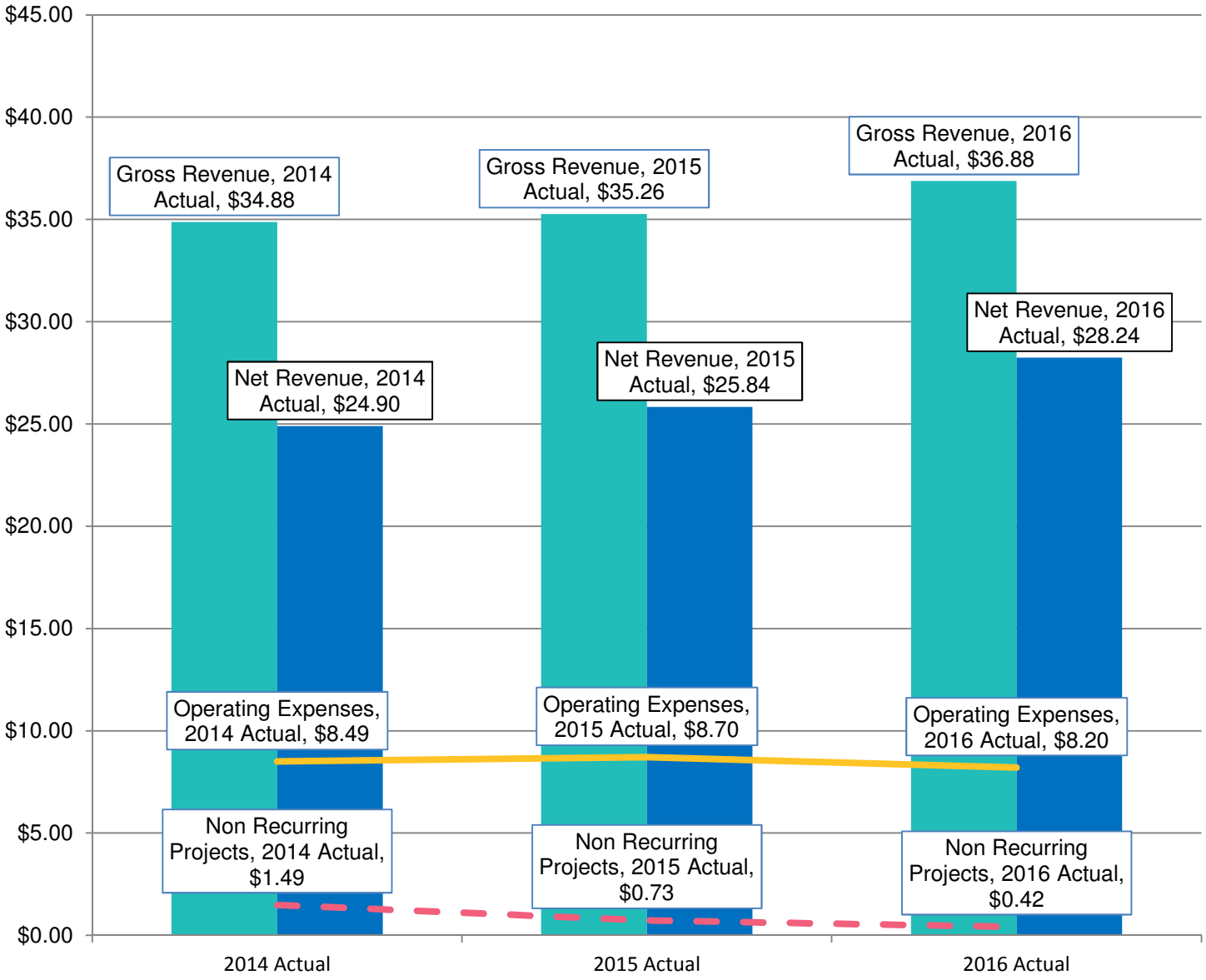
Information Items

GRAND CENTRAL

RETAIL DEVELOPMENT
AT
GRAND CENTRAL TERMINAL

July 2017

I. PROPERTY PERFORMANCE (in millions)



Financial Summary - 2014 - 2016 Income and Expenses

	Actual 2014	Actual 2015	Nov Plan 2016	Actual 2016	July Plan 2017	Variance Actual 16 v Nov Plan 16 Amount	%	Variance Actual 16 v Actual 15 Amount	%	July Plan 17 v Actual 16 Amount	%
Tenant Revenue	26,819,205	28,146,087	30,285,830	30,825,368	33,832,468	539,538	2%	2,679,281	10%	3,007,100	10%
Other Income	8,061,883	7,117,605	5,940,676	6,051,350	5,630,850	110,674	2%	(1,066,255)	-15%	(420,500)	-7%
Total Revenue	*34,881,088*	*35,263,692*	*36,226,506*	*36,876,718*	*39,463,318*	*650,212*	*2%*	*1,613,026*	*5%*	*2,586,600*	*7%*
Operating Expenses	8,490,745	8,696,749	8,692,783	8,211,275	8,780,213	481,508	6%	485,474	6%	(568,938)	-7%
Non Recurring Projects	1,489,901	730,132	872,324	421,784	1,500,000	450,540	52%	308,348	42%	(1,078,216)	-256%
Total Expenses	*9,980,646*	*9,426,881*	*9,565,107*	*8,633,060*	*10,280,213*	*932,047*	*10%*	*793,821*	*8%*	*(1,647,154)*	*-19%*
Net Income	**24,900,442**	**25,836,811**	**26,661,399**	**28,243,658**	**29,183,105**	**(1,582,259)**	**-6%**	**2,406,847**	**-9%**	**939,447**	**-3%**

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

GUARANTEED MINIMUM AND PERCENTAGE RENT

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

- Average guaranteed minimum rent for the 5 new leases is $504 psf, a 248% increase over the previous guaranteed minimum rent for these same spaces.
- This average exceeds comparable transactions of varying sizes within the GCT neighborhood, according to information provided by our leasing agent NGKF.
- Average guaranteed minimum rent for the Terminal is $235 psf, excluding restaurant/balcony tenants the average is $347 psf.
- $1.6 million in percentage rent was paid in 2016 from 34 tenants.

II. LEASING ACTIVITY

LEASES SIGNED

Lexington Passage	Diptyque Aveda Rituals
Graybar Passage	Central Cellars
Dining Concourse	Wired Chicken/Art Bird & Whiskey Bar Wok Chi Leather Spa
Market	Bien Cuit

LICENSES/POP-UPs

Lexington Passage	Jet Set Candy Devialet
Grand Central Market	E.A.T. Gifts Sushi by Pescatore

III. TENANT SALES PERFORMANCE

Average Sales Per Square Foot by Retail Area

	2016	2015	Q1 2017	Q1 2016
42nd St. Passage	$2,239	$2,260	$471	$490
42nd Street Retail	$1,331	$1,024	$180	$270
Biltmore Room	$970	$1,029	$236	$229
Dining Concourse	$3,843	$3,475	$888	$888
Graybar Passage	$4,209	$4,269	$1,102	$1,020
Lexington Passage	$2,590	$2,684	$595	$607
Main Concourse	$2,841	$2,889	$656	$637
Grand Central Market	$3,716	$3,469	$834	$851
Restaurants/Balcony	$735	$855	$195	$197
Shuttle Passage	$1,873	$1,843	$549	$444
All GCT	$1,824	$1,825	$420	$439
All GCT (excluding Restaurants/Balcony)	$2,548	$2,378	$575	$606

Sales/sf: includes only tenants that reported sales for all months of Q1 2017.

2016 YEAR END SALES PERFORMANCE

Total reported retail sales for 2016 equaled $188,850,905, a decrease of $10,486,102 or 5.6%. It is important to note that the following tenants closed for business in 2016. In some cases there were no replacements in 2016. This resulted in loss of sales of an estimated $14,535,570 (based on 2015 actual sales for tenants below)

- Two Boots (replaced by Prova, no sales from February-mid September)
- Manhattan Chili/Tai Toon (replaced by LaChula, no sales from January-mid November)
- Junior's in the Dining Concourse (no sales from mid-March-December) no replacement
- Dishes in the Dining Concourse (no sales from September-December) no replacement
- Campbell Apt (no sales from August-December)
- Junior's Main Concourse (no sales from February-June, replaced by Juice Press)
- Grande Harvest Wines (no sales from January-September, replaced by Central Cellars)

2016 CHALLENGES

Urban Space on Vanderbilt continues to draw customers from GCT, offering local office workers, commuters and tourists a new location to dine. Urban Space offers over 20 food options along with seating, and a comfortable bright environment and is only 2 blocks from Grand Central.

The West Pullman Car in the Dining Concourse remained closed through 2016 due to East Side Access construction. Chairs and tables had to be relocated forcing customers to change their established patterns often not finding seating.

A fire in Junior's in March resulted in Junior's closure for the remainder of 2016 thru 2017. Junior's was a major destination for both tourists and locals due to its long tenure at Grand Central and its reputation for award winning cheese cake.

Also in the Dining Concourse, Dishes was closed to allow for the construction of a new dining Pavilion. The location is now being used for seating, but the closure resulted in the loss of another dining option.

La Chula and Prova were late in opening, leaving the east side of the dining course dark and not generating any activity. In addition, Feng Shui closed in mid-January as it was anticipated Wok Chi would follow soon after. Wok Chi was delayed, leaving the space dark through June 5, 2017.

COMPARABLE SALES

Total sales for the 72 tenants open for all of 2016 and 2015 decreased $147,875.

2016 $164,780,744
2015 $164,928,619

Of these tenants:

31 reported positive comparable sales. The tenants with the greatest comparable increases are:

Taste New York	67%	Owner on site provided strong management, more beverage options, closure of bar carts increased alcohol sales
PIQ	44%	Consistent strong management and improved merchandise mix including higher price points
Central Market NY	27%	Continued strong management and customer service, closure of bar carts increased beer and wine sales
Kidding Around	15%	Change of on site management, upgrade of merchandise assortment
Leather Spa	13%	Strong reputation for quality repairs recommended by high end shoe designers

6 were flat to last year's sales

35 reported negative comparable sales. The tenants with the greatest decreases are:

Little Miss Matched	-18%	Downgrading of tenant merchandise was less desirable to GCT customers
Tia's Place	-18%	Women's ready to wear has been struggling across all brands in NYC

Vince Camuto	-18%	The brand has been declining in all locations and all stores have closed
Central Watch	-13%	Traffic has decreased due to relocation of the majority of workers in 347 Madison Avenue. Watch industry sales are declining
Banana Republic	-11%	Brand continues to decline in all locations with many store closures

Comparable sales for 2016 as compared to 2015 by Terminal neighborhood were as follows:

42nd Street Passage	-1%
42nd Street Retail	-11%
Biltmore Room	-7%
Dining Concourse	3%
Graybar Passage	1%
Lexington Passage	-5%
Main Concourse	-2%
Grand Central Market	0%
Restaurants	-3%
Shuttle Passage	10%

2017 end of Q1 SALES PERFORMANCE

Neighborhood	All Reported Sales	Sales of Stores Open All of Q1 2017	sf	sales/sf	2016 Q1 Comp Sales	2017 Q1 Comp Sales	Change
42nd Street Passage	1,958,406	1,958,406	4,155	471	2,035,732	1,958,406	-4%
42nd Street Retail	2,237,130	2,237,130	12,429	180	1,719,026	1,580,260	-8%
Biltmore Room	751,104	751,104	3,180	236	726,053	751,104	3%
Dining Concourse	9,542,854	9,480,816	10,677	888	8,085,636	8,338,846	3%
Graybar Passage	2,977,397	2,977,397	2,702	1,102	1,775,599	1,907,583	7%
Lexington Passage	4,794,657	4,576,622	7,695	595	4,893,548	4,576,622	-6%
Main Concourse	1,765,579	1,765,579	2,692	656	1,714,292	1,765,579	3%
Market	5,538,417	5,366,226	6,432	834	5,086,410	4,999,396	-2%
Restaurants	8,763,895	8,763,895	44,996	195	6,232,793	6,255,505	0%
Shuttle Passage	8,636,629	8,636,629	15,741	549	5,863,299	6,390,905	9%
	46,966,070	46,513,807	110,699	420	38,132,389	38,524,208	1%

Comp Sales: includes only tenants that reported sales for all months of Q1 2016 and Q1 2017.

The tenants with the greatest sales increase for Q1 2017:

Beer Table	50%	Closure of GCT bar carts led to increased sales
Beverage Bar	32%	Closure of GCT bar carts led to increased sales
Central Market NY	28%	Closure of GCT bar carts and strong customer service
PIQ	17%	Consistent strong management and improved merchandise mix including higher price points
Diptyque	17%	New strong store manager and staff turnover

The tenants with the largest decrease for Q1:

Shiro	-26%	Poor service, poor merchandise presentation
Art of Shaving	-25%	Management changes and poor merchandising
O & Co	-18%	Brand is declining at all locations
Eddie's Shoe Repair	-17%	Continues to lose customers to Leather Spa
Vince Camuto	-14%	The brand has been declining in all locations and all stores have closed

IV. MARKETING

Retail marketing efforts continue to strengthen the "GCT Brand", generating local and international publicity, exposure to new audiences, and increased tenant traffic and sales. The 2016 marketing efforts, supported by a diversified and creative marketing plan, have allowed for maximum exposure for tenants through various marketing outlets including social media, press, advertising, special events, signage, and other digital platforms.

Social Media

- Facebook: 27% increase in 2016. Added 22,000 followers (103,000 as of 12/1/16)
    - Partnered with the Food Network to produce three Facebook Live videos: Great Northern Food Hall and two Shake Shack videos. Each reached over 100,000 people.
    - New York Times produced a Facebook Live of our Grand Zentral event, reaching over 100,000 people.
    - Produced our first Facebook Live video in November 2016 at the Grand Opening of the Holiday Fair. Reached 9,500 people.
- Twitter: 19% increase in 2016. Added 2,700 followers (16,700 as of 12/1/16)
- Instagram: 62% increase in 2015**.** Added 31,000 followers (81,000 as of 12/1/16)
- YouTube: After launching in April 2015, we now have:
    - 16 professionally-shot videos featuring a new time-lapse Holiday Fair video and a range of retail and dining experiences
    - 93 subscribers
    - Most watched video: Claus Meyer at 10,900 views which was featured in press several times
- Snapchat: We have designed and executed two different Snapchat filters for two events (Summer Send-Off and Holiday Fair)

Website Improvements/Additions

- Successfully put out an RFP for a complete redesign of the Grand Central website. The digital agency Digital Natives won the bid and we have begun executing their contract for a potential website relaunch in 2017.

E-Blast
Weekly e-newsletters featuring content promoting GCT tenants and events are sent out to approximately 23,000 subscribers every Tuesday.

Mobile App
Since the daily-updated “Today in Grand Central” callout (featuring tenant offer or event) has been receiving such low traffic on the “Discover Grand Central” page in the Metro-North TrainTime app, Metro-North recently agreed to move the callout to the home “Favorites” screen. We will soon be able to test for increased traffic.

2016 Retail Promotions and events

- Ongoing distribution: Grand Central Special Offers Books
- Biannual: Connections Magazine – Spring and Holiday issues
- Biannual: Concierge event hosted at GCT restaurants (Spring: Michael Jordan's/Holiday: Great Northern Food Hall)
- Monthly: Dining Concourse in Concert
- April: Taste of the Terminal – tastings and free giveaways from tenants in VH
- April: National Beer Day
- May/June: Grand Central Rewards – spring loyalty rewards program
- August: Summer Send-Off (previously Picnic event) – kid's event with picnic tables in VH
- September: Grand Zentral – yoga classes and healthy swag in Vanderbilt Hall
- November: Thanksgiving Market (previously "Autumn Harvest") – dessert sales at the taxi stand on Vanderbilt Avenue
- December: Holiday Wrap Up – free gift wrap and GWP at kiosk next to SMO

Advertising

We continue to invest in advertising targeting tourists and locals in print publications and online.

- Ongoing: Targeted ads on Facebook and Instagram, New York Guide & Map (translated in 9 languages)
- Summer tourism season: City Guide, GPS New York (Chinese), Playbill, Where New York, programmatic digital ads, 30 second programmatic pre-roll video ads
- Holiday season: CityGuide, GPS New York (Chinese), Metro, NY Magazine, Phone kiosks, Playbill, Time Out New York, Where New York

GCT Media/Public Relations

In 2016, Goodman Media, our PR firm, participated in active media outreach and promotion for various events, retail tenants and dining establishments within Grand Central Terminal.

Press coverage throughout 2016 has resulted in about 400 hits thus far, generating about 600 million unique monthly impressions from national and regional newspapers, news websites and blogs, magazines, radio and TV segments.

V. EVENTS

Vanderbilt Hall, including the Holiday Fair revenue in 2016 was $1,971,520. Great Northern Food Hall paid $210,000 to keep their current space during the Fair. The 2016 Holiday Fair showcased brand new booths and only 40 vendors.

After Squash loaded out, the Great Northern Food Hall took over the West Side of the hall and began construction.

In June and July of 2016, the Italian Trade Commission rented the hall for a total of $437,500. The Girl on the Train movie premier was the first event to rent both the GNFH and the East Side of Vanderbilt Hall to create a full hall private party.

In 2017, the rental rate for the East Side increased from $12,500 to $15,000, Squash was only a half hall event, and the GNFH is open and fully operational. By June 2017, contracts totaling $446,875 in revenue have been signed. This represents 60% of the $750,000 budget for events, excluding the Holiday Fair. GE is currently looking at a $400,000 activation involving projections in the Main Concourse.

VI. GCT RETAIL PROJECTS

Non-Recurring Projects completed in 2016 included:

Roof Top Kitchen Exhausts	$77,422
GCT Space Inventory- WISP	34,397
Trailing Claus Meyer landlord work	13,713
Dining Concourse Ceiling Painting	261,324
Dining Concourse Seating Study	15,000
Other	19,928
Total	$421,784

Projects for MNR Operating Capital in 2016 included:

Carey's Hole Storage- Design	$91,891
Dining Concourse Pavilions- Design and Construction	142,814
Holiday Fair Booths- Design and Construction	718,589
Graybar Passage Retail- Design	174,899
Total	$1,128,193

Memorandum

Metro-North Railroad

Date: July 24, 2017

To: Members of the MTA Metro-North Railroad Committee

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

Re: Information Item: 2016 NYS Department of Environmental Conservation Audit Summary

This Memorandum summarizes the findings of Metro-North's 2016 New York State Department of Environmental Conservation Audit (the "Audit").

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

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

Summary of Audit Findings

The Audit identified no new reportable spills occurring in the 2016 audit period that remained unremediated at the conclusion of the audit period. Metro-North's findings identified six (6) open violations during the audit period resulting from spills in prior periods, each of which is described in the listing below. All of the open violations are ranked as "N3" violations, meaning the violations present a discernible, but not substantial, threat to the public health or the environment. (By comparison, a ranking of "N1" is assigned to a violation involving an imminent threat to public health and the environment.)

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

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

Metro-North 2016 Environmental Accomplishments

During 2016 Metro-North took steps to protect the environment and conserve resources. Among the agency's accomplishments were the following:

- Expanded the Push to Heat project from platform shelters to station overpasses. This in-house effort allows customers to push a button that generates heat for 10 minutes. The platform shelter portion of this project was well received by Metro-North customers and so is being expanded. This program saves both money and energy as it provides heat only when needed.

- Installed hi mast lighting at a small surface parking lot that employs a combination of wind and solar power.

- Created an Environmental Geographical Information System that shows all environmental systems and concerns within various yards and ties them to reports and trends. This includes tanks, outfalls and monitoring wells.

MTA METRO-NORTH RAILROAD
2016 ANNUAL ENVIRONMENTAL AUDIT*
LIST OF VIOLATIONS

1. **Mott Haven Yard Clean Up (Rank N3)**
Estimated Cost to Remediate - $125,000

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

2. **Metro-North Harmon Yard Petroleum Plumes (Rank N3) (Inherited Violation)**
Estimated Cost to Remediate - $75,000

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

3. **Metro-North Harmon Lagoon (Rank N3) (Inherited Violation)**
Estimated Cost to Remediate - $125,000

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

4. **Harmon Yard Fire Protection Towers Spill (Rank N3)**
Estimated Cost to Remediate - $50,000

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

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

5. **North White Plains Yard Petroleum Recovery (Rank N3) (Inherited Violation)**
Estimated Cost to Remediate - $50,000

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

6. **Brewster Yard Petroleum (Rank N3)**
Estimated Cost to Remediate - $50,000

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

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

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

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

2017 2nd Quarter Maintenance of Way Division

Track, Structures, Stations & Facilities

Metro-North Railroad

June 30, 2017

- **Production Tie Replacement (42,000 ties planned)**
  - Hudson – 19,000 planned,170 ties, (1% complete)
  - New Haven – 7,000 planned, 5,985 ties (85% complete)
  - Port Jervis – 16,000 planned, (0% complete)
  - Total 2017 to date – 6,155 ties completed , (15% complete)

- **Rail Vac (Wood Ties)**
  - GCT – 252 ties
  - Hudson – 543 ties
  - Harlem – 1,172 ties
  - New Haven – 52 ties
  - Total 2017 to date – 2,019 ties

- **Rail Replacement (9.9 miles planned)**
  - Hudson – 1.4 miles planned, (0% complete)
  - Harlem – TBD
  - New Haven – 7.0 miles planned, 5.0 miles complete, (70% complete)
  - Port Jervis – 1.5 planned, (0% complete)
  - Total 2017 to date – 7.2 miles, (73% complete)

- **Surfacing (94 miles planned)**
  - GCT – 4.0 miles planned, 4.0 complete, (100% complete)
  - Hudson –46.3 miles planned, 19.9 miles complete , (43% complete)
  - Harlem – 18.7 miles planned, 11.4 miles complete, (60% complete)
  - New Haven
    - NY – 8.1 miles planned, 4.6 miles complete, (5% complete)
    - CT – 16.9 miles planned, 9.6 miles complete, (57% complete)
  - Total 2017 to date – 49.5 miles (53% complete)

- Switch Renewal (34 switches planned)
  - GCT – 7 switches planned, 7 switches complete, (100% complete)
  - Hudson – 8 switches planned, 4 switch complete, (50% complete)
  - Harlem – 2 switches planned, 2 switches complete, (100% complete)
  - New Haven – 17 switches planned, 5 switches complete, (30% complete)
  - Total 2017 to date – 18 switches, (53% complete)

- Grade Crossing – Track Renewal (17 crossings planned)
  - Hudson Line – 1 crossings planned, (0% complete)
  - Harlem Line – 5 crossings planned, 1 complete (20% complete)
  - New Haven
    - Danbury – 6 planned, 3 complete (50% complete)
    - Waterbury – 5 planned, 2 complete (40% complete)
  - Total in 2017 – (35% Complete)

- Welds (1,600 joints planned)
  - Hudson –325 joints
  - Harlem – 347 joints
  - New Haven –262 joints
  - Port Jervis – 0 joints
  - Total 2017 to date – 934 joints (26% complete)

- Loram Rail Grinder (34.3 miles planned)
  - Hudson – 5.4 miles planned, (0% complete)
  - Harlem – 20.0 miles planned, (0% complete)
  - New Haven - CT 8.9 miles complete, (100% complete)
  - Total 2017 to date – (26% complete)

- **GCT Station Track Rehabilitation**
  - Track 11 - Complete
    - 2,146’ rail, 96 bracket ties, 1,094 block ties
  - Track 41 - Complete
    - 2,400’ rail, 110 bracket ties, 1,220 block ties
  - Track 32 – Post Amtrak-GCT Service
    - TBD

- **Sperry Rail (2x per year)**
  - 1st run - field survey 58% complete
  - Defects corrected: NY- 49, CT - 36
- **Ensco Geometry (2x per year)**
  - Contracted for 6 tests over 3 years
  - 1st run – Survey completed March 2017

- **Overhead Bridge Program**
  - Typical repairs include replacing deteriorated members, rebuilding deteriorated bridge seats, repairing abutment walls, repairing load barring supports,/timber deck replacements.
  - New Haven
    - Broadway Steel Repairs (MP 21.91) (75% complete)
    - Central Avenue Steel Repairs (MP 23.50) (55% complete)
    - Williams Street (MP 25.39) (15% complete)
  - Hudson
    - Ludlow Street (MP 14.43) (40% complete)

- **Bridge Timbers (CT only)**
  - NH 29.48 Sachem Road Tk3 (26 ties)
  - NH 29.68 Luke's Crossing Tk2 (34 ties) (100% complete)
  - NH 29.90 Cos Cob Bridge Tk2 (850 ties) (100% complete)
  - NH 33.75 Elm Street T3 (52 ties), Tk2 (52 ties)
  - NH 40.89 Franklin (Spring) Street Tk1 (43 ties), Tk2 (43 ties)
  - NH 41.28 Washington & Main Tk2 (96 ties)
  - NH 41.96 Osborne Ave Tk2 (34 ties)
  - NH 49.66 Mill River Tk4 (63 ties)
  - NH 56.20 East Main Street Tk2 (56 ties)
  - NH 56.46 Hallett Street Tk1 (43 ties) (100% complete)
  - NH 57.45 Bishop Ave Tk4 (48 ties) (100% complete)
  - NH 59.96 East Main Street Tk3 (39 ties)
  - NH 62.94 Beardsley Ave Tk1 (30 ties)
  - NH 70.36 Washington Ave Tk2 (44 ties), Tk4 (44 ties) (100% complete)
  - WB 26.18 Washington Ave (63 ties)

- **S-Program (New Haven – CT only)**
  - Canal St. (MP 33.41)) – Steel repairs/masonry repairs
  - New Creek Rd. (MP 47.15) – Steel repairs/masonry repairs (60% complete)
  - Hallett St. (MP 56.46) – Steel repairs/masonry repairs (100% complete)
  - Seaview Ave. (MP 56.77) – Steel repairs/masonry repairs (100% complete)
  - West Broad St. (MP 58.72) – Steel repairs/masonry repairs (100% complete)
  - Main St. (MP 59.01) – Steel repairs/masonry repairs
  - East Main St. (MP 59.96) – Steel repairs/masonry repairs
  - Cos Cob Bridge (MP 29.90 Track 2) – Steel repairs/masonry repairs (100% complete)
  - Saga Bridge (MP 44.32, Track 2) – Steel repairs/masonry repairs
  - Devon Bridge (MP 60.42, Track 2) – Steel Repairs/masonry repairs

- **Railroad Maintenance Memorandum Items (RMM, New Haven - CDOT)**
  - Completed 65 various (minor) steel //or concrete repairs

- **Bridge Timbers (NY only)**
  - Harlem - Titicus River (MP 46.26, T1) (100% complete)
  - New Haven - Westchester Avenue (MP 25.54, T2, T1, T3)
  - Port Jervis - Cattle Pass (MP 38.98 T1)

- **Direct Fixation Fasteners, Pad & Trainshed Repairs**
  - Park Avenue Viaduct – replaced 5264 fasteners with new fastening system (Tk 4 – 23%, Tk 2 – 0&, Tk 1 – 28 %, Tk 3 – 14%, Overall – 16%)
  - GCT Trainshed
    - Replaced 108 direct fixation pads on 3 tracks (Trks 34, 36, 38 complete)
    - Repoint circular arch brick vents (Track 3/4, 66th to 95 th streets)
    - Completed repointing brick tunnel (Track 3/4, 87th to 95 th streets)

- **Steel Repair Program**
  - Hudson Line
    - Wells Ave. (MP 15.31) – Masonry repairs (10% complete)
  - Harlem
    - Bronx River (MP 14.57) – Steel repairs (20% complete)
  - New Haven
    - Highland Ave. (MP 25.83) – Masonry repairs
    - North Main St. (MP 25.93) – Steel/Masonry repairs (completed)
  - Port Jervis
    - Ramapo River (MP 32.06JS) – Steel repairs (70% complete)
    - Stream (MP 44.80JS) – Wingwall repairs
    - Shea Rd. (MP 63.04JS) – Concrete repairs on arch
    - NY O&W RR – Floorbeam repair (35% complete)

- **Bridge Flag Repairs (Harlem, Hudson New Haven-NY/Port Jervis Line)**
  - Completed 62 various (minor) steel //or concrete repairs

- **Tomac & Soundbeach Contractor Support**
  - Tomac Bridge (Track 1&2) – 100% complete
    - Removed bridge timers/rail
    - Contractor installed a temporary superstructure
    - Installed new rail/timbers on temporary superstructure
  - Soundbeach Bridge (Track 1&2) – 100% complete
    - Fabricated/installed steel ballast retainers
    - Installed bridge timbers
- **Graffiti Removal Program**
  - Hudson & Harlem - cleaned graffiti off various buildings, bridges, retaining walls & rock cuts
- **Right of Way Fence**
  - Installed 2,200 ft. of fence

Staff Summary

Metropolitan Transportation Authority

Subject **PROPERTY ACQUISITION IN CROTON-ON-HUDSON**	**Date** **JULY 24, 2017**
Department **REAL ESTATE**	**Vendor Name**
Department Head Name **JEFFREY B. ROSEN**	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name **ANTHONY CAMPBELL**	**Table of Contents Ref. #**

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	7/24/17		x	
2	Finance Committee	7/24/17	x		
3	Board	7/26/17	x		

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

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

SELLER: Greentree Realty LLC ("GTR")

LOCATION: 1A Croton Point Avenue, Croton on Hudson, NY aka 1 Albany Post Road, Croton on Hudson, NY Tax Map ID – Section 78.16, Block 2, Lots 1 & 2 (the "Property")

ACTIVITY: Authorization to acquire fee simple title to the Property, as-is

ACTION REQUESTED: Approval of terms

SPACE: 9.57± acres of land with improvements

COMPENSATION: $5,600,000.00

COMMENTS:

Metro-North seeks to purchase the Property, which is the only available parcel located adjacent to the Hudson Line and contiguous to Metro-North's overcrowded Harmon Yard facility (the "Yard"). This acquisition will support growth, operational resiliency and ease congestion in the Yard. Acquisition of the Property will also permit the consolidation of maintenance of way personnel, as well as parking and storage away from the Yard into a centralized and convenient headquarters. Moving maintenance of way personnel from the Yard to the Property has major strategic benefits for future Capital Program activities and goals because: 1) it allows for increasing car fleet storage, and 2) it allows for more shop space in the Yard as recommended by the Harmon Master Plan Study.

The Property is currently improved with a one-story gate house/office building with a gross building area ("GBA") of ±656 square feet; a one-story industrial building with a GBA of ±16,500 square; and a one-story 10-bay garage building and partial basement with a GBA of ±8,548 square feet. The Property also has an existing main line switch, which will enable Metro-North to transport and store rail-bound equipment on the Property, as well as stage maintenance activities without impacting Yard operations.

The Property was originally owned by the New York Central Railroad Company, which sold it in May 1962. Over the years the site has been used for various industrial business activities, most recently as the Metro-Enviro Waste Transfer Facility (used for transfer of construction and demolition debris). Metro-Enviro's use ceased in 2007 and the Property has remained vacant with no further activity.

During negotiations, GTR provided access to the Property and Metro-North's Environmental Compliance and Services Department undertook an Environmental Assessment performed by an independent environmental engineering firm and included: 1) a database search and review of environmental agency documents; 2) a meeting and records review with the local municipality; and 3) ground penetrating radar of the Property to identify all buried tanks, test pits and soil sampling. The Property has some contamination (normal for industrial use) and non-compliance with NYSDEC regulations that Metro-North intends to address promptly upon acquisition. MTA Legal has discussed regulatory compliance with NYSDEC. Based on the results of the Environmental Assessment, the cost to bring the site into environmental compliance is estimated to be $108,000, and the asbestos abatement cost is estimated to be an additional $100,000.

Such additional costs place the total cost of acquisition slightly higher than the fair market value ascribed to the Property by MTA Real Estate's independent appraiser, who valued the property at $5,600,000 on the assumption that it is free from hazardous materials. However, MTA Real Estate believes the proposed purchase price is nonetheless favorable, given that:

1. the agreed sales price plus estimated environmental remediation costs are still within 4% of the appraised value;
2. the Property is essential for Metro-North's existing and future capital and operating plans, and there is no other available and usable land adjacent to the Yard; and
3. condemnation of the Property would allow the owner to litigate the value of the Property and would add to the acquisition cost.

Based on the foregoing, MTA Real Estate requests authorization to acquire the Property on the above terms and conditions.

Metro-North Railroad

Procurements

Metro-North Railroad

Subject	Request for Authorization to Award Various Procurements	**Date** July 6,2017	
Department	Procurement and Material Management	**Vendor Name** Various	
Department Head Name Alfred Muir, Sr. Director		**Contract Number** Various	
Department Head Signature		**Contract Manager Name** Various	
Project Manager Name		**Table of Contents Ref #**	

Board Action

Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	7-24-17	X		
2	MTA Board Mtg.	7-26-17	X		

Internal Approvals

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

Internal Approvals (cont.)

Order	Approval	Order	Approval	Order	Approval	Order	Approval

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

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

Schedules Requiring Two-Thirds Vote (or more, where noted)	# of Actions	$ Amount
Schedule A: Non-Competitive Purchases and Public Work Contracts • Railtech Boutet, Inc. $1,008,746	1	$1,008,746
Schedules Requiring Majority Vote	NONE	
SUB TOTAL	1	$1,008,746

MNR proposes to award competitive procurements in the following categories:

Schedules Requiring Two-Thirds Vote (or more, where noted)	# of Actions	$ Amount
Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts) • John Civetta & Sons, Inc. $8,750,000	1	$8,750,000
Schedules Requiring Majority Vote	NONE	
SUB TOTAL:	1	$8,750,000

MNR presents the following procurement actions for Ratification:

Schedules Requiring Two-Thirds Vote (or more, where noted)	NONE	
Schedules Requiring Majority Vote	NONE	
SUB TOTAL:		
TOTAL:	2	$9,758,746

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

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

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

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

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

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

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

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

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

JULY 2017

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts
(Staff Summaries required for all items greater than: $100K; $250K Other Non-Competitive)

1. Railtech Boutet, Inc. $1,008,746 ***Staff Summary Attached***
Purchase of Rail Welding Kits and Supplies

Approval is requested to award a non-competitive five year purchase contract to Railtech Boutet Inc. ("Railtech"), for specialized field rail welding kits and related supplies used to weld and connect various weighted running rail (119lb, 127lb, 132lb and 136lb) as required by MNR's Track Department.

Railtech Boutet, Inc. is the Original Equipment Manufacturer (OEM) for welding kit assemblies which are uniquely compatible with MNR's inventory of welding-related equipment (field weld kits, mold clamps, smokeless crucibles, plate base, pre-mixed packing sand and igniters) to support and maintain the operation of the Railroad. The materials included in this agreement have been fully reviewed to ensure that they reflect only those materials that cannot be acquired from other sources. This is a requirements-based contract and does not obligate MNR to a fixed quantity or dollar amount, as all material will be purchased on an as needed basis.

In requesting Board authorization, MNR has complied with the public advertisement requirements of PAL§ 1265-a (3) and PAL§ 1265-a (4) (b) and with MTA All-agency General Contract Procurement for the procurement of sole source items. An advertisement notice was placed in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and was posted on the MNR website which did not yield interest from other sources.

MNR completed a responsibility review of Railtech Boutet, Inc. as defined in the All Agency Responsibility Guidelines which yielded no significant adverse information (SAI).

A review of the quoted pricing reflects an average annual increase of approximately 2.8% since 2013 and as a result, Railtech's pricing is deemed fair and reasonable.

This contract will have fixed pricing for years one through three of the contract term with a 2% increase for years four and five. The total not to exceed amount for the five year period is $1,008,746. This procurement is to be funded by MNR's Operating Budget.

Schedule A: Non-Competitive Purchases and Public Work Contracts

Metro-North Railroad

Item Number: A

Vendor Name (& Location) Railtech Boutet, Inc., Napoleon, OH	**Contract Number** 1-80078 — **Renewal?** Yes X No
Description Rail Welding Kits and Supplies	**Total Amount:** $1,008,746
Contract Term (including Options, if any) Five Years	**Funding Source** X Operating Capital Federal Other:
Option(s) included in Total Amount? Yes X No	**Requesting Dept./Div. & Dept./Div. Head Name:** Procurement & Material Management, Al Muir, Sr. Director
Procurement Type Competitive X Non-competitive	**Contract Manager:** Christopher Sefcik
Solicitation Type RFP Bid × Other: Sole Source	

Discussion:

Approval is requested to award a non-competitive five year purchase contract to Railtech Boutet Inc. ("Railtech"), for specialized field rail welding kits and related supplies used to weld and connect various weighted running rail (119lb, 127lb, 132lb and 136lb) as required by MNR's Track Department. Railtech Boutet, Inc. is the Original Equipment Manufacturer (OEM) for welding kit assemblies which are uniquely compatible with MNR's inventory of welding-related equipment (field weld kits, mold clamps, smokeless crucibles, plate base, pre-mixed packing sand and igniters) to support and maintain the operation of the Railroad. The materials included in this agreement have been fully reviewed to ensure that they reflect only those materials that cannot be acquired from other sources.
This is a requirements-based contract and does not obligate MNR to a fixed quantity or dollar amount, as all material will be purchased on an as needed basis. This contract will eliminate the need and expense of individual advertising prospective procurements and will reduce administrative costs and possible procurement lead times.

In requesting Board authorization, MNR has complied with the public advertisement requirements of PAL§ 1265-a (3) and PAL§ 1265-a (4) (b) and with MTA All-agency General Contract Procurement for the procurement of sole source items. An advertisement notice was placed in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and was posted on the MNR website which did not yield interest from other sources.

MNR completed a responsibility review of Railtech Boutet, Inc., as that term is defined in the All Agency Responsibility Guidelines, which yielded no significant adverse information (SAI).

A review of the quoted pricing reflects an average annual increase of 2.8% since 2013. Based on this, Railtech's pricing is deemed fair and reasonable.

This contract will have fixed pricing for years one through three of the contract term with a 2% increase for years four and five. The total not to exceed amount for the five year period is $1,008,746. This procurement is to be funded by MNR's Operating Budget.

The MTA Department of Diversity and Civil Rights has reviewed this contract and found that due to insufficient availability of MWBE firms in the marketplace, no M/WBE goals would be assigned

JULY 2017

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)
(Staff Summaries required for items requiring Board approval)

1. John Civetta & Sons, Inc. $8,750,000 (not to exceed) ***Staff Summary Attached***
Design-Build 14th Ave Bridge Replacement Mt. Vernon, NY

Approval is requested to award a 15 month competitively solicited and negotiated design-build (DB) contract (RFP process, six proposals received; 3 short-listed) to the firm, John Civetta & Sons Inc.(Civetta) for the design and construction for the complete replacement of the 14th Ave Bridge located over the New Haven Line in Mt Vernon, NY.

MNR complied with MTA All-Agency Procurement Guidelines and a notice for the Request for Proposal was publicly advertised in the New York State Contract Reporter, New York Post, El Diario and the Daily Challenge and posted on the MNR website.

The Selection Committee evaluated six proposals and short listed three firms. The Committee unanimously determined that Civetta was the best qualified to perform the services. Civetta's cost proposal was the lowest of the participating shortlisted firms and not only offered the lowest proposal price but proposed viable design alternatives and construction concepts that were deemed to be well engineered, tine/labor efficient, and compliant with the intent of the preliminary design.

MNR completed a responsibility review of John Civetta & Sons, Inc. as defined in the All Agency Responsibility Guidelines in connection with this award recommendation, which yielded no significant adverse information (SAI).

Accordingly, it is recommended that the Board approve the selection of Civetta for the design and construction for the complete replacement of the 14th Avenue Bridge located over the New Haven Line in Mt. Vernon in the not to exceed amount of $8,750,000 for a period of performance of 15 months This procurement is to be federally funded and is part of the MTA 2015- 2019 Capital Program.

Staff Summary

Metro-North Railroad

June 5, 2017

Item Number C	
Dept & Dept Head Name: Procurement and 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.	7-24-17	x		
2	MTA Board Mtg.	7-26-17	x		

Internal Approvals

Order	Approval	Order	Approval
	President		
	Sr. V.P. Operations	x	V.P. Finance & IT
x	V.P & General Counsel	x	V.P. Capital Programs

SUMMARY INFORMATION	
Vendor Name John Civetta & Sons Inc.	**Contract Number** 10000071479
Description Design-Build 14th Ave Bridge Replacement, Mt. Vernon, NY	
Total Amount $8,750,000	
Contract Term (including Options, if any) 15 months	
Option(s) included in Total Amount?	Yes ☒ No
Renewal?	Yes ☒ No
Procurement Type ☒ Competitive Non-competitive	
Solicitation Type ☒ RFP Bid Other:	
Funding Source Operating ☒ Capital ☒ Federal Other:	

Narrative

I. PURPOSE/RECOMMENDATION:

Approval is requested to award a 15 month competitively solicited and negotiated design-build (DB) contract (RFP process, six proposals received; 3 short-listed) to John Civetta & Sons Inc. to design and construct the complete replacement of the 14th Ave Bridge located over the New Haven Line in Mt Vernon, NY.

II. DISCUSSION:

This project, entitled, "Design-Build Superstructure Replacement of the 14th Avenue Bridge, Mt Vernon, NY," provides for replacement of the existing single span two lane roadway bridge (with pedestrian sidewalks on both sides) over the New Haven Line (NH13.10). The bridge location is in the City of Mount Vernon in Westchester County on 14th Avenue, between New Haven Railroad Street to West 1st Street. The area surrounding the bridge is residential on the north end and commercial on the south end.

The bridge is a simply supported single span steel pony truss structure on masonry abutments. The bridge was originally built in 1894 and currently carries a Con Edison Gas Main on the east curb and a City of Mount Vernon Water Main on the west curb.

The major elements of the Design-Build contract include:

- Design, drawings and specifications for a new Bridge Superstructure.
- Temporary safety barriers and signage, lights, etc.
- Demolition and removal of bridge, partial abutments, roadway approaches and clearing and grubbing. Excavation for and re-routing of utility removal and re-installation.
- Construction of new Bridge superstructure including but not limited to the construction and installation of bridge superstructure, rehabilitation of abutment tops, relocating and/or installing water and utilities including communications, signals, and power.
- Install new roadway approaches, sidewalk, striping, signage, guide rails, fencing, retaining walls, grading and drainage.
- Site restoration.

In July 2016, the Board approved use of the RFP process for this project. A Request for Proposal (RFP), dated January 25, 2017, was prepared and advertised in the New York State Contract Reporter, New York Post, El Dario, Daily Challenge and posted on MNR's website. On March 7, 2017, proposals containing qualifications from six design-build teams were received.

The criteria for selection established in the RFP are as follows:

PHASE 1

1. Past experience and performance on similar projects:

(a) Design-Build Projects, including experience of the proposers working together as a Design-Build Team

(b) Bridge Construction Experience.

2. Qualifications and experience of the Design-Build team, including key personnel and Subcontractor/Sub-consultant resources, with an emphasis on the demonstrated commitment of the Proposer to provide such resources for the entire life of the project.

3. Proposer's demonstrated capability and financial resources to perform the work in the time projected.

PHASE 2A

The following criteria, listed in relative order of importance, were to be used to evaluate the Proposal:

1. Confidence level, commitment of relevant resources to the project including the qualifications and experience of key personnel, team qualifications and reliability to perform the Services including Subcontractor Services

2. Demonstrated understanding of the Work Scope requirements, including but not limited to the quality and completeness of the Work Plan and any required submissions

3. Quality and Innovativeness of Design

4. Proposed Staging Plan and Schedule

PHASE 2B

Cost - Final Selection will be based on a combination of Technical and Price Scoring with cost having the most significant weight.

The Selection Committee was comprised of members representing MNR's Procurement and Material Management, Capital Engineering, M of W Track & Structures and Construction Management Departments. The Committee evaluated all six Phase 1 proposals received in accordance with the selection criteria of the RFP and MNR's procedures. Three firms were shortlisted as a result of the Selection Committee meeting (Halmar International LLC, John Civetta & Sons, Inc. and Defoe Corp). Two of the three short-listed firms submitted technical proposals, including cost. Defoe Corp was not timely in their responses and was unable to provide a cost proposal for Phase 2A/2B and therefore was not considered further for this project. The Committee evaluated the Phase 2A & 2B proposals and following evaluations, both firms were deemed to be technically competent, capable, and compliant with the contract terms and conditions and preliminary design.

Final prices (inclusive of allowance items) were submitted. Gross sum proposal prices were received in the following amounts: 1) Halmar International LLC at $9,769,593; 2) John Civetta & Sons, Inc. at $8,750,000. In accordance with the criteria for selection, the Selection Committee unanimously recommended contract award to John Civetta & Sons Inc. They not only offered the lowest proposal price but proposed viable design alternatives and construction concepts that were deemed to be well engineered, time/labor efficient, and compliant with the intent of the preliminary design.

John Civetta & Sons Inc has extensive experience in major construction within the right-of-way of many MTA subsidiaries, including the Manhattan West Platform Project, Dyer Ave Bridge Deck Replacement Western approach of Penn Station, and currently they are performing two rock slope remediation projects for MNR, East and West of Hudson. Civetta was also the prime contractor for the Grand Central Terminal Security Bollard Project and is also currently providing all foundation work for the One Vanderbilt Avenue Project.

MNR completed a responsibility review of John Civetta & Sons, Inc. as defined in the All Agency Responsibility Guidelines in connection with this award recommendation, which yielded no significant adverse information (SAI).

III. D/M/WBE INFORMATION:

The MTA Department of Diversity and Civil Rights (DDCR) established 20% DBE goal for this project. Civetta's pre award DBE submittal package is currently under review by DDCR and the contract will not be awarded until DDCR requirements have been satisfied.

IV. IMPACT ON FUNDING:

Board approval is requested in the not to exceed amount of $8,750,000. This procurement is to be federally funded and is part of the MTA 2010-2014 Capital Program.

V. ALTERNATIVES:

MNR does not have the available in-house staff with both the expertise and capability to perform the required design and construction services as specified

Metro-North Railroad

Operations Report

Metro-North Railroad

OPERATING REPORT
For the Month of June 2017

Performance Summary			2017 Data Annual Goal	2017 Data June	2017 Data YTD thru June	2016 Data June	2016 Data YTD thru June
On Time Performance	**System**	**Overall**	***93.0%***	**90.2%**	**94.3%**	**92.9%**	**94.2%**
(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)		AM Peak	*93.0%*	92.1%	94.9%	94.0%	91.8%
		AM Reverse Peak	*93.0%*	93.9%	95.6%	94.7%	95.2%
		PM Peak	*93.0%*	89.9%	94.7%	91.9%	94.6%
		Total Peak	***93.0%***	**91.5%**	**95.0%**	**93.3%**	**93.5%**
		Off Peak Weekday	*93.0%*	87.7%	92.7%	90.7%	93.4%
		Weekend	*93.0%*	93.5%	96.3%	97.2%	96.6%
	Hudson Line	**Overall**	***93.0%***	**92.9%**	**95.6%**	**94.2%**	**94.9%**
		AM Peak	*93.0%*	89.6%	94.6%	92.9%	91.3%
		AM Reverse Peak	*93.0%*	97.1%	97.9%	95.9%	96.7%
		PM Peak	*93.0%*	96.1%	97.4%	96.1%	96.3%
		Total Peak	***93.0%***	**93.3%**	**96.2%**	**94.6%**	**94.1%**
		Off Peak Weekday	*93.0%*	89.9%	94.1%	91.8%	94.5%
		Weekend	*93.0%*	98.3%	97.4%	98.1%	96.8%
	Harlem Line	**Overall**	***93.0%***	**95.1%**	**95.6%**	**94.2%**	**94.6%**
		AM Peak	*93.0%*	94.9%	96.5%	96.5%	92.9%
		AM Reverse Peak	*93.0%*	97.1%	97.1%	94.7%	95.4%
		PM Peak	*93.0%*	94.2%	94.9%	92.3%	93.6%
		Total Peak	***93.0%***	**95.0%**	**96.0%**	**94.5%**	**93.6%**
		Off Peak Weekday	*93.0%*	95.0%	94.6%	92.7%	94.4%
		Weekend	*93.0%*	95.6%	96.7%	97.3%	96.8%
	New Haven Line	**Overall**	***93.0%***	**85.0%**	**92.7%**	**91.1%**	**93.4%**
		AM Peak	*93.0%*	91.5%	93.9%	92.7%	91.2%
		AM Reverse Peak	*93.0%*	89.2%	93.0%	94.1%	94.3%
		PM Peak	*93.0%*	82.4%	92.8%	88.6%	94.4%
		Total Peak	***93.0%***	**87.5%**	**93.3%**	**91.3%**	**93.0%**
		Off Peak Weekday	*93.0%*	81.2%	90.7%	88.8%	92.2%
		Weekend	*93.0%*	89.0%	95.4%	96.6%	96.2%
Operating Statistics	**Trains Scheduled**			**19,489**	**114,438**	**19,531**	**114,678**
	Avg. Delay per Late Train (min) excluding trains cancelled or terminated			14.8	13.2	12.8	13.4
	Trains Over 15 min. Late excluding trains cancelled or terminated		*2,300*	389	1,321	270	1,286
	Trains Canceled		*230*	74	206	11	225
	Trains Terminated		*230*	42	155	12	200
	Percent of Scheduled Trips Completed		*99.7%*	99.4%	99.7%	99.9%	99.6%
Consist Compliance	**System**	**Overall**	***99.5%***	**99.3%**	**99.1%**	**99.7%**	**99.7%**
(Percent of trains where the number of seats provided was greater than or equal to the required number of seats per loading standards)		AM Peak	*99.0%*	98.7%	98.2%	99.3%	99.4%
		AM Reverse Peak	*99.5%*	99.5%	99.8%	100.0%	100.0%
		PM Peak	*99.0%*	98.6%	97.9%	99.5%	99.2%
		Total Peak	***99.0%***	**98.8%**	**98.3%**	**99.5%**	**99.4%**
		Off Peak Weekday	*99.5%*	99.5%	99.5%	99.7%	99.8%
		Weekend	*99.5%*	99.8%	99.8%	99.9%	99.9%
	Hudson Line	AM Peak	*99.5%*	99.9%	99.9%	100.0%	99.9%
		PM Peak	*99.5%*	100.0%	99.9%	99.9%	99.9%
	Harlem Line	AM Peak	*99.0%*	99.1%	98.4%	99.3%	99.2%
		PM Peak	*99.0%*	99.2%	98.2%	99.4%	99.0%
	New Haven Line	AM Peak	*98.5%*	97.6%	97.0%	98.9%	99.2%
		PM Peak	*98.5%*	97.3%	96.4%	99.3%	99.0%

Metro-North Railroad

OPERATING REPORT
For the Month of June 2017

SYSTEM Category of Delay

Delay Minutes / Delay Threshold	% Total	May	2017 Data June	2017 Data YTD thru June	2016 Data June	2016 Data YTD thru June	YTD 2017 Vs 2016
Engineering (Scheduled)	14.6%	377	644	1,763	352	1,280	483
Engineering (Unscheduled)	28.3%	909	1,250	3,569	860	3,257	312
Maintenance of Equipment	17.2%	304	758	2,129	533	2,202	-73
Transportation	3.6%	61	160	439	79	424	15
Capital Projects	0.0%	1	0	6	25	83	-77
Weather and Environmental	2.1%	27	91	1,570	481	1,504	66
Police	26.0%	209	1,147	1,787	269	1,881	-94
Customers	2.6%	72	115	450	89	504	-54
Other	5.4%	1,061	237	1,778	218	2,851	-1,073
3rd Party Operations	0.2%	6	10	16	6	21	-5
TOTAL	100.0%	3,026	4,410	13,505	2,910	14,005	-499

HUDSON LINE	% Total	May	June	YTD thru June	June	YTD thru June	YTD 2017 Vs 2016
Engineering	26.8%	282	196	876	269	918	-42
Maintenance of Equipment	15.0%	59	110	468	142	671	-203
Transportation	1.4%	10	10	59	13	78	-19
Capital Projects	0.0%	0	0	0	2	4	-4
Weather and Environmental	3.7%	17	27	436	3	257	179
Police	39.3%	27	288	403	33	186	217
Customers	8.2%	19	60	159	22	107	52
Other	5.6%	44	41	153	67	682	-529
3rd Party Operations	0.0%	0	0	0	0	1	-1
TOTAL	100.0%	458	732	2,554	551	2,904	-350

HARLEM LINE	% Total	May	June	YTD thru June	June	YTD thru June	YTD 2017 Vs 2016
Engineering	39.5%	409	339	1,341	345	1,345	-4
Maintenance of Equipment	10.0%	113	86	516	149	583	-67
Transportation	3.5%	19	30	112	23	127	-15
Capital Projects	0.0%	0	0	0	1	1	-1
Weather and Environmental	1.6%	6	14	514	90	592	-78
Police	39.5%	83	339	573	87	648	-75
Customers	0.9%	19	8	82	23	148	-66
Other	4.9%	106	42	309	50	885	-576
3rd Party Operations	0.0%	0	0	0	0	1	-1
TOTAL	100.0%	755	858	3,447	768	4,330	-883

NEW HAVEN LINE	% Total	May	June	YTD thru June	June	YTD thru June	YTD 2017 Vs 2016
Engineering	48.1%	595	1,358	3,114	597	2,274	840
Maintenance of Equipment	19.9%	132	562	1,145	242	948	197
Transportation	4.2%	32	119	268	44	219	49
Capital Projects	0.0%	0	0	6	22	78	-72
Weather and Environmental	1.8%	4	50	619	389	655	-36
Police	18.4%	99	520	812	149	1,047	-235
Customers	1.7%	34	47	208	44	248	-40
Other	5.5%	911	155	1,316	100	1,284	32
3rd Party Operations	0.4%	6	10	16	6	18	-2
TOTAL	100.0%	1,813	2,821	7,504	1,593	6,771	733

Metro-North Railroad

OPERATING REPORT
For The Month of June 2017

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

			Number of Late Trains														
			AM Peak			AM Reverse			PM Peak			Off Peak			TOTAL		
Date	Day	DESCRIPTION OF EVENT	L	C	T	L	C	T	L	C	T	L	C	T	Late	Cxld	Term
06/01	Thu	Unattended bag in car 9476 of train 1308, called MTA Police and was met at 125th Street on track 3.	14	0	0	2	0	0	0	0	0	0	0	0	**16**	**0**	**0**
06/01	Thu	Train 1085 unable to take power at the DS2 Signal in GCT.	0	0	0	0	0	0	36	0	0	12	0	0	**48**	**0**	**0**
06/07	Wed	Track 1 out of service from CP106 to CP112 due to reported rough ride at 165th Street.	14	0	0	4	0	0	26	0	0	22	0	0	**66**	**0**	**0**
06/09	Fri	Speed restriction on track 4 between Cat. 229 to Cat. 232 due to a track condition.	0	0	0	0	0	0	10	0	0	35	0	0	**45**	**0**	**0**
06/09	Fri	A trespasser on Track C at CP1.	0	0	0	0	0	0	0	0	0	24	0	0	**24**	**0**	**0**
06/12	Mon	Track circuit down on track 1 in CP217 interlocking and track 2 at CP3.	0	0	0	0	0	0	6	0	0	16	0	0	**22**	**0**	**0**
06/14	Wed	Unattended bag at the 138th Bridge, service in and out of GCT suspended.	55	2	1	8	1	1	0	0	0	36	19	1	**99**	**22**	**3**
06/16	Fri	Train 801 struck a tree on track 2 near Peekskill Station.	11	1	1	2	0	0	0	0	0	0	0	1	**13**	**1**	**2**
06/19	Mon	Loss of signals between MP 40.0 and MP 39.9 due to tree in wires.	0	0	0	0	0	0	16	0	0	14	0	0	**30**	**0**	**0**
06/19	Mon	Track circuit down south of CP3.	0	0	0	0	0	0	55	0	0	41	1	0	**96**	**1**	**0**
06/21	Wed	Restricted cab signals on track 2 between CP223 to CP229.	10	0	0	1	0	0	0	0	0	0	0	0	**11**	**0**	**0**
06/23	Fri	Track 3 between CP217 and CP223 had surfacing issues.	0	0	0	0	0	0	5	0	0	7	0	0	**12**	**0**	**0**
06/26	Mon	12 Switch on tracks 1 and 2 was defective.	0	0	0	0	0	0	11	0	0	6	0	0	**17**	**0**	**0**
06/26	Mon	Train 1552 passed the 2E Signal at CP234 in Stop position, causing the switches to be out of correspondence.	0	0	0	0	0	0	13	0	0	4	1	0	**17**	**1**	**0**
06/27	Tue	Train 1540 had a pantograph failure just west of Stamford Station.	0	0	0	0	0	0	19	1	0	16	1	2	**35**	**2**	**2**

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

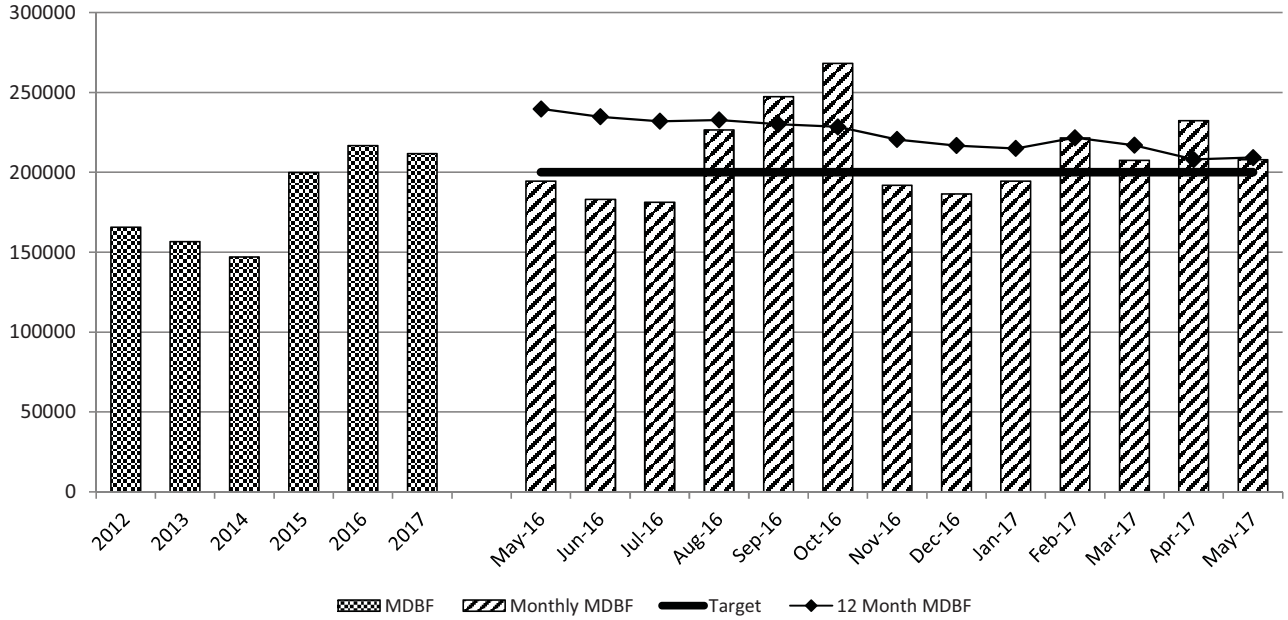
			Number of Late Trains														
			AM Peak			AM Reverse			PM Peak			Off Peak			TOTAL		
Date	Day	DESCRIPTION OF EVENT	L	C	T	L	C	T	L	C	T	L	C	T	Late	Cxld	Term
06/29	**Thu**	Pantograph failure with Train 1318 at CP229, stopped on track 4 at Cat. 295.	0	0	0	0	0	0	11	6	1	55	19	10	**66**	**25**	**11**
06/29	**Thu**	Speed restrictions due to NYC Sanitation truck fire under track area at E. 119th Street.	9	0	0	0	0	0	0	0	0	12	0	0	**21**	**0**	**0**
06/30	**Fri**	Track circuits down at CP117.	0	0	0	0	0	0	3	0	0	14	0	0	**17**	**0**	**0**
		TOTAL FOR MONTH	113	3	2	17	1	1	211	7	1	314	41	14	**655**	**52**	**18**
															725		

Metro-North Railroad

	Equip-ment Type	Total Fleet Size	2017 Data: MDBF Goal (miles)	May MDBF (miles)	Primary Failure Goal	May No. of Primary Failures	YTD MDBF thru May (miles)	12 month MDBF Rolling Avg (miles)	2016 Data: May MDBF (miles)	May No. of Primary Failures	YTD MDBF thru May (miles)
Mean Distance Between Failures	M2	36	*20,000*	28,149	2	3	24,993	27,373	29,937	1	27,777
	M8	405	*350,000*	374,915	7	7	358,435	358,138	433,525	6	479,793
	M3	138	*120,000*	120,716	3	3	110,134	113,605	304,053	1	84,057
	M7	334	*440,000*	342,754	4	6	305,288	355,731	505,049	4	465,748
	Coach	209	*260,000*	248,810	6	6	396,699	303,869	142,683	10	263,812
	P-32	31	*27,000*	27,643	7	7	30,007	26,131	15,581	12	24,019
	BL-20	12	*13,000*	46,570	3	1	23,666	24,277	40,985	0	49,133
	Fleet	1165	*200,000*	207,893	32	33	211,689	209,253	194,416	34	231,332
	M2/8		*260,000*	270,885	9	10	263,166	274,728	375,870	7	386,731
	M3/7		*300,000*	268,741	7	9	243,005	275,022	464,850	5	299,370
	Diesel/Coach		*110,000*	123,781	16	14	142,824	122,436	75,218	22	117,946

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
2012 - 2017



Metro-North Railroad

JUNE 2017 STANDEE REPORT

East of Hudson

			JUN 2016	YTD 2016	JUN 2017	YTD 2017
Daily Average AM Peak	**Hudson Line**	Program Standees	0	0	0	0
		Add'l Standees	0	0	2	2
		Total Standees	**0**	**0**	**2**	**2**
	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	4	9	9	34
		Total Standees	**4**	**9**	**9**	**34**
	New Haven Line	Program Standees	0	0	0	0
		Add'l Standees	11	32	35	32
		Total Standees	**11**	**32**	**35**	**32**
	EAST OF HUDSON TOTAL - AM PEAK		**15**	**41**	**46**	**68**
Daily Average PM Peak	**Hudson Line**	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	2
		Total Standees	**0**	**0**	**0**	**2**
	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	13	20	18	23
		Total Standees	**13**	**20**	**18**	**23**
	New Haven Line	Program Standees	0	0	0	0
		Add'l Standees	79	64	81	102
		Total Standees	**79**	**64**	**81**	**102**
	EAST OF HUDSON TOTAL - PM PEAK		**92**	**84**	**99**	**126**

West of Hudson

			JUN 2016	YTD 2016	JUN 2017	YTD 2017
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.

Operations Planning and Analysis/jc

Metro-North Railroad

OPERATING REPORT
For the Month of June 2017

West of Hudson Performance Summary			2017 Data Annual Goal	2017 Data June	2017 Data YTD thru June	2016 Data June	2016 Data YTD thru June
On Time Performance	**West of Hudson Total**	**Overall**	***95.5%***	**95.2%**	**94.6%**	**95.6%**	**96.8%**
(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)		AM Peak	*95.5%*	95.5%	94.0%	94.2%	95.9%
		PM Peak	*95.5%*	94.4%	94.5%	94.4%	97.5%
		Total Peak	***95.5%***	**94.9%**	**94.2%**	**94.3%**	**96.7%**
		Off Peak Weekday	*95.5%*	93.7%	94.8%	96.9%	97.1%
		Weekend	*95.5%*	99.4%	94.6%	95.1%	96.7%
	Pascack Line Valley Line	**Overall**	***96.5%***	**96.2%**	**96.0%**	**97.1%**	**97.3%**
		AM Peak	*96.5%*	96.0%	96.5%	97.7%	96.6%
		PM Peak	*96.5%*	93.5%	95.9%	96.8%	98.2%
		Total Peak	***96.5%***	**94.8%**	**96.2%**	**97.3%**	**97.4%**
		Off Peak Weekday	*96.5%*	95.7%	95.8%	97.2%	97.3%
		Weekend	*96.5%*	99.5%	96.3%	96.4%	97.0%
	Port Jervis Line	**Overall**	***95.0%***	**93.8%**	**92.5%**	**93.6%**	**96.3%**
		AM Peak	*95.0%*	94.7%	90.6%	89.4%	95.0%
		PM Peak	*95.0%*	95.4%	93.0%	91.7%	96.7%
		Total Peak	***95.0%***	**95.1%**	**91.8%**	**90.5%**	**95.8%**
		Off Peak Weekday	*95.0%*	90.9%	93.4%	96.4%	96.7%
		Weekend	*95.0%*	99.1%	91.6%	92.9%	96.1%
Operating Statistics	**Trains Scheduled**			**1,694**	**10,015**	**1,694**	**10,025**
	Avg. Delay per Late Train (min) excluding trains cancelled or terminated			30.3	22.5	25.5	21.0
	Trains Over 15 min. Late excluding trains cancelled or terminated		*300*	38	228	41	155
	Trains Canceled		*60*	9	38	6	19
	Trains Terminated		*60*	4	33	7	25
	Percent of Scheduled Trips Completed		*99.4%*	99.2%	99.3%	99.2%	99.6%

ELEVATOR AND ESCALATOR OPERATING REPORT
FOR MONTH OF June 2017

Elevator Availability	2017		2016	
	June	Year to Date	June	Year to Date
Grand Central Terminal	89.12%	94.14%	100.00%	99.53%
Harlem	100.00%	99.99%	100.00%	99.93%
Hudson	99.94%	99.99%	100.00%	99.81%
New Haven	97.69%	99.58%	100.00%	99.64%
Overall Average	96.69%	98.42%	100.00%	99.73%

Escalator Availability	2017		2016	
	June	Year to Date	June	Year to Date
Grand Central Terminal	99.75%	98.94%	99.25%	97.81%
White Plains	100.00%	100.00%	100.00%	100.00%
Overall Average	99.88%	99.47%	99.63%	98.90%

Metro-North Railroad

Finance Report

MTA METRO-NORTH RAILROAD
MAY 2017 FINANCIAL REPORT
YEAR TO DATE ACTUAL VERSUS ADOPTED BUDGET
($ in millions)

SUMMARY

May 2017 YTD Net Deficit (Non-Reimbursable and Reimbursable) of $335.2 million was $5.5 million or 1.6% favorable vs. the Adopted Budget. The month of May Net Deficit (Non-Reimbursable and Reimbursable) of $67.0 million was $1.6 million or 2.5% unfavorable vs. the Adopted Budget.

Major drivers of the May 2017 YTD favorable result of $5.5 million include lower Non-Reimbursable Expenses of $13.9 million mainly due to the timing of both maintenance contracts and professional services ($15.9 million) and favorable electric power rates ($6.3 million) partially offset by higher labor costs mainly due to higher holiday pay for represented employees as well as the reallocation of forces to operations coverage due to the rescheduling of capital projects ($5.7 million) and higher materials expenses for track infrastructure maintenance ($2.1 million). These favorable expense results were partially offset by unfavorable Non-Reimbursable Revenues of $8.3 million. Farebox revenue was $4.2 million unfavorable resulting primarily from lower commutation ridership as well as the impact of the system-wide suspension of service related to Winter Storm Stella on non-commutation ridership. Other operating revenue was unfavorable by $4.1 million mainly due to the current suspension of commissary - *note that May YTD budgeted net commissary earnings would have been approximately $0.6 million.*

Results for the month of May reflect the financial impact of the May 18th derailment on the New Haven Line, which resulted in lower farebox revenues estimated at $0.3 million from approximately 24,000 fewer non-commutation ticket sales as well as increased overtime and fringe costs of $0.5 million for repairing the damaged segment of the right-of-way.

May 2017 YTD Reimbursable results (Capital and Other Reimbursements) of $78.2 million were $21.1 million favorable vs. the Adopted Budget primarily due to timing for several capital projects including Signal Replacement from Greenwich to South Norwalk, Cyclical Track Program, GCT Turnouts Switch Renewal and Network Infrastructure Replacement.

REVENUE/RIDERSHIP

- **Farebox Revenue** – YTD was $4.2 million unfavorable vs. the Adopted Budget (1.4%). For the month, revenue was $1.6 million unfavorable vs. the Adopted Budget.
  - YTD Ridership of 34.8 million was 1.9% unfavorable vs. the Adopted Budget and 0.4% favorable when compared to YTD 2016. May ridership of 7.5 million was 3.2% unfavorable vs. the Adopted Budget and 1.3% favorable compared to 2016.
  - YTD East of Hudson Ridership of 34.1 million was 1.8% unfavorable vs. the Adopted Budget and 0.5% favorable compared to YTD 2016. East of Hudson ridership for May of 7.3 million was 3.3% unfavorable vs. the Adopted Budget and 1.4% favorable compared to 2016.
    - YTD commutation ridership of 20.1 million was 2.3% unfavorable vs. the Adopted Budget and 0.9% unfavorable vs. YTD 2016. May commutation ridership of 4.2 million was 1.7% unfavorable vs. the Adopted Budget and 0.4% unfavorable compared to 2016.
    - YTD non-commutation ridership of 14.0 million was 1.0% unfavorable vs. the Adopted Budget and 2.5% favorable vs. YTD 2016. May non-commutation ridership of 3.1 million was 5.3% unfavorable vs. the Adopted Budget and 3.9% favorable vs. 2016.
  - YTD West of Hudson Ridership of 0.7 million was 6.1% unfavorable vs. the Adopted Budget and 3.9% unfavorable vs. YTD 2016. May ridership of 0.1 million was 7.2% unfavorable vs. the Adopted Budget and 7.0% unfavorable when compared to 2016.
- **Other Operating Revenue** – YTD was $4.1 million (14.8%) unfavorable vs. the Adopted Budget primarily due to the current suspension of commissary services as well as lower advertising. For the month, revenue was $1.2 million unfavorable vs. the Adopted Budget.
- **Capital and Other Reimbursements** – YTD was $21.1 million unfavorable vs. the Adopted Budget due to scheduling and timing changes noted above. For the month, reimbursements were $2.5 million unfavorable vs. the Adopted Budget.

TOTAL EXPENSES

Total Expenses – YTD expenses of $726.6 million were $35.0 million or 4.6% favorable vs. the Adopted Budget. For the month, expenses of $152.4 million were $3.7 million or 2.3% favorable vs. the Adopted Budget.

Labor Expenses (including fringes and overhead recoveries) of $434.2 million YTD were $0.7 million unfavorable vs. the Adopted Budget. For the month, expenses of $94.4 million were $1.9 million unfavorable vs. the Adopted Budget**.**

- **Payroll** – YTD was $1.7 million unfavorable vs. the Adopted Budget mostly due to higher Non-Reimbursable payroll expense resulting from higher holiday pay for represented employees. For the month, expenses were $1.3 million unfavorable vs. the Adopted Budget.
- **Overtime** – YTD was $1.8 million favorable vs. the Adopted Budget due to lower Non-Reimbursable overtime requirements for programmatic maintenance and vacancy/absentee coverage as well as lower Reimbursable project activity. For the month, Overtime was on target vs. the Adopted Budget.

Non–Labor Expenses of $167.1 million YTD were $31.1 million favorable vs. the Adopted Budget. For the month, expenses of $32.7 million were favorable by $5.2 million compared to the Adopted Budget.

- **Electric Power** – Lower rates yielded favorable YTD results of $6.2 million vs. the Adopted Budget. For the month, expenses were $1.2 million favorable vs. the Adopted Budget.
- **Fuel** – YTD expenses of $7.2 million were $0.4 million favorable vs. the Adopted Budget mainly due to the timing of invoices. For the month, expenses were $0.2 million favorable when compared to the Adopted Budget.
- **Maintenance & Other Operating Contracts** – YTD was $10.1 million favorable vs. the Adopted Budget due to lower Non-Reimbursable expenses for timing of maintenance contracts, MTA Police services, BL-20 locomotive overhauls, bus & transfer services, fare equipment maintenance, real estate management services and environmental services as well as lower GCT utilities costs. For the month, expenses were $1.2 million favorable compared to the Adopted Budget.
- **Professional Services** – YTD was $10.5 million favorable vs. the Adopted Budget primarily due to timing of Non-Reimbursable expenses for engineering, consulting and legal services, market research studies and outside training combined with lower Reimbursable project activity for the Signal Replacement from Greenwich to South Norwalk. For the month, expenses were favorable by $1.3 million compared to the Adopted Budget.
- **Materials & Supplies** – YTD was $3.7 million favorable vs. the Adopted Budget primarily due to timing of Reimbursable project activity (Network Infrastructure Replacement, Cyclical Track Program and West of Hudson Track Improvements) partially offset by higher Non-Reimbursable expenses for track infrastructure maintenance. For the month, expenses were $0.9 million favorable vs. the Adopted Budget.
- **Other Business Expenses** – YTD expenses were $0.2 million favorable vs. the Adopted Budget primarily due to timing of expenses for non-capital equipment. For the month, expenses were on target compared to the Adopted Budget.

Depreciation and Other Non-Cash Liability Adjustments were $4.5 million favorable vs. the YTD Adopted Budget primarily due to the timing of the capitalization of assets ($3.0 million), environmental remediation ($0.9 million) and GASB68 Pension Adjustment ($0.6 million). For the month, expenses were $0.4 million favorable vs. the Adopted Budget.

CASH DEFICIT SUMMARY

May YTD Net Cash Deficit of $191.2 million was $34.8 million or 15.4% favorable to the Adopted Budget. This is mainly due to the timing of expenditures for capital projects, operations and passenger injury settlements.

FINANCIAL PERFORMANCE MEASURES

May YTD performance indicators primarily reflect favorable overall expenses vs. the Adopted Budget:

- Adjusted Farebox Operating Ratio of 62.6% was 0.7% favorable vs. the Adopted Budget.
- Adjusted Cost per Passenger of $14.58 was $0.26 favorable to the Adopted Budget.
- Revenue per Passenger of $8.33 was $0.04 unfavorable vs. the Adopted Budget.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
May 2017
($ in millions)

SCHEDULE I - A

	Nonreimbursable				Reimbursable				Total			
			Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)	
	Adopted Budget	Actual	Variance	Percent	Adopted Budget	Actual	Variance	Percent	Adopted Budget	Actual	Variance	Percent
Revenue												
Farebox Revenue	$63.551	$61.949	($1.602)	(2.5)	$0.000	$0.000	$0.000	-	$63.551	$61.949	($1.602)	(2.5)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	5.375	4.202	(1.172)	(21.8)	0.000	0.000	0.000	-	5.375	4.202	(1.172)	(21.8)
Capital & Other Reimbursements:												
MTA	0.000	0.000	0.000	-	13.221	8.244	(4.977)	(37.6)	13.221	8.244	(4.977)	(37.6)
CDOT	0.000	0.000	0.000	-	7.431	8.236	0.805	10.8	7.431	8.236	0.805	10.8
Other	0.000	0.000	0.000	-	1.100	2.755	1.656	*	1.100	2.755	1.656	*
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	21.752	19.235	(2.516)	(11.6)	21.752	19.235	(2.516)	(11.6)
Total Revenue/Receipts	**$68.926**	**$66.151**	**($2.774)**	**(4.0)**	**$21.752**	**$19.235**	**($2.516)**	**(11.6)**	**$90.677**	**$85.387**	**($5.291)**	**(5.8)**
Expenses												
Labor:												
Payroll	$42.824	$45.248	($2.425)	(5.7)	$5.084	$3.950	$1.134	22.3	$47.908	$49.199	($1.291)	(2.7)
Overtime	8.070	8.457	(0.387)	(4.8)	2.457	2.030	0.427	17.4	10.527	10.488	0.040	0.4
Health and Welfare	9.279	10.203	(0.924)	(10.0)	1.718	1.375	0.343	20.0	10.997	11.578	(0.581)	(5.3)
OPEB Current Payment	2.600	2.914	(0.314)	(12.1)	0.000	0.000	0.000	-	2.600	2.914	(0.314)	(12.1)
Pensions	8.157	8.316	(0.160)	(2.0)	1.124	0.865	0.260	23.1	9.281	9.181	0.100	1.1
Other Fringe Benefits	10.085	10.163	(0.078)	(0.8)	1.293	1.029	0.264	20.4	11.378	11.191	0.187	1.6
Reimbursable Overhead	(5.718)	(5.129)	(0.589)	(10.3)	5.526	5.021	0.505	9.1	(0.192)	(0.108)	(0.085)	(44.0)
Total Labor	**$75.296**	**$80.173**	**($4.877)**	**(6.5)**	**$17.204**	**$14.271**	**$2.933**	**17.0**	**$92.499**	**$94.444**	**($1.944)**	**(2.1)**
Non-Labor:												
Electric Power	$6.199	$4.963	$1.236	19.9	$0.000	$0.000	$0.000	-	$6.199	$4.963	$1.236	19.9
Fuel	1.530	1.285	0.245	16.0	0.000	0.000	0.000	-	1.530	1.285	0.245	16.0
Insurance	1.721	1.503	0.219	12.7	0.424	0.414	0.011	2.5	2.146	1.916	0.229	10.7
Claims	0.098	0.021	0.077	78.7	0.000	0.000	0.000	-	0.098	0.021	0.077	78.7
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	9.705	7.301	2.405	24.8	0.586	1.801	(1.214)	*	10.292	9.101	1.190	11.6
Professional Service Contracts	3.645	3.543	0.102	2.8	1.488	0.313	1.174	78.9	5.133	3.856	1.277	24.9
Materials & Supplies	7.775	6.484	1.291	16.6	2.029	2.429	(0.399)	(19.7)	9.804	8.912	0.892	9.1
Other Business Expenses	2.608	2.595	0.012	0.5	0.020	0.008	0.012	59.8	2.628	2.603	0.025	0.9
Total Non-Labor	**$33.280**	**$27.693**	**$5.587**	**16.8**	**$4.548**	**$4.964**	**($0.416)**	**(9.2)**	**$37.828**	**$32.657**	**$5.170**	**13.7**
Other Adjustments:												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	**$0.000**	**$0.000**	**$0.000**	**-**	**$0.000**	**$0.000**	**$0.000**	**-**	**$0.000**	**$0.000**	**$0.000**	**-**
Total Expenses before Non-Cash Liability Adjs.	**$108.576**	**$107.866**	**$0.710**	**0.7**	**$21.752**	**$19.235**	**$2.516**	**11.6**	**$130.327**	**$127.101**	**$3.226**	**2.5**
Depreciation	20.058	19.618	0.440	2.2	0.000	0.000	0.000	-	20.058	19.618	0.440	2.2
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	0.000	0.000	-	0.000	0.000	0.000		0.000	0.000	0.000	-
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenses	**$134.327**	**$133.177**	**$1.150**	**0.9**	**$21.752**	**$19.235**	**$2.516**	**11.6**	**$156.078**	**$152.412**	**$3.666**	**2.3**
Net Surplus/(Deficit)	**($65.401)**	**($67.025)**	**($1.625)**	**(2.5)**	**$0.000**	**$0.000**	**$0.000**	**-**	**($65.401)**	**($67.025)**	**($1.625)**	**(2.5)**
Cash Conversion Adjustments:												
Depreciation	20.058	19.618	(0.440)	(2.2)	0.000	0.000	0.000	-	20.058	19.618	(0.440)	(2.2)
Operating/Capital	(3.408)	(1.769)	1.639	48.1	0.000	0.000	0.000	-	(3.408)	(1.769)	1.639	48.1
Other Cash Adjustments	13.740	35.329	21.589	*	0.000	0.000	0.000	-	13.740	35.329	21.589	*
Total Cash Conversion Adjustments	**$30.390**	**$53.177**	**$22.788**	**75.0**	**$0.000**	**$0.000**	**$0.000**	**-**	**$30.390**	**$53.177**	**$22.788**	**75.0**
Net Cash Surplus/(Deficit)	**($35.011)**	**($13.848)**	**$21.163**	**60.4**	**$0.000**	**$0.000**	**$0.000**	**-**	**($35.011)**	**($13.848)**	**$21.163**	**60.4**

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

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
May Year-To-Date
($ in millions)

SCHEDULE I - B

	Nonreimbursable				Reimbursable				Total			
			Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)	
	Adopted Budget	Actual	Variance	Percent	Adopted Budget	Actual	Variance	Percent	Adopted Budget	Actual	Variance	Percent
Revenue												
Farebox Revenue	$293.954	$289.721	($4.233)	(1.4)	$0.000	$0.000	$0.000	-	$293.954	$289.721	($4.233)	(1.4)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	27.586	23.505	(4.080)	(14.8)	0.000	0.000	0.000	-	27.586	23.505	(4.080)	(14.8)
Capital & Other Reimbursements:												
MTA	0.000	0.000	0.000	-	59.825	38.640	(21.184)	(35.4)	59.825	38.640	(21.184)	(35.4)
CDOT	0.000	0.000	0.000	-	32.706	28.391	(4.315)	(13.2)	32.706	28.391	(4.315)	(13.2)
Other	0.000	0.000	0.000	-	6.788	11.178	4.390	64.7	6.788	11.178	4.390	64.7
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	99.318	78.209	(21.109)	(21.3)	99.318	78.209	(21.109)	(21.3)
Total Revenue/Receipts	**$321.540**	**$313.227**	**($8.313)**	**(2.6)**	**$99.318**	**$78.209**	**($21.109)**	**(21.3)**	**$420.858**	**$391.436**	**($29.422)**	**(7.0)**
Expenses												
Labor:												
Payroll	$203.164	$208.898	($5.735)	(2.8)	$20.195	$16.198	$3.997	19.8	$223.359	$225.096	($1.738)	(0.8)
Overtime	39.963	38.981	0.983	2.5	10.025	9.175	0.850	8.5	49.989	48.155	1.833	3.7
Health and Welfare	43.712	46.474	(2.762)	(6.3)	6.895	5.816	1.080	15.7	50.607	52.289	(1.682)	(3.3)
OPEB Current Payment	13.000	13.762	(0.762)	(5.9)	0.000	0.000	0.000	-	13.000	13.762	(0.762)	(5.9)
Pensions	38.861	38.175	0.686	1.8	4.497	3.635	0.862	19.2	43.358	41.810	1.548	3.6
Other Fringe Benefits	48.861	49.419	(0.558)	(1.1)	5.161	4.332	0.828	16.0	54.021	53.751	0.270	0.5
Reimbursable Overhead	(23.172)	(19.586)	(3.587)	(15.5)	22.422	18.955	3.466	15.5	(0.751)	(0.630)	(0.120)	(16.0)
Total Labor	**$364.388**	**$376.122**	**($11.734)**	**(3.2)**	**$69.195**	**$58.111**	**$11.084**	**16.0**	**$433.583**	**$434.234**	**($0.651)**	**(0.2)**
Non-Labor:												
Electric Power	$34.688	$28.430	$6.257	18.0	$0.000	$0.064	($0.064)	-	$34.688	$28.495	$6.193	17.9
Fuel	7.551	7.177	0.374	5.0	0.000	0.000	0.000	-	7.551	7.177	0.374	5.0
Insurance	8.452	7.490	0.962	11.4	1.608	1.969	(0.361)	(22.5)	10.059	9.459	0.600	6.0
Claims	0.478	1.046	(0.568)	*	0.000	0.000	0.000	-	0.478	1.046	(0.568)	*
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	49.412	38.860	10.551	21.4	6.166	6.650	(0.484)	(7.8)	55.578	45.510	10.067	18.1
Professional Service Contracts	18.013	12.650	5.364	29.8	8.139	2.954	5.185	63.7	26.152	15.603	10.549	40.3
Materials & Supplies	37.713	39.775	(2.062)	(5.5)	14.107	8.347	5.760	40.8	51.821	48.123	3.698	7.1
Other Business Expenses	11.838	11.594	0.244	2.1	0.102	0.113	(0.010)	(10.0)	11.940	11.707	0.234	2.0
Total Non-Labor	**$168.144**	**$147.022**	**$21.123**	**12.6**	**$30.123**	**$20.098**	**$10.025**	**33.3**	**$198.267**	**$167.119**	**$31.148**	**15.7**
Other Adjustments												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	**$0.000**	**$0.000**	**$0.000**	**-**	**$0.000**	**$0.000**	**$0.000**	**-**	**$0.000**	**$0.000**	**$0.000**	**-**
Total Expenses before Non-Cash Liability Adjs.	**$532.532**	**$523.144**	**$9.388**	**1.8**	**$99.318**	**$78.209**	**$21.109**	**21.3**	**$631.850**	**$601.353**	**$30.497**	**4.8**
Depreciation	100.289	97.302	2.986	3.0	0.000	0.000	0.000	-	100.289	97.302	2.986	3.0
OPEB Obligation	28.465	28.465	0.000	0.0	0.000	0.000	0.000	-	28.465	28.465	0.000	0.0
GASB68 Pension Adjustment**	0.000	(0.574)	0.574	-	0.000	0.000	0.000	-	0.000	(0.574)	0.574	-
Environmental Remediation	1.000	0.088	0.912	91.2	0.000	0.000	0.000	-	1.000	0.088	0.912	91.2
Total Expenses	**$662.286**	**$648.426**	**$13.860**	**2.1**	**$99.318**	**$78.209**	**$21.109**	**21.3**	**$761.604**	**$726.635**	**$34.969**	**4.6**
Net Surplus/(Deficit)	**($340.746)**	**($335.199)**	**$5.547**	**1.6**	**$0.000**	**$0.000**	**$0.000**	**-**	**($340.746)**	**($335.199)**	**$5.547**	**1.6**
Cash Conversion Adjustments:												
Depreciation	100.289	97.302	(2.986)	(3.0)	0.000	0.000	0.000	-	100.289	97.302	(2.986)	(3.0)
Operating/Capital	(21.649)	(11.092)	10.557	48.8	0.000	0.000	0.000	-	(21.649)	(11.092)	10.557	48.8
Other Cash Adjustments	36.083	57.809	21.726	60.2	0.000	0.000	0.000	-	36.083	57.809	21.726	60.2
Total Cash Conversion Adjustments	**$114.722**	**$144.019**	**$29.297**	**25.5**	**$0.000**	**$0.000**	**$0.000**	**-**	**$114.722**	**$144.019**	**$29.297**	**25.5**
Net Cash Surplus/(Deficit)	**($226.024)**	**($191.180)**	**$34.844**	**15.4**	**$0.000**	**$0.000**	**$0.000**	**-**	**($226.024)**	**($191.180)**	**$34.844**	**15.4**

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

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
MAY 2017
($ in millions)

		Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
Generic Revenue or Expense Category	Non Reimb. or Reimb.	Variance Fav (Unfav) $	Variance Fav (Unfav) %	Reason for Variance	Variance Fav (Unfav) $	Variance Fav (Unfav) %	Reason for Variance
OTHER OPERATING REVENUE	Non-Reimb	($1.172)	(21.8%)	Primarily due to the current suspension of commissary services and lower advertising revenue.	($4.080)	(14.8%)	Primarily due to the current suspension of commissary services and lower advertising revenues.
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	($2.516)	(11.6%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.	($21.109)	(21.3%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.
PAYROLL	Non-Reimb	($2.425)	(5.7%)	Primarily due to higher holiday pay for represented employees as well as the reallocation of forces to operations coverage due to the rescheduling of capital projects.	($5.735)	(2.8%)	Primarily due to higher holiday pay for represented employees as well as the reallocation of forces to operations coverage due to the rescheduling of capital projects.
PAYROLL	Reimb	$1.134	22.3%	Reflects lower monthly activity ifor the following projects: new Cyclical Track Program, Power Infrastructure Replacement, Positive Train Control Program, Communication & Signal Infrastructure Restoration, C-30 Track Program, Devon Bridge Repairs, Walk Bridge Design Project and Signal Replacement Program from Greenwich to South Norwalk.	$3.997	19.8%	Reflects reclass for the current Cyclical Track Program as well as the Park Avenue Viaduct Repair, lower activity on GCT Turnouts Switch Renewal, Power Infrastructure Restoration, Signal Replacement from Greenwich to South Norwalk, Program Scope Development, Replacement of Undergrade Bridge, Bronx Stations Capacity Improvement, West of Hudson Signal Improvement, Railtop Culverts, C-30 Track Program, Devon Bridge Repairs, S-21 Bridge Program and Network Infrastructure projects.
OVERTIME	Non-Reimb	($0.387)	(4.8%)	See overtime tables.	$0.983	2.5%	See overtime tables.
	Reimb	$0.427	17.4%	See overtime tables.	$0.850	8.5%	See overtime tables.
HEALTH AND WELFARE	Non-Reimb	($0.924)	(10.0%)	Primarily reflects higher than budgeted rates.	($2.762)	(6.3%)	Primarily reflects higher than budgeted rates.
	Reimb	$0.343	20.0%	Reflects lower monthly project activity driven by the new Cyclical Track Program, the Replacement of Timbers for the Undergrade Bridge and the C-30 Track Program.	$1.080	15.7%	Reflects lower YTD activity for the GCT Turnouts Switch Renewal project, the C-30 Track Program and both the current and new Cyclical Track Programs.
OPEB CURRENT PAYMENT	Non-Reimb	($0.314)	(12.1%)	Reflects additional retirees.	($0.762)	(5.9%)	Reflects additional retirees.
PENSIONS	Reimb	$0.260	23.1%	Reflects lower monthly project activity driven by the new Cyclical Track Program, the Replacement of the Timbers & Undergrade Bridge, the Communication & Signal project, the C-30 Track Program, the Power Infrastructure Repalcement and the Devon Bridge Repairs.	$0.862	19.2%	Reflects lower yearly project activity driven by the GCT Turnouts Switch Renewal, the current and new Cyclical Track Program, the C-30 Track Program, the Signal Replacement from Greenwich to South Norwalk and the Devon Bridge Repairs.
OTHER FRINGE BENEFITS	Reimb	$0.264	20.4%	Reflects lower monthly project activity driven by the new Cyclical Track Program, the C-30 Track Program, the Devon Bridge Repairs and the Replace Timbers for the Undergrade Bridge.	$0.828	16.0%	Reflects lower YTD activity for the GCT Turnouts Switch Renewal project, both the current and new Cyclical Track Program, the C-30 Track Program and the Signal Replacement from Greenwich to South Norwalk.

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
MAY 2017
($ in millions)

		Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
Generic Revenue or Expense Category	Non Reimb. or Reimb.	Variance Fav (Unfav) $	Variance Fav (Unfav) %	Reason for Variance	Variance Fav (Unfav) $	Variance Fav (Unfav) %	Reason for Variance
REIMBURSABLE OVERHEAD	Non-Reimb	($0.589)	(10.3%)	The non-reimbursable and reimbursable variances reflect lower activity on the Cyclical Track Program and Power Infrastructure Replacement projects.	($3.587)	(15.5%)	The non-reimbursable and reimbursable variances primarily reflect lower activity for the Cyclical Track Program, GCT Turnouts Switch Renewal and Power Infrastructure Replacement projects.
	Reimb	$0.505	9.1%		$3.466	15.5%	
ELECTRIC POWER	Non-Reimb	$1.236	19.9%	Reflects favorable rates.	$6.257	18.0%	Reflects favorable rates.
FUEL	Non-Reimb	$0.245	16.0%	Primarily reflects timing of invoices.	$0.374	5.0%	Primarily reflects timing of invoices.
INSURANCE	Non-Reimb	$0.219	12.7%	Reflects lower insurance premiums.	$0.962	11.4%	Reflects lower insurance premiums.
	Reimb	$0.011	2.5%	Reflects lower activity in the new Cyclical Track Program.	($0.361)	(22.5%)	Reflects higher yearly activity in the MNR East Side Access project, the Drainage and Undercutting program and the C-31 Track Program.
CLAIMS	Non-Reimb	$0.077	78.7%	Primarily due to timing of claims expense.	($0.568)	*	Primarily due to higher West of Hudson claims reserve.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	$2.405	24.8%	Primarily reflects timing of expenses for MTA Police services, maintenance contracts, ferry service expense, commissary supplies,bus & transfer services and fare equipment maintenance as well as lower GCT utilities costs resulting from efficient chiller equipment implemented in conjunction with NYPA.	$10.551	21.4%	Primarily reflects timing of expenses for maintenance contracts, MTA Police services, BL-20 locomotive overhaul, bus & transfer services, fare equipment maintenance, escalators & elevators maintenance, uniforms, real estate management services and environmental services as well as lower GCT utilities costs resulting from efficient chiller equipment implemented in conjunction with NYPA.
	Reimb	($1.214)	*	Reflects higher monthly activity for the Cameras & Audio for the M-8 Fleet and the Hot Bearing & Wheel Impact projects.	($0.484)	(7.8%)	Reflects higher yearly activity in the Drainage and Undercutting program.
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	$0.102	2.8%		$5.364	29.8%	Primarily due to timing of expenses for engineering, consulting and legal services as well as market research studies and outside training.
	Reimb	$1.174	78.9%	Reflects lower monthly activity for the Signal Replacement program for Greenwich to South Norwalk.	$5.185	63.7%	Reflects lower yearly activity for the Signal Replacement program for Greenwich to South Norwalk.

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
MAY 2017
($ in millions)

		Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
Generic Revenue or Expense Category	Non Reimb. or Reimb.	Variance Fav (Unfav) $	Variance Fav (Unfav) %	Reason for Variance	Variance Fav (Unfav) $	Variance Fav (Unfav) %	Reason for Variance
MATERIAL AND SUPPLIES	Non-Reimb	$1.291	16.6%	Reflects higher expenses for track infrastructure improvements and timing of materials obsolesence adjustments.	($2.062)	(5.5%)	Reflects higher expenses for track infrastructure improvements and timing of materials obsolesence adjustments.
	Reimb	($0.399)	(19.7%)	Reflects higher monthly activity for the Harmon Shop Improvements and the Right of Way Restoration projects.	$5.760	40.8%	Reflects lower yearly activity in the Network Infrastructure Replacement, the new Cyclical Track Program and the West of Hudson Track Improvements projects.
OTHER BUSINESS EXPENSES	Reimb	$0.012	59.8%	Reflects lower monthly activity of the M-3 Replacement program, the M-8 New Haven Line Purchase and the Harlem & Hudson Lines Power Infrastructure.	($0.010)	(10.0%)	Reflects higher yearly activity for the current Turnouts Mainline High Speed
OTHER POST EMPLOYMENT BENEFITS	Non-Reimb	$0.000	0.0%	Variance explanation not required by MTA.	$0.000	0.0%	Variance explanation not required by MTA.
ENVIRONMENTAL REMEDIATION	Non-Reimb	$0.000	-		$0.912	91.2%	Reflects timing of projects requiring remediation.
OPERATING CAPITAL	Non-Reim	$1.639	48.1%	Mainly due to the Power Scada Upgrade project.	$10.557	48.8%	Driven by the GCT Biltmore Restroom project, the Cameras and Audio for Non-M8 Fleet and the GCT Escalators Project.

* Variance exceeds 100%.

MTA Metro-North Railroad
February Financial Plan - 2017 Adopted Budget
Non-Reimbursable/Reimbursable Overtime
($ in millions)

	May												Year To Date(May)											
	Adopted Budget				Actual				Var. - Fav/(Unfav)				Adopted Budget				Actual				Var. - Fav/(Unfav)			
NON-REIMBURSABLE OVERTIME	Hours		$		Hours		$		Hours		$		Hours		$		Hours		$		Hours		$	
Scheduled Service [1]	50,143	$	3.098		55,685	$	3.364		(5,541) -11.1%		($0.266) -8.6%		242,880	$	15.007		251,210	$	15.177		(8,330) -3.4%		($0.170) -1.1%	
Unscheduled Service	0	$	-		0	$	-		0	$	-		0	$	-		0	$	-		0	$	-	
Programmatic/Routine Maintenance	57,781	$	3.278		57,100	$	3.203		681 1.2%		$0.075 2.3%		237,961	$	13.501		228,723	$	12.842		9,238 3.9%		$0.660 4.9%	
Unscheduled Maintenance	948	$	0.051		5,340	$	0.278		(4,391) -463.0%		($0.227) -444.7%		4,742	$	0.255		7,744	$	0.394		(3,002) -63.3%		($0.139) -54.4%	
Vacancy/Absentee Coverage [2]	26,157	$	1.387		29,635	$	1.570		(3,479) -13.3%		($0.183) -13.2%		128,481	$	6.814		123,949	$	6.550		4,532 3.5%		$0.264 3.9%	
Weather Emergencies	4,464	$	0.255		3,258	$	0.184		1,206 27.0%		$0.071 28.0%		76,788	$	4.386		75,397	$	4.128		1,391 1.8%		$0.258 5.9%	
Safety/Security/Law Enforcement [3]	0	$	-		0	$	-		0	$	-		0	$	-		0	$	-		0	$	-	
Other	0	$	-		0	$	(0.142)		-		$0.142		0	$	-		0	$	(0.110)		-		$0.110	
Subtotal	139,494	$	8.070		151,018	$	8.457		(11,524) -8.3%		($0.387) -4.8%		690,853	$	39.963		687,023	$	38.981		3,830 0.6%		$0.983 2.5%	
REIMBURSABLE OVERTIME	41,159	$	2.457		37,413	$	2.030		3,745 9.1%		$0.427 17.4%		167,289	$	10.025		146,606	$	9.175		20,683 12.4%		$0.850 8.5%	
TOTAL OVERTIME	**180,652**	**$**	**10.527**		**188,431**	**$**	**10.488**		**(7,779) -4.3%**		**$0.040 0.4%**		**858,142**	**$**	**49.989**		**833,630**	**$**	**48.155**		**24,513 2.9%**		**$1.833 3.7%**	

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

[1] Includes Service Delay and Tour Length related overtime.
[2] Excludes T&E crew coverage (included in Scheduled Service category).
[3] Not Applicable.

MTA Metro-North Railroad
February Financial Plan - 2017 Adopted Budget
Non-Reimbursable/Reimbursable Overtime
($ in millions)

	May			Year To Date(May)		
	Var. - Fav./(Unfav)			Var. - Fav./(Unfav)		
	Hours	$	Explanations	Hours	$	Explanations
NON-REIMBURSABLE OVERTIME						
Scheduled Service [1]	(5,541)	($0.266)	Reflects service coverage versus available staff and train dispatchment needs.	(8,330)	($0.170)	Reflects service coverage versus available staff and train dispatchment needs.
	-11.1%	-8.6%		-3.4%	-1.1%	
Unscheduled Service	0	$ -		0	$ -	
Programmatic/Routine Maintenance	681	$0.075	Slightly lower infrastructure repair work.	9,238	$0.660	Lower infrastructure repair work in Maintenance of Way and lower Reliability Centered Maintenance (RCM) in Maintenance of Equipment.
	1.2%	2.3%		3.9%	4.9%	
Unscheduled Maintenance	(4,391)	($0.227)	Track related overtime due to the NHL derailment.	(3,002)	($0.139)	Track related overtime due to the NHL derailment.
	-463.0%	-444.7%		-63.3%	-54.4%	
Vacancy/Absentee Coverage [2]	(3,479)	($0.183)	Slightly higher vacation, sick and vacancy coverage requirements.	4,532	$0.264	Lower vacation, sick and vacancy coverage requirements.
	-13.3%	-13.2%		3.5%	3.9%	
Weather Emergencies	1,206	$0.071	Fewer weather events than budgeted.	1,391	$0.258	Fewer weather events than budgeted partially offset by Winter Storm Stella.
	27.0%	28.0%		1.8%	5.9%	
Safety/Security/Law Enforcement [3]	0	$ -		0	$ -	
Other	0	$0.142	Reflects timing differences related to payroll and calendar cutoff dates.	0	$0.110	Reflects timing differences related to payroll and calendar cutoff dates.
Subtotal	**(11,524)**	**($0.387)**		**3,830**	**$0.983**	
	-8.3%	-4.8%		0.6%	2.5%	
REIMBURSABLE OVERTIME	3,745	$0.427	Primarily due to the rescheduling of the Cyclical Track Program.	20,683	$0.850	Primarily due to the rescheduling of the Cyclical Track Program.
	9.1%	17.4%		12.4%	8.5%	
TOTAL OVERTIME	**(7,779)**	**$0.040**		**24,513**	**$1.833**	

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

[1] Includes Service Delay and Tour Length related overtime.
[2] Excludes T&E crew coverage (included in Scheduled Service category)
[3] Not Applicable

MTA METRO-NORTH RAILROAD
2017 Overtime Report
Overtime Legend

REVISED OVERTIME DECOMPOSITION LEGEND DEFINITIONS

Type	Definition
Scheduled Service	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).
Unscheduled Service	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.
Programmatic/Routine Maintenance	*Program Maintenance* work for which overtime is planned (e.g. Railroad Tie Replacement, Sperry Rail Testing, Running Board Replacement Programs). This also includes *Routine Maintenance* work for which OT has been planned, as well as all other maintenance not resulting from extraordinary events, including running repairs. Program/Routine maintenance work is usually performed during hours that are deemed more practical in order to minimize service disruptions, and includes contractual scheduled pay over 8 hours.
Unscheduled Maintenance	Resulting from an extraordinary event (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.
Vacancy/Absentee Coverage	Provides coverage for an absent employee or a vacant position.
Weather Emergencies	Coverage necessitated by extreme weather conditions (e.g. snow, flooding, hurricane, and tornadoes), as well as preparatory and residual costs.
Safety/Security/Law Enforcement	Coverage required to provide additional customer & employee protection and to secure MTA fleet facilities, transportation routes, and security training.
Other	Includes overtime coverage for clerical, administrative positions that are eligible for overtime.

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

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
CASH RECEIPTS AND EXPENDITURES
($ in millions)

SCHEDULE III

	May 2017				Year-to-Date			
			Favorable (Unfavorable)				Favorable (Unfavorable)	
	Adopted Budget	Actual	Variance	Percent	Adopted Budget	Actual	Variance	Percent
Receipts								
Farebox Receipts	$62.569	$63.687	$1.118	1.8	$289.527	$287.015	($2.512)	(0.9)
Toll Receipts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Receipts	6.424	15.345	8.921	*	45.961	47.119	1.158	2.5
Capital & Other Reimbursements:								
MTA	10.943	18.440	7.497	68.5	52.140	49.546	(2.594)	(5.0)
CDOT	7.431	4.413	(3.018)	(40.6)	32.706	27.942	(4.764)	(14.6)
Other	1.100	2.073	0.973	88.5	6.788	9.440	2.652	39.1
Total Capital and Other Reimbursements	19.474	24.926	5.452	28.0	91.633	86.928	(4.705)	(5.1)
Total Receipts	**$88.467**	**$103.958**	**$15.491**	**17.5**	**$427.121**	**$421.062**	**($6.059)**	**(1.4)**
Expenditures								
Labor:								
Payroll	$41.366	$40.445	$0.921	2.2	$218.318	$218.759	($0.441)	(0.2)
Overtime	9.351	10.666	(1.315)	(14.1)	48.918	48.138	0.780	1.6
Health and Welfare	11.320	9.871	1.449	12.8	52.208	51.614	0.594	1.1
OPEB Current Payment	2.600	2.978	(0.378)	(14.5)	13.000	13.606	(0.606)	(4.7)
Pensions	9.327	8.674	0.653	7.0	43.546	43.453	0.093	0.2
Other Fringe Benefits	11.554	11.463	0.091	0.8	54.224	59.201	(4.977)	(9.2)
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	-
Total Labor	**$85.519**	**$84.097**	**$1.422**	**1.7**	**$430.214**	**$434.771**	**($4.557)**	**(1.1)**
Non-Labor:								
Electric Power	$6.357	$5.630	$0.727	11.4	$35.480	$26.828	$8.652	24.4
Fuel	1.530	1.334	0.196	12.8	7.439	7.064	0.375	5.0
Insurance	0.450	0.000	0.450	100.0	10.327	15.125	(4.798)	(46.5)
Claims	3.737	0.078	3.659	97.9	17.021	5.599	11.422	67.1
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	7.503	10.779	(3.276)	(43.7)	52.547	44.339	8.208	15.6
Professional Service Contracts	4.323	2.201	2.122	49.1	26.167	11.672	14.495	55.4
Materials & Supplies	10.277	10.251	0.026	0.3	54.649	49.329	5.320	9.7
Other Business Expenditures	3.782	3.436	0.346	9.1	19.301	17.515	1.786	9.3
Total Non-Labor	**$37.959**	**$33.709**	**$4.250**	**11.2**	**$222.931**	**$177.471**	**$45.460**	**20.4**
Other Adjustments:								
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	-
Total Other Adjustments	**$0.000**	**$0.000**	**$0.000**	**-**	**$0.000**	**$0.000**	**$0.000**	**-**
Total Expenditures	**$123.478**	**$117.806**	**$5.672**	**4.6**	**$653.145**	**$612.242**	**$40.903**	**6.3**
Net Cash Deficit (excludes Opening Cash Balance)	**($35.011)**	**($13.848)**	**$21.163**	**60.4**	**($226.024)**	**($191.180)**	**$34.844**	**15.4**
Subsidies								
MTA	26.354	22.665	(3.689)	(14.0)	176.606	155.038	(21.568)	(12.2)
CDOT	8.657	0.000	(8.657)	(100.0)	49.418	43.505	(5.913)	(12.0)
Total Subsidies	**$35.011**	**$22.665**	**($12.346)**	**(35.3)**	**$226.024**	**$198.543**	**($27.481)**	**(12.2)**
Cash Timing and Availability Adjustment	**$0.000**	**($8.817)**	**($8.817)**	**-**	**$0.000**	**($8.699)**	**($8.699)**	**-**

-- Results are preliminary and subject to audit review.
-- Differences are due to rounding.
-- Year to Date CDOT Subsidy includes a reclassification of $8,927K from CDOT Capital.
* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS
($ in millions)

$ Detail

	May Month vs Budget			Year-To-Date as of May 31, 2017		
	Variance Fav (Unfav)			Variance Fav (Unfav)		
Generic Receipt or Expense Category	**$**	**%**	**Reason for Variance**	**$**	**%**	**Reason for Variance**
OTHER OPERATING REVENUE	8.921	*	Timing of FMTAC reimbursement for injury claims relating to Spuyten Duyvil and GCT Revenues partially offset by Amtrak reimbursement and current suspension of Commissary Services.	1.158	2.5%	
CAPITAL AND OTHER REIMBURSEMENTS:						
MTA	7.497	68.5%	Higher cash receipts due to timing of payments partially offset by lower capital related project activity.	(2.594)	(5.0%)	Lower cash receipts due to lower capital related project activity partially offset by timing of payments.
CDOT	(3.018)	(40.6%)	Lower cash receipts due to timing of payments partially offset higher capital related project activity.	(4.764)	(14.6%)	Lower cash receipts due to lower capital related project activity combined with timing of payments.
OTHER	0.973	88.5%	Higher cash receipts due to higher reimburseable related project activity partially offset by timing of payments.	2.652	39.1%	Higher cash receipts due to higher reimburseable related project activity partially offset by timing of payments.
OVERTIME	(1.315)	(14.1%)	Timing of overtime paid.	0.780	1.6%	
HEALTH & WELFARE	1.449	12.8%	Timing of payments for dental & vision premiums.	0.594	1.1%	
PENSIONS	0.653	7.0%	Timing of contributions paid.	0.093	0.2%	
OTHER FRINGE BENEFITS	0.091	0.8%		(4.977)	(9.2%)	Timing of payroll taxes partially offset by lower employee claims.
ELECTRIC POWER	0.727	11.4%	Lower rates partially offset by timing of payments.	8.652	24.4%	Lower rates combined with timing of payments.
FUEL	0.196	12.8%	Lower rates for Gas & Heating Fuel.	0.375	5.0%	Lower rates for Gas & Heating Fuel.
INSURANCE	0.450	100.0%	Timing of premium payments for Force Account.	(4.798)	(46.5%)	Timing of premium payments for Force Account, Station Liability, All Agency Property - Bio Terrorism, Automobile, All Agency Excess and Excess Liability.
CLAIMS	3.659	97.9%	Timing of passenger injury settlements relating to the Spuyten Duyvil incident and other passenger injury claims.	11.422	67.1%	Timing of passenger injury settlements relating to the Spuyten Duyvil incident and other passenger injury claims.
MAINTENANCE & OTHER OPERATING CONTRACTS	(3.276)	(43.7%)	Timing of payments for Construction Services, Track Leases and Steam.	8.208	15.6%	Timing of payments for Maint. & Repairs, MTA Police Services and Security Equipment & Services partially offset by Track Leases.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS
($ in millions)

$ Detail

	May Month vs Budget			Year-To-Date as of May 31, 2017		
	Variance Fav (Unfav)			Variance Fav (Unfav)		
Generic Receipt or Expense Category	**$**	**%**	**Reason for Variance**	**$**	**%**	**Reason for Variance**
PROFESSIONAL SERVICE CONTRACTS	2.122	49.1%	Timing of Engineering Services, Professional Services and Medical Services.	14.495	55.4%	Timing of Engineering Services, NHL BSC Costs, Professional Services and Medical Services.
MATERIALS & SUPPLIES	0.026	0.3%		5.320	9.7%	Timing of material purchases for Trucks Suspension, Projects, Communication, Friction Brakes, Carbody, Propulsion, Roadway Equipment and Other Track Material partially offset by materials placed into inventory.
OTHER BUSINESS EXPENSES	0.346	9.1%	Lower subsidy payments to New Jersey Transit.	1.786	9.3%	Lower subsidy payments to New Jersey Transit.
MTA SUBSIDY RECEIPTS	(3.689)	(14.0%)	Lower cash deficit partially offset by available cash balance and timing of CDOT subsidy.	(21.568)	(12.2%)	Lower cash deficit partially offset by available cash balance and timing of CDOT subsidy.
CDOT SUBSIDY RECEIPTS	(8.657)	(100.0%)	Timing of May subsidy payment to be received in June.	(5.913)	(12.0%)	Timing of May subsidy payment to be received in June partially offset by higher share of prior months deficit than budgeted.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
CASH CONVERSION (CASH FLOW ADJUSTMENT)
($ in millions)

	May 2017				Year-to-Date			
			Favorable (Unfavorable)				Favorable (Unfavorable)	
	Adopted Budget	Actual	Variance	Percent	Adopted Budget	Actual	Variance	Percent
Receipts								
Farebox Revenue	($0.982)	$1.738	$2.720	*	($4.427)	($2.706)	$1.721	38.9
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	1.050	11.143	10.093	*	18.375	23.614	5.238	28.5
Capital & Other Reimbursements:		0.000			0.000	0.000		
MTA	(2.278)	10.196	12.474	*	(7.685)	10.906	18.591	*
CDOT	0.000	(3.823)	(3.823)	-	0.000	(0.449)	(0.449)	-
Other	0.000	(0.682)	(0.682)	-	0.000	(1.738)	(1.738)	-
Total Capital and Other Reimbursements	(2.278)	5.691	7.968	*	(7.685)	8.719	16.404	*
Total Revenue/Receipts	**($2.210)**	**$18.571**	**$20.782**	*	**$6.263**	**$29.626**	**$23.363**	*
Expenditures								
Labor:								
Payroll	$6.542	$8.754	$2.212	33.8	$5.041	$6.337	$1.297	25.7
Overtime	1.176	(0.178)	(1.355)	*	1.071	0.017	(1.053)	(98.4)
Health and Welfare	(0.323)	1.707	2.030	*	(1.601)	0.675	2.276	*
OPEB Current Payment	0.000	(0.064)	0.000		0.000	0.156	0.156	-
Pensions	(0.046)	0.507	0.553	*	(0.188)	(1.643)	(1.455)	*
Other Fringe Benefits	(0.176)	(0.272)	(0.095)	(54.1)	(0.203)	(5.450)	(5.247)	*
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0.192)	(0.108)	0.085	44.0	(0.751)	(0.630)	0.120	16.0
Total Labor	**$6.980**	**$10.347**	**$3.366**	**48.2**	**$3.369**	**($0.537)**	**($3.906)**	*
Non-Labor:								
Electric Power	($0.158)	($0.667)	($0.509)	*	($0.792)	$1.667	$2.459	*
Fuel	0.000	(0.049)	(0.049)	-	0.112	0.113	0.001	0.6
Insurance	1.695	1.916	0.221	13.0	(0.267)	(5.666)	(5.399)	*
Claims	(3.639)	(0.057)	3.582	98.4	(16.543)	(4.553)	11.990	72.5
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	2.788	(1.678)	(4.466)	*	3.031	1.171	(1.860)	(61.4)
Professional Service Contracts	0.810	1.655	0.845	*	(0.015)	3.931	3.946	*
Materials & Supplies	(0.473)	(1.339)	(0.866)	*	(2.829)	(1.206)	1.622	57.4
Other Business Expenses	(1.154)	(0.833)	0.321	27.8	(7.361)	(5.808)	1.552	21.1
Total Non-Labor	**($0.131)**	**($1.052)**	**($0.920)**	*	**($24.664)**	**($10.352)**	**$14.312**	**58.0**
Other Adjustments:								
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	**$0.000**	**$0.000**	**$0.000**	**-**	**$0.000**	**$0.000**	**$0.000**	**-**
Total Expenditures Adjustments before Non-Cash Liability Adjs.	**$6.849**	**$9.295**	**$2.446**	**35.7**	**($21.294)**	**($10.889)**	**$10.406**	**48.9**
Depreciation	20.058	19.618	(0.440)	(2.2)	100.289	97.302	(2.986)	(3.0)
OPEB Obligation	5.693	5.693	0.000	0.0	28.465	28.465	0.000	0.0
GASB68 Pension Adjustment**	0.000	0.000	0.000	-	0.000	(0.574)	(0.574)	-
Environmental Remediation	0.000	0.000	0.000	-	1.000	0.088	(0.912)	91.2
Total Expenditures Adjustments	**$32.600**	**$34.606**	**$2.006**	6.2	**$108.459**	**$114.393**	**$5.934**	5.5
Total Cash Conversion Adjustments	**$30.390**	**$53.177**	**$22.788**	**75.0**	**$114.722**	**$144.019**	**$29.297**	**25.5**

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

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
RIDERSHIP/UTILIZATION
MAY 2017
(in millions)

	MONTH			VARIANCE Fav/(Unfav)				YTD			VARIANCE Fav/(Unfav)			
	ADOPTED BUDGET	2017	2016	ADOPTED BUDGET		2016		ADOPTED BUDGET	2017	2016	ADOPTED BUDGET		2016	
				$	%	$	%				$	%	$	%
FAREBOX REVENUE														
Harlem Line - Commutation	*9.517*	*9.415*	*9.081*	*(0.101)*	*-1.1%*	*0.334*	*3.7%*	*46.912*	*45.879*	*45.596*	*(1.033)*	*-2.2%*	*0.283*	*0.6%*
Harlem Line - Non-Commutation	*8.997*	*8.584*	*7.663*	*(0.413)*	*-4.6%*	*0.921*	*12.0%*	*39.172*	*38.522*	*36.627*	*(0.650)*	*-1.7%*	*1.895*	*5.2%*
TOTAL HARLEM LINE	$18.514	$17.999	$16.744	($0.515)	-2.8%	$1.255	7.5%	$86.083	$84.401	$82.222	($1.683)	-2.0%	$2.179	2.6%
Hudson Line - Commutation	*6.189*	*6.186*	*5.921*	*(0.004)*	*-0.1%*	*0.265*	*4.5%*	*30.605*	*30.128*	*29.808*	*(0.477)*	*-1.6%*	*0.319*	*1.1%*
Hudson Line - Non-Commutation	*7.333*	*7.127*	*6.530*	*(0.207)*	*-2.8%*	*0.597*	*9.1%*	*31.080*	*31.172*	*29.383*	*0.092*	*0.3%*	*1.789*	*6.1%*
TOTAL HUDSON LINE	$13.523	$13.312	$12.450	($0.211)	-1.6%	$0.862	6.9%	$61.684	$61.300	$59.192	($0.386)	-0.6%	$2.108	3.6%
New Haven Line - Commutation	*13.326*	*13.228*	*12.612*	*(0.098)*	*-0.7%*	*0.616*	*4.9%*	*66.126*	*65.319*	*62.941*	*(0.807)*	*-1.2%*	*2.378*	*3.8%*
New Haven Line - Non-Commutation	*16.881*	*16.142*	*14.924*	*(0.738)*	*-4.4%*	*1.219*	*8.2%*	*73.926*	*72.937*	*69.422*	*(0.989)*	*-1.3%*	*3.515*	*5.1%*
TOTAL NEW HAVEN LINE	$30.206	$29.371	$27.535	($0.836)	-2.8%	$1.835	6.7%	$140.052	$138.256	$132.364	($1.796)	-1.3%	$5.893	4.5%
All Lines - Commutation	***29.032***	***28.829***	***27.613***	***(0.203)***	***-0.7%***	***1.216***	***4.4%***	***143.642***	***141.325***	***138.344***	***(2.317)***	***-1.6%***	***2.981***	***2.2%***
All Lines - Non-Commutation	***33.211***	***31.853***	***29.117***	***(1.358)***	***-4.1%***	***2.736***	***9.4%***	***144.179***	***142.632***	***135.432***	***(1.546)***	***-1.1%***	***7.200***	***5.3%***
TOTAL EAST OF HUDSON LINES	**$62.243**	**$60.682**	**$56.730**	**($1.561)**	**-2.5%**	**$3.952**	**7.0%**	**$287.820**	**$283.957**	**$273.776**	**($3.863)**	**-1.3%**	**$10.181**	**3.7%**
West of Hudson	**$1.308**	**$1.267**	**$1.256**	***(0.041)***	***-3.1%***	***0.011***	***0.9%***	**$6.134**	**$5.765**	**$5.940**	***(0.369)***	***-6.1%***	***(0.176)***	***-3.0%***
TOTAL FAREBOX REVENUE	**$63.551**	**$61.949**	**$57.986**	**($1.602)**	**-2.5%**	**$3.963**	**6.8%**	**$293.954**	**$289.721**	**$279.717**	**($4.233)**	***-1.4%***	**$10.005**	***3.6%***
RIDERSHIP**														
Harlem Line - Commutation	*1.491*	*1.468*	*1.467*	*(0.023)*	*-1.6%*	*0.001*	*0.0%*	*7.146*	*6.967*	*7.019*	*(0.179)*	*-2.5%*	*(0.052)*	*-0.7%*
Harlem Line - Non-Commutation	*0.993*	*0.939*	*0.882*	*(0.054)*	*-5.4%*	*0.057*	*6.4%*	*4.364*	*4.317*	*4.163*	*(0.047)*	*-1.1%*	*0.154*	*3.7%*
TOTAL HARLEM LINE	2.484	2.407	2.349	(0.076)	-3.1%	0.057	2.4%	11.510	11.284	11.182	(0.226)	-2.0%	0.102	0.9%
Hudson Line - Commutation	*0.829*	*0.822*	*0.816*	*(0.007)*	*-0.8%*	*0.005*	*0.7%*	*3.971*	*3.898*	*3.903*	*(0.073)*	*-1.8%*	*(0.006)*	*-0.1%*
Hudson Line - Non-Commutation	*0.663*	*0.638*	*0.614*	*(0.025)*	*-3.7%*	*0.024*	*3.9%*	*2.805*	*2.824*	*2.705*	*0.019*	*0.7%*	*0.119*	*4.4%*
TOTAL HUDSON LINE	1.491	1.460	1.431	(0.031)	-2.1%	0.029	2.0%	6.776	6.722	6.608	(0.054)	-0.8%	0.114	1.7%
New Haven Line - Commutation	*1.998*	*1.953*	*1.977*	*(0.044)*	*-2.2%*	*(0.023)*	*-1.2%*	*9.507*	*9.276*	*9.397*	*(0.231)*	*-2.4%*	*(0.121)*	*-1.3%*
New Haven Line - Non-Commutation	*1.598*	*1.504*	*1.468*	*(0.094)*	*-5.9%*	*0.036*	*2.4%*	*6.950*	*6.836*	*6.768*	*(0.114)*	*-1.6%*	*0.067*	*1.0%*
TOTAL NEW HAVEN LINE	3.596	3.457	3.445	(0.139)	-3.9%	0.012	0.4%	16.457	16.111	16.164	(0.346)	-2.1%	(0.053)	-0.3%
Total Ridership East of Hudson														
All Lines - Commutation	***4.318***	***4.243***	***4.261***	***(0.074)***	***-1.7%***	***(0.017)***	***-0.4%***	***20.623***	***20.140***	***20.319***	***(0.483)***	***-2.3%***	***(0.179)***	***-0.9%***
All Lines - Non-Commutation	***3.253***	***3.080***	***2.964***	***(0.173)***	***-5.3%***	***0.116***	***3.9%***	***14.119***	***13.976***	***13.636***	***(0.143)***	***-1.0%***	***0.341***	***2.5%***
TOTAL EAST OF HUDSON LINES	**7.571**	**7.324**	**7.225**	**(0.247)**	**-3.3%**	**0.099**	**1.4%**	**34.742**	**34.117**	**33.955**	**(0.627)**	**-1.8%**	**0.163**	**0.5%**
West of Hudson	**0.152**	**0.141**	**0.152**	**(0.011)**	**-7.2%**	**(0.011)**	**-7.0%**	**0.709**	**0.666**	**0.693**	**(0.043)**	**-6.1%**	**(0.027)**	**-3.9%**
TOTAL EAST & WEST OF HUDSON LINES	**7.723**	**7.465**	**7.376**	**(0.258)**	**-3.3%**	**0.088**	**1.2%**	**35.452**	**34.783**	**34.648**	**(0.670)**	**-1.9%**	**0.135**	**0.4%**

2016 Ridership figures have been restated to eliminate calendar impacts on ridership

MTA METRO-NORTH RAILROAD
2017 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
May 31, 2017

Department	Adopted Budget	Actual	Favorable (Unfavorable) Variance	Notes
Administration				
President	4	3	1	
Labor Relations	18	17	1	
Safety	54	44	10	A
Security	26	20	6	
Office of the Executive VP	10	9	1	
Corporate & Public Affairs	18	17	1	
Customer Service	64	59	5	
Legal	18	14	4	
Claims	13	12	1	
Environmental Compliance & Svce	8	7	1	
Human Resources	49	42	7	
Training	98	80	18	A
Employee Relations & Diversity	5	6	(1)	
VP Planning	2	2	-	
Operations Planning & Analysis	22	20	2	
Capital Planning & Programming	18	13	5	
Long Range Planning	8	8	-	
VP Finance & Info Systems	8	3	5	
Controller	80	72	8	A
Budget	21	17	4	
Procurement & Material Management	33	22	11	A
Total Administration	**577**	**486**	**91**	
Operations				
Operations Admininistration	69	63	6	
Transportation	1,620	1,588	31	
Customer Service	316	271	45	B
Metro-North West	31	30	1	
Total Operations	**2,035**	**1,952**	**83**	
Maintenance				
Maintenance of Equipment	1,664	1,674	(10)	
Maintenance of Way	2,248	2,116	132	A
Procurement & Material Mgmt	124	121	3	
Total Maintenance	**4,036**	**3,911**	**125**	
Engineering/Capital				
Construction Management	43	37	6	
Engineering & Design	86	71	15	
Total Engineering/Capital	**129**	**108**	**21**	
Total Positions	**6,777**	**6,458**	**320**	
Non-Reimbursable	**5,945**	**5,913**	**32**	
Reimbursable	**832**	**545**	**287**	
Total Full-Time	**6,776**	**6,457**	**320**	
Total Full-Time-Equivalents (of part-time positions)	**1**	**1**	**-**	

Notes

(A) Variance reflects delayed and internal hiring of vacant positions.
(B) Variance reflects the current suspension of Commissary group operations.

MTA METRO-NORTH RAILROAD
2017 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
May 31, 2017

FUNCTION/OCCUPATION	Adopted Budget	Actual	Favorable (Unfavorable) Variance
Administration			
Managers/Supervisors	188	167	21
Professional, Technical, Clerical	389	319	70
Operational Hourlies	-	-	-
Total Administration	**577**	**486**	**91**
Operations			
Managers/Supervisors	239	205	34
Professional, Technical, Clerical	194	186	8
Operational Hourlies	1,602	1,561	41
Total Operations	**2,035**	**1,952**	**83**
Maintenance			
Managers/Supervisors	580	598	(18)
Professional, Technical, Clerical	524	500	24
Operational Hourlies	2,932	2,813	119
Total Maintenance	**4,036**	**3,911**	**125**
Engineering/Capital			
Managers/Supervisors	46	44	2
Professional, Technical, Clerical	83	64	19
Operational Hourlies	-	-	-
	129	**108**	**21**
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	**-**	**-**	**-**
Total Positions			
Managers/Supervisors	1,053	1,014	39
Professional, Technical, Clerical	1,190	1,069	121
Operational Hourlies	4,534	4,374	160
Total Positions	**6,777**	**6,458**	**320**

MTA METRO-NORTH RAILROAD
2017 ADOPTED BUDGET VS. ACTUALS
May 31, 2017

Agency-wide (Non-Reimbursable and Reimbursable)	Adopted Budget	Actual	Favorable (Unfavorable) Variance	Explanation of Variances
Functional Classification:				
Operations	2,035	1,952	83	Primarily reflects the current suspension of Commissary group operations.
Maintenance	4,036	3,911	125	Reflects vacant positions in Maintenance of Way (engineers, electricians, mechanics and 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	577	486	91	Vacancies reflects timing differences in hiring of positions primarily in the Training, Procurement, Safety and Controller departments.
Engineering / Capital	129	108	21	Vacancies reflects timing differences in hiring of positions primarily in the Engineering & Design department.
Total Agency-wide Headcount	**6,777**	**6,458**	**320**	
Non-Reimbursable	5,945	5,913	32	
Reimbursable	832	545	287	

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2017 ADOPTED BUDGET
MONTHLY PERFORMANCE INDICATORS [A]
MAY 2017

	MONTH			VARIANCE Fav/(Unfav)	
	BUDGET	2017	2016	BUDGET	2016
Farebox Operating Ratio					
Standard [B]	58.9%	57.5%	64.2%	-1.4%	-6.7%
Adjusted [C]	65.5%	63.8%	72.1%	-1.7%	-8.3%
Cost per Passenger					
Standard [B]	$14.10	$14.41	$12.67	($0.31)	($1.74)
Adjusted [C]	$13.78	$14.07	$12.34	($0.29)	($1.73)
Passenger Revenue/Passenger	$8.31	$8.29	$8.14	($0.02)	$0.15

	YEAR-TO-DATE			VARIANCE Fav/(Unfav)	
	BUDGET	2017	2016	BUDGET	2016
Farebox Operating Ratio					
Standard [B]	55.1%	55.7%	58.7%	0.6%	-3.0%
Adjusted [C]	61.9%	62.6%	66.5%	0.7%	-3.9%
Cost per Passenger					
Standard [B]	$15.19	$14.95	$13.86	$0.24	($1.09)
Adjusted [C]	$14.84	$14.58	$13.54	$0.26	($1.04)
Passenger Revenue/Passenger	$8.37	$8.33	$8.13	($0.04)	$0.20

(A) Monthly Performance Indicators include both East and West of Hudson revenue and expenses.

(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.

Metro-North Railroad

Ridership Report

MAY 2017 RIDERSHIP & REVENUE REPORT
MTA METRO-NORTH RAILROAD

EXECUTIVE SUMMARY

May Ridership and Revenue (millions)

	May 2017	% Change vs. 2016
Total Rail Ridership	7.465	+1.2% ▲
Commutation Ridership	4.324	-0.5% ▼
Non-Commutation Ridership	3.141	+3.6% ▲
Connecting Service Ridership	0.052	+8.1% ▲
Total MNR System Ridership	7.517	+1.2% ▲
Rail Revenue	$61.9	+6.7% ▲

Key Factors Impacting May Ridership

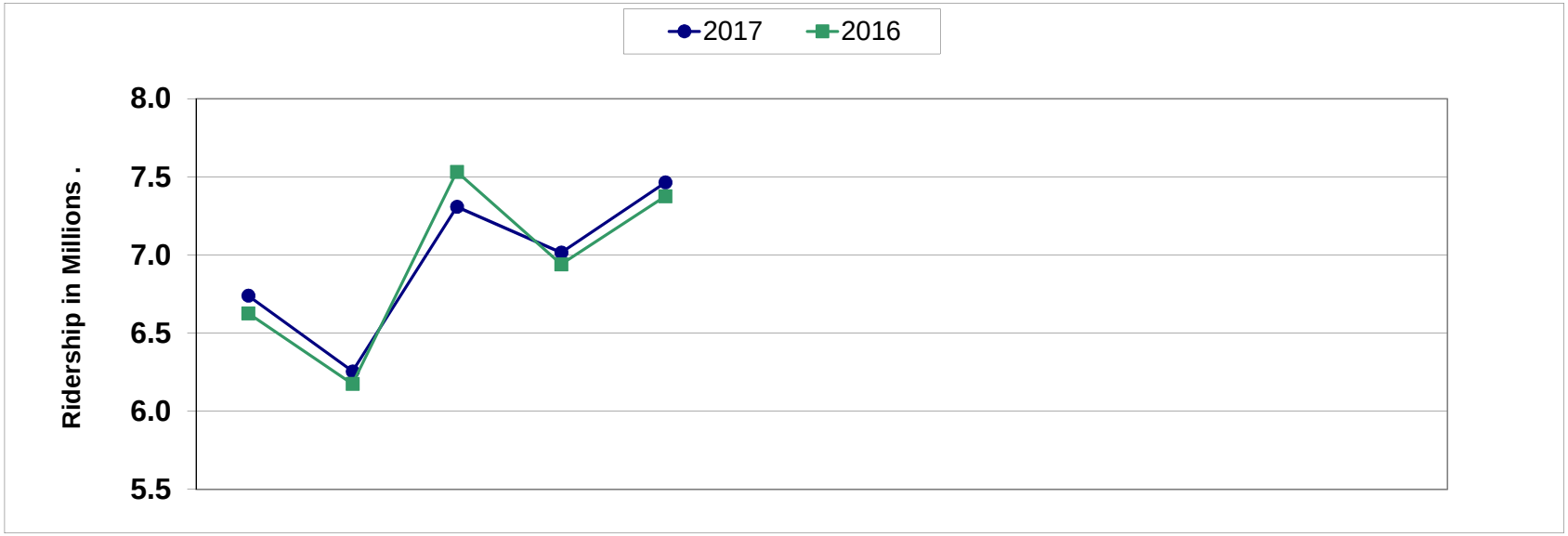
- East of Hudson ridership increased 1.4% vs. May 2016 (due to last year's Park Avenue Viaduct Fire) and was 3.3% below budget ridership due to a derailment on the New Haven Line and unseasonably cool and damp weather which occurred during May.

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

	YTD 2017	% Change vs. 2016	Comparison to Budget
Total Rail Ridership	34.783	+0.4% ▲	-1.9% ▼
Commutation Ridership	20.526	-1.0% ▼	-2.4% ▼
Non-Commutation Ridership	14.257	+2.4% ▲	-1.1% ▼
Connecting Service Ridership	0.242	+1.2% ▲	+0.3% ▲
Total MNR System Ridership	35.025	+0.4% ▲	-1.9% ▼
Rail Revenue	$289.8	+3.6% ▲	-1.4% ▼

MAY RAIL RIDERSHIP (1)

- May's Total Rail Ridership was 1.2% above 2016 and 3.3% below budget.

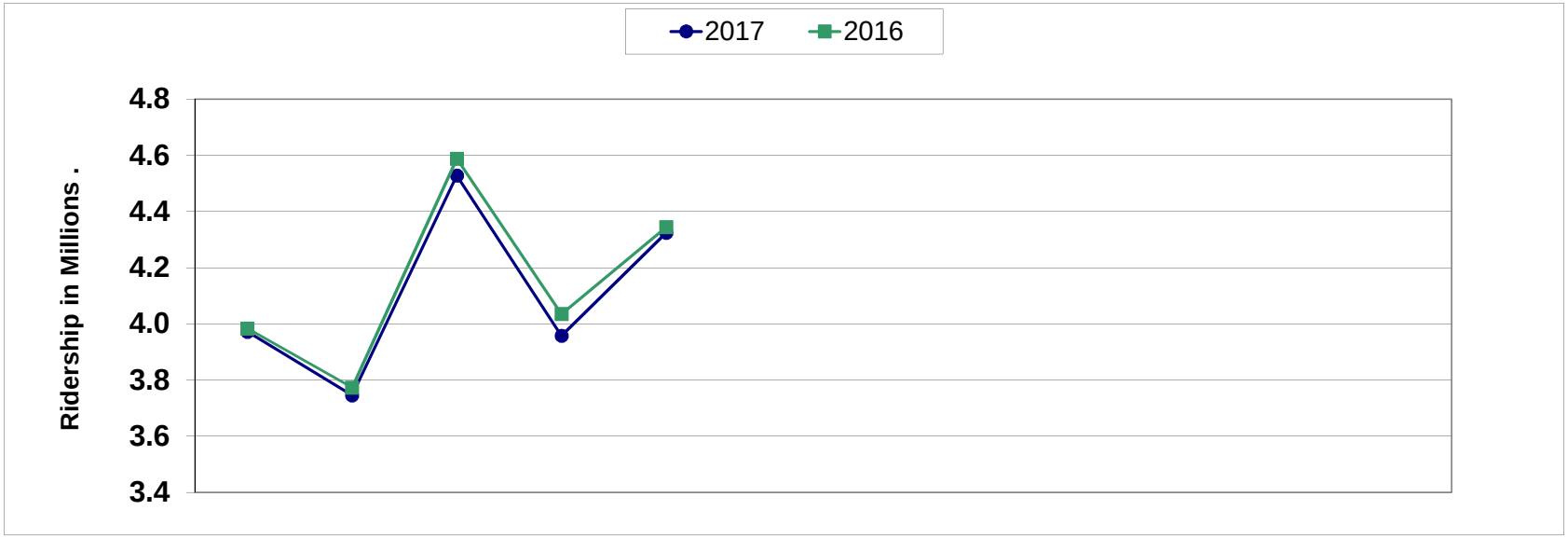


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	6.7	6.3	7.3	7.0	7.5								34.8
2016	6.6	6.2	7.5	6.9	7.4								34.6
PCT CHG.	1.7%	1.3%	-3.0%	1.1%	1.2%								0.4%

1) Includes East and West of Hudson.

MAY RAIL COMMUTATION RIDERSHIP (1)

- May's Rail Commutation Ridership was 0.5% below 2016 and 1.8% below budget.

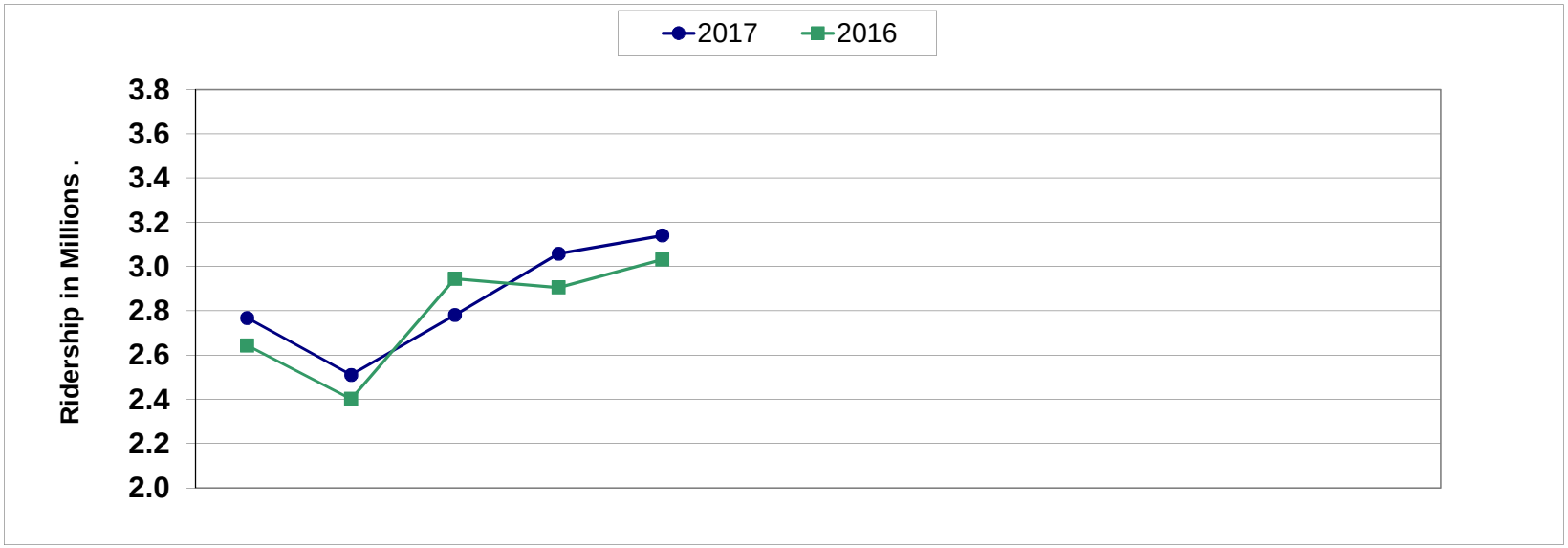


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	4.0	3.7	4.5	4.0	4.3								20.5
2016	4.0	3.8	4.6	4.0	4.3								20.7
PCT CHG.	-0.3%	-0.7%	-1.3%	-1.9%	-0.5%								-1.0%

1) Includes East and West of Hudson.

MAY RAIL NON-COMMUTATION RIDERSHIP (1)

- May's Rail Non-Commutation Ridership was 3.6% above 2016 and 5.4% below budget.

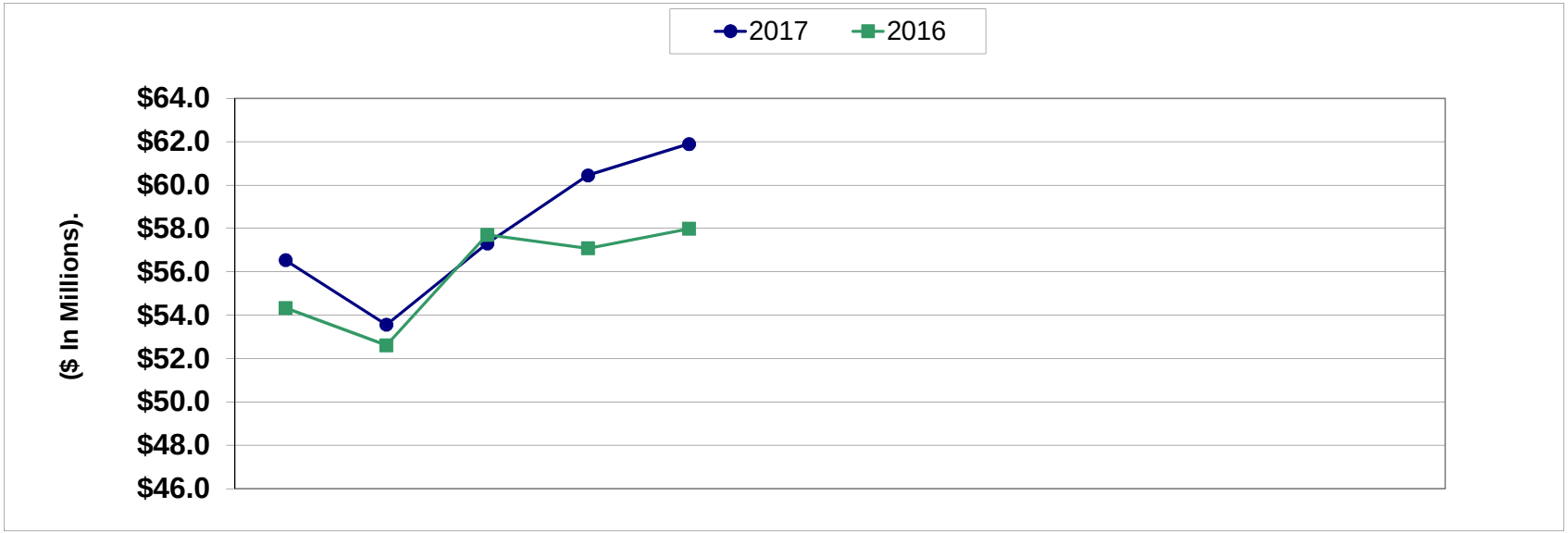


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	2.8	2.5	2.8	3.1	3.1								14.3
2016	2.6	2.4	2.9	2.9	3.0								13.9
PCT CHG.	4.7%	4.5%	-5.6%	5.3%	3.6%								2.4%

1) Includes East and West of Hudson.

MAY RAIL REVENUE (1)

- May's Total Rail Revenue was 6.7% above 2016 and 2.6% below budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2017	$56.5	$53.6	$57.3	$60.5	$61.9								$289.8
2016	$54.3	$52.6	$57.7	$57.1	$58.0								$279.7
PCT CHG.	4.1%	1.8%	-0.7%	5.9%	6.7%								3.6%

1) Includes East and West of Hudson.

MTA METRO-NORTH RAILROAD
RIDERSHIP SUMMARY
MAY 2017

TICKET TYPE/SERVICE	MAY 2017 ACTUAL	MAY 2017 BUDGET	VARIANCE VS. BUDGET AMOUNT	VARIANCE VS. BUDGET PERCENT	MAY 2016 RESTATED (1)	CHANGE FROM 2016 AMOUNT	CHANGE FROM 2016 PERCENT
RAIL COMMUTATION RIDERSHIP							
East of Hudson	4,243,278	4,317,622	(74,344)	-1.7%	4,260,512	(17,234)	-0.4%
West of Hudson	80,871	86,113	(5,242)	-6.1%	84,177	(3,306)	-3.9%
Total Rail Commutation Ridership	**4,324,149**	**4,403,735**	**(79,586)**	**-1.8%**	**4,344,689**	**(20,540)**	**-0.5%**
RAIL NON-COMMUTATION RIDERSHIP							
East of Hudson	3,080,257	3,253,162	(172,905)	-5.3%	2,964,315	115,942	3.9%
West of Hudson	60,125	65,888	(5,763)	-8.7%	67,492	(7,367)	-10.9%
Total Rail Non-Commutation Ridership	**3,140,382**	**3,319,050**	**(178,668)**	**-5.4%**	**3,031,807**	**108,575**	**3.6%**
TOTAL RAIL RIDERSHIP							
East of Hudson	7,323,535	7,570,784	(247,249)	-3.3%	7,224,827	98,708	1.4%
West of Hudson (2)	140,996	152,001	(11,005)	-7.2%	151,669	(10,673)	-7.0%
TOTAL RAIL RIDERSHIP	**7,464,531**	**7,722,785**	**(258,254)**	**-3.3%**	**7,376,496**	**88,035**	**1.2%**
CONNECTING SERVICES RIDERSHIP (3)	**52,423**	**48,498**	**3,925**	**8.1%**	**48,480**	**3,943**	**8.1%**
TOTAL MNR SYSTEM RIDERSHIP	**7,516,954**	**7,771,283**	**(254,329)**	**-3.3%**	**7,424,976**	**91,978**	**1.2%**

Notes:

1) 2016 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
2017 YEAR-TO-DATE

TICKET TYPE/SERVICE	2017 YTD ACTUAL	2017 YTD BUDGET	VARIANCE VS. BUDGET AMOUNT	VARIANCE VS. BUDGET PERCENT	2016 YTD RESTATED (1)	CHANGE FROM 2016 AMOUNT	CHANGE FROM 2016 PERCENT
RAIL COMMUTATION RIDERSHIP							
East of Hudson	20,140,436	20,623,322	(482,886)	-2.3%	20,318,962	(178,526)	-0.9%
West of Hudson	385,697	414,135	(28,438)	-6.9%	404,301	(18,604)	-4.6%
Total Rail Commutation Ridership	**20,526,133**	**21,037,457**	**(511,324)**	**-2.4%**	**20,723,263**	**(197,130)**	**-1.0%**
RAIL NON-COMMUTATION RIDERSHIP							
East of Hudson	13,976,351	14,118,985	(142,634)	-1.0%	13,635,817	340,534	2.5%
West of Hudson	280,678	295,342	(14,664)	-5.0%	289,169	(8,491)	-2.9%
Total Rail Non-Commutation Ridership	**14,257,029**	**14,414,327**	**(157,298)**	**-1.1%**	**13,924,986**	**332,043**	**2.4%**
TOTAL RAIL RIDERSHIP							
East of Hudson	34,116,787	34,742,307	(625,520)	-1.8%	33,954,779	162,008	0.5%
West of Hudson	666,375	709,477	(43,102)	-6.1%	693,470	(27,095)	-3.9%
TOTAL RAIL RIDERSHIP	**34,783,162**	**35,451,784**	**(668,622)**	**-1.9%**	**34,648,249**	**134,913**	**0.4%**
CONNECTING SERVICES RIDERSHIP (2)	**241,890**	**241,135**	**755**	**0.3%**	**239,026**	**2,864**	**1.2%**
TOTAL MNR SYSTEM RIDERSHIP	**35,025,052**	**35,692,919**	**(667,867)**	**-1.9%**	**34,887,275**	**137,777**	**0.4%**

Notes:

1) 2016 ridership figures have been restated to eliminate calendar impacts on ridership.

2 Includes Hudson Rail Link, Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry.

MTA METRO-NORTH RAILROAD
RIDERSHIP BY LINE
MAY 2017

LINE	MAY 2017 ACTUAL	MAY 2016 RESTATED (1)	CHANGE FROM 2016 AMOUNT	CHANGE FROM 2016 PERCENT
EAST OF HUDSON				
Harlem Line	2,406,553	2,349,415	57,138	2.4%
Hudson Line	1,459,859	1,430,692	29,167	2.0%
New Haven Line	3,457,123	3,444,720	12,403	0.4%
Total East of Hudson	**7,323,535**	**7,224,827**	**98,708**	**1.4%**
WEST OF HUDSON				
Port Jervis Line	84,573	90,057	(5,484)	-6.1%
Pascack Valley Line	56,423	61,612	(5,189)	-8.4%
Total West of Hudson (2)	**140,996**	**151,669**	**(10,673)**	**-7.0%**
TOTAL RAIL RIDERSHIP	**7,464,531**	**7,376,496**	**88,035**	**1.2%**
CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS				
Hudson Rail Link	36,138	32,777	3,361	10.3%
Haverstraw-Ossining Ferry	10,749	10,578	171	1.6%
Newburgh-Beacon Ferry	5,536	5,125	411	8.0%
Total Connecting Services	**52,423**	**48,480**	**3,943**	**8.1%**
TOTAL MNR SYSTEM	**7,516,954**	**7,424,976**	**91,978**	**1.2%**

Notes:

1) 2016 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
2017 YEAR-TO-DATE

TICKET TYPE/SERVICE	2017 YTD ACTUAL	2016 YTD RESTATED (1)	CHANGE FROM 2016 AMOUNT	CHANGE FROM 2016 PERCENT
EAST OF HUDSON				
Harlem Line	11,283,980	11,181,623	102,357	0.9%
Hudson Line	6,721,609	6,607,824	113,785	1.7%
New Haven Line	16,111,198	16,165,332	(54,134)	-0.3%
Total East of Hudson	**34,116,787**	**33,954,779**	**162,008**	**0.5%**
WEST OF HUDSON				
Port Jervis Line	395,840	409,500	(13,660)	-3.3%
Pascack Valley Line	270,535	283,970	(13,435)	-4.7%
Total West of Hudson	**666,375**	**693,470**	**(27,095)**	**-3.9%**
TOTAL RAIL RIDERSHIP	**34,783,162**	**34,648,249**	**134,913**	**0.4%**
CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS				
Hudson Rail Link	167,711	162,703	5,008	3.1%
Haverstraw-Ossining Ferry	49,920	52,691	(2,771)	-5.3%
Newburgh-Beacon Ferry	24,259	23,632	627	2.7%
Total Connecting Services	**241,890**	**239,026**	**2,864**	**1.2%**
TOTAL MNR SYSTEM	**35,025,052**	**34,887,275**	**137,777**	**0.4%**

Notes:

1) 2016 ridership figures have been restated to eliminate calendar impacts on ridership.

Metro-North Railroad

Capital Program Report

CAPITAL PROGRAM

HIGHLIGHTS

June 30, 2017

ROLLING STOCK

M-8 Procurement Option

Metro-North, in partnership with Connecticut Department of Transportation, executed an agreement with the manufacturer in January 2017 to purchase 60 additional M-8 cars for the New Haven Line, with an option for an additional 34 cars. The new cars will begin arriving in the fourth quarter of 2019. These cars will be fully interoperable and benefit from parts compatibility, reducing operating and future procurement costs with the 405 M-8 cars already purchased. Submittal review process of the Program Schedule and Management Plan continues with the manufacturer. Parts obsolescence from the original design/manufacture of the M-8 cars is underway to identify all components which require substitution.

GRAND CENTRAL TERMINAL (GCT)

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-2 elevator was placed into service in June 2017. SE-1 and A-car elevators are in service. The project has achieved substantial completion.

GCT Utilities (fire suppression system upgrade at lower level of Trainshed and utility tunnels, and replacement of 49th St. existing fire pump)

Installation of pipes, hangers, and related electrical items continues across the lower level tracks. The new fire pump installation is ongoing at 49th Street.

Overall project completion is anticipated in June 2018.

GCT Leaks Remediation Phase II

Structural steel repairs were completed at the 45th Street bridges and at the sidewalk expansion joints. Ongoing restoration continues with offsite cleaning and painting of the 45th Street bridge architectural panels.

Overall Project completion is anticipated in October 2017.

STATIONS/PARKING/FACILITIES

Station Building Renewal Projects

The project scope is to furnish and install a new elevator at the Port Chester Station and replace adjacent stairs to the outbound platform; demolish an abandoned building and construct an ADA compliant ramp on the inbound side from Westchester Avenue to customer parking lot. Roofing, canopy, painting, exterior and electrical work progressing at the elevator and elevator machine room. The ADA ramp is nearing completion; installation of guardrails and handrails is underway.

The elevator is forecasted to be in service in the third quarter of 2017.

Harlem-125th Street Improvements

- *Replace historic stairways located on the south side of 125th Street (Small Business Mentoring Program Tier II)* – Steel fabrication commenced. Site mobilization is scheduled for August 2017.

- *Exterior Lighting Improvements & Arts & Design Work on the Viaduct* – Bids were received in May 2017 and are under review; contract award is anticipated in July 2017.

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.

Of the eight Customer Service Initiative (CSI) packages, three were advertised in November 2016; three in January 2017; one in March 2017; and the remaining package in April 2017. Bids for seven CSI packages have been received and are under review, the remaining one is due in July 2017. Anticipate awarding the various packages by end of the year.

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 experience, and improve stations through design innovation and excellence, all with minimal disruptions to customers. The design documents are progressing to a 30% level, with completion anticipated this summer. It is anticipated that a design–build contract will be awarded in the fourth quarter of 2017.

POWER

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

Commenced with Track 4 continuous outage CP26 to CP33 (north of Tarrytown to south of Croton-Harmon) and the following related work: trough installation at Croton-Harmon and between Scarborough and Philipse Manor; cable pulls; and installation of 3rd rail setup. Continued to progress out-of-outage (outside the track limits for a power outage) work: cable pulling at Croton-Harmon and installation of continuity jumpers.

Overall project completion of Phase I is anticipated in December 2018.

Power Infrastructure Restoration – Substations – Sandy

- *Tarrytown and Riverdale* – Continue with field commissioning and testing of electrical switchgear components.

- *Croton-Harmon* – Delivered the electrical switchgear; will commence with assembly in July 2017.

Overall project completion anticipated in the fourth quarter of 2017.

Harlem & Hudson Lines Power Improvements

Construction of 86th Street Substation and 110th Street Negative Return Reactors

- *86th St.:* Con Edison disconnected the high voltage traction power feeder; demolition and removal of equipment on the east platform to now commence. Footings for new columns and pit work for AC switchgear at the west platform continue. Fabrication and testing of DC switchgear equipment is complete. Fabrication of AC switchgear equipment is ongoing, with delivery forecasted in the third quarter of 2017.

- *110th St.* (replacement of negative return reactors in the substation under the viaduct): Operating as of July 2016.

Brewster Substation completion will be in fourth quarter of 2017 with overall project completion in first quarter of 2018.

Substation Replacement Bridge-23

- *Mount Vernon East*–Signal substation supervisory control and data acquisition (SCADA) system package fabrication continues with Factory Acceptance Test forecasted in August 2017. The catenary bridge 23X work at the site commenced.

- *Pelham* – Voltage balancing station work is complete and the station has been placed on-line.

- *New Rochelle* – Final preparation for a future 15KV power redundancy connection is underway with completion anticipated in September 2017.

Overall project completion is anticipated in October 2017.

TRACK AND STRUCTURES

Bronx Drainage Phase II B Improvements between Mott Haven and Fordham

Work is anticipated to resume in July 2017 when track outages are available; project completion remains November 2017. 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. Surveying for the design on the Melrose Tunnel drainage improvements will commence shortly.

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

The field inspection phase of the bridges continues and is nearing completion. Associated Inspection and Load Rating reports continue to be submitted and reviewed by key stakeholders.

Project completion is anticipated in March 2018.

Undergrade Bridges – West of Hudson (between Harriman and Campbell Hall Stations)

Force account repairs to three bridges along the Port Jervis Line will commence in July 2017. Overall project completion anticipated in December 2018.

Design-Build of Prospect Hill Road Bridge (Southeast Station)

Design-build contract was begun in May 2017. Submittal phase is underway and site mobilization has commenced. It is anticipated that Prospect Hill Road Bridge will be opened for vehicular service in the first quarter of 2019.

COMMUNICATIONS AND SIGNAL

Positive Train Control (PTC)

Subsystem designs being finalized. On-Board and office software is in development. Factory Acceptance Testing (FAT) for sub-system level software for On-Board and Office has commenced. Surveys and Federal Communications Commission (FCC) / Tribal applications

continue for communication site locations, with 85% of all sites approved by the FCC. Civil Speed Enforcement (MAS) is available from New Rochelle to New Haven for use by Amtrak and freight revenue service. Installation and testing of PTC transponders are complete for Pilot 2 (Hudson Line CP 25 to 35) and is ongoing for Pilot 1 (New Haven Line CP 255 to CP 274). Wayside subsystem deliveries continue to support the installation of pilot locations. P32 locomotives and Cab Car on-board hardware installation were completed. M7A and M3A on-board PTC hardware installations are ongoing. 100 M7A on-boards kits out of 167 and 2 M3A on-boards kits out of 69 have been installed to-date. Training of employees continues. The project is on schedule to meet the FRA requirements of December 31, 2018.

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. MNR forces are continuing to work on installations in preparation for a series of cut overs. The first signal cut over took place in April 2017 from CP-Sterling to Suffern. The second cut over from CP-Sterling to CP-Harriman is scheduled for August 2017.

SHOPS AND YARDS

Harmon Shop Improvements

Phase V, Stage I Design-Build

- *Consist Shop Facility/Building 6 (CSF)* – Continued roofing; interior installation such as: duct work, plumbing, fire suppression, gas piping work, electrical conduit rough-in, panel boards, and installation of new track running rail.

- *EMU (Electric Multiple Unit) Annex Building* – Completed roofing installation. Continued interior installation such as: masonry walls, interior duct work, plumbing, fire suppression, gas piping work, electrical conduit rough-in, panel boards, metal stairs, installation of elevator rails and supports, and wiring of switchgear and panels inside the electrical room.

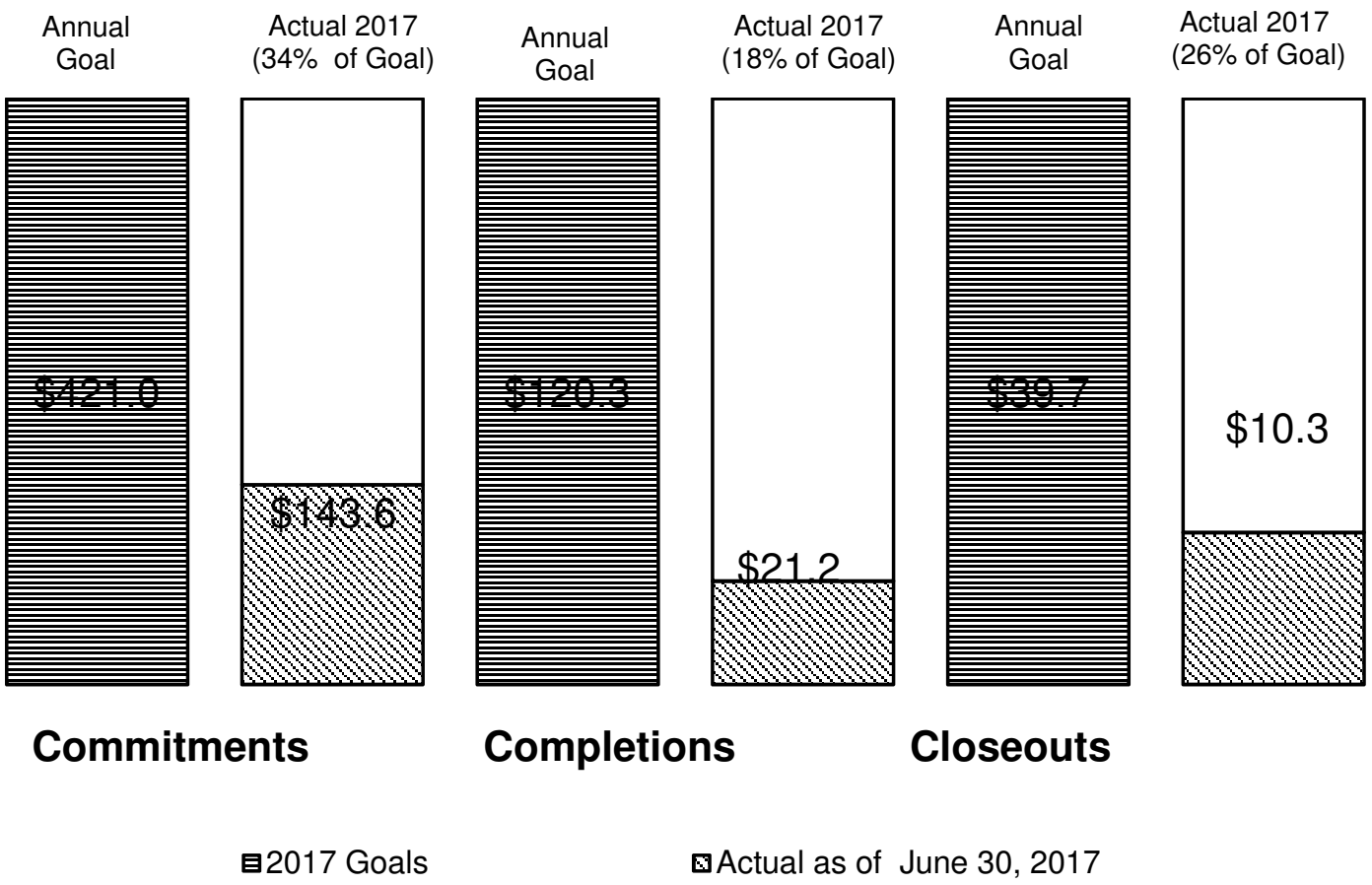
- *Yard Utilities and Miscellaneous* – Continued installation of underground utilities at CSF and EMU Annex. Commenced installation of gas line on Croton Point Avenue Bridge.

Overall, Phase V, Stage 1 construction completion is anticipated in January 2018.

Phase V, Stage II Preliminary Design

The preliminary 30% design pre-final bid documents are complete to facilitate the phase I solicitation for qualified Design-Builders; an advertisement was placed in June 2017. The award of Stage II is timed with the completion of Stage I for a seamless transition in 2018.

2017 MNR Capital Program Goals

As of June 30, 2017

In Millions