



Metropolitan Transportation Authority

Meeting of the Metro-North Railroad Committee

May 2018

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

20th floor Board Room

2 Broadway

New York, NY

Monday, 5/21/2018

8:30 - 9:30 AM ET

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Next meeting: Joint meeting with LIRR on Monday, June 18 at 8:30 A.M.

Minutes of the Regular Meeting
Metro-North Committee
Monday, April 23, 2018

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. Randy Glucksman
Hon. Charles G. Moerdler
Hon. John J. Molloy
Hon. Andrew Saul
Hon. Veronica Vanterpool
Hon. James E. Vitiello
Hon. Neal J. Zuckerman

Not Present:

Hon. Carl V. Wortendyke

Also Present:

Hon. Joseph J. Lhota, Chairman, MTA
Hon. Scott Rechler
Hon. Vincent Tessitore, Jr.
Catherine Rinaldi – President, Metro-North Railroad
Susan J. Doering – Executive Vice President, Metro-North Railroad
Richard L. Gans – Vice President and General Counsel
Glen Hayden – Vice President, Engineering
Yvonne Hill-Donald - Vice President, Human Resources
John Kesich – Senior Vice President, Operations
Mark Mannix – Sr. Director, Corporate and Public Affairs
Owen Monaghan, Chief, MTA Police Department
Andrew Paul – Vice President, Labor Relations
Matthew Peloso, Deputy Director, Safety
Kim Porcelain – Vice President, Finance and Information Systems
Michael Shiffer – Vice President, Planning

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 Rail Road Committee, called the joint meeting to order. In addition to the Metro-North President and Metro-North staff noted above, President Eng 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 April 23, 2018 should be consulted for matters addressed at the joint meeting relating to the Long Island Rail Road.

PUBLIC COMMENT

Joshua Greenberg commented on the process used to apply for film permits, stating that there should be a standardized process. Chair Pally suggested that Mr. Greenberg forward his application to his attention and that he will direct it to the appropriate individual.

Jason Pinero welcomed Long Island Rail Road President Eng. He commented that track outages associated with work along the right-of-way be coordinated in a manner that will not affect service during special events.

Orrin Getz, Vice Chairman Metro-North Railroad Commuter Council, commented on recent cancellations of Pascack Valley express train 1606, which was cancelled due to a non-functioning headlight. Mr. Getz stated that the service provided by New Jersey Transit is deteriorating. He stated that the trains are short of cars and people must stand. Mr. Getz stated that Metro-North pays New Jersey Transit to operate the trains and Metro-North needs to ensure that New Jersey Transit operates trains that run properly and have the proper number of cars. Mr. Getz noted that New Jersey Transit is aware of the problems it is having and has approved a resolution authorizing LTK Engineering to perform a study of the train equipment and how New Jersey Transit can improve maintenance of that equipment so that the trains operate better. Mr. Getz suggested that Metro-North work with LTK Engineering to ensure that the trains owned by Metro-North and used by New Jersey Transit for west of Hudson service operate properly and on time.

Murray Bodin commented on the design of certain Committee books. He expressed his opinion that the red box painted on the roadway at the Roaring Brook Road crossing is illegal, stating that the boxes should be black and white.

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

APPROVAL OF MINUTES AND METRO-NORTH 2018 WORK PLAN

Upon motion duly made and seconded, the Committee approved the minutes of the March 19, 2018 Metro-North Committee meeting. There are no changes to the 2018 Metro-North Railroad Committee Work Plan, a copy of which is filed with the records of this meeting.

LONG ISLAND RAIL ROAD PRESIDENT'S REPORT

Long Island Rail Road President Eng gave the report. Following that report, there was a discussion regarding the operating agreements with Amtrak. Board member Saul stated that the Chairs of the Long Island and Metro-North Committees should take a look at the Operating Agreements, put it on the Committees' work schedule, and establish a program to get to the bottom of what needs to be done about the relationship with Amtrak. Chair Pally responded that he agreed and requested that a copy of the Operating Agreements between LIRR and Amtrak be provided to all the Committee Members for their review.

LONG ISLAND RAIL ROAD SAFETY REPORT

Loretta Ebbighausen, Vice President - Corporate Safety, Long Island Rail Road presented the report. During that report, the Committee commented on safety issues that pertain to both railroads. Board Member Zuckerman stated that there are too many dissimilarities in the reporting across the two railroads. He asked that the same format for reporting statistics be used by both

railroads. He asked Long Island Rail Road President Eng and Metro-North President Rinaldi to work together to achieve more commonality in the reporting.

Board member Moerdler expressed his opinion that cameras should be installed at the grade crossings of both railroads and that appropriate action be taken against those who persist in violating the law and those who take inappropriate risks. He further commented that, if the local community will not prosecute the violator, the railroad should publicly list the names of those violators. Board member Glucksman asked if statistics are kept of summonses issued at grade crossings.

Chief Monaghan responded that there are different categories of police responses to activities observed at or near grade crossings. The MTAPD conducts details at grade crossings which involve observations of the grade crossing. Chief Monaghan provided the statistics for both railroads for the month of March 2018. He reported that on the Metro-North system, there were 128 details, 30 pamphlets regarding grade crossing safety were distributed, 31 grade crossing violation summonses were issued, 53 summonses were issued for violations in the vicinity of grade crossings, and five warnings were given.

Chair Pally asked Chief Monaghan to include the grade crossing data in his monthly report. Chair Pally asked about the procedure used to give grade crossing summonses and what were the most frequent behaviors. Chief Monaghan reported that police officers likely issue summonses after observing a vehicle that has gone around a crossing gate that is in the down position or after observing a vehicle stopping on the tracks during heavy traffic.

Board Member Brown commented that the economic weight of each one of these incidents falls entirely on the railroads and the automobile insurance companies have no obligation at all to pay for the performance of their operators. He asked for statistics indicating the expenditures necessitated by grade crossing incidents. Chair Pally asked whether litigation has been instituted against drivers who go through the crossing gates, causing personal injury or property damage. He asked the attorneys for both railroads to provide the Committee with a status report on the outcome of that litigation over the years. The General Counsels of both railroads will work to provide the Committee with a report. Mr. Gans stated that Metro-North does institute suits against drivers. Board member Moerdler stated that there should be enforcement of reckless endangerment laws. Board member Vitiello asked if it would be beneficial to have a notice posted on the back side of a gate to give an indication of what a driver should do if he gets stuck between gates. Glen Hayden, Vice President Chief Engineer, Metro-North noted that all Metro-North crossings have gates on only one side of the track.

The details of Ms. Ebbighausen's report are contained in the minutes of the Long Island Committee for the meeting of April 23, 2018 and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes Board member comments regarding the safety report.

MTA METRO-NORTH RAILROAD PRESIDENT'S REPORT

President Rinaldi welcomed Sue Doering in her new position of Executive Vice President. She noted that Ms. Doering graduated in 1991 from MTA's Future Managers Program class of 1989 and steadily rose through the ranks at Metro-North. Ms. Doering held the positions of Assistant Conductor, Locomotive Engineer, Trainmaster, District Superintendent, Line Superintendent, and Deputy Chief of Operations before joining the Customer Service and Stations Department where she has been Vice President since 2013. President Rinaldi stated that Ms.

Doering has a wealth of experience and her knowledge of the railroad is unparalleled. She congratulated Ms. Doering on her new position.

President Rinaldi reported that service delivery in the month of March 2018 was very challenging with the railroad operating below goal at 91.3% after encountering four nor'easters, two of which had a significant impact on the railroad's operations and infrastructure. She reported that the railroad experienced considerable damage along the right-of-way with multiple trees, power poles and lines down on the upper Harlem Line between Brewster and Croton Falls. The railroad is still dealing with the consequences of the storms. Metro-North crews have been removing damaged poles and cables, installing new wooden poles in the affected area, installing guy wires and braces, as well as, extensive tree removal between Croton Falls and Brewster. The replacement of the poles is nearly complete and the new transmission cables are scheduled to be installed in May 2018. To allow this extensive work to take place safely and with minimal impact to service, the railroad has taken both tracks out of service in the affected area on weekends and is providing substitute bus service which will continue into May 2018, between Southeast and Goldens Bridge. Train operations in April 2018 have been above goal to date at 94.7%, above the goal of 93%. Year-to-date performance is at 93.5%. In preparation for summer weather, Metro-North forces will be ensuring that air conditioning systems in the fleet are operational.

President Rinaldi reported that major improvements at White Plains Station, which has the third highest ridership in Metro-North's system, have begun. The project will give customers a station that is more accessible to all, safer, easier to navigate, and technologically up-to-date. President Rinaldi reported that in May 2018, the railroad will begin the replacement of the 14th Avenue Overhead Bridge in the City of Mount Vernon as the railroad continues with the construction of the Prospect Hill Road Bridge in Southeast.

Board member Zuckerman stated that the number of cancelled trains in 2018 is almost equal to last year and that the Mean Distance Between Failures for the locomotive fleet is almost twice the rate as in the past. He is concerned that these issues may not be solely weather related. He asked that President Rinaldi pay a great deal of attention to this. As an upper Hudson Line commuter, he experienced challenges in the month of April 2018 due to many trains being cancelled and forced switching of northbound trains at Croton Harmon. He is concerned that these issues may be something systemic concerning the locomotives that the railroad needs to address. Board member Zuckerman stated that he does not want the railroad to return to more challenging times. President Rinaldi stated that in the next month or so the Board will be asked to approve a ratification for funds that were added to the tree cutting contract. She stated that the storms in March 2018 revealed that the railroad needs to be more aggressive in terms of its efforts along the right-of-way, especially on the upper Harlem Line. President Rinaldi agrees that the locomotives are not as reliable as they need to be and the railroad will be issuing an RFP for locomotives which are currently the most vulnerable part of Metro-North's fleet. Board member Zuckerman stated that the Board prefers preventive maintenance over emergencies. He stated that the next Capital Plan should consider electrifying the upper Hudson Line to Poughkeepsie.

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 records, which recording includes Board member Zuckerman's comments regarding the President's Report.

MTA METRO-NORTH RAILROAD SAFETY REPORT

Mr. Peloso reported that the customer accident rate is almost 26% lower than the than the previous 12 months and the employee lost time injury rate is also slightly lower than the than the previous 12 months. There were no grade crossing incidents or collisions in the month of February

2018. Metro-North's community outreach program, TRACKS, reached more than 8,000 individuals in February 2018. Metro-North has recently published and is distributing a new Safety Rulebook.

The details of the Safety 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 CAPITAL CONSTRUCTION REPORT

During the Capital Construction report, Mr. Lieber noted that MTA Capital Construction (MTACC) will be bringing the general engineering contract for the Penn Station Access Project to the Board in a month or so. He reported that there have been new negotiations with Amtrak. MTACC is scheduling negotiations with Amtrak to finalize a Memorandum of Understanding for the project as well as a Design Phase Agreement. Agreements with Amtrak are necessary for the project to move forward because Amtrak owns the Hell Gate right-of-way.

The details of the MTA Capital Construction Report are contained in the minutes of the Long Island Committee for the meeting of April 23, 2018, a report filed with the records of this meeting and the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes Chair Pally's comments pertaining to the Third Track Project.

MTA POLICE DEPARTMENT REPORT

Chief Monaghan reported that in the month of March 2018, systemwide the total number of major felonies increased by two versus March 2017, 24 versus 22, a 9% increase. Year-to-date March 2018, systemwide the total number of major felonies increased by eight versus the comparable period of 2017, 73 versus 65. Grand larcenies are responsible for that increase. In the month of March 2018, systemwide the total number of grand larcenies increased by 7, 21 versus 14. Of the grand larcenies, 14 were related to unattended property, four were against a person and three involved fraud. On the Metro-North system, the total number of major felonies in March 2018 was unchanged from March 2017, 12 versus 12, four of which were closed by an arrest. On the Metro-North system, year-to-date March 2018, the total number of major felonies increased by 11, 44 versus 33. Year-to-date March 2018, the total number of hate crimes decreased by five, six versus 11, a 45% decrease.

Board member Moerdler asked about arrests for making terrorist threats. Chief Monaghan noted that making a terrorist threat includes threatening utterances or actions done to create fear. Year-to-date March 2018, there have been three arrests for making terrorist threats all of which involved threatening utterances during an arrest.

The details of Chief Monaghan's report are contained in the MTAPD report filed with the records of this meeting, which recording includes discussion regarding Board member Moerdler's question regarding the MTAPD report.

LONG ISLAND RAIL ROAD and METRO NORTH RAILROAD JOINT INFORMATION ITEMS:

Two joint information items were presented to the Committee:

- MTA Homeless Outreach.

Chief Monaghan responded to Board member Moerdler's question regarding homeless outreach efforts at Penn Station, Grand Central Terminal and Harlem 125th Street. He noted that

the MTAPD works primarily with the Bowery Residents Committee (BRC), making contact with and to provide counseling to the homeless. The MTAPD also works daily with the Grand Central Alliance, hospitals such as Bellevue Hospital, and the Midtown Community Court/Center for Court Innovation. MTAPD meets with these organizations weekly, collaboratively looking for solutions. Chief Monaghan noted that Bellevue Hospital is a strong partner with the MTAPD. Cynthia Wilson, MTA Assistant Director of Homeless Outreach Services noted that the MTA works with Bellevue Hospital, especially with respect to discharge planning. MTA Homeless Outreach also works with BRC to ensure that homeless clients who are admitted in the hospital from the terminals get the help and access to the resources they need.

- Status Update on PTC.

President Rinaldi provided an overview of the report. Referring to the summary slide on page 63 of the Committee Book, she reported that the Long Island Rail Road's testing is slightly ahead of Metro-North's testing. She reported that during the Long Island Rail Road's Integrated System testing, certain critical safety defects were discovered. The railroads, system integrator, a consortium of Bombardier and Siemens is working to fix these defects. It is estimated that the resolution of these critical safety defects will add two months to certain interim milestones. The railroads estimate that pilot test completion and applications for Revenue Service Demonstration ("RSD") has shifted back to August 2018. The railroads expect to be fully compliant with all federal requirements by the end of 2018. The slippage of the interim milestones has made it significantly riskier for the railroads to have all lines in service by the end of 2018.

President Rinaldi noted that the PTC statute and regulation provides for four interim PTC milestones: acquisition of radio spectrum, installation of hardware, training of employees, and RSD. The railroads estimate that they will meet the four interim milestones by the end of 2018 and that both railroads will be in compliance with PTC regulations and the statute. President Rinaldi discussed the concern that the railroads will not have the ability to fully roll out and implement PTC across their entire service territory by the end of 2018.

President Rinaldi noted that the railroads are working closely with the system integrator to improve the schedule. The railroads have had an ongoing dialog with the system integrator since learning of the slippage and the system integrator is proposing some ways to improve the schedule and find solutions to the problem. The railroads do not want to put compliance in jeopardy and do not want to accept any additional scheduling risk that would make it riskier for the railroads to be in RSD by the end of the year. The railroads are working with David Zahorsky of Mr. Lieber's office who is assisting the railroads by providing advice in terms of the schedule, improvements to that schedule and how the railroad can improve its deliverables. The Committee will be kept informed of developments. In terms of percentage of completion, Long Island Rail Road has completed 69% and Metro-North has completed 68% and the PTC budget is unchanged.

Chair Metzger asked President Rinaldi to explain what level of safety the railroads presently have and expect to have this year. President Rinaldi noted that both railroads have Automatic Train Control. As a result of the Spuyten Duyvil derailment, both railroads have reduced the risk of overspeed derailments at critical curves and movable bridges. President Rinaldi reported that as an interim safety measure to prevent overspeed incidents, Metro-North has upgraded the signal system with the implementation of Civil Speed Enforcement which is currently functional on the M-7 and M-8 fleets and will be rolled out on the remaining fleets by September 2018. Civil Speed Enforcement will provide protection against overspeed derailments on the entire fleet three months before the PTC deadline. She further noted that, after a 2013 employee fatality, Metro-North instituted the Enhanced Employee Protection System (EEPS) which provides protection against striking an employee who is working in a protected zone. President Rinaldi noted that the railroad

has systems in place that provide protection against many of the risks that were identified in the PTC legislation and are risks that PTC is designed to protect against. She stated that our railroads are safe and that both railroads welcome PTC as providing an extra layer of protection.

In response to Board member Glucksman's question, it was noted that Metro-North's PTC project does not include west of Hudson. President Rinaldi noted that the Pascack Valley Line is part of the New Jersey Transit Implementation Plan. Metro-North is installing a signal system on the Port Jervis Line and PTC will be an overlay on that system. Metro-North has had communications with New Jersey Transit and fully expects to obtain the necessary hardware to be compliant on the Port Jervis Line.

President Rinaldi reported that the four milestones found on page 64 of the Committee Book are mandated in the PTC statute and regulations and compliance with these milestones is essential to being fully PTC compliant by the end of 2018. With respect to the first milestone, she reported that both railroads have acquired all the necessary radio spectrum. However, the railroads will be seeking to acquire additional spectrum since they anticipate there may be some interference due to the congested environment that the railroads operate in. With respect to the second milestone, President Rinaldi reported that both railroads have installed approximately 81% of the necessary hardware both wayside and on-board. The railroads are also making good progress in reaching the third milestone requiring the training of employees. President Rinaldi noted that the fourth milestone deals with the railroads' progress on the commencement of RSD. She noted that submitting the application necessary to commence RSD is a crucial milestone since the railroads need to have completed the testing to support the application to the Federal Railroad Administration ("FRA"). President Rinaldi noted that the railroads need to begin RSD testing on the pilot lines by the end of 2018.

President Rinaldi turned the presentation over to Deborah Chin, Long Island Rail Road Executive Director – PTC, who provided an overview of the railroads' accomplishments, recent project challenges, software/system development and testing, April 2018 milestones, project risks and railroad mitigation, and the timeline going forward.

In response to Board member Rechler's question, Ms. Chin noted that the factory testing is done using the database from the pilot lines, mainly the Port Washington Line for Long Island Rail Road. She noted that the railroads' system is based on the Advanced Civil Speed Enforcement System that Amtrak installed which is which is being customized for the railroads' operations with approximately one-third of the software based on similar functionality as that used by Amtrak, one-third modified for use by the railroads' and one-third developed for the railroads. Although the railroads have adopted a technology that has been proven out in the field, the unique characteristics of LIRR and Metro-North require the railroads to significantly customize the technology for our operations.

Board member Rechler expressed concern that the railroads may be paralyzed from moving forward until the factory testing issues are resolved. Ms. Chin responded that there is still work being done and the railroads are still field testing preliminary versions of software, testing in the factory and testing in the field. She noted that a portion of the project team focuses on software development while other team members concentrate on training programs, other members focus on the installations, and other members ensure the contractor provides the equipment on time so that it can be turned over to the shops and to signal workers performing the installation. Ms. Chin stated that by the end of July 2018, the railroads should have received installation kits for the remaining fleet and will have completed the installation on the different car types. Ms. Chin stated that she is highly confident that the railroads will get a proven system that is robust enough to meet FRA requirements and to put the pilot lines in RSD. She noted that once

the functionality is proven on the pilot lines the railroads will be in compliance and will try to roll out PTC on as many lines as possible. Ms. Chin has a high degree of confidence that the railroads will overcome the obstacles that arose during testing.

Board Member Rechler commented that if the railroads do not resolve these software issues, the year-end deadline would not be met. Ms. Chin stated that, at this point in time, she has a high level of confidence that the railroads will overcome this issue and meet the FRA requirements to timely put the pilot lines in RSD. President Rinaldi commented that the root cause has been discovered on this issue and the railroads have been working with the system integrators on the solution to resolve the issue.

Board Member Rechler asked whether there have been communications with the FRA and feedback from the FRA. President Rinaldi responded that the railroads work very closely with the FRA and that the FRA is going to be challenged at the end of the year because of its own resources. They will have to process many RSD applications and the railroads have built into their schedule a 60-day turnaround for the FRA to process the RSD applications. She stated that we all need to succeed together and the railroads expect to be compliant with the FRA requirements by the end of the year. She stated she cannot convey to this Committee enough how hard people are working.

Board member Zuckerman stated that the PTC Working Group appreciates the level of communications it has had with the railroads and appreciates the PTC updates. In his opinion, it is better to do PTC right than fast; he is less worried about the FRA deadlines. He stated that the PTC Working Group will continue to demand the railroads' vigilance and having these conversations and updates which are essential. He expressed appreciation for what Executive Director Chin and President Rinaldi, and their respective staffs, have been doing. He noted that he is happy that Civil Speed Enforcement has been implemented and the remainder of the Hudson Line will be done.

Board member Vitiello asked if the railroads own the software code that is being worked on or are we working on codes that are the property of the contractor. Mr. Gans noted that the railroads have the software under a broad licensing agreement with escrow rights and will provide the Committee with that information.

Board member Saul asked why the railroads had to customize the software. Ms. Chin noted that the bulk of the customization is to maintain the operational efficiency of the railroads. Metro-North Senior Vice President Operations John Kesich added that the original ACSES I system that Amtrak implemented in approximately 2000 for Acela service was not designed to operate in a high-density environment. The Amtrak access system was designed for operating trains at above 125 miles per hour in intercity train service where interlockings are miles apart for each other. That is why the railroads have the challenges of developing spectrum and developing custom code to date that did not exist for the Amtrak operation. In response to Board member Rechler's question regarding risks and the FRA, Mr. Kesich commented that in 2015 when Congress passed the current legislation with the 2018 date, Congress recognized the significant risk of developing new software to field PTC throughout the nation. That is why there are the four critical compliance tasks that railroads need to achieve in order to be able to request an additional two years to complete PTC.

In response to Board member Saul's question, Mr. Kesich responded that various railroads need to customize the software to varying degrees. Most of the other railroads are nowhere near the size or complexity of the Metro-North and Long Island Rail Road systems. In response to

Board member Rechler's question, it was noted that the railroads will be in compliance once they begin the RSD field testing.

Board member Moerdler is disturbed that the railroads only have a license for the software. His concern is that at the end of the contract term, should we decide to go elsewhere or on our own, the license may be limited. Mr. Gans noted that the railroads have a broad license and have the ability to customize the software. He noted that the railroads have the ability to maintain and customize the software through the life of the product.

In response to Board member Zuckerman's comment regarding the failed tests cited on page 70 of the Committee Book, the Committee will be provided with a list of the 16 tests Long Island Rail Road tests that failed.

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

METRO-NORTH INFORMATION ITEMS:

Seven information items were presented to the Committee:

- Final Review of Metro-North's 2017 Operating Budget Results.
- 2017 Annual Ridership Report.
- Annual Inventory Report.
- Track Program Quarterly Update.
- Harrison Transit-Oriented Development.
- Property Acquisition Croton Falls Station.
- Lease Agreement for Tarrytown Station Building.

Referring to page 184 of the Committee Book, Board member Glucksman asked how easy it is to get materials to where they are needed from the offsite swing space in Elmsford. Mr. Muir stated that this is a swing space that is necessary to take materials that are stored in Croton Harmon and maintain it offsite for a period of time while Capital construction work is being done. In response to Board member Glucksman's question regarding page 207 of the Committee Book, it was noted that the bakery at Tarrytown Station will be opened in a new space at that station.

In response to Board member Vanterpool's question regarding the proposed construction of the parking facility at Croton Falls, it was noted that the construction is in the current Capital Program. Ms. Hollander with Metro-North's Station Planning Group noted that approximately \$6 million in federal funding (CMAC funding) that remained from the funding for the North White Plains parking garage will be used for the project. She noted that the remaining funding is state funding.

In response to Board member Brown's comment, the ridership reports of both railroads will be broken down further to show more detail, such as, the boardings at each station.

The details of the 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 Board member Glucksman's questions regarding the annual Inventory Report.

METRO-NORTH PROCUREMENTS:

One competitive procurement was presented to the Committee:

- Approval to award a contract modification in the not-to-exceed amount of \$8,149,272 to the firm Judlau-TC Electric Joint Venture (Judlau) for the Design/Build Power/C&S Infrastructure Improvements from Mott Haven (CP-5) to Croton-Harmon (CP-35).

Board member Moerdler noted that the Judlau contract is a design-build contract. Referring to page 220 of the Committee Book, he noted that there is a statement that it was not feasible or desirable to fully investigate all field conditions on the Hudson Line prior to the solicitation and award of the contract. He stated that he does not understand the need for additional funds as the function of design-build contracts is to stop the need for additional funding. Mr. Muir noted that because this was a project related to Superstorm Sandy, there was a need to obtain a contract expeditiously. The railroad assumed certain risks by incorporating unit pricing. The bid document also had a significant amount of lump sum items providing the benefit of the design-build process.

In response to Chair Pally's comments, it was noted that there was a deadline for an RFP to go out and be awarded so the railroad would not lose the federal funds for the project and the deadline prevented the railroad from performing a full soil analysis before issuing the RFP. As a result, the contract was bid in a way to allow the contractor to bid knowing that there may be some change based on pre-existing conditions.

Board member Moerdler referenced integrity issues with respect to Judlau. In response to his question regarding the monitor, Mr. Muir noted that the MTA allowed the contractor to name an independent monitor. That monitor reports to the MTA. Board member Moerdler suggested that in the future, the independent monitor be named by the MTA rather than the contractor.

Board member Saul suggested that the Committee look at all the design-build contracts since these contracts seem to come back with extra costs. President Rinaldi stated that this was Superstorm Sandy funding and there was urgency to get the RFP out. She noted that it is a large project that is regularly reported at CPOC. The work at this section of the right-of-way is right on the river and there is a steep uprise on the other side of the tracks, making it a challenging location. The contract modification arises out of a combination of having to issue the RFP with limited engineering investigation, the conditions they are finding, and the fact that after the award the railroad changed a standard because the one chosen was not sufficient for track and tie maintenance. So even though it is called a design-build, the fact that it was Superstorm Sandy money, that the railroad changed the standard and that the area is incredibly challenging makes the contract different.

Board member Rechler stated that the railroads need to be cognizant of the fact that design-build contracts are only as good as what is negotiated going into the design-build and how disciplined the railroad is going forward. It may not be possible for the railroad to evaluate existing conditions because there are operations taking place in the area where the work will be performed and the railroad doesn't know what conditions are present until the work is being done. He stated that the agency needs to decide whether to take the risk. Board member Rechler stated that if the railroad commits to certain outages or labor and doesn't provide it, the contractor cannot be blamed for it. He stated that he agrees with Board member Moerdler's point that when approving a design-build contract, the staff summary should contain a section outlining where the railroad is exposed to risk. President Eng stated that if the railroad assigns all the risk to the contractor, the contractor's prices and schedule will reflect that up front. In that case, you would not see as many

change orders because the costs are already built into the contractor's pricing. Board member Brown stated it was never his understanding that design-build would totally eradicate change orders but would minimize them. Board member Testitore encouraged the railroads to take a look at their engineering departments and make sure we are getting the headcounts that are needed. He stated that the railroads have more control when their employees are doing the work.

Upon motion duly made and seconded, the Committee approved the competitive procurement for recommendation to the Board. Board member Vanterpool recused herself from the vote on the proposed contract modification with Judlau-TC Electric Joint Venture.

The details of the above procurement are contained in a staff summary and report filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes Board member comments and discussion regarding the proposed procurement.

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
Assistant Secretary

2018 Metro-North Railroad Committee Work Plan

I. RECURRING AGENDA ITEMS

Responsibility

| | |
|----------------------------|----------------------------|
| Approval of Minutes | Committee Chairs & Members |
| 2018 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

May 2018

| | |
|---|-------------------|
| Diversity/EEO Report – 1 st Quarter 2018 | Diversity and EEO |
| PTC Status Report | Engineering |

June 2018 (Joint meeting with LIRR)

| | |
|-------------------------------------|-----------|
| LIRR/MNR PTC Project Update | President |
| Bi-Annual Report on M-9 Procurement | President |

July 2018

| | |
|---|--------------------------|
| Grand Central Terminal Retail Development | MTA Real Estate |
| Environmental Audit | Environmental Compliance |

| | |
|--------------------------------|-------------|
| Track Program Quarterly Update | Engineering |
| PTC Status Report | Engineering |

September 2018

| | |
|---|--------------------------------|
| 2019 Preliminary Budget (Public Comment) | Finance |
| 2018 Mid-Year Forecast | Finance |
| Diversity/EEO Report – 2 nd Quarter 2018 | Diversity and EEO |
| 2018 Fall Schedule Change | Operations Planning & Analysis |
| PTC Status Report | Engineering |

October 2018 (Joint meeting with LIRR)

| | |
|--|-----------|
| 2019 Preliminary Budget (Public Comment) | Finance |
| LIRR/MNR PTC Project Update | President |

Track Program Quarterly Update
MTA Homeless Outreach
Bi-Annual Report on M-9 Procurement

Engineering
MTA
President

November 2018

Review of Committee Charter
Holiday Schedule
PTC Status Report

Committee Chairs & Members
Operations Planning & Analysis
Engineering

December 2018 (Joint meeting with LIRR)

2019 Final Proposed Budget
2019 Proposed Committee Work Plan
Diversity/EEO Report – 3rd Quarter 2018
LIRR/MNR PTC Project Update

Finance
Committee Chairs & Members
Diversity and EEO
President

January 2019

Approval of 2019 Committee Work Plan
Track Program Quarterly Update
PTC Status Report

Committee Chairs & Members
Engineering
Engineering

February 2019 (Joint meeting with LIRR)

Adopted Budget/Financial Plan 2019
2018 Annual Operating Results
2018 Annual Fleet Maintenance Report
LIRR/MNR PTC Project Update
Diversity/EEO Report – 4th Quarter 2018
2019 Spring/Summer Schedule Change

Finance
Operations
Operations
President
Diversity and EEO
Operations Planning & Analysis

March 2019

Annual Strategic Investments & Planning Studies
Annual Elevator & Escalator Report
Customer Satisfaction Survey Report
PTC Status Report

Capital Planning
Engineering
Operations Planning & Analysis
Engineering

April 2019 (Joint meeting with LIRR)

Final Review of 2018 Operating Budget Results
2018 Annual Ridership Report
Annual Inventory Report
Track Program Quarterly Update
MTA Homeless Outreach
LIRR/MNR PTC Project Update

Finance
Operations Planning & Analysis
Procurement
Engineering
MTA
President

METRO-NORTH RAIL ROAD COMMITTEE WORK PLAN

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.

2018 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

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.

PTC Status Report

A monthly status report will be provided that highlights the accomplishments, schedule, challenges and risks associated with the PTC implementation.

JUNE 2018 (Joint Meeting with LIRR)

LIRR/MNR PTC Project Update

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.

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.

JULY 2018

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.

PTC Status Report

A monthly status report will be provided that highlights the accomplishments, schedule, challenges and risks associated with the PTC implementation.

SEPTEMBER 2018

2019 Preliminary Budget

Public comment will be accepted on the 2019 Budget.

2018 Final Mid-Year Forecast

The agency will provide the 2018 Mid-Year Forecast financial information for revenue and expense by month.

Diversity & EEO Report– 2nd 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.

2018 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 2018.

PTC Status Report

A monthly status report will be provided that highlights the accomplishments, schedule, challenges and risks associated with the PTC implementation.

OCTOBER 2018 (Joint Meeting with LIRR)

2019 Preliminary Budget

Public comment will be accepted on the 2019 Budget.

LIRR/MNR PTC Project Update

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 2018

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.

PTC Status Report

A monthly status report will be provided that highlights the accomplishments, schedule, challenges and risks associated with the PTC implementation.

DECEMBER 2018 (Joint Meeting with LIRR)

2019 Final Proposed Budget

The Committee will recommend action to the Board on the Final Proposed Budget for 2019.

2019 Proposed Committee Work Plan

The Committee Chair will present a draft Metro-North Committee Work Plan for 2019 that will address initiatives to be reported throughout the year.

Diversity & EEO Report– 3rd 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.

LIRR/MNR PTC Project Update

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.

JANUARY 2019

Approval of 2019 Committee Work Plan

The Committee will approve the Proposed Metro-North Railroad Committee Work Plan for 2019 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.

PTC Status Report

A monthly status report will be provided that highlights the accomplishments, schedule, challenges and risks associated with the PTC implementation.

FEBRUARY 2018 (Joint Meeting with LIRR)

Adopted Budget/Financial Plan 2019

The Agency will present its revised 2019 Financial Plan. These plans will reflect the 2019 Adopted Budget and an updated Financial Plan for 2019 reflecting the out-year impact of any changes incorporated into the 2019 Adopted Budget.

2018 Annual Operating Results

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

2018 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.

LIRR/MNR PTC Project Update

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 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.

2019 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 2019.

MARCH 2019

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.

Annual Elevator/Escalator Report

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

Customer Satisfaction Survey Report

The committee will be informed on the results of the 2018 survey distributed to customers on the Hudson, Harlem and New Haven Lines and West of Hudson service.

PTC Status Report

A monthly status report will be provided that highlights the accomplishments, schedule, challenges and risks associated with the PTC implementation.

APRIL 2019 (Joint Meeting with LIRR)

Final Review of 2018 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.

2018 Annual Ridership Report

A report will be presented to the Committee on Metro-North's ridership trends during 2018 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.

LIRR/MNR PTC Project Update

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.

Safety Report

Justin R. Vonashek

Vice President, Office of System Safety



Safety brochure will be discussed and distributed to all MNR employees.



Metro-North Railroad

March 2018 Highlights: Safety Report

Metro-North Railroad (MNR) continues to see a positive trend in reducing employee lost time injuries. Overall, MNR experienced a decrease of 2.06% for the current 12-month period (Apr 17 – Mar 18) versus the previous 12 months (Apr 16 – Mar 17). While lost time injuries experienced a 2.06% decrease, overall injuries were down by 12.66% for the period of April 2017 through March 2018. The decrease can be attributed to targeted Job Safety Briefings, increase in field audits and inspections, quarterly Safety Focus Day events, timely issuance of Rules, Policies & Procedures, Safety Bulletins, and Safety Training for all managers. MNR's new Safety Rule Book became effective March 12th, 2018.

Customer injuries continue to experience a steady decline. For the current 12-month period (Apr 17 – Mar 18), customer reportable injuries decreased by 21.1% compared to the previous 12 months (Apr 16 – Mar 17).

Although customer injuries are on the decline, we continue to maintain a strong effort to promote safe behaviors at or around trains, tracks and grade crossings through our safety education community outreach program, Together Railroads and Communities Keeping Safe (TRACKS).

In effort to reduce employee and customer incident and injuries, the Office of System Safety conducts monthly facility audits to ensure employees' working areas are free of hazards. Safety inspections are also conducted at stations to ensure our customers have access to safe environments when boarding, de-boarding and waiting for trains.

MNR continues to hold new employee safety orientation (NESO) which consists of a full day focused solely on safety. NESO introduces new employees to safe work practices on the railroad, and includes time in the field to ensure all employees are safe while working on the railroad.

And finally, MNR encourages employees to report all incidents and injuries, regardless of severity. This transparency has created a safe environment where employees feel free to report incidents without the fear of retaliation. We have created multiple avenues for employees to report non-emergent safety concerns anonymously via our Safety Hotline, email address, or electronic online form. These reports are actively tracked and remediated immediately to mitigate and eliminate hazards.

Justin R. Vonashek
Vice President
Office of System Safety

March 2018 Safety Report

| Performance | | | |
|--|------------------------|------------------------|------------------------|
| Performance Indicator | 12-Month Average | | |
| | April 2015 -March 2016 | April 2016 -March 2017 | April 2017 -March 2018 |
| FRA Reportable Customer Accident Rate per Million Customers | 1.22 | 1.09 | 0.86 |
| FRA Reportable Employee Lost Time Injury Rate per 200,000 worker hours | 2.44 | 2.91 | 2.85 |
| Grade Crossing Incidents ¹ | 2 | 1 | 2 |
| Mainline FRA Reportable Train Derailments | 1 | 0 | 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 | 2017 | | 2018 | |
| | March | Year to Date | March | Year to Date |
| First Responders Trained | 191 | 495 | 112 | 339 |
| Employee Safety Training Courses | 109 | 297 | 125 | 236 |
| Employees Trained | 813 | 2,813 | 1,293 | 3,103 |
| Employee Safety Training Hours | 15,057 | 50,504 | 24,732 | 75,549 |
| Customer and Community: Focus on Grade Crossings | 2017 | | 2018 | |
| | March | Year to Date | March | Year to Date |
| Broken Gates | 4 | 10 | 1 | 6 |
| MTA Police Details | 154 | 451 | 128 | 336 |
| Summons | 54 | 193 | 84 | 134 |
| Warnings | 4 | 15 | 5 | 5 |
| Arrests | 0 | 0 | 1 | 1 |
| Community Education and Outreach | 5,860 | 21,150 | 8,505 | 18,600 |
| | | | | |
| Cars Equipped with Cameras | Fleet Size | Total Cars Equipped | % Complete | |
| Inward / Outward Facing Cab Cameras | 956 | 374 | 39.12% | |
| Passenger Compartment Cameras | 1,086 | 368 | 33.89% | |

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.).

Arrests - The number of arrests issued to motorists due to behavior that put the motorist and others at risk.

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.



April 2018 Highlights: MTA Police Report

- Metro-North Railroad experienced an increase in major felonies (13 vs 8) for the month of April compared to the same period last year.
- Year to date Metro-North Railroad is up 16 crimes (57 vs 41).
- There were zero Hate Crimes on Metro-North Railroad for the month of April

Owen Monaghan
Chief of Police



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department Metro North Railroad

April 2018 vs. 2017

| | 2018 | 2017 | Diff | % Change |
|-----------------------------|-------------|-------------|-------------|-----------------|
| Murder | 0 | 0 | 0 | 0% |
| Rape | 0 | 0 | 0 | 0% |
| Robbery | 1 | 0 | 1 | 100% |
| Felony Assault | 2 | 3 | -1 | -33% |
| Burglary | 3 | 0 | 3 | 100% |
| Grand Larceny | 7 | 5 | 2 | 40% |
| Grand Larceny Auto | 0 | 0 | 0 | 0% |
| Total Major Felonies | 13 | 8 | 5 | 63% |

Year to Date 2018 vs. 2017

| | 2018 | 2017 | Diff | % Change |
|-----------------------------|-------------|-------------|-------------|-----------------|
| Murder | 0 | 0 | 0 | 0% |
| Rape | 0 | 0 | 0 | 0% |
| Robbery | 4 | 4 | 0 | 0% |
| Felony Assault | 8 | 6 | 2 | 33% |
| Burglary | 11 | 4 | 7 | 175% |
| Grand Larceny | 34 | 25 | 9 | 36% |
| Grand Larceny Auto | 0 | 2 | -2 | -100% |
| Total Major Felonies | 57 | 41 | 16 | 39% |



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department

System Wide

April 2018 vs. 2017

| | 2018 | 2017 | Diff | % Change |
|-----------------------------|-------------|-------------|-------------|-----------------|
| Murder | 0 | 0 | 0 | 0% |
| Rape | 0 | 0 | 0 | 0% |
| Robbery | 1 | 5 | -4 | -80% |
| Felony Assault | 5 | 4 | 1 | 25% |
| Burglary | 3 | 0 | 3 | 100% |
| Grand Larceny | 10 | 8 | 2 | 25% |
| Grand Larceny Auto | 0 | 0 | 0 | 0% |
| Total Major Felonies | 19 | 17 | 2 | 12% |

Year to Date 2018 vs. 2017

| | 2018 | 2017 | Diff | % Change |
|-----------------------------|-------------|-------------|-------------|-----------------|
| Murder | 0 | 0 | 0 | 0% |
| Rape | 0 | 0 | 0 | 0% |
| Robbery | 7 | 15 | -8 | -53% |
| Felony Assault | 17 | 13 | 4 | 31% |
| Burglary | 12 | 5 | 7 | 140% |
| Grand Larceny | 56 | 46 | 10 | 22% |
| Grand Larceny Auto | 0 | 3 | -3 | -100% |
| Total Major Felonies | 92 | 82 | 10 | 12% |

**Metropolitan Transportation Authority
Police Department**

Hate Crimes Report (January-April 2018)

| Motivation | 2018 | 2017 | Diff | % Change |
|--------------------|-------------|-------------|-------------|-----------------|
| ASIAN | 0 | 0 | 0 | 0% |
| BLACK | 3 | 0 | 3 | 0% |
| ETHNIC | 0 | 0 | 0 | 0% |
| GENDER | 0 | 0 | 0 | 0% |
| HISPANIC | 1 | 0 | 1 | 0% |
| MUSLIM | 0 | 1 | -1 | -100% |
| OTHER | 1 | 0 | 1 | 0% |
| ANTI-SEMITIC | 2 | 11 | -9 | -82% |
| SEXUAL ORIENTATION | 0 | 0 | 0 | 0% |
| WHITE | 0 | 0 | 0 | 0% |
| TOTAL | 7 | 12 | -5 | -42% |

| CRIME NAME | 2018 | 2017 | Diff | % Change |
|-----------------------|-------------|-------------|-------------|-----------------|
| Agg. Harassment # 1 | 0 | 0 | 0 | 0% |
| Agg. Harassment # 2 | 1 | 0 | 1 | 0% |
| Felony Assault | 0 | 0 | 0 | 0% |
| Misd. Assault | 1 | 1 | 0 | 0% |
| Criminal Mischief # 3 | 0 | 0 | 0 | 0% |
| Criminal Mischief # 4 | 5 | 11 | -6 | -54% |
| Grand Larceny # 4 | 0 | 0 | 0 | 0% |
| Menacing # 2 | 0 | 0 | 0 | 0% |
| Robbery # 2 | 0 | 0 | 0 | 0% |
| Total | 7 | 12 | -5 | -42% |

INDEX CRIME REPORT

Per Day Average

April 2018

| | Systemwide | LIRR | MNRR | SIRT |
|-----------------------|------------|------|------|------|
| Murder | 0 | 0 | 0 | 0 |
| Rape | 0 | 0 | 0 | 0 |
| Robbery | 1 | 0 | 1 | 0 |
| Fel. Assault | 5 | 2 | 2 | 1 |
| Burglary | 3 | 0 | 3 | 0 |
| Grand Larceny | 10 | 3 | 7 | 0 |
| GLA | 0 | 0 | 0 | 0 |
| Total | 19 | 5 | 13 | 1 |
| Crimes Per Day | 0.63 | 0.17 | 0.43 | 0.03 |



Metro-North Railroad

Information Items

Executive Summary

Metro-North Railroad

May 21, 2018



EEO 1st Quarter 2018 Executive Summary

- ❑ Metro-North Railroad overall workforce is currently comprised of **6,669** employees; of which **856 (13%)** are females,* **2,538 (38%)** are minorities and **567 (9%)** are veterans.*
- ❑ The percentage of females in the workforce has **remained constant** compared to the representation of females in first quarter 2017. As it relates to race and ethnicity, the percentage of minorities has **increased (1%)** compared to the first quarter 2017.
- ❑ Metro-North Railroad conducted an utilization analysis of females and minorities in its workforce. The utilization analysis consists of comparing Metro-North Railroad **March 31, 2018** workforce percentages for females and minorities to 80 percent of the females and minorities available within the relevant labor market.
- ❑ Based on the utilization analysis, **2+ Races, Asians, Blacks and Hispanics** were underrepresented in some of the job categories at Metro-North Railroad . A majority of the underrepresentation occurred within the Paraprofessionals, Administrative Support and Service Maintenance job category.

*Includes minorities, non-Minorities, and Veterans



EEO 1st Quarter 2018 Executive Summary

- ❑ Metro-North Railroad hired **72** employees, of which **12 (17%)** were females,* **31 (43%)** were minorities; and **5 (7%)** were veterans.
- ❑ Females were **hired at a higher** percentage compared to their current representation of **13%** in the workforce. Minorities were **hired at a higher** percentage compared to their current representation of **38%** in the workforce.
- ❑ Metro-North Railroad handled a total of **28** EEO complaints; of which **14** were internal and **14** were external. In the first quarter 2017, Metro-North Railroad handled a total of **31** EEO complaints; of which **15** were internal and **16** were external.
- ❑ Metro-North Railroad handled a total of **8** Title VI complaints. In the first quarter 2017, Metro-North Railroad handled a total of **16** Title VI complaints.

*Includes minorities, non-Minorities, and Veterans

The chart on the next page is a snapshot of the workforce by EEO categories.



EEO 1st Quarter 2018 Executive Summary

The table below is a snapshot as of March 31, 2018 of Metro-North Railroad numbers of employees, percentage of Race/Ethnicity, Gender and Veterans.

| JOB CATEGORY | TOTAL ¹ | | Minorities | | WHITES | | BLACKS | | HISPANICS | | ASIANS | | AI/AN | | NHOPI | | 2+ RACES | | VETERANS | |
|---------------------------------------|--------------------|-----|------------|-----|--------|-----|--------|-----|-----------|-----|--------|-----|-------|----|-------|----|----------|-----|----------|-----|
| | # | % | # | % | # | # | # | % | # | % | # | % | # | % | # | % | # | % | # | % |
| Officials & Administrators | 829 | | 289 | 35% | 540 | 65% | 120 | 14% | 67 | 8% | 71 | 9% | 2 | 0% | 1 | 0% | 28 | 3% | 73 | 9% |
| F | 192 | 23% | 105 | 13% | 87 | 10% | 43 | 5% | 26 | 3% | 28 | 3% | 1 | 0% | 1 | 0% | 6 | 1% | 4 | 5% |
| M | 637 | 77% | 184 | 22% | 453 | 55% | 77 | 9% | 41 | 5% | 43 | 5% | 1 | 0% | 0 | 0% | 22 | 3% | 69 | 95% |
| Professionals | 279 | | 145 | 52% | 134 | 48% | 62 | 22% | 32 | 11% | 37 | 13% | 2 | 1% | 0 | 0% | 12 | 4% | 9 | 3% |
| F | 111 | 40% | 74 | 27% | 37 | 13% | 36 | 13% | 13 | 5% | 16 | 6% | 2 | 1% | 0 | 0% | 7 | 3% | 1 | 11% |
| M | 168 | 60% | 71 | 25% | 97 | 35% | 26 | 9% | 19 | 7% | 21 | 8% | 0 | 0% | 0 | 0% | 5 | 2% | 8 | 89% |
| Technicians | 133 | | 60 | 45% | 73 | 55% | 29 | 22% | 15 | 11% | 9 | 7% | 0 | 0% | 0 | 0% | 7 | 5% | 19 | 14% |
| F | 15 | 11% | 11 | 8% | 4 | 3% | 7 | 5% | 2 | 2% | 0 | 0% | 0 | 0% | 0 | 0% | 2 | 2% | 3 | 16% |
| M | 118 | 89% | 49 | 37% | 69 | 52% | 22 | 17% | 13 | 10% | 9 | 7% | 0 | 0% | 0 | 0% | 5 | 4% | 16 | 84% |
| Protective Services | 12 | | 3 | 25% | 9 | 75% | 0 | 0% | 1 | 8% | 0 | 0% | 0 | 0% | 0 | 0% | 2 | 17% | 0 | 0% |
| F | 1 | 8% | 0 | 0% | 1 | 8% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| M | 11 | 92% | 3 | 25% | 8 | 67% | 0 | 0% | 1 | 8% | 0 | 0% | 0 | 0% | 0 | 0% | 2 | 17% | 0 | 0% |
| Paraprofessionals | 15 | | 5 | 33% | 10 | 67% | 3 | 20% | 0 | 0% | 1 | 7% | 0 | 0% | 0 | 0% | 1 | 7% | 0 | 0% |
| F | 9 | 60% | 4 | 27% | 5 | 33% | 3 | 20% | 0 | 0% | 1 | 7% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| M | 6 | 40% | 1 | 7% | 5 | 33% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 1 | 7% | 0 | 0% |
| Administrative Support | 414 | | 238 | 57% | 176 | 43% | 147 | 36% | 62 | 15% | 11 | 3% | 1 | 0% | 0 | 0% | 17 | 4% | 19 | 5% |
| F | 169 | 41% | 127 | 31% | 42 | 10% | 85 | 21% | 30 | 7% | 7 | 2% | 0 | 0% | 0 | 0% | 5 | 1% | 3 | 16% |
| M | 245 | 59% | 111 | 27% | 134 | 32% | 62 | 15% | 32 | 8% | 4 | 1% | 1 | 0% | 0 | 0% | 12 | 3% | 16 | 84% |
| Skilled Craft | 2,906 | | 980 | 34% | 1,926 | 66% | 522 | 18% | 306 | 11% | 41 | 1% | 17 | 1% | 0 | 0% | 94 | 3% | 311 | 11% |
| F | 52 | 2% | 38 | 1% | 14 | 0% | 30 | 1% | 6 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 2 | 0% | 3 | 1% |
| M | 2,854 | 98% | 942 | 32% | 1,912 | 66% | 492 | 17% | 300 | 10% | 41 | 1% | 17 | 1% | 0 | 0% | 92 | 3% | 308 | 99% |
| Service Maintenance | 2,081 | | 818 | 39% | 1,263 | 61% | 472 | 23% | 232 | 11% | 36 | 2% | 5 | 0% | 0 | 0% | 73 | 4% | 136 | 7% |
| F | 307 | 15% | 178 | 9% | 129 | 6% | 112 | 5% | 46 | 2% | 5 | 0% | 1 | 0% | 0 | 0% | 14 | 1% | 11 | 8% |
| M | 1,774 | 85% | 640 | 31% | 1,134 | 54% | 360 | 17% | 186 | 9% | 31 | 1% | 4 | 0% | 0 | 0% | 59 | 3% | 125 | 92% |
| Total | 6,669 | | 2,538 | 38% | 4,131 | 62% | 1,355 | 20% | 715 | 11% | 206 | 3% | 27 | 0% | 1 | 0% | 234 | 4% | 567 | 9% |

Note: All percentages have been rounded up to the nearest whole number.



Metro-North Railroad

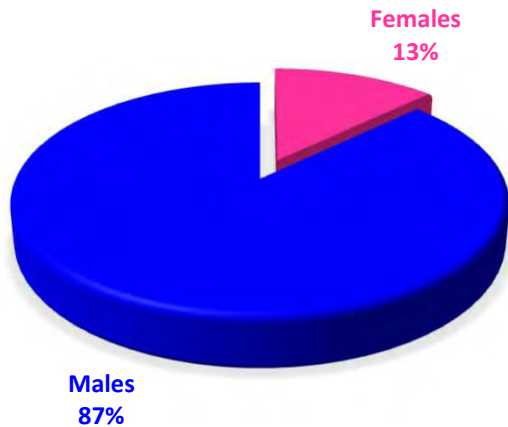
Workforce

As of March 31, 2018

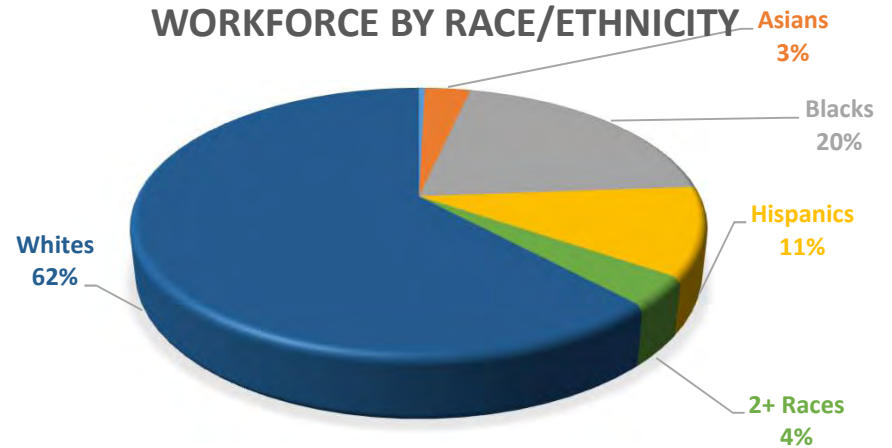


Metro-North Railroad Workforce as of March 31, 2018

WORKFORCE BY GENDER



WORKFORCE BY RACE/ETHNICITY



Metro-North Railroad's workforce consist of **6,669** employees.

- ❑ **13%** females, **38%** minorities, and **9%** veterans.
- ❑ The percentage of females employed **remained constant** since the prior quarter.
- ❑ The percentage of minorities **did not change** as it relates to race and ethnicity since the prior quarter.



Metro-North Railroad Underutilization Analysis Overview

Metro-North Railroad has conducted a utilization analysis of females and minorities in its workforce. The utilization analysis consists of comparing Metro-North Railroad **March 31, 2018** workforce percentages for females and minorities to 80 percent of the females and minorities available within the relevant labor market based on the U.S. Census.

The following numbers and information do not reflect availability for specific job groups. In addition, the numbers and information provided do not show statistical disparities or explain the reasons or provide a root cause analysis for any identified underutilization.

In general, as of **March 31, 2018**, 2+ Races, Asians, Blacks and Hispanics were underrepresented in some of the job categories at the Agency. A majority of the underrepresentation occurred within the Paraprofessionals, Administrative Support, and Service Maintenance job categories.

The following charts provide shaded/bolded areas that represent below 80 percent of the Census availability or underutilization: (1) the female and minority workforce percentages for each agency; (2) 80% of the females and minorities available for work based on the 2010 Census by job category; and (3) whether or not the estimated availability percentages were met for females and minorities within each of the job categories.



Definitions of EEO Job Categories

Officials & Administrators

Occupations in which employees set broad policies, exercise overall responsibility for execution of these policies, or direct individual departments or special phases of the agency's operations, or provide specialized consultation on a regional, district or area basis.

Professionals

Occupations which require specialized and theoretical knowledge which is usually acquired through college training or through work experience and other training which provides comparable knowledge.

Technicians

Occupations which require a combination of basic scientific or technical knowledge and manual skill which can be obtained through specialized post-secondary school education or through equivalent on-the-job training.

Protective Services

Occupations in which workers are entrusted with public safety, security and protection from destructive forces.

Paraprofessionals

Occupations in which workers perform some of the duties of a professional or technician in a supportive role, which usually require less formal training and/or experience normally required for professional or technical status.

Administrative Support

Occupations in which workers are responsible for internal and external communication, recording and retrieval of data and/or information and other paperwork required in an office.

Skilled Craft

Occupations in which workers perform jobs which require special manual skill and a thorough and comprehensive knowledge of the process involved in the work which is acquired through on-the-job training and experience or through apprenticeship or other formal training programs.

Service Maintenance

Occupations in which workers perform duties which result in or contribute to the comfort, convenience, hygiene or safety of the general public or which contribute to the upkeep and care of buildings, facilities or grounds of public property.



Metro-North Railroad Underutilization Analysis

Metro-North Railroad has conducted an availability analysis of females and minorities in its workforce. The availability analysis consists of comparing Metro-North Railroad **March 31, 2018** workforce percentages for females and minorities to 80 percent of the females and minorities available within the relevant labor market based on the U.S. Census.

| JOB CATEGORY | Gender | BLACKS | | HISPANIC | | ASIANS | | AI/AN* | | NHOPI** | | 2+ RACES | | WHITES | |
|----------------------------|--------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|
| | | Est Avail | Actual % | Est Avail | Actual % | Est Avail | Actual % | Est Avail | Actual % | Est Avail | Actual % | Est Avail | Actual % | Est Avail | Actual % |
| Officials & Administrators | F | 4% | 5% | 3% | 3% | 3% | 3% | 0% | 0% | 0% | 0% | 1% | 1% | 13% | 10% |
| | M | 6% | 9% | 4% | 5% | 4% | 5% | 0% | 0% | 0% | 0% | 2% | 3% | | |
| Professionals | F | 7% | 13% | 6% | 5% | 4% | 6% | 0% | 1% | 0% | 0% | 1% | 3% | 24% | 13% |
| | M | 4% | 9% | 4% | 7% | 4% | 8% | 0% | 0% | 0% | 0% | 0% | 2% | | |
| Technicians | F | 4% | 5% | 2% | 2% | 1% | 0% | 0% | 0% | 0% | 0% | 1% | 2% | 4% | 3% |
| | M | 13% | 17% | 8% | 10% | 5% | 7% | 0% | 0% | 0% | 0% | 3% | 4% | | |
| Protective Services | F | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 3% | 8% |
| | M | 4% | 0% | 6% | 8% | 1% | 0% | 0% | 0% | 0% | 0% | 4% | 17% | | |

*American Indian/Alaskan Native

**Native Hawaiian Other Pacific Islander

Note: Pursuant to the FTA Circular 4704.1A EEO Requirements and Guidelines, **white males** have been excluded from the availability analysis.



Metro-North Railroad Underutilization Analysis

Metro-North Railroad has conducted an availability analysis of females and minorities in its workforce. The availability analysis consists of comparing Metro-North Railroad **March 31, 2018** workforce percentages for females and minorities to 80 percent of the females and minorities available within the relevant labor market based on the U.S. Census.

| JOB CATEGORY | Gender | BLACKS | | HISPANIC | | ASIANS | | AI/AN* | | NHOP** | | 2+ RACES | | WHITES | |
|------------------------|--------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|
| | | Est Avail | Actual % | Est Avail | Actual % | Est Avail | Actual % | Est Avail | Actual % | Est Avail | Actual % | Est Avail | Actual % | Est Avail | Actual % |
| Paraprofessionals | F | 12% | 20% | 12% | 0% | 4% | 7% | 0% | 0% | 0% | 0% | 1% | 0% | 41% | 33% |
| | M | 2% | 0% | 2% | 0% | 1% | 0% | 0% | 0% | 0% | 0% | 0% | 7% | | |
| Administrative Support | F | 11% | 21% | 11% | 7% | 4% | 2% | 0% | 0% | 0% | 0% | 0% | 1% | 30% | 10% |
| | M | 4% | 15% | 5% | 8% | 2% | 1% | 0% | 0% | 0% | 0% | 0% | 3% | | |
| Skilled Craft | F | 1% | 1% | 1% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 2% | 0% |
| | M | 12% | 17% | 10% | 10% | 2% | 1% | 0% | 1% | 0% | 0% | 2% | 3% | | |
| Service Maintenance | F | 4% | 5% | 6% | 2% | 1% | 0% | 0% | 0% | 0% | 0% | 0% | 1% | 5% | 6% |
| | M | 14% | 17% | 18% | 9% | 2% | 1% | 0% | 0% | 0% | 0% | 1% | 3% | | |

*American Indian/Alaskan Native

**Native Hawaiian Other Pacific Islander

Note: Pursuant to the FTA Circular 4704.1A EEO Requirements and Guidelines, **white males** have been excluded from the availability analysis.



Metro-North Railroad

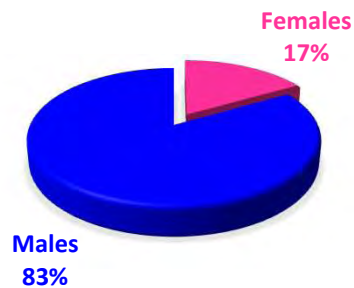
New Hires and Veterans

May 21, 2018

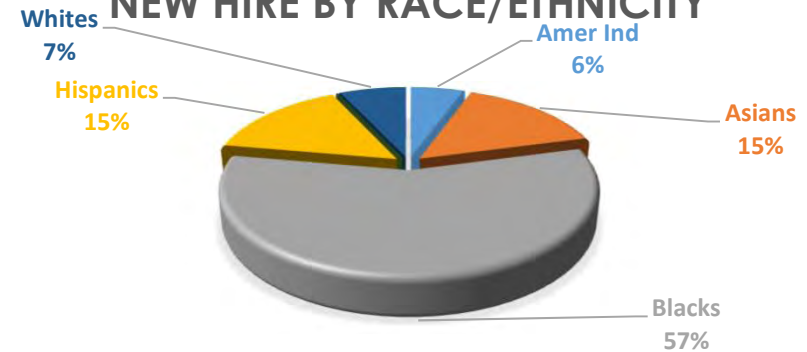


Metro-North Railroad New Hires and Veterans By Gender and Race/Ethnicity January 1, 2018 to March 31, 2018

NEW HIRE BY GENDER



NEW HIRE BY RACE/ETHNICITY



Metro-North Railroad hired **72** employees including **5 (7%)** veterans.

- ❑ **17%** females in which **0%** were female veterans.
- ❑ Females were **hired at a higher** percentage compared to their current representation of **13%** in the workforce.
- ❑ **43%** minorities in which **40%** were minority veterans.
- ❑ Minorities were **hired at a higher** percentage compared to their current representation of **38%** in the workforce.



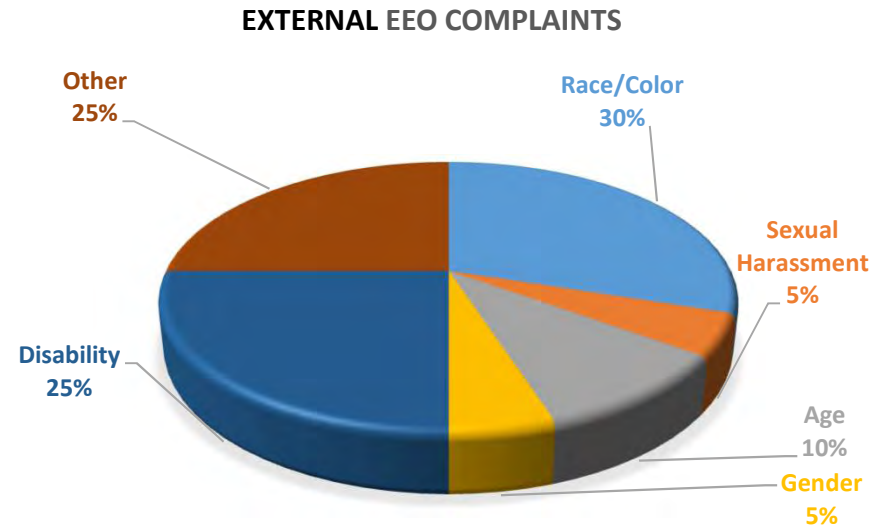
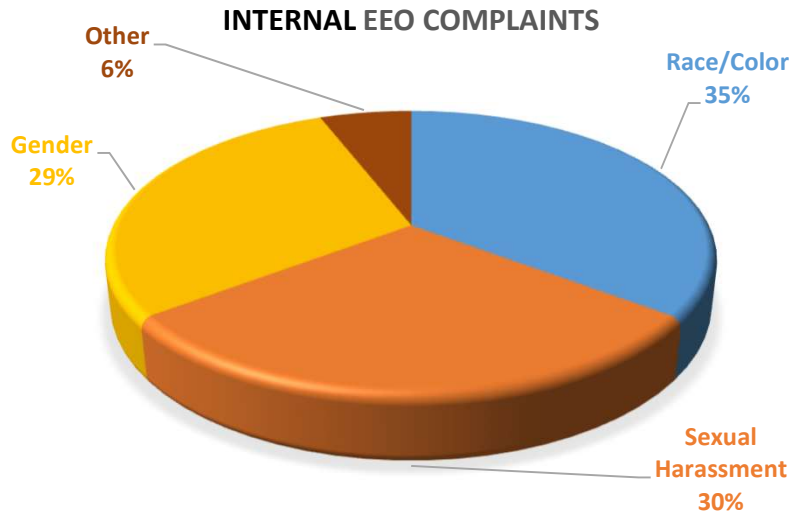
Metro-North Railroad

Complaints and Lawsuits

May 21, 2018



Metro-North Railroad Internal/External EEO Complaints and Lawsuits January 1, 2018 to March 31, 2018



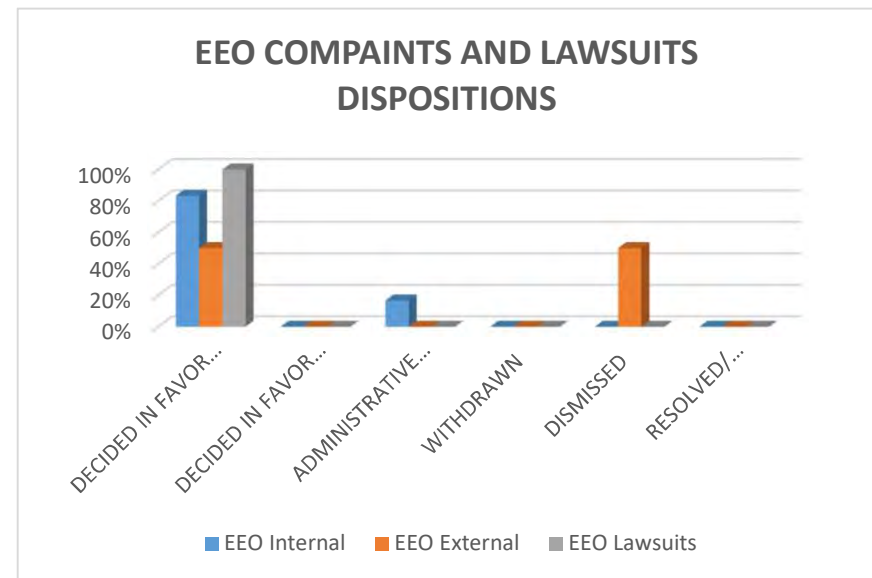
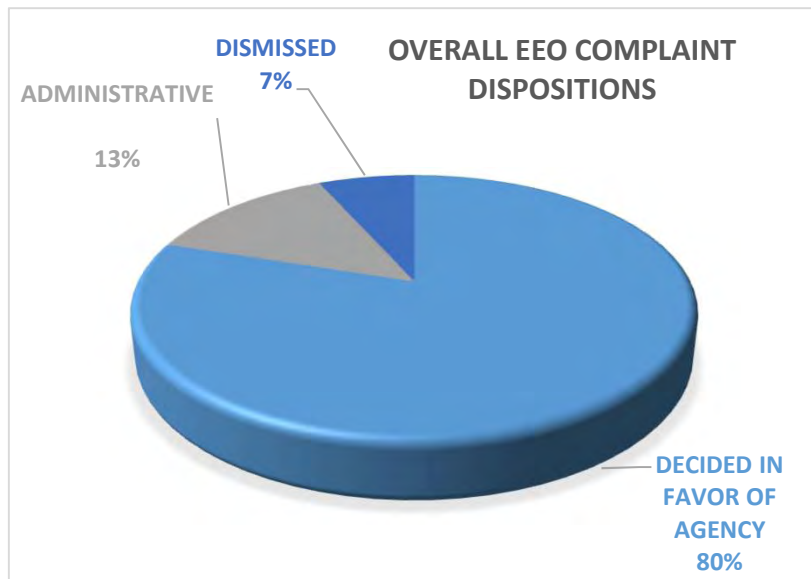
Metro-North Railroad handled **28** EEO complaints, citing **37** separate allegations, and 8 lawsuits.

- ❑ **14** filed internal complaints.
- ❑ **14** filed external complaints.
- ❑ The most frequently cited basis internally was race and externally was race.



These charts includes all pending matters as of the date of the report; including matters filed prior to the reporting period.
"Other" contains all EEO categories not otherwise specially mentioned on the chart (i.e. Retaliation, Sexual Orientation, Military status, or Marital Status etc.)

Metro-North Railroad EEO Complaint and Lawsuits Dispositions January 1, 2018 to March 31, 2018

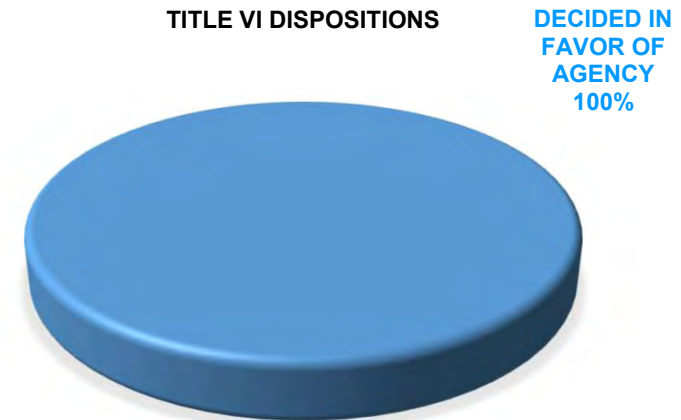
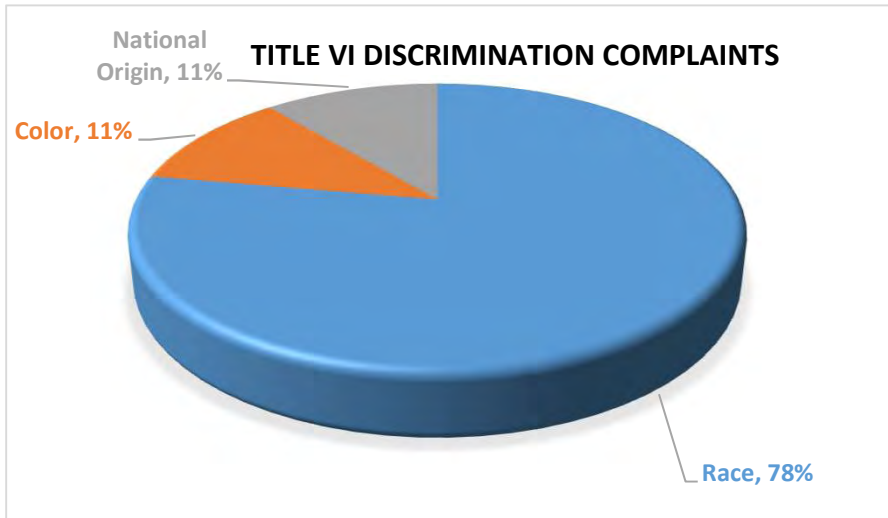


Metro-North Railroad disposed of **14** EEO complaints and **1** EEO lawsuits.

- **80%** complaints/lawsuits decided in favor of the agency.
- **0%** complaints /lawsuits decided in favor of the complainant.
- **13%** complaints/lawsuits were administrative closures.
- **7%** complaints/lawsuits were dismissed.



Metro-North Railroad Title VI Discrimination Complaints, Lawsuits and Dispositions January 1, 2018 to March 31, 2018



Metro-North Railroad handled **8** Title VI Complaints, citing **9** separate allegations and **0** Title VI lawsuits. Agency disposed of **8** complaints and **0** lawsuits.

■ **100%** complaints/lawsuits decided in favor of the agency.



May 2018 MNR Committee Meeting Monthly PTC Project Update

May 21, 2018

(Data through 4/30/2018)

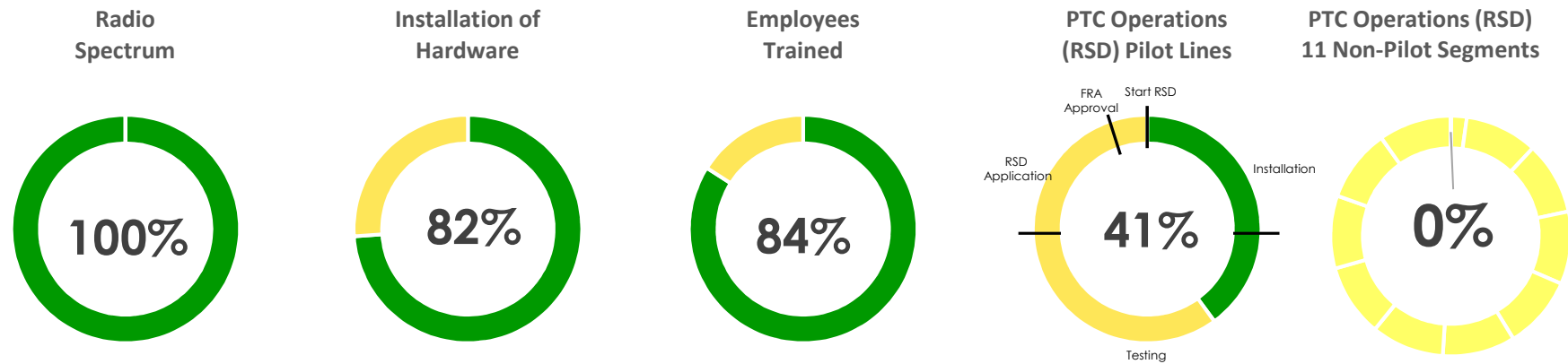


PTC Overall Project Status

| Item | Comments |
|------------|---|
| Schedule | <ul style="list-style-type: none"> ❑ Software fix for critical safety variances developed. Testing resumed this month. ❑ Because of critical software variances, RSD application expected to be submitted in August, with RSD to begin in October. ❑ Per direction from Federal Railroad Administration, unresolved boundary issues with Amtrak must be resolved to verify interoperability and complete full implementation. This will require MNR and all similarly situated railroads to submit an “alternative schedule.” ❑ Compliance with all federal requirements still on target. |
| % Complete | MNR – 70% |
| Budget | \$546.6M |



MNR Project Progress Dashboard



MNR East of Hudson PTC – 2018 Hardware Installation Projections

| PTC Subsystem | System Requirements | FRA Goals | Installs through April 2018 | % Complete FRA Goal | Remaining to meet FRA Goals | 18-Apr | | 18-May | 18-Jun | 18-Jul | 18-Aug | 18-Sep | 18-Oct | 18-Nov | 18-Dec |
|---------------|---------------------|-----------|-----------------------------|---------------------|-----------------------------|----------|-----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | | | | | | Forecast | Actual | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| Transponders | 2931 | 2931 | 2502 | 85% | 429 | 0 | 0 | 75 | 75 | 75 | 75 | 75 | 54 | 0 | 0 |
| WIUs | 84 | 84 | 82 | 98% | 2 | 1 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| Radio Cases | 104 | 104 | 66 | 63% | 38 | 8 | 7 | 8 | 8 | 8 | 6 | 4 | 3 | 0 | 0 |
| M7 | 167 | 167 | 167 | 100% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| M3 | 69 | 32 | 18 | 56% | 14 | 0 | 0 | 1 | 6 | 8 | 12 | 12 | 12 | 0 | 0 |
| P32 | 31 | 23 | 8 (4 Partials) | 35%/100% | 15 | 3 | 1 Partial | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 0 |
| | | | 31 Partial (OBC) | | | | | | | | | | | | |
| Cab Cars | 52 | 35 | 6 Complete | 17%/94% | 29 | 5 | 1 | 6 | 6 | 6 | 6 | 6 | 8 | 8 | 0 |
| | | | 33 Partial (OBC) | | | | | | | | | | | | |
| M8 | 190 | 106 | 28 Complete | 26%/100% | 78 | 24 | 28 | 24 | 24 | 24 | 24 | 24 | 24 | 22 | 0 |
| | | | 190 Partial (OBC) | | | | | | | | | | | | |
| BL20 | 12 | 9 | 12 Partial | 11% | 8 | 1 | 1 Partial | 1 | 2 | 1 | 1 | 2 | 2 | 2 | 0 |
| GP35 | 7 | 4 | 7 Partial | 0% | 4 | 0 | 0 | 0 | 0 | 1 | 2 | 1 | 1 | 2 | 0 |



Month when FRA goal is met



MNR Port Jervis Line Hardware Installation Projections

| PTC Subsystem | System Requirements | FRA Goals | Installs through April 2018 | % Complete FRA Goal | Remaining to meet FRA Goals | 18-Apr | | 18-May | 18-Jun | 18-Jul | 18-Aug | 18-Sep | 18-Oct | 18-Nov | 18-Dec |
|---------------|---------------------|-----------|-----------------------------|---------------------|-----------------------------|----------|--------|----------|----------|----------|----------|----------|----------|----------|----------|
| | | | | | | Forecast | Actual | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| Transponders | 250 | 250 | 0 | 0% | 250 | 0 | 0 | 0 | 0 | 80 | 80 | 90 | 0 | 0 | 0 |
| WIUs | 10 | 10 | 0 | 0% | 10 | 0 | 0 | 0 | 0 | 3 | 3 | 3 | 1 | 0 | 0 |
| Radio Cases | 11 | 11 | 0 | 0% | 11 | 0 | 0 | 0 | 0 | 3 | 3 | 3 | 2 | 0 | 0 |

Note : Port Jervis Line Wayside Hardware Installation Schedule is dependent on NJ Transit PTC Contractor design and deliveries.



Month when FRA goal is met

MNR Project Update

- ▣ Continued to support testing in the SI's test lab
- ▣ Continues to support testing activities in the Integrated System Lab
- ▣ 6/9 core office variances tested and closed
- ▣ MNR Office team reviewed prioritize and schedule variances during test visits
- ▣ 46 safety critical and core variances still under development and requires resolution for RSD

| Subsystem | # of Variances required for RSD | # of Variances Ready for Test | # of Variances still in Development |
|-------------|---------------------------------|-------------------------------|-------------------------------------|
| Comms | 0 | 0 | 0 |
| Office | 32 | 11 | 21 |
| OBC | 17 | 15 | 2 |
| Transponder | 47 | 24 | 23 |
| WIU | 0 | 0 | 0 |
| TOTAL | 96 | 50 | 46 |



MNR Project Update (April Accomplishments)

- M-3 Civil Speed Enforcement (CSE) software modified and installation started
- Completed cellular network testing for RSD Segment (Tarrytown – Croton-Harmon – Hudson Line)
- Completed Interoperability testing with CSX on Test Track
- Third party contractor continued installation of Radio Cases and Antenna Poles
- Continued the development of training material and training of Railroad forces
- SI continued to develop a software revision to address certain safety critical variances discovered during testing



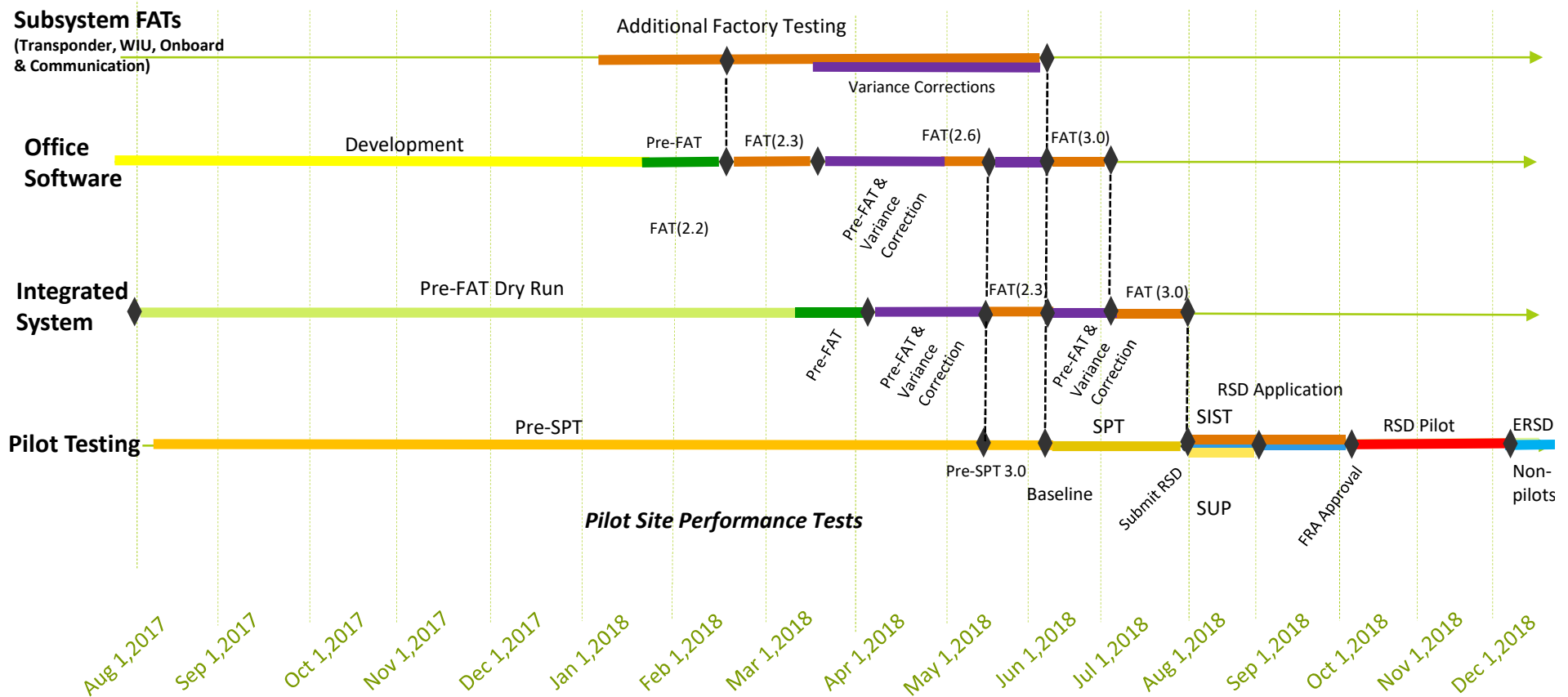
May Milestones

- Sending M-3 cars to Arch Street Shop for onboard equipment installation.
- Uploaded Office software version 2.3.0 at the ECC.
- Revenue Service Demonstration (RSD) segment (Tarrytown CP25 – Harmon CP35):
 - Configured five radio cases
 - Installed and tested full packages PTC Transponders on four track
 - Updated the configuration files (software update to address recent critical safety variance) for the Wayside Interface Units (WIU)
 - Completed Installation of the Cellular Network and began testing messages from Emergency Control Center (ECC) to the wayside.
- Begin Site Performance Testing on RSD segment to demonstrate PTC functionality (Temporary Speed Restrictions (TSR), Positive Train Stop (PTS), Accurate Stop).
- Continue field testing on the test track.
- Continue review of CSE data logs of Tenant Railroads (Amtrak/CSX/P&W) operation demonstrating PTC interoperability on MNR.



MNR Schedule Software/System Development & Test

- RSD Application – August 2018
- Start of Pilot RSD – Oct 2018



SPT = Site Performance Tests
SIST = Site Integrated System Test

SUP = Site Update Period
RSD = Revenue Service Demonstration

ERSD = Extended Revenue Service Demonstration

MNR Project Risks and Railroad Mitigations

- **Risk:** Completion by December 2018 seriously threatened by the discovery of critical software variances during LIRR Integrated System FAT.
- **Mitigations**
 - Proceeding with Integrated System FAT without performing Pre-FAT Testing
 - Non-core variances to be addressed in subsequent software releases.
 - Maximize the factory test environment to expedite test corrections and continue to conduct Integrated System tests.
 - Perform testing on multiple shifts to increase test time.
 - The SI can perform shadow mode testing to provide input to and accelerate the completion of the SIST testing period and provide an initial view of system performance – The Contractor is scheduled to submit the SIST test plans in May.
 - The Contractor is providing a cloud based solution to allow the joint Railroad/Contractor team to access the Requirements Traceability Matrix (RTM) tool to support real-time Verification & Validation activities.
 - Expedite the delivery of the contractually required test lab to be utilized within Bombardier's New York office to support testing – still in progress.



MNR Project Risks and Railroad Mitigations

- **Risk:** Systems Integration issues due to the application of ACSES in our high density operations will be discovered too late in the process and jeopardize PTC compliance
 - **Mitigation**
 - Perform regression testing of all corrected variances in the integration lab and conduct parallel tests in the field.
 - Procure additional radio spectrum to minimize potential interference issues – RFP being put on the street this month.
 - System Integrator has assembled and are utilizing portable test equipment that mimics train communications with the wayside in a compact package (trunk train) to speed up discovery of wayside communications issues without utilizing a real train.
 - CSE testing continues to reveal technical issues that should make PTC rollout go more smoothly.
- **Risk:** System Integrator's (SI) difficulty in the acquisition and retainage of PTC knowledgeable resources to support the project to meet the deadline.
 - **Mitigation**
 - The Contractor has added staff and are acquiring additional outside support for their design, testing and requirements work.
 - Railroads are utilizing their own consultants (*e.g.*, Dayton T. Brown).



MNR Project Risks and Railroad Mitigations

- **Risk:** Finalization of agreement with Amtrak for interoperability design and implementation.
 - **Mitigation**
 - Held a meeting with Amtrak Engineers to finalize line boundary communication link; however, Amtrak does not anticipate resolving boundary issues in 2018
 - Per direction from Federal Railroad Administration, unresolved boundary issues with Amtrak must be resolved to verify interoperability and complete full implementation. This will require MNR and all similarly situated railroads to submit an “alternative schedule.”
- **Risk:** Port Jervis Line PTC installation dependent upon receipt of wayside equipment from NJT
 - **Mitigation**
 - MNR will accept Wayside/Communication material at 50% design to commence installation.



MNR Project Risks and Railroad Mitigations

- **Risk:** Timely approvals of RSD applications by FRA due to a significant number of applications requiring FRA review at the same time.
 - **Mitigation**
 - APTA compiling schedules from all commuter railroads to submit to FRA so that FRA can plan ahead
 - MNR expects to submit RSD application by the end of August
 - MNR exploring whether it may be able to identify “alternative criteria” for satisfying RSD mandate that might bring it into compliance sooner.
- **Risk:** Timely completion of project requires simultaneous commissioning of multiple line segments making it challenging with constraints of resources.
 - **Mitigation**
 - Technical issues identified during CSE testing should expedite cut-in of full PTC functionality
 - MNR evaluating staffing plan and attempting to identify additional resources.



MNR PTC Timeline and Look-ahead

Apr 2018

- ✓ MNR to start Site Performance Testing on Hudson Line Pilot (previously February)

May 2018

- ☐ MNR to achieve Final Design Review (previously March 2018)
- ☐ MNR start operating M3 trains with CSE
- ☐ MNR to commence Integrated System FAT with System Baseline 2.3

Jun 2018

- ☐ MNR to begin formal Site Performance Testing
- ☐ Perform FAT for Office 3.0

July 2018

- ☐ MNR to complete all required training to employees

Aug 2018

- ☐ MNR to submit RSD Application for approval to FRA for Tarrytown to Croton-Harmon pilot line segment (Hudson Line).



MNR PTC Timeline and Look-ahead

Sep 2018

- ❑ Complete the installation of Transponders on the Port Jarvis Line
- ❑ Continue to perform interoperability testing with MNR tenants

Oct 2018

- ❑ Begin RSD on Tarrytown to Croton-Harmon pilot segment (Hudson Line)
- ❑ MNR to complete all wayside installations including Port Jarvis Line

Nov 2018

- ❑ MNR to complete all onboard installations of PTC hardware
- ❑ MNR to request expansion of RSD approval to non-pilot track segments

Dec 2018

- ❑ MNR to begin process of placing all lines in Extended RSD



PTC Equipment



Conduit/Electrical service/Office Equipment installed at the Emergency Control Center (ECC)

PTC Equipment



Antenna Pole/Radio Case/Communication Interface Case Installed at Tarrytown CP25



Metro-North Railroad

Procurements



| Subject Request for Authorization to Award Various Procurements | | | | | |
|--|----------------|---------|----------|------|-------|
| Department Procurement and Material Management | | | | | |
| Department Head Name Alfred Muir, Sr. Director | | | | | |
| Department Head Signature | | | | | |
| Project Manager Name | | | | | |
| Board Action | | | | | |
| Order | To | Date | Approval | Info | Other |
| 1 | MNR Comm. Mtg. | 5-21-18 | X | | |
| 2 | MTA Board Mtg. | 5-23-18 | X | | |
| | | | | | |
| | | | | | |

| |
|---|
| Date May 11, 2018 |
| Vendor Name Various |
| Contract Number Various |
| Contract Manager Name Various |
| Table of Contents Ref # |

| Internal Approvals | | | |
|--------------------|----------------|---|------------------------|
| | Approval | | Approval |
| X | President | | |
| X | Executive V.P. | X | V.P. Capital Programs |
| X | V.P. Operation | X | V.P. & General Counsel |
| X | 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:

| <u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u> | | <u># of Actions</u> | <u>\$ Amount</u> |
|---|--------------|---------------------|------------------|
| Schedule A: Non-Competitive Purchases and Public Work Contracts | | 1 | \$3,600,000 |
| • Siemens Industry, Inc. | \$3,600,000 | | |
| <u>Schedules Requiring Majority Vote</u> | | | |
| Schedule J: Modifications to Miscellaneous Procurement Contracts | | 1 | \$15,750,000 |
| • Bombardier Transportation, NA | \$15,750,000 | | |
| SUB TOTAL: | | 2 | \$19,350,000 |



MNR proposes to award competitive procurements in the following categories:

| | | <u># of Actions</u> | <u>\$ Amount</u> |
|---|-----------|---------------------|------------------|
| <u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u> | | <u>NONE</u> | |
| <u>Schedules Requiring Majority Vote</u> | | | |
| Schedule G: Miscellaneous Service Contracts | | 1 | \$901,449 |
| • MedTrac Incorporated | \$901,449 | | |
| SUB TOTAL: | | 1 | \$901,449 |

MNR presents the following procurement actions for Ratification:

| | | | |
|---|-------------|---|--------------|
| <u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u> | | | |
| Schedule D: Ratification of Completed Procurement Actions | | 1 | \$139,000 |
| • Progress Rail Services Corporation | \$139,000 | | |
| <u>Schedules Requiring Majority Vote</u> | | | |
| Schedule K: Ratification of Completed Procurement Actions | | 2 | \$1,766,650 |
| • ORX Railway Corporation | \$516,650 | | |
| • ClearWay Industries, LLC | \$1,250,000 | | |
| SUB TOTAL: | | 3 | \$1,905,650 |
| TOTAL: | | 6 | \$22,157,099 |

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.

MAY 2018

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. Siemens Industry, Inc. \$3,600,000 (not-to-exceed) Staff Summary Attached
Positive Train Control Integrators

Approval is requested for a non-competitive, two-year purchase agreement in the not-to-exceed amount of \$3,600,000 with Siemens Industry, Inc. (Siemens) for various original equipment manufacturer (OEM) replacement parts for MNR's On-Board PTC equipment. Siemens is the OEM and the sole supplier of specific MNR required material for the On-Board PTC systems.

As the PTC systems are being delivered to MNR, tested and placed into service, the Procurement and Maintenance of Equipment Departments have begun the process of establishing the PTC consumable and operational spare parts inventory to support the new systems. Siemens shall also provide repair and return services for specialty components that can be repaired or refurbished for MNR. Siemens is required to maintain all designs and drawings and be responsible for supplying parts that are not generally available on the open market for the Railroad to purchase at any time during the period commencing with the expiration of the Warranty Period with respect to any such part and ending 20 years thereafter. Siemens is contractually required to provide "most favored customer" pricing to MNR. With respect to parts that become unavailable from the OEM, Siemens is obligated to provide alternate sources and/or design and drawings for those parts or components at no cost upon request by the Railroads.

This is the first purchase agreement instituted specifically for the On-Board PTC system, and will allow MNR to purchase material from Siemens to perform repairs as necessary and to establish a sufficient parts inventory. These parts are for routine 'wear and tear' maintenance and are not covered by Siemens warranty. This is a requirements contract and MNR is under no obligation to generate any minimum amount of purchase orders. This agreement will apply to inventory and non-inventory items identified as obtainable only from Siemens for the following reasons: a) sole pre-qualified item on the MNR Qualified Products List, and not available from any distributor or other sources; b) is proprietary to Siemens.

The purchase agreement with Siemens will reduce administrative costs and procurement lead times for separate purchase orders and will expedite material delivery. In requesting this Board authorization, MNR has complied with PAL 1265-a (3) (advertisement for alternate suppliers) and with MTA All-Agency Procurement Guidelines for the purchase of sole source items.

In connection with a previous contract awarded to Siemens, Siemens was found to be responsible notwithstanding Significant Adverse Information (SAI) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in August 2016. No new SAI has been found relating to Siemens and Siemens has been found to be responsible. A Contractor Compliance program was put in place for Siemens in April 2018.

The total cost for this 24-month contract is not-to-exceed \$3,600,000 and is to be funded by the MNR Operating Budget.

J. Modification to Miscellaneous Procurement Contracts

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

2. Bombardier Transportation, NA \$15,750,000 (not-to-exceed) *Staff Summary Attached*
Additional Funding for OEM Parts

Approval is requested for a contract modification for additional funding in the total not-to-exceed amount of \$15,750,000 to an existing non-competitive miscellaneous purchase agreement with Bombardier Transportation North America (Bombardier). This agreement is for Original Equipment Manufacturer (OEM) replacement parts for MNR's various railcar fleets wherein Bombardier was identified as the OEM supplier of safety-critical parts. In addition, Bombardier provides repair and return services for specialty components that can be repaired or refurbished for MNR. The parts and services included in this agreement have been fully vetted to reflect only those materials that cannot be acquired from other sources. The current agreement will expire in February 2020.

In 2015, under a joint procurement with Long Island Rail Road (LIRR), MNR awarded a non-competitively negotiated miscellaneous purchase contract for a five-year period in the amount of \$22,000,000. Since that award, MNR's project engineering group in conjunction with the Railroad's Reliability Centered Maintenance (RCM) program has significantly increased the usage of the previously identified and budgeted materials. In addition, there has been an increase in parts usage that were not previously identified such as the Traction Motor Suspension Assemblies and M-3 Air Springs. These parts were not accounted for in MNR's estimate and original MTA Board authorization. These changes, along with general under estimating of the actual material demands over this period to support MNR's inventory has created a budget shortfall. All pricing and terms per the approved agreement will remain fixed for the entire contract term.

The total additional funds required by MNR is not-to-exceed \$15,750,000 and is to be funded by the MNR Operating Budget.

Schedule A: Non-Competitive Purchases and Public Work Contracts

Item Number: A

Page 1 of 2

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| Vendor Name (& Location) Siemens Industry, Inc. DBA Building Technologies 664 Linden Ave E. Pittsburgh, PA 15112-1204 |
| Description Positive Train Control Integrators |
| Contract Term (including Options, if any) 24 months |
| Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive |
| Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source |

| | |
|--|--|
| Contract Number TBD | Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Total Amount: \$3,600,000 (not-to-exceed) | |
| Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | |
| Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr Director | |
| Contract Manager: Michael Coppola, Director, Operating Procurement | |

Discussion:

Approval is requested for a non-competitive, two-year purchase agreement in the not-to-exceed amount of \$3,600,000 with Siemens Industry, Inc. (Siemens) for various original equipment manufacturer (OEM) replacement parts for MNR's On-Board PTC equipment. Siemens is the OEM and the sole supplier of specific MNR required material for the On-Board PTC systems.

As the PTC systems are being delivered to MNR, tested and placed into service, the Procurement and Maintenance of Equipment Departments have begun the process of establishing the PTC consumable and operational spare parts inventory to support the new systems. Siemens shall also provide repair and return services for specialty components that can be repaired or refurbished for MNR. Siemens is required to maintain all designs and drawings and be responsible for supplying parts that are not generally available on the open market for the Railroad to purchase at any time during the period commencing with the expiration of the Warranty Period with respect to any such part and ending 20 years thereafter. Siemens is contractually required to provide "most favored customer" pricing to MNR. With respect to parts that become unavailable from the OEM, Siemens is obligated to provide alternate sources and/or design and drawings for those parts or components at no cost upon request by the Railroads.

This is the first purchase agreement instituted specifically for the On-Board PTC system, and will allow MNR to purchase material from Siemens to perform repairs as necessary and to establish a sufficient parts inventory. These parts are for routine 'wear and tear' maintenance and are not covered by Siemens warranty. This is a requirements contract and MNR is under no obligation to generate any minimum amount of purchase orders. This agreement will apply to inventory and non-inventory items identified as obtainable only from Siemens for the following reasons: a) sole pre-qualified item on the MNR Qualified Products List, and not available from any distributor or other sources; b) is proprietary to Siemens.

The purchase agreement with Siemens will reduce administrative costs and procurement lead times for separate purchase orders and will expedite material delivery. In requesting this Board authorization, MNR has complied with PAL 1265-a (3) (advertisement for alternate suppliers) and with MTA All-Agency Procurement Guidelines for the purchase of sole source items.

The cost for the On-Board PTC system replacement parts will be negotiated on an individual parts basis prior to their purchase, subject to the "most favored customer" requirements. Price concessions will be sought from Siemens to maximize MNR's benefit from the fact that On-Board PTC system production is ongoing. In addition, certified price data sheets shall be provided with each part requested by the Railroad. All cost data shall be supported by auditable documentation and financial statements.

In connection with a previous contract awarded to Siemens, Siemens was found to be responsible notwithstanding Significant Adverse Information (SAI) pursuant to the All-Agency Responsibility Guidelines and

such responsibility finding was approved by the MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in August 2016. No new SAI has been found relating to Siemens and Siemens has been found to be responsible. A Contractor Compliance program was put in place for Siemens in April 2018.

The total cost for this 24-month contract is not-to-exceed \$3,600,000 and is to be funded by the MNR Operating Budget.

Schedule J: Modifications to Miscellaneous Procurement Contracts

Item Number: J

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|--|--|--|--------------------------------------|
| Vendor Name (& Location) Bombardier Transportation, NA Transportation North America Material Solutions 6291 Ordan Drive Mississauga ON L5T 1G9 Canada | | Contract Number 01-634 | AWO/Modification # 001 |
| Description Additional Funding for OEM Parts | | Original Amount: \$22,000,000 | |
| Contract Term (including Options, if any) Five Years | | Prior Modifications: \$0 | |
| Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | Prior Budgetary Increases: \$0 | |
| Procurement <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive | | Current Amount: \$22,000,000 | |
| Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source | | This Request: \$15,750,000 (not-to-exceed) | |
| Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | | % of This Request to Current Amount: 72% | |
| Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Al Muir, Sr. Director | | % of Modifications (including This Request) to Original Amount: 72% | |

Discussion:

Approval is requested for a contract modification for additional funding in the total not-to-exceed amount of \$15,750,000 to an existing non-competitive miscellaneous purchase agreement with Bombardier Transportation North America (Bombardier). This agreement is for Original Equipment Manufacturer (OEM) replacement parts for MNR's various railcar fleets wherein Bombardier was identified as the OEM supplier of safety-critical parts. In addition, Bombardier provides repair and return services for specialty components that can be repaired or refurbished for MNR. The parts and services included in this agreement have been fully vetted to reflect only those materials that cannot be acquired from other sources. The current agreement will expire in February 2020.

In 2015, under a joint procurement with Long Island Rail Road (LIRR), MNR awarded a non-competitively negotiated miscellaneous purchase contract for a five-year period in the amount of \$22,000,000. Since that award, MNR's project engineering group in conjunction with the Railroad's Reliability Centered Maintenance (RCM) program has significantly increased the usage of the previously identified and budgeted materials. In addition, there has been an increase in parts usage that were not previously identified such as the Traction Motor Suspension Assemblies and M-3 Air Springs. These parts were not accounted for in MNR's estimate and original MTA Board authorization. These changes, along with general under estimating of the actual material demands over this period to support MNR's inventory has created a budget shortfall. All pricing and terms per the approved agreement will remain fixed for the entire contract term.

The total additional funds required by MNR is not-to-exceed \$15,750,000 and is to be funded by the MNR Operating Budget.

MAY 2018

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

1. Med-Trac Incorporated \$901,449 (not-to-exceed) Staff Summary Attached
Compliance Auditor for Contractor Drug & Alcohol Program

Approval is requested for a Metro-North Railroad (MNR) and Long Island Rail Road (LIRR) (collectively, "the Agencies") joint procurement, seeking to award a competitively solicited general services contract (RFP process; 5 proposals received) in the not-to-exceed amount of \$901,449 (MNR = \$450,725, LIRR = \$450,724) to Med-Trac Inc. (Med-Trac). Med-Trac will perform compliance audits for the drug and alcohol testing programs of Agency Contractors who fall under Federal Railroad Administration (FRA) Roadway Worker requirements. The initial term of this contract will be for a period of one year with the option to extend the agreement on an annual basis to a maximum of five years.

MNR and LIRR each have approximately 50+ Contractors working within the service area that are required to perform drug and alcohol testing on their employees. The FRA will audit both Railroads and Contractors to ensure compliance. The Railroads are responsible for ensuring that their Contractors meet compliance and will have regulatory exposure for Contractors that are not in compliance. The compliance audits of Contractors will minimize the Agencies' exposure to adverse regulatory inspection reports or monetary violations for non-compliance.

In accordance with MTA Procurement Guidelines, on February 16, 2018, Request for Proposal ("RFP") No. 95533 was advertised in the New York Post, the Daily Challenge, El Diario, the DATIA magazine, and posted on the MNR website.

On March 15, 2018, MNR received five proposals containing technical qualifications and cost proposals from: BBG Consulting, The Bonadio Group, Ernst & Young, Med-Trac Inc., and Pierlott & Associates, LLC.

All cost proposals, with the exception to Med-Trac's, exceeded the internal estimate of a combined MNR and LIRR annual cost of \$307,160. In addition to offering the lowest proposal price, Med-Trac provided a clear understanding of the scope of work and was the only firm that understood the level of effort the Agencies expected for the audits and estimated the cost accordingly. The Selection Committee found that Med-Trac's demonstrated understanding of the work and much lower cost proposal justified their unanimous selection.

The MTA Department of Diversity and Civil Rights (DDCR) established 0% goals for this project. This procurement is to be funded by each Agency's Operating Budget.

Schedule G: Miscellaneous Service Contracts

Item Number: **G**

Page 1 of 2

| | |
|--|--|
| Vendor Name (& Location) Med-Trac Incorporated (1633 State Street, New Haven, CT 06511) | |
| Description Compliance Auditor for Contractor Drug and Alcohol Program | |
| Contract Term (including Options, if any) 5 years | |
| Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive | |
| Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: | |

| | |
|--|---------------------------|
| Contract Number 1000095533 | AWO/Modification # |
| Renewal? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | |
| Total Amount: \$901,449 (not-to-exceed) (MNR=\$450,725, LIRR=\$450,724) | |
| Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | |
| Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr. Director | |

I. PURPOSE/RECOMMENDATION:

Approval is requested for a Metro-North Railroad (MNR) and Long Island Rail Road (LIRR) (collectively, "the Agencies") joint procurement, seeking to award a competitively solicited general services contract (RFP process; 5 proposals received) in the not-to-exceed amount of \$901,449 (MNR = \$450,725, LIRR = \$450,724) to Med-Trac Inc. (Med-Trac). Med-Trac will perform compliance audits for the drug and alcohol testing programs of Agency Contractors who fall under Federal Railroad Administration (FRA) Roadway Worker requirements. The initial term of this contract will be for a period of one year with the option to extend the agreement on an annual basis to a maximum of five years.

II. DISCUSSION:

Since 1986, the FRA has required drug and alcohol testing for railroad industry employees in order to prevent accidents that result from impairment of employees. As of June 12, 2017, the drug and alcohol testing expanded to include Maintenance of Way (MofW) Roadway Worker employees. As defined in 49 CFR §214, "Roadway worker means any employee of a railroad, or of a Contractor to a railroad, whose duties include inspection, construction, maintenance or repair of railroad track, bridges, roadway, signal and communication systems, electric traction systems, roadway facilities or roadway maintenance machinery on or near track or with the potential of fouling a track, and flagmen and watchmen/lookouts as defined in this section."

MNR and LIRR each have approximately 50+ Contractors working within the service area that are required to perform drug and alcohol testing on their employees. The FRA will audit both Railroads and Contractors to ensure compliance. The Railroads are responsible for ensuring that their Contractors meet compliance and will have regulatory exposure for Contractors that are not in compliance. The compliance audits of Contractors will minimize the Agencies' exposure to adverse regulatory inspection reports or monetary violations for non-compliance.

Major tasks to be performed by the selected vendor include:

- Perform bi-annual audits of all identified Contractors that fall within the scope of 49 CFR §219;
- Ensure the Contractor is meeting the FRA testing requirements of 50% for controlled substance and 25% for alcohol;
- Ensure the Contractor has validated all eligible employees for drug & alcohol testing and verifying employees are active;
- Provide written reports identifying any non-compliance issues with these written reports provided to the railroad with ten days from the completion of the audit

In accordance with MTA Procurement Guidelines, on February 16, 2018, Request for Proposal ("RFP") No. 95533 was advertised in the New York Post, the Daily Challenge, El Diario, the DATIA magazine (a drug testing industry periodical), and posted on the MNR website.

On March 15, 2018, MNR received five proposals containing technical qualifications and cost proposals from: BBG Consulting, The Bonadio Group, Ernst & Young, Med-Trac Inc., and Pierlott & Associates, LLC.

The Selection Committee was comprised of members representing MNR's Regulatory Oversight, Procurement and Material Management departments, and LIRR's Human Resources department. The Selection Committee met on March 27, 2018 to review the proposals in accordance with the following criteria:

- Demonstrated understanding of the work scope requirements, including but not limited to the regulations under 49 CFR §219 and 49 CFR §40.
- Cost.
- Project plan (detailed description of how the Services will be performed).
- Confidence level, commitment of relevant resources to the project including the qualifications of key personnel and reliability to audit all MNR and LIRR contractors throughout the duration of the contract.
- Past experience on similar projects.

All cost proposals, with the exception to Med-Trac's, exceeded the internal estimate of a combined MNR and LIRR annual cost of \$307,160. In addition to offering the lowest proposal price, Med-Trac provided a clear understanding of the scope of work and was the only firm that understood the level of effort the Agencies expected for the audits and estimated the cost accordingly. The Selection Committee found that Med-Trac's demonstrated understanding of the work and much lower cost proposal justified their unanimous selection.

III. D/M/WBE INFORMATION:

The MTA Department of Diversity and Civil Rights (DDCR) established 0% goals for this project.

IV. IMPACT ON FUNDING:

Board approval is requested in the not-to-exceed amount of \$901,449 (MNR = \$450,725, LIRR = \$450,724) for the cost of the full five-year period of performance. The initial award is recommended in the not-to-exceed amount of \$169,792, (MNR = \$84,896, LIRR = 84,896) which includes the full work scope for the first year. The Agencies reserve the right to extend the contract annually for up to five years, in which case Med-Trac's proposal is allowed an annual 3% cost escalation. The \$169,792 base contract value when escalated at 3% for 4 additional years results in a total sum of \$901,449. MNR is requesting that the Board approve the full five-year cost to allow the Agencies to elect the annual extension options without having to return each year for re-approval.

The project will be funded with an even 50-50 split between MNR and LIRR. This procurement is to be funded by each Agency's Operating Budget.

V. ALTERNATIVES:

The Agencies do not have neither the expertise nor the capability to perform the required audit services as mandated.

MAY 2018

METRO-NORTH RAILROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions

(Ratifications are to be briefly summarized with Staff Summaries attached only for unusually large or especially significant items)

**1. Progress Rail Services Corporation \$139,000 (not-to-exceed) Staff Summary Attached
Purchase of EM 2000 Software & Hardware for F-40 Locomotives**

Non-competitive procurement for the purchase of updated EM 2000 Software and Hardware for eight F-40 Locomotives for our West of Hudson Fleet operated by New Jersey Transit. The current version of software on the F40PH-3 locomotives was last installed in 2011. Since that time, the OEM, Progress Rail has made many improvements to the EM2000 software which will correct issues currently contributing to train delays in our West of Hudson Service. The locomotives control software and hardware provided is propriety to the OEM and there is a critical need for compatibility with the product currently in use and there is no viable alternative.

The upgrade shall include the following enhancements to the existing operating software:

- Faster recalibration of the radar signal after wheel change or wheel truing, which will significantly reduce "light load" reports after a wheel size change
- Starting logic change to start the engine at normal idle speed, rather than low idle, which will address tripping governor low oil button when unit is started (including with auto start).
- Additional monitoring and diagnostics of the axle alternator speed signal which can flag the need to repair the axle alternator system before it is needed in the event of a radar signal failure. During observation of other EM2000 F4OPH locomotives in snow operation, when the radar is covered with snow, the EM2000 transfers into back up wheel slip mode very quickly and continues to perform well. If there is a faulty axle alternator speed signal (which the backup wheel slip system utilizes), the wheel slip system will not operate as well.

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

The price for the upgraded software and hardware is considered fair and reasonable. This procurement is to be funded by the MNR Operating Budget.

Schedules Requiring Majority Vote:

K. Ratification of Completed Procurement Actions

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

**2. ORX Railway Corporation \$516,650 (not-to-exceed) Staff Summary Attached
Purchase of Axles for the M-3 and Coach Railcars**

Non-competitive procurement deemed as an "Immediate Operating Need" for the purchase of 225 axles for the Metro-North Railroad (MNR) Coach Car and M-3 Fleets. This purchase will require immediate delivery to MNR property commencing in July 2018.

Presently, the inventory of the Coach and M-3 axles is being depleted and there is a critical need for delivery within the next few months to keep these fleets in service. The disqualification of a vendor in the most recent axle solicitation created a delay in the shipment of axles to MNR. As they failed to meet the necessary quality requirements, that vendor was subsequently disqualified. A solicitation and award for a new axle supplier is currently in process, however the first article quality testing will not be finalized in time to meet immediate service needs. ORX is a previously qualified supplier of the Coach Car and M-3 axles and can supply the initial delivery of these axles with their current inventory. ORX current unit pricing was held firm and is deemed to be fair and reasonable.

The total cost for this procurement in the not-to-exceed amount of \$516,650 and is to be funded by the MNR Operating Budget.

**3. ClearWay Industries, LLC \$1,250,000 (not-to-exceed) Staff Summary Attached
Additional funding for brush and tree cutting and removal of debris services**

Board ratification is requested for a modification made on March 21, 2018 to ClearWay Industries, LLC (formerly Cutting-Edge Lawn Service & Landscaping, LLC) miscellaneous service Contract No. 100000000080241 to provide for additional funding for cutting and removal of trees that were dangerous, downed, or damaged along Metro-North's (hereinafter "MNR") system-wide right-of-way. Authorization of funding in the not-to-exceed amount of \$1,250,000 was deemed an "Immediate Operating Need" and granted by the Agency President since it was imperative that MNR territories be restored in order to return to efficient operations.

The original 24-month contract was competitively solicited and awarded on June 1, 2016 in the not-to-exceed amount of \$2,286,000 to provide as-needed brush and tree cutting and debris removal services on all MNR Lines, including Branch Lines and West of Hudson. The scope of work consisted of: 1) scheduled and as-needed tree trimming, cutting, clearing and removal of tree debris; and 2) as-needed services along MNR's right-of-way.

Over the recent winter months, the northeast region was affected with adverse weather conditions which delivered significant and combination of heavy rains, snow accumulations, and strong winds. As a result, a high volume of downed trees, hanging limbs and debris fell along the right-of-way, requiring immediate corrective actions. These critical services were

required to be performed on twelve-hour shifts over weekends so as to not adversely affect normal railroad operations. The current contract expires on June 30, 2018 and remaining funds were inadequate to cover the increase of the needed services. A solicitation and award for a new contract is currently in process. ClearWay was given authorization to spend 75% of the additional funding for the clean-up effort with remaining funds, if needed, requiring MNR prior approval. To date, approximately 50% of the additional funding has been depleted. Upon issuance of a new award in July 2018, any further services related to the completion of the clean-up effort will be performed under the new contract.

This ratification of additional funding in the not-to-exceed amount of \$1,250,000 increases the contract amount from \$2,286,000 to \$3,536,000, per the same terms and conditions, to continue with the clean-up effort of cutting and removing downed trees, hanging limbs and debris along the right-of-way. This procurement is to be funded by the MNR Operating Budget.

Schedule K: Ratification

Item D

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| Vendor Name (& Location) Progress Rail Services Corporation 9301 West 55 th Street LaGrange, IL 60525 |
| Description Purchase of EM 2000 Software and Hardware for P-40 Locomotives |
| Contract Term (including Options, if any) N/A |
| Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive |
| Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source |

| | |
|--|-------------------------------------|
| Contract Number | AWO/Modification # No |
| Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| Total Amount: | \$139,000 not-to-exceed |
| Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | |
| Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr. Director | |

Discussion:

Non-competitive procurement for the purchase of updated EM 2000 Software and Hardware for eight F-40 Locomotives for our West of Hudson Fleet operated by New Jersey Transit. The current version of software on the F40PH-3 locomotives was last installed in 2011. Since that time, the OEM, Progress Rail has made many improvements to the EM2000 software which will correct issues currently contributing to train delays in our West of Hudson Service. The locomotives control software and hardware provided is propriety to the OEM and there is a critical need for compatibility with the product currently in use and there is no viable alternative.

The upgrade shall include the following enhancements to the existing operating software:

- Faster recalibration of the radar signal after wheel change or wheel truing, which will significantly reduce "light load" reports after a wheel size change
- Starting logic change to start the engine at normal idle speed, rather than low idle, which will address tripping governor low oil button when unit is started (including with auto start).
- Additional monitoring and diagnostics of the axle alternator speed signal which can flag the need to repair the axle alternator system before it is needed in the event of a radar signal failure. During observation of other EM2000 F4OPH locomotives in snow operation, when the radar is covered with snow, the EM2000 transfers into back up wheel slip mode very quickly and continues to perform well. If there is a faulty axle alternator speed signal (which the backup wheel slip system utilizes), the wheel slip system will not operate as well.

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

The price for the upgraded software and hardware is considered fair and reasonable. This procurement is to be funded by the MNR Operating Budget.

Schedule K: Ratification

Item Number: K

| |
|--|
| Vendor Name (& Location) ORX Railway Corporation One Park Avenue Tipton, PA 16684 |
| Description Purchase of Axles for the M-3 and Coach Car Railcars |
| Contract Term (including Options, if any) N/A |
| Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive |
| Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source |

| | |
|--|---------------------------------|
| Contract Number | AWO/Modification # No |
| Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| Total Amount: | \$516,650 (not-to-exceed) |
| Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | |
| Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr Director | |

Discussion:

Non-competitive procurement deemed as an "Immediate Operating Need" for the purchase of 225 axles for the Metro-North Railroad (MNR) Coach Car and M-3 Fleets. This purchase will require immediate delivery to MNR property commencing in July 2018.

Presently, the inventory of the Coach and M-3 axles is being depleted and there is a critical need for delivery within the next few months to keep these fleets in service. The disqualification of a vendor in the most recent axle solicitation created a delay in the shipment of axles to MNR. As they failed to meet the necessary quality requirements, that vendor was subsequently disqualified. A solicitation and award for a new axle supplier is currently in process, however the first article quality testing will not be finalized in time to meet immediate service needs. ORX is a previously qualified supplier of the Coach Car and M-3 axles and can supply the initial delivery of these axles with their current inventory. ORX current unit pricing was held firm and is deemed to be fair and reasonable.

The total cost for this procurement in the not-to-exceed amount of \$516,650 and is to be funded by the MNR Operating Budget.

Schedule K: Ratification

Item Number: K

| |
|--|
| Vendor Name (& Location) ClearWay Industries, LLC 2 Stage Road, Pine Island, NY 10969 |
| Description Additional funding for brush and tree cutting and removal of debris services |
| Contract Term (including Options, if any) 24 months |
| Option(s) included in Total Amount? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive |
| Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other: |

| | |
|--|--------------------------------|
| Contract Number 100000000080241 | AWO/Modification # 1 |
| Renewal? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | |
| Total Amount: \$1,250,000 (not-to-exceed) | |
| Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | |
| Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr. Director | |

Discussion:

Board ratification is requested for a modification made on March 21, 2018 to ClearWay Industries, LLC (formerly Cutting-Edge Lawn Service & Landscaping, LLC) miscellaneous service Contract No. 100000000080241 to provide for additional funding for cutting and removal of trees that were dangerous, downed, or damaged along Metro-North's (hereinafter "MNR") system-wide right-of-way. Authorization of funding in the not-to-exceed amount of \$1,250,000 was deemed an "Immediate Operating Need" and granted by the Agency President since it was imperative that MNR territories be restored in order to return to efficient operations.

The original 24-month contract was competitively solicited and awarded on June 1, 2016 in the not-to-exceed amount of \$2,286,000 to provide as-needed brush and tree cutting and debris removal services on all MNR Lines, including Branch Lines and West of Hudson. The scope of work consisted of: 1) scheduled and as-needed tree trimming, cutting, clearing and removal of tree debris; and 2) as-needed services along MNR's right-of-way.

Over the recent winter months, the northeast region was affected with adverse weather conditions which delivered significant and combination of heavy rains, snow accumulations, and strong winds. As a result, a high volume of downed trees, hanging limbs and debris fell along the right-of-way, requiring immediate corrective actions. These critical services were required to be performed on twelve-hour shifts over weekends so as to not adversely affect normal railroad operations. The current contract expires on June 30, 2018 and remaining funds were inadequate to cover the increase of the needed services. A solicitation and award for a new contract is currently in process. ClearWay was given authorization to spend 75% of the additional funding for the clean-up effort with remaining funds, if needed, requiring MNR prior approval. To date, approximately 50% of the additional funding has been depleted. Upon issuance of a new award in July 2018, any further services related to the completion of the clean-up effort will be performed under the new contract.

This ratification of additional funding in the not-to-exceed amount of \$1,250,000 increases the contract amount from \$2,286,000 to \$3,536,000, per the same terms and conditions, to continue with the clean-up effort of cutting and removing downed trees, hanging limbs and debris along the right-of-way. This procurement is to be funded by the MNR Operating Budget.

Operations Report

John Kesich

Senior Vice President, Operations



M7 EMU



M8 EMU



Comet 5 Cab Car

April 2018 Highlights: Operations Report

OTP improved 3.4% from March and operated above goal across all three lines and service periods at an overall of 94.7% in April with YTD at 93.6%.

98.1% of trains arrived within 10" of schedule.

Hudson Line operated at 93.9%, the Harlem Line at 95.9% and the New Haven Line at 94.3% for the Month.

We operated 99.9% of the 19,182 trains scheduled with only 25 (0.1%) cancelled or terminated
171 trains (0.9%) were delayed greater than 15 minutes

AM Peak Service operated at 94.8%

PM Peak Service operated at 96.2%

Off-Peak Service operated at 92.7%

Weekend Service operated at 97.4%

April Train Delay Minutes decreased by 46% from March

West of Hudson operated at 93.3% for the month of April

PVL operated at 94.6% and PJL at 91.5% with combined YTD at 92.2%

NJT Engineer availability remains poor and resulted in 26 cancelled trains (1.6%)

PJL service was additionally impacted by MNR infrastructure work.

Equipment Performance

Fleet Availability was good with a consist compliance of 99%

Service disruptions caused peak consist compliance to be below goal.

Fleet MDBF in March operated above goal at 212,118.

Genesis locomotives operated 27% below goal in the 1Q

John Kesich
Senior Vice President
Operations

| Performance Summary | | | 2018 Data | | | 2017 Data | |
|--|---|-------------------|--------------|---------------|----------------|---------------|----------------|
| | | | Annual Goal | April | YTD thru April | April | YTD thru April |
| On Time Performance <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i> | System | Overall | 93.0% | 94.7% | 93.6% | 96.3% | 95.7% |
| | | AM Peak | 93.0% | 94.8% | 92.0% | 97.9% | 95.5% |
| | | AM Reverse Peak | 93.0% | 95.5% | 95.3% | 98.4% | 97.3% |
| | | PM Peak | 93.0% | 96.2% | 93.3% | 98.2% | 96.6% |
| | | Total Peak | 93.0% | 95.5% | 93.0% | 98.1% | 96.2% |
| | | Off Peak Weekday | 93.0% | 92.7% | 92.4% | 94.7% | 94.8% |
| | | Weekend | 93.0% | 97.4% | 96.7% | 96.3% | 96.7% |
| | Hudson Line | Overall | 93.0% | 93.9% | 93.9% | 96.5% | 96.2% |
| | | AM Peak | 93.0% | 92.9% | 91.2% | 98.2% | 95.3% |
| | | AM Reverse Peak | 93.0% | 97.8% | 98.0% | 100.0% | 97.7% |
| | | PM Peak | 93.0% | 96.3% | 94.3% | 98.6% | 97.7% |
| | | Total Peak | 93.0% | 95.0% | 93.4% | 98.6% | 96.6% |
| | | Off Peak Weekday | 93.0% | 91.4% | 92.0% | 94.6% | 95.5% |
| | | Weekend | 93.0% | 96.8% | 97.6% | 96.5% | 96.9% |
| | Harlem Line | Overall | 93.0% | 95.9% | 93.7% | 96.6% | 95.8% |
| | | AM Peak | 93.0% | 96.0% | 92.8% | 98.1% | 96.6% |
| | | AM Reverse Peak | 93.0% | 95.2% | 93.2% | 97.6% | 97.1% |
| | | PM Peak | 93.0% | 97.9% | 93.0% | 98.3% | 95.8% |
| | | Total Peak | 93.0% | 96.6% | 92.9% | 98.1% | 96.3% |
| | | Off Peak Weekday | 93.0% | 95.2% | 93.7% | 95.4% | 94.8% |
| | | Weekend | 93.0% | 95.7% | 95.1% | 96.0% | 96.8% |
| | New Haven Line | Overall | 93.0% | 94.3% | 93.4% | 95.9% | 95.4% |
| | | AM Peak | 93.0% | 94.9% | 91.9% | 97.5% | 94.7% |
| | | AM Reverse Peak | 93.0% | 94.6% | 95.9% | 98.3% | 97.3% |
| | | PM Peak | 93.0% | 94.8% | 93.0% | 97.8% | 96.5% |
| | | Total Peak | 93.0% | 94.8% | 92.9% | 97.8% | 95.8% |
| | | Off Peak Weekday | 93.0% | 91.7% | 91.7% | 94.2% | 94.4% |
| | | Weekend | 93.0% | 98.9% | 97.1% | 96.4% | 96.4% |
| Operating Statistics | | | | | | | |
| | Trains Scheduled | | | 19,182 | 75,376 | 18,924 | 75,040 |
| | Avg. Delay per Late Train (min) <i>excluding trains cancelled or terminated</i> | | | 11.3 | 13.9 | 12.9 | 12.2 |
| | Trains Over 15 min. Late <i>excluding trains cancelled or terminated</i> | | 2,300 | 171 | 1,082 | 139 | 591 |
| | Trains Canceled | | 230 | 8 | 281 | 10 | 114 |
| | Trains Terminated | | 230 | 17 | 122 | 24 | 94 |
| | Percent of Scheduled Trips Completed | | 99.8% | 99.9% | 99.5% | 99.8% | 99.7% |
| Consist Compliance <i>(Percent of trains where the number of seats provided was greater than or equal to the required number of seats per loading standards)</i> | System | Overall | 99.0% | 99.0% | 99.0% | 99.1% | 99.0% |
| | | AM Peak | 98.0% | 97.9% | 97.8% | 97.9% | 98.0% |
| | | AM Reverse Peak | 99.5% | 100.0% | 100.0% | 99.8% | 99.9% |
| | | PM Peak | 98.0% | 97.9% | 97.5% | 97.7% | 97.5% |
| | | Total Peak | 98.0% | 98.2% | 98.0% | 98.1% | 98.0% |
| | | Off Peak Weekday | 99.5% | 99.6% | 99.5% | 99.5% | 99.5% |
| | | Weekend | 99.5% | 99.4% | 99.7% | 99.8% | 99.7% |
| | Hudson Line | AM Peak | 99.5% | 98.8% | 99.4% | 100.0% | 99.8% |
| | | PM Peak | 99.5% | 99.2% | 98.6% | 99.9% | 99.9% |
| | Harlem Line | AM Peak | 98.5% | 98.0% | 97.1% | 98.5% | 98.0% |
| | | PM Peak | 98.5% | 98.8% | 98.5% | 98.7% | 97.5% |
| | New Haven Line | AM Peak | 97.5% | 97.1% | 97.3% | 95.9% | 96.9% |
| | | PM Peak | 97.5% | 96.2% | 96.0% | 95.5% | 96.0% |

SYSTEM Category of Delay

| Delay Minutes / Delay Threshold | % Total | March | 2018 Data YTD thru April | | 2017 Data YTD thru April | | YTD 2018 Vs 2017 |
|------------------------------------|---------------|--------------|-----------------------------|---------------|-----------------------------|--------------|---------------------|
| Engineering (Scheduled) | 16.8% | 281 | 313 | 934 | 247 | 743 | 191 |
| Engineering (Unscheduled) | 30.0% | 999 | 559 | 3,621 | 441 | 1,410 | 2,211 |
| Maintenance of Equipment | 28.3% | 333 | 527 | 1,638 | 281 | 1,067 | 571 |
| Transportation | 2.6% | 138 | 49 | 307 | 47 | 218 | 89 |
| Capital Projects | 1.4% | 33 | 26 | 109 | 0 | 5 | 104 |
| Weather and Environmental | 5.3% | 1,231 | 98 | 2,068 | 28 | 1,453 | 615 |
| Police | 7.0% | 209 | 131 | 684 | 169 | 431 | 253 |
| Customers | 5.4% | 123 | 101 | 354 | 74 | 263 | 92 |
| Other | 3.0% | 116 | 55 | 544 | 163 | 480 | 64 |
| 3rd Party Operations | 0.1% | 2 | 3 | 10 | 0 | 0 | 10 |
| TOTAL | 100.0% | 3,464 | 1,861 | 10,269 | 1,450 | 6,069 | 4,200 |

| HUDSON LINE | % Total | March | April | YTD thru April | April | YTD thru April | YTD 2018 Vs 2017 |
|---------------------------|---------------|------------|------------|----------------|------------|----------------|---------------------|
| Engineering | 38.8% | 122 | 181 | 1,310 | 169 | 398 | 912 |
| Maintenance of Equipment | 30.5% | 82 | 142 | 435 | 49 | 298 | 137 |
| Transportation | 2.6% | 38 | 12 | 82 | 9 | 38 | 44 |
| Capital Projects | 5.4% | 25 | 25 | 93 | 0 | 0 | 93 |
| Weather and Environmental | 7.9% | 246 | 37 | 383 | 1 | 393 | -10 |
| Police | 3.4% | 19 | 16 | 79 | 22 | 88 | -9 |
| Customers | 7.3% | 33 | 34 | 89 | 36 | 80 | 9 |
| Other | 4.1% | 26 | 19 | 95 | 43 | 68 | 27 |
| 3rd Party Operations | 0.0% | 2 | 0 | 4 | 0 | 0 | 4 |
| TOTAL | 100.0% | 593 | 466 | 2,570 | 329 | 1,363 | 1,207 |

| HARLEM LINE | % Total | March | April | YTD thru April | April | YTD thru April | YTD 2018 Vs 2017 |
|---------------------------|---------------|--------------|------------|----------------|------------|----------------|---------------------|
| Engineering | 65.4% | 663 | 321 | 1,618 | 190 | 593 | 1,025 |
| Maintenance of Equipment | 13.4% | 74 | 66 | 389 | 109 | 317 | 72 |
| Transportation | 4.9% | 57 | 24 | 102 | 16 | 62 | 40 |
| Capital Projects | 0.0% | 3 | 0 | 10 | 0 | 0 | 10 |
| Weather and Environmental | 4.3% | 479 | 21 | 743 | 2 | 495 | 248 |
| Police | 3.5% | 36 | 17 | 171 | 59 | 151 | 20 |
| Customers | 7.3% | 28 | 36 | 110 | 9 | 56 | 54 |
| Other | 1.2% | 21 | 6 | 100 | 41 | 161 | -61 |
| 3rd Party Operations | 0.0% | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 100.0% | 1,361 | 491 | 3,243 | 426 | 1,835 | 1,408 |

| NEW HAVEN LINE | % Total | March | April | YTD thru April | April | YTD thru April | YTD 2018 Vs 2017 |
|---------------------------|---------------|--------------|------------|----------------|------------|----------------|---------------------|
| Engineering | 41.0% | 494 | 370 | 1,626 | 330 | 1,162 | 464 |
| Maintenance of Equipment | 35.2% | 176 | 318 | 814 | 123 | 451 | 363 |
| Transportation | 1.4% | 44 | 13 | 122 | 21 | 118 | 4 |
| Capital Projects | 0.1% | 4 | 1 | 7 | 0 | 5 | 2 |
| Weather and Environmental | 4.4% | 506 | 40 | 942 | 25 | 565 | 377 |
| Police | 10.9% | 153 | 98 | 434 | 88 | 192 | 242 |
| Customers | 3.4% | 62 | 31 | 155 | 29 | 127 | 28 |
| Other | 3.3% | 69 | 30 | 349 | 80 | 251 | 98 |
| 3rd Party Operations | 0.2% | 0 | 2 | 6 | 0 | 0 | 6 |
| TOTAL | 100.0% | 1,508 | 903 | 4,455 | 696 | 2,871 | 1,584 |



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

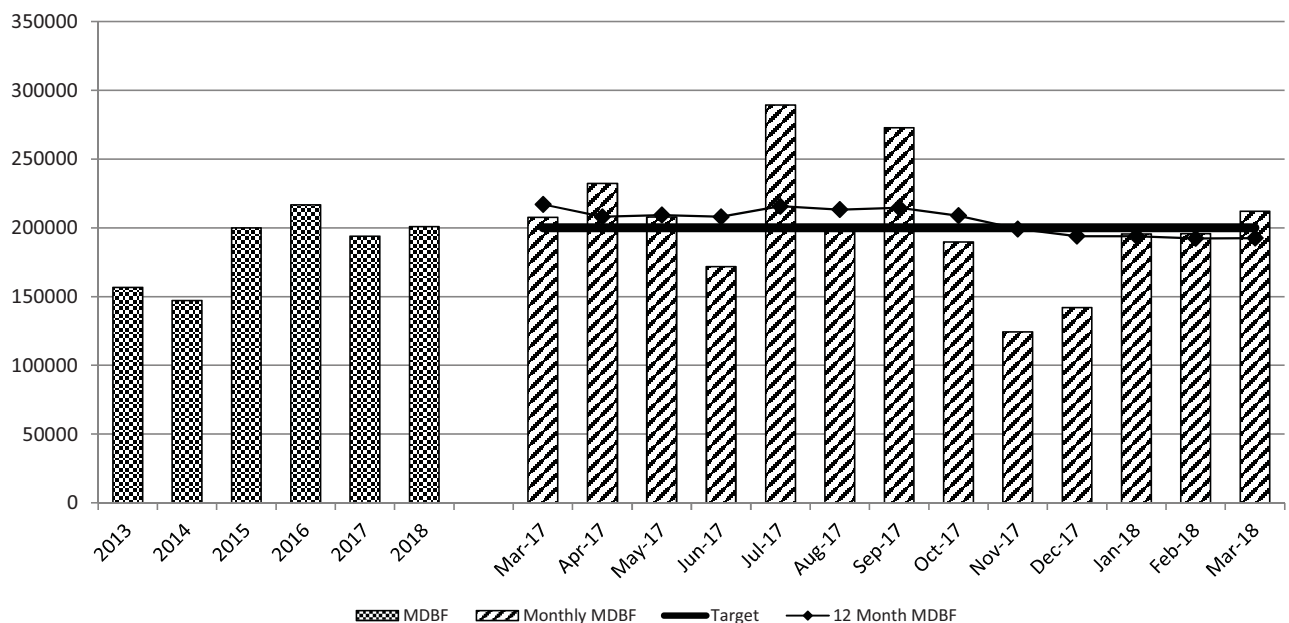
| Date | Day | DESCRIPTION OF EVENT | Number of Late Trains | | | | | | | | | | | | TOTAL | | |
|------------------------|-----|--|-----------------------|---|---|------------|---|---|---------|---|---|----------|---|---|----------------|---|---|
| | | | AM Peak | | | AM Reverse | | | PM Peak | | | Off Peak | | | Late Cxld Term | | |
| | | | L | C | T | L | C | T | L | C | T | L | C | T | | | |
| 04/02 | Mon | Train 1831 was disabled at Merritt 7 Station account Loco 205 shut down. | 3 | 0 | 1 | 2 | 0 | 0 | 1 | 0 | 0 | 5 | 1 | 0 | 11 | 1 | 1 |
| 04/11 | Wed | Repairs between Croton Falls and Brewster to power poles previously damaged by Winter Storm Quinn. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10 | 0 | 0 | 10 | 0 | 0 |
| 04/11 | Wed | Train 1358 was disabled at CP217 account of a full brake application. | 0 | 0 | 0 | 0 | 0 | 0 | 21 | 0 | 2 | 24 | 0 | 0 | 45 | 0 | 2 |
| 04/16 | Mon | Train 509 disabled at 125th Street due to Loco 216 failure. | 2 | 0 | 0 | 10 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 15 | 0 | 0 |
| 04/16 | Mon | A ground in the overhead wire on tracks 2 and 4 from CP230 to CP234 due to weather. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15 | 0 | 0 | 15 | 0 | 0 |
| 04/16 | Mon | A tree down on track 3 between Ludlow and Yonkers due to weather. | 45 | 1 | 0 | 5 | 0 | 0 | 0 | 0 | 0 | 11 | 0 | 0 | 61 | 1 | 0 |
| 04/20 | Fri | 10mph speed restriction on Track 3 in CP241 due to a broken frog on the 35 Switch. | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 25 | 0 | 0 | 26 | 0 | 0 |
| 04/20 | Fri | Deadhead train 5322 disabled at Port Chester Station due to Loco 205 failure. | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12 | 0 | 0 | 15 | 0 | 0 |
| 04/23 | Mon | Deadhead train 1057 disabled on Track 1 at CP106 due to 3rd rail damage. | 0 | 0 | 0 | 0 | 0 | 0 | 9 | 0 | 0 | 5 | 0 | 0 | 14 | 0 | 0 |
| 04/23 | Mon | Unable to reverse 351 Switch in GCT resulting in congestion. | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 14 | 0 | 0 | 18 | 0 | 0 |
| TOTAL FOR MONTH | | | 53 | 1 | 1 | 18 | 0 | 0 | 35 | 0 | 2 | 124 | 1 | 0 | 230 | 2 | 3 |
| | | | | | | | | | | | | | | | 235 | | |

| | Equip- ment Type | Total Fleet Size | 2018 Data | | | | | | 2017 Data | | |
|---|------------------------|------------------------|-------------------------|------------------------|----------------------------|--------------------------------------|------------------------------------|--|------------------------|--------------------------------------|------------------------------------|
| | | | MDBF Goal (miles) | Mar MDBF (miles) | Primary Failure Goal | Mar No. of Primary Failures | YTD MDBF thru Mar (miles) | 12 month MDBF Rolling Avg (miles) | Mar MDBF (miles) | Mar No. of Primary Failures | YTD MDBF thru Mar (miles) |
| Mean Distance Between Failures | M2 | 36 | 20,000 | 25,570 | 2 | 3 | 61,951 | 35,410 | 13,938 | 4 | 22,152 |
| | M8 | 405 | 350,000 | 637,772 | 7 | 4 | 352,432 | 314,466 | 233,667 | 11 | 309,163 |
| | M3 | 138 | 120,000 | 67,989 | 3 | 5 | 74,014 | 93,664 | 179,475 | 2 | 95,528 |
| | M7 | 334 | 440,000 | 322,731 | 4 | 6 | 448,513 | 336,463 | 490,908 | 4 | 274,425 |
| | Coach | 209 | 260,000 | 479,730 | 6 | 3 | 353,184 | 328,284 | 486,023 | 3 | 383,973 |
| | P-32 | 31 | 27,000 | 26,612 | 7 | 7 | 19,791 | 22,391 | 26,935 | 7 | 36,756 |
| | BL-20 | 12 | 13,000 | 15,347 | 3 | 3 | 21,538 | 23,394 | 46,717 | 1 | 41,081 |
| | Fleet | 1165 | 200,000 | 212,118 | 32 | 31 | 200,930 | 192,601 | 207,563 | 32 | 206,836 |
| | M2/8 | | 260,000 | 375,400 | 9 | 7 | 305,955 | 255,479 | 175,073 | 15 | 230,887 |
| | M3/7 | | 300,000 | 206,939 | 7 | 11 | 268,754 | 247,581 | 387,097 | 6 | 216,716 |
| | Diesel/Coach | | 110,000 | 128,578 | 16 | 13 | 106,991 | 114,117 | 153,939 | 11 | 168,907 |

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 2013 - 2018



**West of Hudson
Performance Summary**

| | | | 2018 Data | | | 2017 Data | |
|--|-----------------------------|-------------------|--------------|--------------|----------------|--------------|----------------|
| | | | Annual Goal | April | YTD thru April | April | YTD thru April |
| On Time Performance <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i> | West of Hudson Total | Overall | 95.5% | 93.3% | 92.2% | 93.7% | 93.9% |
| | | AM Peak | 95.5% | 90.8% | 89.3% | 92.1% | 92.3% |
| | | PM Peak | 95.5% | 94.5% | 92.9% | 96.2% | 94.0% |
| | | Total Peak | 95.5% | 92.6% | 91.0% | 94.1% | 93.1% |
| | | Off Peak Weekday | 95.5% | 92.6% | 92.2% | 94.9% | 94.9% |
| | | Weekend | 95.5% | 96.0% | 93.8% | 90.9% | 93.0% |
| | Pascack Valley Line | Overall | 96.5% | 94.6% | 94.5% | 95.6% | 95.6% |
| | | AM Peak | 96.5% | 92.9% | 92.7% | 94.4% | 95.6% |
| | | PM Peak | 96.5% | 97.3% | 96.6% | 97.1% | 96.1% |
| | | Total Peak | 96.5% | 94.9% | 94.6% | 95.7% | 95.8% |
| | | Off Peak Weekday | 96.5% | 93.9% | 94.4% | 94.8% | 95.7% |
| | | Weekend | 96.5% | 95.5% | 94.7% | 97.1% | 95.2% |
| | Port Jervis Line | Overall | 95.0% | 91.5% | 88.8% | 90.9% | 91.4% |
| | | AM Peak | 95.0% | 88.1% | 84.6% | 89.2% | 87.9% |
| | | PM Peak | 95.0% | 91.3% | 88.5% | 95.0% | 91.7% |
| | | Total Peak | 95.0% | 89.7% | 86.6% | 92.1% | 89.8% |
| | | Off Peak Weekday | 95.0% | 90.8% | 89.2% | 95.0% | 93.7% |
| | | Weekend | 95.0% | 96.8% | 92.1% | 80.0% | 89.2% |
| Operating Statistics | | | | | | | |
| Trains Scheduled | | | | 1,669 | 6,568 | 1,644 | 6,589 |
| Avg. Delay per Late Train (min) <small>excluding trains canceled or terminated</small> | | | | 17.0 | 20.2 | 17.0 | 21.7 |
| Trains Over 15 min. Late <small>excluding trains canceled or terminated</small> | | | 300 | 27 | 186 | 34 | 169 |
| Trains Canceled | | | 60 | 28 | 81 | 4 | 28 |
| Trains Terminated | | | 60 | 2 | 19 | 9 | 26 |
| Percent of Scheduled Trips Completed | | | 99.4% | 98.2% | 98.5% | 99.2% | 99.2% |
| Consist Compliance* <i>(Percent of trains were the number of coaches provided met the scheduled requirement)</i> | System - AM | Overall | 99.0% | 98.6% | 97.9% | 98.4% | 99.2% |
| | Pascack Valley - AM | | 99.0% | 98.4% | 97.4% | 98.5% | 99.3% |
| | Port Jervis - AM | | 99.0% | 98.9% | 98.4% | 98.4% | 99.1% |

* Consist Compliance Reporting for West of Hudson PM Peak trains is currently unavailable.



WEST OF HUDSON

EVENTS RESULTING IN 5 or MORE LATE (L), CANCELED (C) or TERMINATED (T) TRAINS

| Date | Day | DESCRIPTION OF EVENT | Number of Late Trains | | | | | | | | | | | | TOTAL | | |
|-----------------|-----|---|-----------------------|---|---|---------|---|---|----------|---|---|---------|---|---|-------|------|------|
| | | | AM Peak | | | PM Peak | | | Off Peak | | | Weekend | | | | | |
| | | | L | C | T | L | C | T | L | C | T | L | C | T | Late | Cxld | Term |
| 04/02 | Mon | Slow boarding of passengers account weather conditions. | 6 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 7 | 0 | 0 |
| TOTAL FOR MONTH | | | 6 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 7 | 0 | 0 |
| | | | | | | | | | | | | | | | 7 | | |



APRIL 2018 STANDEE REPORT

East of Hudson

| | | | APR 2017 | YTD 2017 | APR 2018 | YTD 2018 |
|--------------------------|---------------------------------------|-----------------------|-------------|-------------|-------------|-------------|
| Daily Average AM Peak | Hudson Line | Program Standees | 0 | 0 | 0 | 0 |
| | | Add'l Standees | 0 | 3 | 22 | 18 |
| | | Total Standees | 0 | 3 | 22 | 18 |
| | Harlem Line | Program Standees | 0 | 0 | 0 | 0 |
| | | Add'l Standees | 30 | 44 | 63 | 104 |
| | | Total Standees | 30 | 44 | 63 | 104 |
| | New Haven Line | Program Standees | 0 | 0 | 0 | 0 |
| | | Add'l Standees | 23 | 27 | 69 | 68 |
| | | Total Standees | 23 | 27 | 69 | 68 |
| | EAST OF HUDSON TOTAL - AM PEAK | | 53 | 74 | 154 | 191 |
| Daily Average PM Peak | Hudson Line | Program Standees | 0 | 0 | 0 | 0 |
| | | Add'l Standees | 4 | 3 | 4 | 6 |
| | | Total Standees | 4 | 3 | 4 | 6 |
| | Harlem Line | Program Standees | 0 | 0 | 0 | 0 |
| | | Add'l Standees | 6 | 28 | 22 | 28 |
| | | Total Standees | 6 | 28 | 22 | 28 |
| | New Haven Line | Program Standees | 0 | 0 | 0 | 0 |
| | | Add'l Standees | 94 | 104 | 65 | 112 |
| | | Total Standees | 94 | 104 | 65 | 112 |
| | EAST OF HUDSON TOTAL - PM PEAK | | 104 | 134 | 92 | 146 |

West of Hudson

| | | | APR 2017 | YTD 2017 | APR 2018 | YTD 2018 |
|--------------------------|---------------------------------------|-----------------------|-------------|-------------|-------------|-------------|
| 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 |
| | | | | | | |
| | | | | | | |
| | | | | | | |

* Consist compliance and Standee Reporting for the West of Hudson PM Peak trains is currently unavailable

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

ELEVATOR AND ESCALATOR OPERATING REPORT

FOR MONTH OF April 2018

| Elevator Availability | 2018 | | 2017 | |
|------------------------|---------|--------------|---------|--------------|
| | April | Year to Date | April | Year to Date |
| Grand Central Terminal | 93.75% | 93.75% | 93.75% | 95.48% |
| Harlem | 100.00% | 99.76% | 100.00% | 99.98% |
| Hudson | 100.00% | 99.77% | 100.00% | 100.00% |
| New Haven | 100.00% | 99.71% | 100.00% | 99.94% |
| Overall Average | 98.44% | 98.25% | 98.44% | 98.85% |

GCT Availability for March 2018 is impacted by the NE-1 Elevator being Out of Service due to East Side Access construction since February 2017.

| Escalator Availability | 2018 | | 2017 | |
|------------------------|---------|--------------|---------|--------------|
| | April | Year to Date | April | Year to Date |
| Grand Central Terminal | 98.92% | 96.54% | 99.75% | 98.87% |
| White Plains | 100.00% | 100.00% | 100.00% | 100.00% |
| Overall Average | 99.46% | 98.27% | 99.88% | 99.44% |

Finance Report

Steven Weiss

Executive Director, Management & Budget



Signal poles damaged by the March Nor'easters. A boom truck is used to remove trees and branches that had fallen across the signal lines along the right-of way near Brewster.



Metro-North Railroad

March 2018 Highlights: Financial Report

The purpose of this report is to provide the March 2018 financial results, on an accrual basis. The accrual basis is presented on a non-reimbursable and reimbursable account basis. These results are compared to the Adopted Budget (budget).

Summary of Non-Reimbursable Year-to-Date (YTD) March 2018 Financial Results

Ridership and accrual results, versus budget, are summarized as follows:

- Ridership of 20.1 million was 0.3 million (1.5%) below budget, of which East of Hudson ridership of 19.8 million was 0.3 million (1.4%) below budget, and West of Hudson ridership of 0.4 million was 0.0 million (2.8%) below budget.
- Farebox revenue of \$170.5 million was \$0.9 million (0.5%) below budget, primarily due to the impact of the March Nor'easters as well as Winter Storm Grayson in January partially offset by a higher yield per passenger.
- Operating expenses of \$322.9 million was \$14.5 million (4.3%) below budget primarily due to lower than budgeted discretionary contractual spending in both the Maintenance and Other Operating Contracts and Professional Services categories.

Financial results for Year-to-Date (YTD) March 2018 are presented in the table below and compared to the budget.

| March 2018 Year-to-Date Results | | | | |
|--|-------------------|---------|----------------------------|---------|
| (\$ in millions) | Adopted Budget | Actual | Favorable (Unfavorable) | |
| | | | Variance | Percent |
| | \$ | \$ | \$ | % |
| Farebox Revenue | 171.4 | 170.5 | (0.9) | (0.5) |
| Total Expenses before Non-Cash Liability Adjs. | 337.4 | 322.9 | 14.5 | 4.3 |
| Net Cash Surplus/(Deficit) | (157.5) | (133.7) | 23.8 | 15.1 |
| <i>*excludes subsidies</i> | | | | |

Steven Weiss

Executive Director – Management & Budget
Budget

NON-REIMBURSABLE and REIMBURSABLE SUMMARY

March 2018 YTD Net Deficit (Non-Reimbursable and Reimbursable) of \$211.9 million was \$14.1 million or 6.2% favorable vs. the Adopted Budget. The month of March Net Deficit (Non-Reimbursable and Reimbursable) of \$69.3 million was \$10.3 million or 12.9% favorable vs. the Adopted Budget.

Major drivers of the March 2018 YTD favorable result of \$14.1 million include lower Non-Reimbursable Expenses of \$20.7 million mainly due to favorable maintenance contracts and professional services (\$10.7 million), timing of non-cash liability adjustments (\$6.2 million) and lower electric power rates (\$2.1 million). Partly offsetting these favorable expense results were unfavorable Non-Reimbursable Revenues of \$6.6 million mainly due to lower other operating revenue (\$5.6 million) resulting from a reimbursement delay related to the rescheduling of the New York State Grade Crossing Project and and lower farebox revenue (\$0.9 million).

March 2018 YTD Reimbursable results (Capital and Other Reimbursements) of \$45.9 million was \$17.1 million favorable vs. the Adopted Budget primarily due to timing for several capital projects including Positive Train Control, Waterbury Brand Cab Signal, Signal Replacement from Greenwich to South Norwalk, GCT Switch Renewals, Power Infrastructure Restoration, Turnouts Mainline High Speed and C-30 Track Program.

REVENUE/RIDERSHIP

- **Farebox Revenue** – YTD was \$0.9 million unfavorable vs. the Adopted Budget (0.5%) primarily due to the impact of several nor'easter storms in March and Winter Storm Grayson in January partially offset by a higher yield per passenger. For the month, revenue was slightly unfavorable vs. the Adopted Budget.
 - YTD Ridership of 20.1 million was 1.5% unfavorable vs. the Adopted Budget and 0.8% unfavorable compared to YTD 2017.
 - March ridership of 7.1 million was 0.8% unfavorable vs. the Adopted Budget and 0.2% unfavorable compared to 2017.
- **Other Operating Revenue** – YTD was \$5.6 million (31.2%) unfavorable vs. the Adopted Budget due to a reimbursement delay related to the rescheduling of the New York State Grade Crossing Project as well as lower advertising revenue resulting from a year-to-date adjustment to reflect commencement of the new contract. For the month, revenue was \$1.7 million unfavorable vs. the Adopted Budget.
- **Capital and Other Reimbursements** – YTD was \$17.1 million unfavorable vs. the Adopted Budget due to scheduling and timing changes noted above. For the month, reimbursements were \$4.6 million unfavorable vs. the Adopted Budget.

TOTAL EXPENSES (Non-Reimbursable and Reimbursable)

Total Expenses – YTD expenses of \$440.7 million were \$37.8 million or 7.9% favorable vs. the Adopted Budget. For the month, expenses of \$148.7 million were \$16.7 million or 10.1% favorable vs. the Adopted Budget.

Labor Expenses (including fringes and overhead recoveries) of \$269.9 million YTD were \$5.2 million favorable vs. the Adopted Budget. For the month, expenses of \$88.9 million were \$5.8 million favorable vs. the Adopted Budget.

- **Payroll** – YTD was \$2.2 million favorable vs. the Adopted Budget primarily due to the impact of the hiring restrictions. For the month, expenses were \$2.6 million favorable vs. the Adopted Budget.

- **Overtime** – YTD was \$1.5 million unfavorable vs. the Adopted Budget due to impacts from several nor'easter storms in March and Winter Storm Grayson in January as well as timing differences related to payroll and calendar cutoff dates. For the month, expenses were \$0.2 million favorable vs. the Adopted Budget.

Non-Labor Expenses of \$99.0 million YTD were \$26.4 million favorable vs. the Adopted Budget. For the month, expenses of \$35.7 million were favorable by \$7.6 million compared to the Adopted Budget.

- **Electric Power** – Lower rates yielded favorable YTD results of \$2.0 million vs. the Adopted Budget. For the month, expenses were \$0.9 million favorable vs. the Adopted Budget.
- **Fuel** – YTD expenses were \$0.6 million unfavorable vs. the Adopted Budget due to a higher diesel fuel price per gallon. For the month, expenses were \$0.1 million unfavorable when compared to the Adopted Budget.
- **Maintenance & Other Operating Contracts** – YTD was \$7.2 million favorable vs. the Adopted Budget primarily due to lower than anticipated Non-Reimbursable expenses for maintenance services, lower GCT utilities costs resulting from more efficient chiller equipment implemented in conjunction with NYPA as well as lower various Reimbursable project activity. For the month, expenses were \$1.7 million favorable compared to the Adopted Budget.
- **Professional Services** – YTD was \$13.5 million favorable vs. the Adopted Budget primarily due to lower Reimbursable project activity, as well as lower than anticipated Non-Reimbursable expenses for engineering and consulting services and legal fees. For the month, expenses were favorable by \$2.7 million compared to the Adopted Budget.
- **Materials & Supplies** – YTD was \$3.5 million favorable vs. the Adopted Budget primarily due to lower various Reimbursable project activity partially offset by higher Non-Reimbursable expenses for rolling stock parts and supplies for reliability centered maintenance programs projects and running repairs. For the month, expenses were \$2.5 million favorable vs. the Adopted Budget.
- **Other Business Expenses** – YTD expenses were \$0.5 million favorable vs. the Adopted Budget primarily due to lower Non-Reimbursable expenses due to lower subsidy payments to NJT for West of Hudson operations and lower than anticipated expenses for travel and other miscellaneous expenses. For the month, expenses were \$0.4 million unfavorable compared to the Adopted Budget.

Depreciation and Other Non-Cash Liability Adjustments were \$6.2 million favorable vs. the YTD Adopted Budget primarily due to the timing of the capitalization of assets. For the month, expenses were \$3.3 million favorable vs. the Adopted Budget.

CASH DEFICIT SUMMARY

March YTD Net Cash Deficit of \$133.7 million was \$23.8 million or 15.1% favorable to the Adopted Budget. This is mainly due to revised milestone scheduling of Operating Capital Projects (525 North Broadway Space Consolidation, NYS Grade Crossing Improvements, Track Geometry Car, GCT 7B Renovation and Cameras and Audio for Non-M8 Fleet).

FINANCIAL PERFORMANCE MEASURES

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

- Adjusted Farebox Operating Ratio of 60.4% was 4.9% favorable vs. the Adopted Budget.
- Adjusted Cost per Passenger of \$15.61 was \$1.76 favorable to the Adopted Budget.
- Revenue per Passenger of \$8.46 was \$0.08 favorable vs. the Adopted Budget.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2018 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
March 2018
(\$ in millions)

SCHEDULE I - A

| | Nonreimbursable | | | | Reimbursable | | | | Total | | | |
|---|-------------------|-------------------|-------------------------|---------------|-----------------|------------------|-------------------------|---------------|-------------------|-------------------|-------------------------|---------------|
| | Adopted Budget | Actual | Favorable (Unfavorable) | | Adopted Budget | Actual | Favorable (Unfavorable) | | Adopted Budget | Actual | Favorable (Unfavorable) | |
| | | | Variance | Percent | | | Variance | Percent | | | Variance | Percent |
| Revenue | | | | | | | | | | | | |
| Farebox Revenue | \$58.669 | \$58.649 | (\$0.020) | (0.0) | \$0.000 | \$0.000 | \$0.000 | - | \$58.669 | \$58.649 | (\$0.020) | (0.0) |
| Vehicle Toll Revenue | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - |
| Other Operating Revenue | 4.639 | 2.903 | (1.736) | (37.4) | 0.000 | 0.000 | 0.000 | - | 4.639 | 2.903 | (1.736) | (37.4) |
| <i>Capital & Other Reimbursements:</i> | | | | | | | | | | | | |
| MTA | 0.000 | 0.000 | 0.000 | - | 13.085 | 9.150 | (3.936) | (30.1) | 13.085 | 9.150 | (3.936) | (30.1) |
| CDOT | 0.000 | 0.000 | 0.000 | - | 8.691 | 6.976 | (1.715) | (19.7) | 8.691 | 6.976 | (1.715) | (19.7) |
| Other | 0.000 | 0.000 | 0.000 | - | 0.712 | 1.721 | 1.009 | * | 0.712 | 1.721 | 1.009 | * |
| Total Capital and Other Reimbursements | 0.000 | 0.000 | 0.000 | - | 22.488 | 17.846 | (4.642) | (20.6) | 22.488 | 17.846 | (4.642) | (20.6) |
| Total Revenue/Receipts | \$63.308 | \$61.552 | (\$1.755) | (2.8) | \$22.488 | \$17.846 | (\$4.642) | (20.6) | \$85.796 | \$79.399 | (\$6.397) | (7.5) |
| Expenses | | | | | | | | | | | | |
| <i>Labor:</i> | | | | | | | | | | | | |
| Payroll | \$44.432 | \$42.899 | \$1.533 | 3.5 | \$4.464 | \$3.410 | \$1.054 | 23.6 | \$48.896 | \$46.309 | \$2.587 | 5.3 |
| Overtime | 8.170 | 8.164 | 0.007 | 0.1 | 2.028 | 1.844 | 0.184 | 9.1 | 10.198 | 10.008 | 0.191 | 1.9 |
| Health and Welfare | 9.912 | 8.728 | 1.183 | 11.9 | 1.534 | 1.163 | 0.371 | 24.2 | 11.446 | 9.891 | 1.554 | 13.6 |
| OPEB Current Payment | 2.750 | 3.353 | (0.603) | (21.9) | 0.000 | 0.000 | 0.000 | - | 2.750 | 3.353 | (0.603) | (21.9) |
| Pensions | 8.979 | 8.483 | 0.496 | 5.5 | 1.080 | 0.817 | 0.264 | 24.4 | 10.059 | 9.299 | 0.760 | 7.6 |
| Other Fringe Benefits | 10.520 | 10.140 | 0.380 | 3.6 | 1.106 | 0.889 | 0.217 | 19.6 | 11.626 | 11.029 | 0.597 | 5.1 |
| Reimbursable Overhead | (4.772) | (4.816) | 0.043 | 0.9 | 4.543 | 3.865 | 0.677 | 14.9 | (0.230) | (0.950) | 0.721 | * |
| Total Labor | \$79.990 | \$76.951 | \$3.039 | 3.8 | \$14.755 | \$11.988 | \$2.767 | 18.8 | \$94.745 | \$88.939 | \$5.806 | 6.1 |
| <i>Non-Labor:</i> | | | | | | | | | | | | |
| Electric Power | \$6.665 | \$5.668 | \$0.997 | 15.0 | \$0.000 | \$0.069 | (\$0.069) | - | \$6.665 | \$5.738 | \$0.928 | 13.9 |
| Fuel | 1.595 | 1.732 | (0.138) | (8.6) | 0.000 | 0.000 | 0.000 | - | 1.595 | 1.732 | (0.138) | (8.6) |
| Insurance | 1.505 | 1.444 | 0.061 | 4.0 | 0.308 | 0.283 | 0.024 | 7.9 | 1.812 | 1.727 | 0.085 | 4.7 |
| Claims | 0.098 | 0.003 | 0.094 | 96.4 | 0.000 | 0.000 | 0.000 | - | 0.098 | 0.003 | 0.094 | 96.4 |
| 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 | 11.114 | 8.655 | 2.459 | 22.1 | 1.054 | 1.790 | (0.736) | (69.9) | 12.167 | 10.445 | 1.723 | 14.2 |
| Professional Service Contracts | 3.600 | 2.145 | 1.455 | 40.4 | 3.960 | 2.673 | 1.287 | 32.5 | 7.560 | 4.818 | 2.742 | 36.3 |
| Materials & Supplies | 8.307 | 7.112 | 1.195 | 14.4 | 2.392 | 1.074 | 1.319 | 55.1 | 10.699 | 8.185 | 2.513 | 23.5 |
| Other Business Expenses | 2.688 | 3.112 | (0.425) | (15.8) | 0.020 | (0.031) | 0.050 | * | 2.708 | 3.082 | (0.374) | (13.8) |
| Total Non-Labor | \$35.571 | \$29.873 | \$5.698 | 16.0 | \$7.733 | \$5.858 | \$1.875 | 24.2 | \$43.304 | \$35.731 | \$7.573 | 17.5 |
| <i>Other Adjustments:</i> | | | | | | | | | | | | |
| 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. | \$115.561 | \$106.824 | \$8.737 | 7.6 | \$22.488 | \$17.846 | \$4.642 | 20.6 | \$138.049 | \$124.670 | \$13.379 | 9.7 |
| Depreciation | 20.542 | 19.092 | 1.450 | 7.1 | 0.000 | 0.000 | 0.000 | - | 20.542 | 19.092 | 1.450 | 7.1 |
| OPEB Obligation | 4.833 | 3.602 | 1.232 | 25.5 | 0.000 | 0.000 | 0.000 | - | 4.833 | 3.602 | 1.232 | 25.5 |
| GASB68 Pension Adjustment** | 0.925 | 1.304 | (0.379) | (40.9) | 0.000 | 0.000 | 0.000 | - | 0.925 | 1.304 | (0.379) | (40.9) |
| Environmental Remediation | 1.000 | 0.000 | 1.000 | 100.0 | 0.000 | 0.000 | 0.000 | - | 1.000 | 0.000 | 1.000 | 100.0 |
| Total Expenses | \$142.862 | \$130.821 | \$12.040 | 8.4 | \$22.488 | \$17.846 | \$4.642 | 20.6 | \$165.350 | \$148.667 | \$16.682 | 10.1 |
| Net Surplus/(Deficit) | (\$79.554) | (\$69.269) | \$10.285 | 12.9 | \$0.000 | (\$0.000) | (\$0.000) | - | (\$79.554) | (\$69.269) | \$10.285 | 12.9 |
| <i>Cash Conversion Adjustments:</i> | | | | | | | | | | | | |
| Depreciation | 20.542 | 19.092 | (1.450) | (7.1) | 0.000 | 0.000 | 0.000 | - | 20.542 | 19.092 | (1.450) | (7.1) |
| Operating/Capital | (6.873) | (8.272) | (1.399) | (20.4) | 0.000 | 0.000 | 0.000 | - | (6.873) | (8.272) | (1.399) | (20.4) |
| Other Cash Adjustments | 9.500 | (2.920) | (12.420) | * | 0.000 | 0.000 | 0.000 | - | 9.500 | (2.920) | (12.420) | * |
| Total Cash Conversion Adjustments | \$23.169 | \$7.900 | (\$15.270) | (65.9) | \$0.000 | \$0.000 | \$0.000 | - | \$23.169 | \$7.900 | (\$15.270) | (65.9) |
| Net Cash Surplus/(Deficit) | (\$56.385) | (\$61.369) | (\$4.984) | (8.8) | \$0.000 | (\$0.000) | (\$0.000) | - | (\$56.385) | (\$61.369) | (\$4.984) | (8.8) |

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 - 2018 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
March Year-To-Date
(\$ in millions)

SCHEDULE I - B

| | Nonreimbursable | | | | Reimbursable | | | | Total | | | |
|---|--------------------|--------------------|----------------------------------|--------------|-----------------|------------------|----------------------------------|---------------|--------------------|--------------------|----------------------------------|--------------|
| | Adopted Budget | Actual | Favorable (Unfavorable) Variance | Percent | Adopted Budget | Actual | Favorable (Unfavorable) Variance | Percent | Adopted Budget | Actual | Favorable (Unfavorable) Variance | Percent |
| Revenue | | | | | | | | | | | | |
| Farebox Revenue | \$171.417 | \$170.494 | (\$0.923) | (0.5) | \$0.000 | \$0.000 | \$0.000 | - | \$171.417 | \$170.494 | (\$0.923) | (0.5) |
| Vehicle Toll Revenue | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - |
| Other Operating Revenue | 18.081 | 12.448 | (5.633) | (31.2) | 0.000 | 0.000 | 0.000 | - | 18.081 | 12.448 | (5.633) | (31.2) |
| <i>Capital & Other Reimbursements:</i> | | | | | | | | | | | | |
| MTA | 0.000 | 0.000 | 0.000 | - | 35.261 | 26.712 | (8.549) | (24.2) | 35.261 | 26.712 | (8.549) | (24.2) |
| CDOT | 0.000 | 0.000 | 0.000 | - | 25.870 | 15.922 | (9.948) | (38.5) | 25.870 | 15.922 | (9.948) | (38.5) |
| Other | 0.000 | 0.000 | 0.000 | - | 1.896 | 3.302 | 1.406 | 74.2 | 1.896 | 3.302 | 1.406 | 74.2 |
| Total Capital and Other Reimbursements | 0.000 | 0.000 | 0.000 | - | 63.027 | 45.935 | (17.092) | (27.1) | 63.027 | 45.935 | (17.092) | (27.1) |
| Total Revenue/Receipts | \$189.498 | \$182.942 | (\$6.556) | (3.5) | \$63.027 | \$45.935 | (\$17.092) | (27.1) | \$252.525 | \$228.878 | (\$23.647) | (9.4) |
| Expenses | | | | | | | | | | | | |
| <i>Labor:</i> | | | | | | | | | | | | |
| Payroll | \$129.093 | \$128.294 | \$0.799 | 0.6 | \$11.910 | \$10.463 | \$1.446 | 12.1 | \$141.003 | \$138.757 | \$2.246 | 1.6 |
| Overtime | 24.877 | 26.506 | (1.629) | (6.5) | 5.338 | 5.243 | 0.095 | 1.8 | 30.216 | 31.749 | (1.533) | (5.1) |
| Health and Welfare | 28.897 | 26.897 | 2.000 | 6.9 | 4.077 | 3.810 | 0.267 | 6.6 | 32.974 | 30.707 | 2.267 | 6.9 |
| OPEB Current Payment | 8.250 | 9.232 | (0.982) | (11.9) | 0.000 | 0.000 | 0.000 | - | 8.250 | 9.232 | (0.982) | (11.9) |
| Pensions | 26.158 | 25.305 | 0.853 | 3.3 | 2.877 | 2.619 | 0.257 | 8.9 | 29.035 | 27.924 | 1.110 | 3.8 |
| Other Fringe Benefits | 31.452 | 29.714 | 1.738 | 5.5 | 2.935 | 2.892 | 0.043 | 1.5 | 34.387 | 32.606 | 1.781 | 5.2 |
| Reimbursable Overhead | (12.780) | (12.972) | 0.192 | 1.5 | 12.016 | 11.852 | 0.164 | 1.4 | (0.764) | (1.120) | 0.356 | 46.5 |
| Total Labor | \$235.947 | \$232.976 | \$2.972 | 1.3 | \$39.153 | \$36.880 | \$2.273 | 5.8 | \$275.100 | \$269.855 | \$5.245 | 1.9 |
| <i>Non-Labor:</i> | | | | | | | | | | | | |
| Electric Power | \$21.244 | \$19.155 | \$2.088 | 9.8 | \$0.000 | \$0.069 | (\$0.069) | - | \$21.244 | \$19.225 | \$2.019 | 9.5 |
| Fuel | 5.097 | 5.720 | (0.624) | (12.2) | 0.000 | 0.000 | 0.000 | - | 5.097 | 5.720 | (0.624) | (12.2) |
| Insurance | 4.476 | 4.292 | 0.183 | 4.1 | 0.774 | 0.989 | (0.215) | (27.8) | 5.250 | 5.282 | (0.032) | (0.6) |
| Claims | 0.288 | 0.060 | 0.228 | 79.3 | 0.000 | 0.000 | 0.000 | - | 0.288 | 0.060 | 0.228 | 79.3 |
| 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 | 29.893 | 23.969 | 5.923 | 19.8 | 2.299 | 0.985 | 1.315 | 57.2 | 32.192 | 24.954 | 7.238 | 22.5 |
| Professional Service Contracts | 11.583 | 6.838 | 4.745 | 41.0 | 11.800 | 3.047 | 8.753 | 74.2 | 23.383 | 9.885 | 13.498 | 57.7 |
| Materials & Supplies | 21.472 | 23.010 | (1.538) | (7.2) | 8.941 | 3.922 | 5.019 | 56.1 | 30.413 | 26.932 | 3.481 | 11.4 |
| Other Business Expenses | 7.438 | 6.912 | 0.526 | 7.1 | 0.059 | 0.044 | 0.016 | 26.5 | 7.497 | 6.956 | 0.541 | 7.2 |
| Total Non-Labor | \$101.489 | \$89.958 | \$11.531 | 11.4 | \$23.874 | \$9.056 | \$14.818 | 62.1 | \$125.363 | \$99.014 | \$26.350 | 21.0 |
| <i>Other Adjustments</i> | | | | | | | | | | | | |
| 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. | \$337.437 | \$322.934 | \$14.503 | 4.3 | \$63.027 | \$45.935 | \$17.092 | 27.1 | \$400.464 | \$368.869 | \$31.594 | 7.9 |
| Depreciation | 61.627 | 57.306 | 4.321 | 7.0 | 0.000 | 0.000 | 0.000 | - | 61.627 | 57.306 | 4.321 | 7.0 |
| OPEB Obligation | 14.500 | 13.268 | 1.232 | 8.5 | 0.000 | 0.000 | 0.000 | - | 14.500 | 13.268 | 1.232 | 8.5 |
| GASB68 Pension Adjustment** | 0.925 | 1.304 | (0.379) | (40.9) | 0.000 | 0.000 | 0.000 | - | 0.925 | 1.304 | (0.379) | (40.9) |
| Environmental Remediation | 1.000 | 0.000 | 1.000 | 100.0 | 0.000 | 0.000 | 0.000 | - | 1.000 | 0.000 | 1.000 | 100.0 |
| Total Expenses | \$415.488 | \$394.812 | \$20.677 | 5.0 | \$63.027 | \$45.935 | \$17.092 | 27.1 | \$478.515 | \$440.747 | \$37.768 | 7.9 |
| Net Surplus/(Deficit) | (\$225.990) | (\$211.870) | \$14.121 | 6.2 | \$0.000 | (\$0.000) | (\$0.000) | - | (\$225.990) | (\$211.870) | \$14.121 | 6.2 |
| <i>Cash Conversion Adjustments:</i> | | | | | | | | | | | | |
| Depreciation | 61.627 | 57.306 | (4.321) | (7.0) | 0.000 | 0.000 | 0.000 | - | 61.627 | 57.306 | (4.321) | (7.0) |
| Operating/Capital | (35.107) | (9.897) | 25.210 | 71.8 | 0.000 | 0.000 | 0.000 | - | (35.107) | (9.897) | 25.210 | 71.8 |
| Other Cash Adjustments | 41.936 | 30.730 | (11.206) | (26.7) | 0.000 | 0.000 | 0.000 | - | 41.936 | 30.730 | (11.206) | (26.7) |
| Total Cash Conversion Adjustments | \$68.456 | \$78.140 | \$9.684 | 14.1 | \$0.000 | \$0.000 | \$0.000 | - | \$68.456 | \$78.140 | \$9.684 | 14.1 |
| Net Cash Surplus/(Deficit) | (\$157.534) | (\$133.730) | \$23.804 | 15.1 | \$0.000 | (\$0.000) | (\$0.000) | - | (\$157.534) | (\$133.730) | \$23.804 | 15.1 |

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 - 2018 ADOPTED BUDGET
MARCH 2018
(\$ in millions)

| Generic Revenue or Expense Category | Non Reimb. or Reimb. | Current Month vs. Adopted Budget | | | Year to Date vs. Adopted Budget | | |
|--|-------------------------|----------------------------------|---------|--|---------------------------------|---------|---|
| | | Variance Fav (Unfav) | | Reason for Variance | Variance Fav (Unfav) | | Reason for Variance |
| | | \$ | % | | \$ | % | |
| FAREBOX REVENUE | Non-Reimb | (\$0.020) | (0.0%) | Lower ridership due to March Nor'easters, partially offset by an increase in non-commutation rides, which have a higher fare price. | (\$0.923) | (0.5%) | Reflects impact of March Nor'easters as well as Winter Storm Grayson (in January) partially offset by a higher yield per passenger. |
| OTHER OPERATING REVENUE | Non-Reimb | (\$1.736) | (37.4%) | Lower advertising revenue resulting from a year-to-date adjustment to reflect commencement of the new contract. | (\$5.633) | (31.2%) | Reimbursement delay related to the rescheduling of the New York State Grade Crossing Project as well as lower advertising revenue resulting from a year-to-date adjustment to reflect commencement of the new contract. |
| CAPITAL AND OTHER REIMBURSEMENTS | Reimb | (\$4.642) | (20.6%) | Lower reimbursements reflect scheduling and timing changes in capital project expenditures. | (\$17.092) | (27.1%) | Lower reimbursements reflect scheduling and timing changes in capital project expenditures. |
| PAYROLL | Non-Reimb | \$1.533 | 3.5% | Reflects impact of the hiring restrictions. | \$0.799 | 0.6% | Reflects impact of the hiring restrictions. |
| | Reimb | \$1.054 | 23.6% | Reflects lower monthly activity in the Enhanced Station Initiative, the Capital Training for CT, the Positive Train Control program, the Universal Interlock project, the Signal Replacement from Greenwich to South Norwalk, the GCT Turnouts Switch Renewal and the Waterbury Branch Cab Signal project. | \$1.446 | 12.1% | Reflects lower yearly activity for the Positive Train Control Program, the Capital Training for CT, the Universal Interlocking program and the Harlem and Hudson Line Power Improvement. |
| OVERTIME | Non-Reimb | \$0.007 | 0.1% | See overtime tables. | (\$1.629) | (6.5%) | See overtime tables. |
| | Reimb | \$0.184 | 9.1% | See overtime tables. | \$0.095 | 1.8% | See overtime tables. |
| HEALTH AND WELFARE | Non-Reimb | \$1.183 | 11.9% | Primarily reflects lower than budgeted rates combined with lower payroll costs. | \$2.000 | 6.9% | Primarily reflects lower than budgeted rates partially offset by higher payroll costs. |
| | Reimb | \$0.371 | 24.2% | Reflects lower monthly project activity driven by the GCT Turnouts Switch Renewal program, the Enhanced Station Initiative, the Catenary Replacement program, the Capital Training for CT and the Positive Train Control Program. | \$0.267 | 6.6% | Reflects lower YTD activity for the GCT Turnouts Switch Renewal project and the Positive Train Control Program. |
| OPEB CURRENT PAYMENT | Non-Reimb | (\$0.603) | (21.9%) | Reflects additional retirees. | (\$0.982) | (11.9%) | Reflects additional retirees. |

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
FEBRUARY FINANCIAL PLAN - 2018 ADOPTED BUDGET
MARCH 2018
(\$ in millions)

| Generic Revenue or Expense Category | Non Reimb. or Reimb. | Current Month vs. Adopted Budget | | | Year to Date vs. Adopted Budget | | |
|--|-------------------------|----------------------------------|---------|--|---------------------------------|---------|---|
| | | Variance Fav (Unfav) | | Reason for Variance | Variance Fav (Unfav) | | Reason for Variance |
| | | \$ | % | | \$ | % | |
| REIMBURSABLE OVERHEAD | Non-Reimb | \$0.043 | 0.9% | The non-reimbursable and reimbursable variances reflect lower monthly activity in the GCT Turnouts Switch Renewal, the Catenary Replacement program, the Positive Train Control program and the Universal Interlock project. | \$0.192 | 1.5% | The non-reimbursable and reimbursable variances reflect lower activity for the Turnouts Switch Renewal project partially offset by the COS COB Bridge Mitre Rail Replacement. |
| | Reimb | \$0.677 | 14.9% | | \$0.164 | 1.4% | |
| ELECTRIC POWER | Non-Reimb | \$0.997 | 15.0% | Primarily due to lower rates. | \$2.088 | 9.8% | Primarily due to lower rates. |
| FUEL | Non-Reimb | (\$0.138) | (8.6%) | Reflects higher diesel fuel price per gallon. | (\$0.624) | (12.2%) | Reflects higher diesel fuel price per gallon. |
| INSURANCE | Non-Reimb | \$0.061 | 4.0% | Reflects lower insurance premiums. | \$0.183 | 4.1% | Reflects lower insurance premiums. |
| | Reimb | \$0.024 | 7.9% | Reflects in lower activity in the Positive Train Control program and the Harmon to Poughkeepsie Signals project. | (\$0.215) | (27.8%) | Reflects higher yearly activity in the COS COB Bridge Mitre Rail Replacement and the Bronx Stations Capacity Improvement program. |
| CLAIMS | Non-Reimb | \$0.094 | 96.4% | Primarily due to lower claims expense. | \$0.228 | 79.3% | Primarily due to lower claims expense. |
| MAINTENANCE AND OTHER OPERATING CONTRACTS | Non-Reimb | \$2.459 | 22.1% | Primarily reflects lower than anticipated maintenance contracts as well as GCT utilities expense resulting from efficient chiller equipment implemented in conjunction with NYPA. | \$5.923 | 19.8% | Primarily reflects lower than anticipated maintenance contracts as well as GCT utilities expense resulting from efficient chiller equipment implemented in conjunction with NYPA. |
| | Reimb | (\$0.736) | (69.9%) | Reflects higher monthly activity for the GCT Leaks and Remediation project. | \$1.315 | 57.2% | Reflects lower yearly activity in the new Cyclical Track Program, the Harlem & Hudson Line Power Improvement and the Transformer Rehabilitation project. |
| PROFESSIONAL SERVICE CONTRACTS | Non-Reimb | \$1.455 | 40.4% | Primarily reflects lower than anticipated expenses for engineering and consulting services. | \$4.745 | 41.0% | Primarily reflects lower than anticipated expenses for engineering and consulting services as well as legal fees. |
| | Reimb | \$1.287 | 32.5% | Reflects lower monthly activity for the Positive Train Control program, the Signal Replacement from Greenwich to South Norwalk and the Cameras and Audio for the M8 Fleet. | \$8.753 | 74.2% | Reflects lower yearly activity for the Positive Train Control Program in CT, the Signal Replacement program for Greenwich to South Norwalk, the Cameras and Audio for the M8 Fleet and the Waterbury Branch Cab Signal. |

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
FEBRUARY FINANCIAL PLAN - 2018 ADOPTED BUDGET
MARCH 2018
(\$ in millions)

| Generic Revenue or Expense Category | Non Reimb. or Reimb. | Current Month vs. Adopted Budget | | | Year to Date vs. Adopted Budget | | |
|--|-------------------------|----------------------------------|---------|---|---------------------------------|--------|---|
| | | Variance Fav (Unfav) | | Reason for Variance | Variance Fav (Unfav) | | Reason for Variance |
| | | \$ | % | | \$ | % | |
| MATERIAL AND SUPPLIES | Non-Reimb | \$1.195 | 14.4% | Lower obsolete and excess materials reserve and other inventory adjustments. | (\$1.538) | (7.2%) | Higher expense for rolling stock parts and supplies for Reliability Centered Maintenance (RCM) and running repairs. |
| | Reimb | \$1.319 | 55.1% | Reflects lower monthly activity for the Turnouts Mainline High Speed project, the Power Infrastructure Restoration, the 3rd Rail Component Replacement, the GCT Turnouts Switch Renewal, the Network Infrastructure Replacement and the new Cyclical Track Program. | \$5.019 | 56.1% | Reflects lower yearly activity in the new Turnouts Mainline High Speed project, the Waterbury Branch Cab Signal, the Power Infrastructure Restoration, the C-30 Track Program, the new Cyclical Track Program and the 3rd Rail Component Replacement project. |
| OTHER BUSINESS EXPENSES | Non-Reimb | (\$0.425) | (15.8%) | Reflects higher subsidy payment to NJT for West of Hudson operations and lower Amtrak expense recoveries. | \$0.526 | 7.1% | Reflects lower subsidy payment to NJT for West of Hudson operations and lower expense for travel and other miscellaneous expenses. |
| | Reimb | \$0.050 | * | Lower activity for Survey Work at Bronxville. | \$0.016 | 26.5% | Reflects lower yearly activity in the Positive Train Control program and the Harlem & Hudson Line Power Improvement. |
| DEPRECIATION | Non-Reimb | \$1.450 | 7.1% | Reflects lower capitalization of assets than budgeted due to timing differences in project completions and assets reaching beneficial use. | \$4.321 | 7.0% | Reflects lower capitalization of assets than budgeted due to timing differences in project completions and assets reaching beneficial use. |
| ENVIRONMENTAL REMEDIATION | Non-Reimb | \$1.000 | 100.0% | Reflects timing of projects requiring remediation. | \$1.000 | 100.0% | Reflects timing of projects requiring remediation. |
| OPERATING CAPITAL | Non-Reimb | (\$1.399) | (20.4%) | Mainly due to the Park Avenue Viaduct Direct Fixation project. | \$25.210 | 71.8% | Driven by the 525 North Broadway Space Consolidation, the NYS Grade Crossing Improvement, the Track Geometry Car, the GCT 7B Renovation, the Cameras and Audio for Non M8 Fleet, the Power Control Scada Upgrade, the Hot Box Detector project and the Bridge Monitor Installation project. |

* Variance exceeds 100%.

MTA Metro-North Railroad
February Financial Plan - 2018 Adopted Budget
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

| | March | | | | | | Year To Date(March) | | | | | |
|---|----------------|------------------|----------------|------------------|-------------------------|------------------------|---------------------|------------------|----------------|------------------|---------------------------|---------------------------|
| | Adopted Budget | | Actual | | Var. - Fav/(Unfav) | | Adopted Budget | | Actual | | Var. - Fav/(Unfav) | |
| | Hours | \$ | Hours | \$ | Hours | \$ | Hours | \$ | Hours | \$ | Hours | \$ |
| NON-REIMBURSABLE OVERTIME | | | | | | | | | | | | |
| <u>Scheduled Service</u> ¹ | 42,902 | \$ 3.136 | 38,763 | \$ 2.339 | 4,139 9.6% | \$0.798 25.4% | 141,574 | \$ 9.896 | 153,315 | \$ 9.114 | (11,741) -8.3% | \$0.782 7.9% |
| <u>Unscheduled Service</u> | 0 | \$ - | 0 | \$ - | 0 | \$ - | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| <u>Programmatic/Routine Maintenance</u> | 51,625 | \$ 3.032 | 36,975 | \$ 2.101 | 14,650 28.4% | \$0.931 30.7% | 133,284 | \$ 7.781 | 128,087 | \$ 7.251 | 5,196 3.9% | \$0.530 6.8% |
| <u>Unscheduled Maintenance</u> | 729 | \$ 0.038 | 0 | \$ - | 729 100.0% | \$0.038 100.0% | 2,040 | \$ 0.110 | 1 | \$ 0.000 | 2,040 100.0% | \$0.110 100.0% |
| <u>Vacancy/Absentee Coverage</u> ² | 30,233 | \$ 1.650 | 22,051 | \$ 1.167 | 8,182 27.1% | \$0.482 29.2% | 75,852 | \$ 4.164 | 70,211 | \$ 3.701 | 5,641 7.4% | \$0.463 11.1% |
| <u>Weather Emergencies</u> | 5,327 | \$ 0.316 | 45,936 | \$ 2.559 | (40,609) * | (\$2.243) * | 48,133 | \$ 2.928 | 97,486 | \$ 5.369 | (49,353) * | (\$2.441) -83.3% |
| <u>Safety/Security/Law Enforcement</u> ³ | 0 | \$ - | 0 | \$ - | 0 | \$ - | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| <u>Other</u> | (35) | \$ (0.002) | 60 | \$ (0.002) | (95) | \$0.001 | (25) | \$ (0.001) | 110 | \$ 1.072 | (135) | (\$1.073) |
| Subtotal | 130,781 | \$ 8.170 | 143,784 | \$ 8.164 | (13,003) -9.9% | \$0.007 0.1% | 400,858 | \$ 24.877 | 449,210 | \$ 26.506 | (48,352) -12.1% | (\$1.629) -6.5% |
| REIMBURSABLE OVERTIME | 33,210 | \$ 2.028 | 30,206 | \$ 1.844 | 3,004 9.0% | \$0.184 9.1% | 87,384 | \$ 5.338 | 89,573 | \$ 5.243 | (2,189) -2.5% | \$0.095 1.8% |
| TOTAL OVERTIME | 163,991 | \$ 10.198 | 173,990 | \$ 10.008 | (9,999) -6.1% | \$0.191 1.9% | 488,242 | \$ 30.216 | 538,783 | \$ 31.749 | (50,541) -10.4% | (\$1.533) -5.1% |

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 - 2018 Adopted Budget
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)**

| | March | | | Year To Date(March) | | |
|---|---------------------|----------------|---|---------------------|------------------|--|
| | Var. - Fav./(Unfav) | | Explanations | Var. - Fav./(Unfav) | | Explanations |
| | Hours | \$ | | Hours | \$ | |
| NON-REIMBURSABLE OVERTIME | | | | | | |
| <u>Scheduled Service</u> ¹ | 4,139 | \$0.798 | Primarily timing of the Good Friday holiday overtime costs which will be recognized in April. | (11,741) | \$0.782 | Primarily timing of the Good Friday holiday overtime costs which will be recognized in April. |
| | 9.6% | 25.4% | | -8.3% | 7.9% | |
| <u>Unscheduled Service</u> | 0 | \$ - | | 0 | \$ - | |
| <u>Programmatic/Routine Maintenance</u> | 14,650 | \$0.931 | Lower infrastructure repair work in Maintenance of Way due to winter storm activity and lower Reliability Centered Maintenance (RCM) in Maintenance of Equipment. | 5,196 | \$0.530 | Primarily lower Reliability Centered Maintenance (RCM) in Maintenance of Equipment. |
| | 28.4% | 30.7% | | 3.9% | 6.8% | |
| <u>Unscheduled Maintenance</u> | 729 | \$0.038 | | 2,040 | \$0.110 | Fewer than planned unscheduled maintenance events. |
| | 100.0% | 100.0% | | 100.0% | 100.0% | |
| <u>Vacancy/Absentee Coverage</u> ² | 8,182 | \$0.482 | Slightly lower vacation, sick and vacancy coverage requirements. | 5,641 | \$0.463 | Slightly lower vacation, sick and vacancy coverage requirements. |
| | 27.1% | 29.2% | | 7.4% | 11.1% | |
| <u>Weather Emergencies</u> | (40,609) | (\$2.243) | Reflects impact of Winter Storms Quinn, Toby and Skylar. | (49,353) | (\$2.441) | Reflects impact of Winter Storms Quinn, Toby and Skylar in March as well as Winter Storm Grayson in January. |
| | * | * | | * | -83.3% | |
| <u>Safety/Security/Law Enforcement</u> ³ | 0 | \$ - | | 0 | \$ - | |
| <u>Other</u> | (95) | \$0.001 | Reflects timing differences related to payroll and calendar cutoff dates. | (135) | (\$1.073) | Reflects timing differences related to payroll and calendar cutoff dates. |
| Subtotal | (13,003) | \$0.007 | | (48,352) | (\$1.629) | |
| | -9.9% | 0.1% | | -12.1% | -6.5% | |
| REIMBURSABLE OVERTIME | 3,004 | \$0.184 | Reflects lower monthly activity in the GCT Turnouts Switch Renewal project. | (2,189) | \$0.095 | Reflects lower year to date activity in the Catenary Replacement program. |
| | 9.0% | 9.1% | | -2.5% | 1.8% | |
| TOTAL OVERTIME | (9,999) | \$0.191 | | (50,541) | (\$1.533) | |

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
2018 Overtime Report
Overtime Legend

REVISED OVERTIME DECOMPOSITION LEGEND DEFINITIONS

| <u>Type</u> | <u>Definition</u> |
|---|--|
| <i>Scheduled Service</i> | Crew book/Regular Run/Shift hours (above 8 hours) required by train crews, bus/tower/block operators, transportation supervisors/dispatchers, fare sales and collection, Train & Engineers, as well as non-transportation workers whose work is directly related to providing service (includes coverage for holidays). |
| <i>Unscheduled Service</i> | Service coverage resulting from extraordinary events not related to weather, such as injuries, mechanical breakdowns, unusual traffic, tour length, late tour relief, and other requirements that arise that are non-absence related. |
| <i>Programmatic/Routine Maintenance</i> | <i>Program Maintenance</i> work for which overtime is planned (e.g. Railroad Tie Replacement, Sperry Rail Testing, Running Board Replacement Programs). This also includes <i>Routine Maintenance</i> work for which OT has been planned, as well as all other maintenance <u>not</u> resulting from extraordinary events, including running repairs. Program/Routine maintenance work is usually performed during hours that are deemed more practical in order to minimize service disruptions, and includes contractual scheduled pay over 8 hours. |
| <i>Unscheduled Maintenance</i> | Resulting from an <u>extraordinary event</u> (not weather-related) requiring the use of unplanned maintenance to perform repairs on trains, buses, subway and bus stations, depots, tracks and administrative and other facilities, including derailments, tour length and weekend coverage. |
| <i>Vacancy/Absentee Coverage</i> | Provides coverage for an absent employee or a vacant position. |
| <i>Weather Emergencies</i> | Coverage necessitated by extreme weather conditions (e.g. snow, flooding, hurricane, and tornadoes), as well as preparatory and residual costs. |
| <i>Safety/Security/Law Enforcement</i> | Coverage required to provide additional customer & employee protection and to secure MTA fleet facilities, transportation routes, and security training. |
| <i>Other</i> | Includes overtime coverage for clerical, administrative positions that are eligible for overtime. |
| <i>Reimbursable Overtime</i> | Overtime incurred to support projects that are reimbursed from the MTA Capital Program and other funding sources. |

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2018 ADOPTED BUDGET
CASH RECEIPTS AND EXPENDITURES
(\$ in millions)

SCHEDULE III

| | March 2018 | | | | Year-to-Date | | | |
|--|-------------------|-------------------|----------------------------|---------------|--------------------|--------------------|----------------------------|---------------|
| | Adopted Budget | Actual | Favorable (Unfavorable) | | Adopted Budget | Actual | Favorable (Unfavorable) | |
| | | | Variance | Percent | | | Variance | Percent |
| Receipts | | | | | | | | |
| Farebox Receipts | \$57.524 | \$56.625 | (\$0.899) | (1.6) | \$168.515 | \$168.819 | \$0.304 | 0.2 |
| Toll Receipts | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - |
| Other Operating Receipts | 6.244 | 5.287 | (0.957) | (15.3) | 23.366 | 18.854 | (4.512) | (19.3) |
| <i>Capital & Other Reimbursements:</i> | | | | | | | | |
| MTA | 24.569 | 12.372 | (12.197) | (49.6) | 54.087 | 27.984 | (26.103) | (48.3) |
| CDOT | 8.691 | 10.705 | 2.014 | 23.2 | 25.870 | 32.484 | 6.614 | 25.6 |
| Other | 0.712 | 1.214 | 0.502 | 70.6 | 1.896 | 4.227 | 2.331 | * |
| Total Capital and Other Reimbursements | 33.972 | 24.291 | (9.681) | (28.5) | 81.853 | 64.695 | (17.158) | (21.0) |
| Total Receipts | \$97.740 | \$86.203 | (\$11.537) | (11.8) | \$273.734 | \$252.368 | (\$21.366) | (7.8) |
| Expenditures | | | | | | | | |
| <i>Labor:</i> | | | | | | | | |
| Payroll | \$58.183 | \$58.737 | (\$0.554) | (1.0) | \$144.522 | \$144.441 | \$0.081 | 0.1 |
| Overtime | 12.544 | 9.517 | 3.027 | 24.1 | 30.952 | 30.489 | 0.463 | 1.5 |
| Health and Welfare | 11.830 | 10.874 | 0.956 | 8.1 | 34.026 | 32.804 | 1.222 | 3.6 |
| OPEB Current Payment | 2.750 | 3.059 | (0.309) | (11.2) | 8.250 | 9.371 | (1.121) | (13.6) |
| Pensions | 10.102 | 9.924 | 0.178 | 1.8 | 29.176 | 29.600 | (0.424) | (1.5) |
| Other Fringe Benefits | 13.555 | 14.279 | (0.724) | (5.3) | 33.313 | 36.906 | (3.593) | (10.8) |
| GASB Account | 0.013 | 0.000 | 0.013 | 100.0 | 0.040 | 0.000 | 0.040 | 100.0 |
| Reimbursable Overhead | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - |
| Total Labor | \$108.978 | \$106.390 | \$2.588 | 2.4 | \$280.279 | \$283.611 | (\$3.332) | (1.2) |
| <i>Non-Labor:</i> | | | | | | | | |
| Electric Power | \$6.824 | \$6.631 | \$0.193 | 2.8 | \$21.719 | \$15.095 | \$6.624 | 30.5 |
| Fuel | 1.556 | 1.933 | (0.377) | (24.2) | 4.980 | 6.997 | (2.017) | (40.5) |
| Insurance | 0.329 | 0.000 | 0.329 | 100.0 | 6.985 | 0.000 | 6.985 | 100.0 |
| Claims | 0.098 | 0.079 | 0.019 | 19.0 | 0.288 | 0.096 | 0.192 | 66.6 |
| Paratransit Service Contracts | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - |
| Maintenance and Other Operating Contracts | 12.279 | 13.610 | (1.331) | (10.8) | 36.910 | 29.196 | 7.714 | 20.9 |
| Professional Service Contracts | 8.416 | 3.191 | 5.225 | 62.1 | 29.085 | 7.544 | 21.541 | 74.1 |
| Materials & Supplies | 11.427 | 12.244 | (0.817) | (7.1) | 38.092 | 33.057 | 5.035 | 13.2 |
| Other Business Expenditures | 4.218 | 3.494 | 0.724 | 17.2 | 12.931 | 10.502 | 2.429 | 18.8 |
| Total Non-Labor | \$45.147 | \$41.182 | \$3.965 | 8.8 | \$150.990 | \$102.487 | \$48.503 | 32.1 |
| <i>Other Adjustments:</i> | | | | | | | | |
| Other | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - |
| Other Post Employment Benefits | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - |
| Total Other Adjustments | \$0.000 | \$0.000 | \$0.000 | - | \$0.000 | \$0.000 | \$0.000 | - |
| Total Expenditures | \$154.125 | \$147.572 | \$6.553 | 4.3 | \$431.268 | \$386.098 | \$45.170 | 10.5 |
| Net Cash Deficit (excludes Opening Cash Balance) | (\$56.385) | (\$61.369) | (\$4.984) | (8.8) | (\$157.534) | (\$133.730) | \$23.804 | 15.1 |
| Subsidies | | | | | | | | |
| MTA | 42.961 | 43.651 | 0.690 | 1.6 | 120.547 | 102.292 | (18.255) | (15.1) |
| CDOT | 13.423 | 9.770 | (3.653) | (27.2) | 36.988 | 38.734 | 1.746 | 4.7 |
| Total Subsidies | \$56.385 | \$53.421 | (\$2.964) | (5.3) | \$157.534 | \$141.026 | (\$16.508) | (10.5) |
| Cash Timing and Availability Adjustment | \$0.000 | \$8.250 | \$8.250 | - | \$0.000 | \$1.437 | \$1.437 | - |

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2018 ADOPTED BUDGET
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS
(\$ in millions)

\$ Detail

| Generic Receipt or Expense Category | March Month vs Budget | | | Year-To-Date as of March 31, 2018 | | |
|-------------------------------------|-------------------------|---------|---|-----------------------------------|---------|--|
| | Variance Fav (Unfav) | | Reason for Variance | Variance Fav (Unfav) | | Reason for Variance |
| | \$ | % | | \$ | % | |
| OTHER OPERATING REVENUE | (0.957) | (15.3%) | Timing of Amtrak reimbursement partially offset by higher GCT revenues. | (4.512) | (19.3%) | Primarily reflects a reimbursement delay related to the rescheduling of the New York State Grade Crossing Project and the timing of Amtrak reimbursements partially offset by higher GCT Revenues. |
| CAPITAL AND OTHER REIMBURSEMENTS: | | | | | | |
| MTA | (12.197) | (49.6%) | Lower capital related project activity partially offset by higher receipts for work performed. | (26.103) | (48.3%) | Lower capital related project activity combined with delay in receipts for work performed. |
| CDOT | 2.014 | 23.2% | Higher cash receipts relating to capital related work performed partially offset by lower capital related project activity. | 6.614 | 25.6% | Higher cash receipts relating to capital related work performed partially offset by lower capital related project activity. |
| OTHER | 0.502 | 70.6% | Higher cash receipts than budgeted combined with higher reimbursable related project activity. | 2.331 | * | Higher reimbursable related project activity combined with higher cash receipts than budgeted. |
| OVERTIME | 3.027 | 24.1% | Reflects timing differences related to payroll and calendar cutoff dates. | 0.463 | 1.5% | |
| HEALTH & WELFARE | 0.956 | 8.1% | Timing of payments for dental/vision insurance premiums. | 1.222 | 3.6% | Timing of payments for dental/vision insurance premiums. |
| OPEB CURRENT PAYMENT | (0.309) | (11.2%) | Reflects higher than budgeted number of retirees receiving healthcare premiums. | (1.121) | (13.6%) | Reflects higher than budgeted number of retirees receiving healthcare premiums. |
| OTHER FRINGE BENEFITS | (0.724) | (5.3%) | Higher payroll taxes than budgeted partially offset by lower FELA claims. | (3.593) | (10.8%) | Higher payroll taxes than budgeted partially offset by lower FELA claims. |
| GASB ACCOUNT | 0.013 | 100.0% | GASB Cash Contributions were suspended. 2018 July Financial Plan will be updated. | 0.040 | 100.0% | GASB Cash Contributions were suspended. 2018 July Financial Plan will be updated. |
| ELECTRIC POWER | 0.193 | 2.8% | | 6.624 | 30.5% | Prepayment of January electric power made in December 2017 combined with lower rates and delay in payments made. |
| FUEL | (0.377) | (24.2%) | Primarily reflects timing of payments combined with higher diesel fuel prices per gallon. | (2.017) | (40.5%) | Primarily reflects timing of payments combined with higher diesel fuel prices per gallon. |

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2018 ADOPTED BUDGET
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS
(\$ in millions)

\$ Detail

| Generic Receipt or Expense Category | March Month vs Budget | | | Year-To-Date as of March 31, 2018 | | |
|---|-------------------------|---------|---|-----------------------------------|---------|--|
| | Variance Fav (Unfav) | | Reason for Variance | Variance Fav (Unfav) | | Reason for Variance |
| | \$ | % | | \$ | % | |
| INSURANCE | 0.329 | 100.0% | No payments made in March for insurance premiums. | 6.985 | 100.0% | No YTD payments made for insurance premiums. |
| CLAIMS | 0.019 | 19.0% | Timing of passenger injury settlements. | 0.192 | 66.6% | Timing of passenger injury settlements. |
| MAINTENANCE & OTHER OPERATING CONTRACTS | (1.331) | (10.8%) | Timing of work performed on GP 35 Locomotive Overhaul, GCT Leaks Remediation and Signal Replacement - Greenwich to South Norwalk. | 7.714 | 20.9% | Delay in start of Operating Capital Projects (525 North Broadway Space Consolidation, GCT 7B Restoration and GP 35 Locomotive Overhaul). |
| PROFESSIONAL SERVICE CONTRACTS | 5.225 | 62.1% | Primarily due to revised milestone scheduling of Capital Related Projects (Track Geometry Car, Positive Train Control, Signal Replacement - Greenwich to South Norwalk and Power Control Scada Upgrade) combined with lower expenses for engineering and consulting services. | 21.541 | 74.1% | Primarily due to revised milestone scheduling of Capital Related Projects (Positive Train Control, Track Geometry Car, 525 North Broadway Space Consolidation, Camera's/Audio for Fleet, Signal Replacement - Greenwich to South Norwalk and New York State Beacon Line) combined with lower expenses for engineering and consulting services. |
| MATERIALS & SUPPLIES | (0.817) | (7.1%) | Materials placed into inventory partially offset by revised milestone scheduling of Capital Related Projects (Catenary Maintenance Vehicles, GCT Turnouts Switch Renewal and Turnouts - Mainline High Speed and Power Infrastructure Restoration). | 5.035 | 13.2% | Primarily due to revised milestone scheduling of Capital Related Projects (New York State Grade Crossing Improvement, Catenary Maintenance Vehicles, GCT Turnouts Switch Renewal and Turnouts - Mainline High Speed and Waterbury Branch Cab Signaling) partially offset by materials placed into inventory. |
| OTHER BUSINESS EXPENSES | 0.724 | 17.2% | Lower Non-Operating Purchases combined with lower New Jersey Transit Subsidy. | 2.429 | 18.8% | Lower Non-Operating Purchases combined with lower New Jersey Transit Subsidy. |
| MTA SUBSIDY RECEIPTS | 0.690 | 1.6% | | (18.255) | (15.1%) | Lower cash deficit and higher CDOT Subsidy partially offset by available cash balance. |
| CDOT SUBSIDY RECEIPTS | (3.653) | (27.2%) | Lower share of prior months deficit than budgeted. | 1.746 | 4.7% | Payment of Administrative Assets combined with higher share of prior months deficit than budgeted. |

* Variance exceeds 100%

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2018 ADOPTED BUDGET
CASH CONVERSION (CASH FLOW ADJUSTMENT)
(\$ in millions)

| | March 2018 | | | | Year-to-Date | | | |
|---|-------------------|-------------------|----------------------------|---------------|-------------------|-------------------|----------------------------|-------------|
| | Adopted Budget | Actual | Favorable (Unfavorable) | | Adopted Budget | Actual | Favorable (Unfavorable) | |
| | | | Variance | Percent | | | Variance | Percent |
| Receipts | | | | | | | | |
| Farebox Revenue | (\$1.144) | (\$2.024) | (\$0.880) | (76.9) | (\$2.902) | (\$1.675) | \$1.227 | 42.3 |
| Toll Revenue | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - |
| Other Operating Revenue | 1.605 | 2.384 | 0.778 | 48.5 | 5.285 | 6.406 | 1.121 | 21.2 |
| Capital & Other Reimbursements: | | | | | | | | |
| MTA | 11.484 | 3.222 | (8.261) | (71.9) | 18.826 | 1.272 | (17.554) | (93.2) |
| CDOT | 0.000 | 3.729 | 3.729 | - | 0.000 | 16.562 | 16.562 | - |
| Other | 0.000 | (0.507) | (0.507) | - | 0.000 | 0.925 | 0.925 | - |
| Total Capital and Other Reimbursements | 11.484 | 6.445 | (5.039) | (43.9) | 18.826 | 18.760 | (0.066) | (0.4) |
| Total Revenue/Receipts | \$11.945 | \$6.804 | (\$5.140) | (43.0) | \$21.209 | \$23.490 | \$2.282 | 10.8 |
| Expenditures | | | | | | | | |
| Labor: | | | | | | | | |
| Payroll | (\$9.287) | (\$12.428) | (\$3.141) | (33.8) | (\$3.519) | (\$5.684) | (\$2.165) | (61.5) |
| Overtime | (2.346) | 0.491 | 2.837 | * | (0.736) | 1.260 | 1.996 | * |
| Health and Welfare | (0.384) | (0.983) | (0.599) | * | (1.052) | (2.097) | (1.045) | (99.4) |
| OPEB Current Payment | 0.000 | 0.294 | 0.000 | | 0.000 | (0.139) | (0.139) | - |
| Pensions | (0.043) | (0.625) | (0.581) | * | (0.141) | (1.676) | (1.534) | * |
| Other Fringe Benefits | (1.930) | (3.250) | (1.320) | (68.4) | 1.074 | (4.300) | (5.374) | * |
| GASB Account | (0.013) | 0.000 | 0.013 | 100.0 | (0.040) | 0.000 | 0.040 | 100.0 |
| Reimbursable Overhead | (0.230) | (0.950) | (0.721) | * | (0.764) | (1.120) | (0.356) | (46.5) |
| Total Labor | (\$14.233) | (\$17.451) | (\$3.218) | (22.6) | (\$5.178) | (\$13.756) | (\$8.577) | * |
| Non-Labor: | | | | | | | | |
| Electric Power | (\$0.158) | (\$0.893) | (\$0.735) | * | (\$0.475) | \$4.130 | \$4.605 | * |
| Fuel | 0.039 | (0.201) | (0.239) | * | 0.117 | (1.277) | (1.393) | * |
| Insurance | 1.483 | 1.727 | 0.244 | 16.5 | (1.735) | 5.282 | 7.017 | * |
| Claims | 0.000 | (0.076) | (0.076) | - | 0.000 | (0.036) | (0.036) | - |
| Paratransit Service Contracts | 0.000 | 0.000 | 0.000 | - | 0.000 | 0.000 | 0.000 | - |
| Maintenance and Other Operating Contracts | (0.112) | (3.165) | (3.053) | * | (4.718) | (4.242) | 0.476 | 10.1 |
| Professional Service Contracts | (0.856) | 1.627 | 2.483 | * | (5.702) | 2.341 | 8.043 | * |
| Materials & Supplies | (0.728) | (4.059) | (3.330) | * | (7.679) | (6.125) | 1.554 | 20.2 |
| Other Business Expenses | (1.510) | (0.412) | 1.098 | 72.7 | (5.434) | (3.546) | 1.888 | 34.7 |
| Total Non-Labor | (\$1.843) | (\$5.451) | (\$3.608) | * | (\$25.626) | (\$3.473) | \$22.153 | 86.4 |
| 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. | (\$16.076) | (\$22.902) | (\$6.826) | (42.5) | (\$30.805) | (\$17.229) | \$13.576 | 44.1 |
| Depreciation | 20.542 | 19.092 | (1.450) | (7.1) | 61.627 | 57.306 | (4.321) | (7.0) |
| OPEB Obligation | 4.833 | 3.602 | (1.232) | 25.5 | 14.500 | 13.268 | (1.232) | 8.5 |
| GASB68 Pension Adjustment** | 0.925 | 1.304 | 0.379 | (40.9) | 0.925 | 1.304 | 0.379 | (40.9) |
| Environmental Remediation | 1.000 | 0.000 | (1.000) | (100.0) | 1.000 | 0.000 | (1.000) | 100.0 |
| Total Expenditures Adjustments | \$11.225 | \$1.095 | (\$10.129) | (90.2) | \$47.247 | \$54.649 | \$7.402 | 15.7 |
| Total Cash Conversion Adjustments | \$23.169 | \$7.900 | (\$15.270) | (65.9) | \$68.456 | \$78.140 | \$9.684 | 14.1 |

Notes:

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

-- Differences are due to rounding.

* Variance exceeds 100%.

**GASB68 became effective 12/31/15.

**MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2018 ADOPTED BUDGET
RIDERSHIP/UTILIZATION
MARCH 2018
(in millions)**

| | MONTH | | | VARIANCE Fav/(Unfav) | | | | YTD | | | VARIANCE Fav/(Unfav) | | | |
|-----------------------------------|------------------------|----------|---------------------|-------------------------|-------|---------|-------|------------------------|-----------|---------------------|-------------------------|-------|---------|-------|
| | ADOPTED ^(A) | | | ADOPTED | | | | ADOPTED ^(A) | | | ADOPTED | | | |
| | BUDGET | 2018 | 2017 ^(B) | \$ | % | \$ | % | BUDGET | 2018 | 2017 ^(B) | \$ | % | \$ | % |
| FAREBOX REVENUE | | | | | | | | | | | | | | |
| Harlem Line - Commutation | 9.294 | 9.415 | 9.160 | 0.121 | 1.3% | 0.255 | 2.8% | 27.560 | 28.021 | 27.163 | 0.461 | 1.7% | 0.858 | 3.2% |
| Harlem Line - Non-Commutation | 7.852 | 7.520 | 7.654 | (0.332) | -4.2% | (0.134) | -1.8% | 22.303 | 21.857 | 21.741 | (0.447) | -2.0% | 0.115 | 0.5% |
| TOTAL HARLEM LINE | \$17.146 | \$16.935 | \$16.815 | (\$0.211) | -1.2% | \$0.121 | 0.7% | \$49.863 | \$49.878 | \$48.904 | \$0.015 | 0.0% | \$0.973 | 2.0% |
| Hudson Line - Commutation | 6.100 | 6.236 | 6.020 | 0.136 | 2.2% | 0.216 | 3.6% | 18.060 | 18.424 | 17.823 | 0.364 | 2.0% | 0.601 | 3.4% |
| Hudson Line - Non-Commutation | 6.095 | 6.297 | 5.935 | 0.202 | 3.3% | 0.362 | 6.1% | 17.592 | 17.715 | 17.130 | 0.123 | 0.7% | 0.584 | 3.4% |
| TOTAL HUDSON LINE | \$12.195 | \$12.533 | \$11.955 | \$0.337 | 2.8% | \$0.578 | 4.8% | \$35.652 | \$36.138 | \$34.953 | \$0.486 | 1.4% | \$1.185 | 3.4% |
| New Haven Line - Commutation | 13.652 | 13.264 | 13.098 | (0.388) | -2.8% | 0.166 | 1.3% | 40.705 | 39.362 | 39.054 | (1.344) | -3.3% | 0.308 | 0.8% |
| New Haven Line - Non-Commutation | 14.438 | 14.670 | 14.257 | 0.232 | 1.6% | 0.413 | 2.9% | 41.600 | 41.611 | 41.078 | 0.011 | 0.0% | 0.533 | 1.3% |
| TOTAL NEW HAVEN LINE | \$28.090 | \$27.934 | \$27.355 | (\$0.156) | -0.6% | \$0.579 | 2.1% | \$82.306 | \$80.973 | \$80.131 | (\$1.333) | -1.6% | \$0.841 | 1.1% |
| All Lines - Commutation | 29.046 | 28.915 | 28.278 | (0.131) | -0.5% | 0.637 | 2.3% | 86.325 | 85.807 | 84.040 | (0.519) | -0.6% | 1.767 | 2.1% |
| All Lines - Non-Commutation | 28.386 | 28.487 | 27.846 | 0.102 | 0.4% | 0.641 | 2.3% | 81.495 | 81.182 | 79.949 | (0.313) | -0.4% | 1.233 | 1.5% |
| TOTAL EAST OF HUDSON LINES | \$57.432 | \$57.403 | \$56.125 | (\$0.029) | -0.1% | \$1.278 | 2.3% | \$167.821 | \$166.989 | \$163.989 | (\$0.832) | -0.5% | \$3.000 | 1.8% |
| West of Hudson ^(C) | \$1.241 | \$1.246 | \$1.188 | 0.005 | 0.4% | 0.058 | 4.9% | \$3.499 | \$3.506 | \$3.421 | 0.007 | 0.2% | 0.085 | 2.5% |
| TOTAL FAREBOX REVENUE | \$58.673 | \$58.649 | \$57.313 | (\$0.024) | 0.0% | \$1.336 | 2.3% | \$171.319 | \$170.494 | \$167.409 | (\$0.825) | -0.5% | \$3.085 | 1.8% |
| RIDERSHIP | | | | | | | | | | | | | | |
| Harlem Line - Commutation | 1.487 | 1.475 | 1.484 | (0.011) | -0.8% | (0.009) | -0.6% | 4.162 | 4.141 | 4.155 | (0.021) | -0.5% | (0.014) | -0.3% |
| Harlem Line - Non-Commutation | 0.877 | 0.831 | 0.861 | (0.046) | -5.2% | (0.030) | -3.5% | 2.519 | 2.402 | 2.475 | (0.117) | -4.6% | (0.073) | -2.9% |
| TOTAL HARLEM LINE | 2.363 | 2.306 | 2.345 | (0.057) | -2.4% | (0.039) | -1.7% | 6.681 | 6.543 | 6.630 | (0.138) | -2.1% | (0.087) | -1.3% |
| Hudson Line - Commutation | 0.832 | 0.832 | 0.831 | (0.000) | 0.0% | 0.001 | 0.1% | 2.326 | 2.319 | 2.323 | (0.006) | -0.3% | (0.004) | -0.2% |
| Hudson Line - Non-Commutation | 0.545 | 0.556 | 0.535 | 0.011 | 1.9% | 0.021 | 3.9% | 1.599 | 1.567 | 1.569 | (0.032) | -2.0% | (0.002) | -0.1% |
| TOTAL HUDSON LINE | 1.377 | 1.388 | 1.366 | 0.011 | 0.8% | 0.022 | 1.6% | 3.925 | 3.886 | 3.892 | (0.039) | -1.0% | (0.006) | -0.2% |
| New Haven Line - Commutation | 1.965 | 1.937 | 1.967 | (0.028) | -1.4% | (0.029) | -1.5% | 5.529 | 5.437 | 5.533 | (0.092) | -1.7% | (0.096) | -1.7% |
| New Haven Line - Non-Commutation | 1.345 | 1.366 | 1.331 | 0.021 | 1.6% | 0.036 | 2.7% | 3.910 | 3.890 | 3.869 | (0.021) | -0.5% | 0.021 | 0.5% |
| TOTAL NEW HAVEN LINE | 3.310 | 3.304 | 3.297 | (0.006) | -0.2% | 0.006 | 0.2% | 9.439 | 9.327 | 9.402 | (0.112) | -1.2% | (0.075) | -0.8% |
| Total Ridership East of Hudson | | | | | | | | | | | | | | |
| All Lines - Commutation | 4.284 | 4.245 | 4.282 | (0.039) | -0.9% | (0.037) | -0.9% | 12.016 | 11.897 | 12.012 | (0.119) | -1.0% | (0.114) | -1.0% |
| All Lines - Non-Commutation | 2.767 | 2.753 | 2.727 | (0.014) | -0.5% | 0.026 | 1.0% | 8.029 | 7.859 | 7.913 | (0.170) | -2.1% | (0.054) | -0.7% |
| TOTAL EAST OF HUDSON LINES | 7.051 | 6.998 | 7.009 | (0.053) | -0.7% | (0.011) | -0.2% | 20.045 | 19.756 | 19.924 | (0.289) | -1.4% | (0.168) | -0.8% |
| West of Hudson ^(C) | 0.147 | 0.138 | 0.140 | (0.008) | -5.7% | (0.001) | -0.8% | 0.402 | 0.391 | 0.396 | (0.011) | -2.8% | (0.005) | -1.2% |
| TOTAL EAST & WEST OF HUDSON LINES | 7.198 | 7.136 | 7.148 | (0.061) | -0.8% | (0.012) | -0.2% | 20.447 | 20.147 | 20.320 | (0.300) | -1.5% | (0.173) | -0.8% |

^(A) The Budgeted Month-to-Date and Year-to-Date Ridership and Farebox Revenue values have been revised to reflect information received after the submission of the 12-month allocation data published in the 2018 February Financial Plan.

^(B) 2017 Ridership figures have been restated to simulate the 2018 calendar.

^(C) West of Hudson current year actuals are preliminary and prior year actuals are stated as received from New Jersey Transit.

MTA METRO-NORTH RAILROAD
2018 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
March 31, 2018

| <u>Department</u> | <u>Adopted Budget</u> | <u>Actual</u> | <u>Favorable (Unfavorable) Variance</u> | <u>Notes</u> |
|---|---------------------------|---------------|---|--------------|
| Administration | | | | |
| President | 4 | 2 | 2 | |
| Labor Relations | 18 | 15 | 3 | |
| Safety | 58 | 54 | 4 | |
| Security | 26 | 22 | 4 | |
| Office of the Executive VP | 10 | 9 | 1 | |
| Corporate & Public Affairs | 19 | 19 | - | |
| Customer Service | 65 | 66 | (1) | |
| Legal | 18 | 13 | 5 | A |
| Claims | 14 | 12 | 2 | |
| Environmental Compliance & Svce | 8 | 6 | 2 | |
| Human Resources | 53 | 48 | 5 | A |
| Training | 87 | 82 | 5 | A |
| Employee Relations & Diversity | 6 | 5 | 1 | |
| VP Planning | 2 | 2 | - | |
| Operations Planning & Analysis | 22 | 20 | 2 | |
| Capital Planning & Programming | 18 | 13 | 5 | A |
| Long Range Planning | 8 | 8 | - | |
| VP Finance & Info Systems | 7 | 4 | 3 | |
| Controller | 83 | 73 | 10 | A |
| Budget | 23 | 18 | 5 | A |
| Procurement & Material Management | 38 | 24 | 14 | A |
| Total Administration | 587 | 514 | 73 | |
| Operations | | | | |
| Operations Administration | 74 | 67 | 7 | |
| Transportation | 1,649 | 1,617 | 31 | A |
| Customer Service | 284 | 282 | 1 | |
| Metro-North West | 38 | 26 | 12 | A |
| Total Operations | 2,044 | 1,992 | 52 | |
| Maintenance | | | | |
| Maintenance of Equipment | 1,663 | 1,663 | (1) | B |
| Maintenance of Way | 2,265 | 2,115 | 150 | A |
| Procurement & Material Mgmt | 133 | 117 | 16 | |
| Total Maintenance | 4,060 | 3,895 | 165 | |
| Engineering/Capital | | | | |
| Construction Management | 43 | 38 | 5 | |
| Engineering & Design | 91 | 70 | 21 | A |
| Total Engineering/Capital | 134 | 108 | 26 | |
| Total Positions | 6,825 | 6,509 | 316 | |
| Non-Reimbursable | 6,128 | 5,975 | 153 | |
| Reimbursable | 697 | 534 | 163 | |
| Total Full-Time | 6,824 | 6,508 | 316 | |
| Total Full-Time-Equivalents (of part-time positions) | 1 | 1 | - | |

Notes

- (A) Variance reflects delayed and internal hiring of vacant positions.
(B) Variance reflects lower attrition than planned.

MTA METRO-NORTH RAILROAD
2018 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
March 31, 2018

| FUNCTION/OCCUPATION | Adopted Budget | Actual | Favorable (Unfavorable) Variance |
|-----------------------------------|---------------------------|---------------|---|
| Administration | | | |
| Managers/Supervisors | 200 | 180 | 20 |
| Professional, Technical, Clerical | 387 | 334 | 53 |
| Operational Hourlies | - | - | - |
| Total Administration | 587 | 514 | 73 |
| Operations | | | |
| Managers/Supervisors | 269 | 232 | 37 |
| Professional, Technical, Clerical | 186 | 177 | 8 |
| Operational Hourlies | 1,590 | 1,583 | 7 |
| Total Operations | 2,044 | 1,992 | 52 |
| Maintenance | | | |
| Managers/Supervisors | 604 | 626 | (22) |
| Professional, Technical, Clerical | 552 | 503 | 49 |
| Operational Hourlies | 2,904 | 2,766 | 138 |
| Total Maintenance | 4,060 | 3,895 | 165 |
| Engineering/Capital | | | |
| Managers/Supervisors | 48 | 45 | 3 |
| Professional, Technical, Clerical | 86 | 63 | 23 |
| Operational Hourlies | - | - | - |
| | 134 | 108 | 26 |
| Public Safety | | | |
| Managers/Supervisors | - | - | - |
| Professional, Technical, Clerical | - | - | - |
| Operational Hourlies | - | - | - |
| Total Public Safety | - | - | - |
| Total Positions | | | |
| Managers/Supervisors | 1,120 | 1,082 | 38 |
| Professional, Technical, Clerical | 1,211 | 1,078 | 133 |
| Operational Hourlies | 4,494 | 4,349 | 145 |
| Total Positions | 6,825 | 6,509 | 316 |

**MTA METRO-NORTH RAILROAD
2018 ADOPTED BUDGET VS. ACTUALS
March 31, 2018**

| Agency-wide (Non-Reimbursable and Reimbursable) | Adopted Budget | Actual | Favorable (Unfavorable) Variance | Explanation of Variances |
|--|-----------------------|---------------|---|---|
| <i>Functional Classification:</i> | | | | |
| Operations | 2,044 | 1,992 | 52 | Primarily reflects delayed and internal hiring of vacant positions. |
| Maintenance | 4,060 | 3,895 | 165 | Reflects delayed and internal hiring of vacant positions. |
| Administration | 587 | 514 | 73 | Vacancies primarily reflects current hiring restrictions. |
| Engineering / Capital | 134 | 108 | 26 | |
| Total Agency-wide Headcount | 6,825 | 6,509 | 316 | |
| Non-Reimbursable | 6,128 | 5,975 | 153 | |
| Reimbursable | 697 | 534 | 163 | |

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2018 ADOPTED BUDGET
MONTHLY PERFORMANCE INDICATORS ^(A)
MARCH 2018

| | MONTH | | | VARIANCE | |
|-----------------------------|---------------------|-------------|-------------|--------------------|-------------|
| | BUD | 2018 | 2017 | Fav/(Unfav) | |
| | | | | BUD | 2017 |
| Farebox Operating Ratio | | | | | |
| Standard ^(B) | 49.2% | 52.4% | 51.3% | 3.2% | 1.1% |
| Adjusted ^(C) | 54.9% | 57.3% | 57.5% | 2.4% | -0.2% |
| Cost per Passenger | | | | | |
| Standard ^(B) | \$16.57 | \$15.69 | \$15.27 | \$0.89 | (\$0.42) |
| Adjusted ^(C) | \$16.21 | \$15.24 | \$14.96 | \$0.97 | (\$0.28) |
| Passenger Revenue/Passenger | \$8.15 | \$8.22 | \$7.84 | \$0.07 | \$0.38 |
| | | | | | |
| | YEAR-TO-DATE | | | VARIANCE | |
| | BUD | 2018 | 2017 | Fav/(Unfav) | |
| | | | | BUD | 2017 |
| Farebox Operating Ratio | | | | | |
| Standard ^(B) | 47.2% | 52.7% | 53.5% | 5.5% | -0.8% |
| Adjusted ^(C) | 54.0% | 58.9% | 60.4% | 4.9% | -1.6% |
| Cost per Passenger | | | | | |
| Standard ^(B) | \$17.75 | \$16.05 | \$15.41 | \$1.71 | (\$0.64) |
| Adjusted ^(C) | \$17.38 | \$15.61 | \$15.03 | \$1.76 | (\$0.59) |
| Passenger Revenue/Passenger | \$8.38 | \$8.46 | \$8.24 | \$0.08 | \$0.22 |

(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.

Ridership Report

Michael Shiffer

Vice President, Planning



MTA Metro-North's ridership was adversely impacted by 4 Nor'easters in the month of March 2018.



Metro-North Railroad

April 2018 Highlights: Ridership Report

March 2018 vs. 2017

- East of Hudson ridership decreased 0.2% vs. March 2017 and was 0.7% below Budget
 - Commutation ridership decreased 0.9%
 - Non-Commutation ridership increased 1.0%
- East of Hudson ridership by line:
 - Hudson Line ridership increased 1.6%
 - Harlem Line ridership decreased 1.7%
 - New Haven Line ridership increased 0.2%
- Four March Nor'easters (Mar 2nd, Mar 7th, Mar 13th & Mar 21st) decreased non-commutation ridership by approximately 175,000 fewer rides. Had these storms not occurred total ridership would have increased by 2.3%.
- Ridership was adversely impacted due to three weekends of track outages and resulting substitute busing on the Upper Harlem Line (Goldens Bridge - Brewster) to repair damaged infrastructure.

2018 vs. 2017 YTD

- Total YTD rail ridership is 0.8% below 2017 and 1.5% below Budget
 - YTD Commutation ridership is 1.0% below 2017
 - YTD Non-Commutation ridership is 0.7% below 2017

Michael Shiffer
Vice President
Planning

**MARCH 2018 RIDERSHIP & REVENUE REPORT
MTA METRO-NORTH RAILROAD**

RIDERSHIP SUMMARY

March Ridership and Revenue (millions)

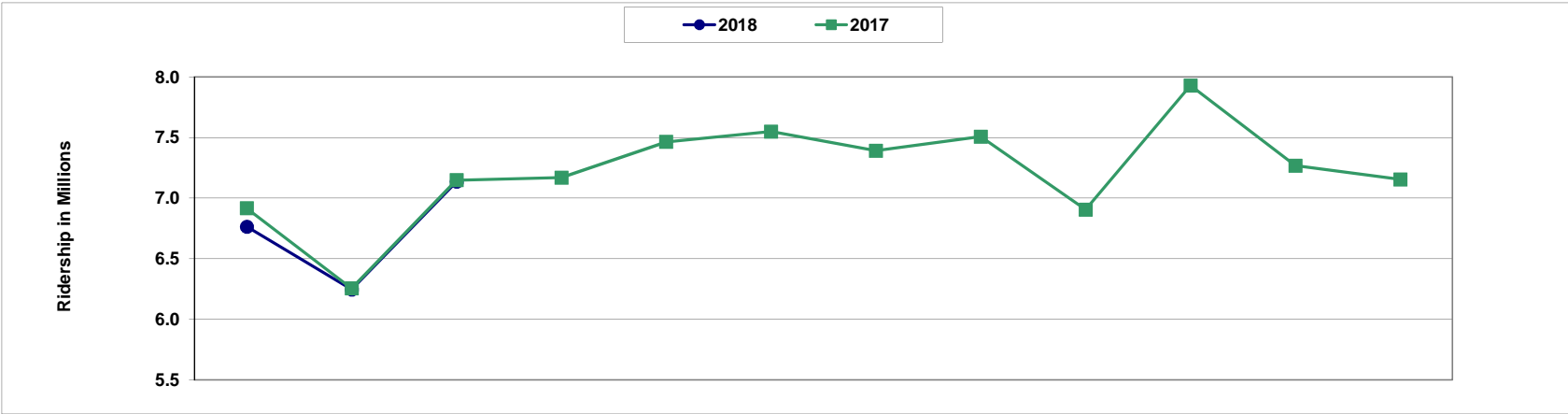
| | March 2018 | % Change vs. 2017 |
|------------------------------|------------|-------------------|
| Total Rail Ridership | 7.136 | -0.2% ▼ |
| Commutation Ridership | 4.324 | -0.9% ▼ |
| Non-Commutation Ridership | 2.812 | +1.0% ▲ |
| Connecting Service Ridership | 0.047 | -5.5% ▼ |
| Total MNR System Ridership | 7.183 | -0.2% ▼ |
| Rail Revenue | \$58.6 | +2.3% ▲ |

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

| | YTD 2018 | % Change vs. 2017 | Comparison to Budget |
|------------------------------|----------|-------------------|----------------------|
| Total Rail Ridership | 20.147 | -0.8% ▼ | -1.5% ▼ |
| Commutation Ridership | 12.123 | -1.0% ▼ | -1.0% ▼ |
| Non-Commutation Ridership | 8.024 | -0.7% ▼ | -2.1% ▼ |
| Connecting Service Ridership | 0.134 | -6.2% ▼ | -6.6% ▼ |
| Total MNR System Ridership | 20.281 | -0.9% ▼ | -1.5% ▼ |
| Rail Revenue | \$170.5 | +1.8% ▲ | +0.5% ▼ |

MARCH RAIL RIDERSHIP (1)

- March's Total Rail Ridership was 0.2% below 2017 and 0.8% below budget.

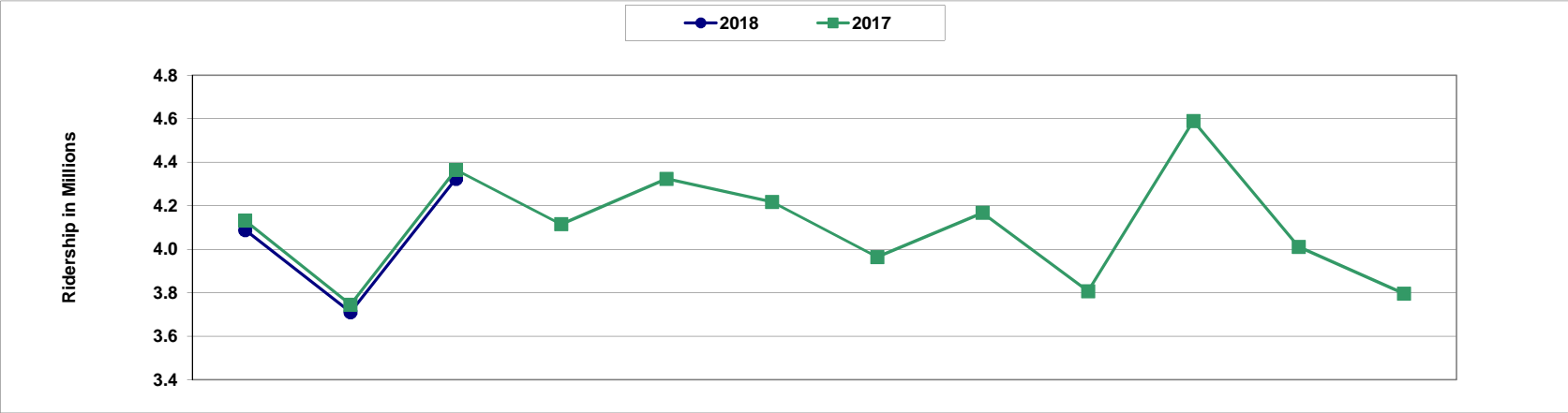


| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Y-T-D Total |
|----------|-------|-------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------|
| 2018 | 6.8 | 6.2 | 7.1 | | | | | | | | | | 20.1 |
| 2017 | 6.9 | 6.3 | 7.1 | 7.2 | 7.5 | 7.5 | 7.4 | 7.5 | 6.9 | 7.9 | 7.3 | 7.2 | 20.3 |
| PCT CHG. | -2.2% | -0.1% | -0.2% | | | | | | | | | | -0.8% |

1) Includes East and West of Hudson.

MARCH RAIL COMMUTATION RIDERSHIP (1)

- March's Rail Commutation Ridership was 0.9% below 2017 and 1.0% below budget.

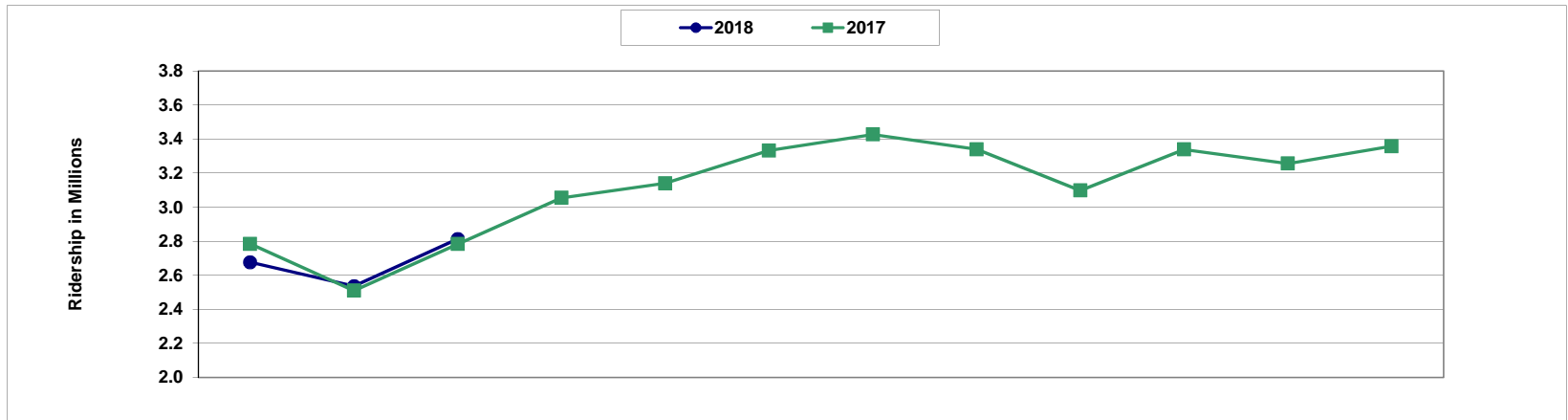


| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Y-T-D Total |
|----------|-------|-------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------|
| 2018 | 4.1 | 3.7 | 4.3 | | | | | | | | | | 12.1 |
| 2017 | 4.1 | 3.7 | 4.4 | 4.1 | 4.3 | 4.2 | 4.0 | 4.2 | 3.8 | 4.6 | 4.0 | 3.8 | 12.2 |
| PCT CHG. | -1.1% | -0.9% | -0.9% | | | | | | | | | | -1.0% |

1) Includes East and West of Hudson.

MARCH RAIL NON-COMMUTATION RIDERSHIP (1)

- March's Rail Non-Commutation Ridership was 1.0% above 2017 and 0.6% below budget.

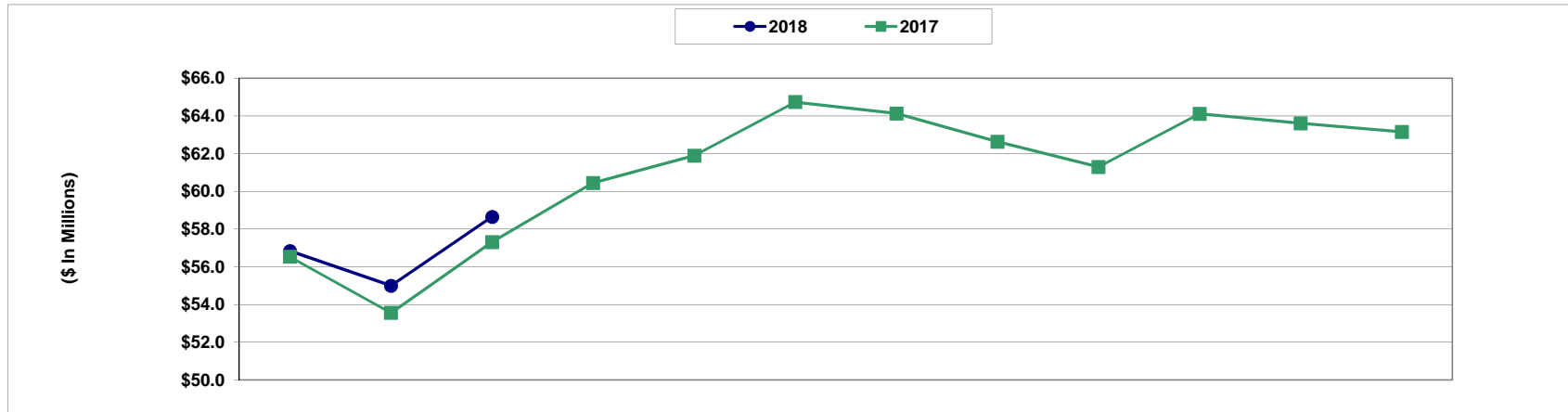


| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Y-T-D Total |
|----------|-------|------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------|
| 2018 | 2.7 | 2.5 | 2.8 | | | | | | | | | | 8.0 |
| 2017 | 2.8 | 2.5 | 2.8 | 3.1 | 3.1 | 3.3 | 3.4 | 3.3 | 3.1 | 3.3 | 3.3 | 3.4 | 8.1 |
| PCT CHG. | -3.9% | 1.0% | 1.0% | | | | | | | | | | -0.7% |

1) Includes East and West of Hudson.

MARCH RAIL REVENUE (1)

- March's Total Rail Revenue was 2.3% above 2017 and unchanged vs. budget.



| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Y-T-D Total |
|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------------|
| 2018 | \$56.8 | \$55.0 | \$58.6 | | | | | | | | | | \$170.5 |
| 2017 | \$56.5 | \$53.6 | \$57.3 | \$60.4 | \$61.9 | \$64.7 | \$64.1 | \$62.6 | \$61.3 | \$64.1 | \$63.6 | \$63.2 | \$167.4 |
| PCT CHG. | 0.5% | 2.7% | 2.3% | | | | | | | | | | 1.8% |

1) Includes East and West of Hudson.

**MTA METRO-NORTH RAILROAD
RIDERSHIP SUMMARY
MARCH 2018**

| TICKET TYPE/SERVICE | MARCH 2018 ACTUAL | MARCH 2018 BUDGET | VARIANCE VS. BUDGET | | MARCH 2017 RESTATE (1) | CHANGE FROM 2017 | |
|---|-------------------------|-------------------------|------------------------|--------------|------------------------------|------------------|--------------|
| | | | AMOUNT | PERCENT | | AMOUNT | PERCENT |
| RAIL COMMUTATION RIDERSHIP | | | | | | | |
| East of Hudson | 4,244,740 | 4,283,782 | (39,042) | -0.9% | 4,282,150 | (37,410) | -0.9% |
| West of Hudson | 79,155 | 83,180 | (4,025) | -4.8% | 83,011 | (3,856) | -4.6% |
| Total Rail Commutation Ridership | 4,323,895 | 4,366,962 | (43,067) | -1.0% | 4,365,161 | (41,266) | -0.9% |
| RAIL NON-COMMUTATION RIDERSHIP | | | | | | | |
| East of Hudson | 2,753,190 | 2,766,897 | (13,707) | -0.5% | 2,726,792 | 26,398 | 1.0% |
| West of Hudson | 59,298 | 63,694 | (4,396) | -6.9% | 56,497 | 2,801 | 5.0% |
| Total Rail Non-Commutation Ridership | 2,812,488 | 2,830,591 | (18,103) | -0.6% | 2,783,289 | 29,199 | 1.0% |
| TOTAL RAIL RIDERSHIP | | | | | | | |
| East of Hudson | 6,997,930 | 7,050,679 | (52,749) | -0.7% | 7,008,942 | (11,012) | -0.2% |
| West of Hudson (2) | 138,453 | 146,874 | (8,421) | -5.7% | 139,508 | (1,055) | -0.8% |
| TOTAL RAIL RIDERSHIP | 7,136,383 | 7,197,553 | (61,170) | -0.8% | 7,148,450 | (12,067) | -0.2% |
| CONNECTING SERVICES RIDERSHIP (3) | 47,447 | 50,383 | (2,936) | -5.8% | 50,196 | (2,749) | -5.5% |
| TOTAL MNR SYSTEM RIDERSHIP | 7,183,830 | 7,247,936 | (64,106) | -0.9% | 7,198,646 | (14,816) | -0.2% |

Notes:

- 1) 2017 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
2018 YEAR-TO-DATE**

| TICKET TYPE/SERVICE | 2018 YTD | 2018 YTD | VARIANCE VS. BUDGET | | 2017 YTD | CHANGE FROM 2017 | |
|---|-------------------|-------------------|------------------------|--------------|-------------------|------------------|--------------|
| | ACTUAL | BUDGET | AMOUNT | PERCENT | RESTATED (1) | AMOUNT | PERCENT |
| RAIL COMMUTATION RIDERSHIP | | | | | | | |
| East of Hudson | 11,897,345 | 12,016,202 | (118,857) | -1.0% | 12,011,661 | (114,316) | -1.0% |
| West of Hudson | 225,412 | 230,968 | (5,556) | -2.4% | 230,511 | (5,099) | -2.2% |
| Total Rail Commutation Ridership | 12,122,757 | 12,247,170 | (124,413) | -1.0% | 12,242,172 | (119,415) | -1.0% |
| RAIL NON-COMMUTATION RIDERSHIP | | | | | | | |
| East of Hudson | 7,859,024 | 8,028,713 | (169,689) | -2.1% | 7,912,535 | (53,511) | -0.7% |
| West of Hudson | 165,272 | 170,786 | (5,514) | -3.2% | 165,056 | 216 | 0.1% |
| Total Rail Non-Commutation Ridership | 8,024,296 | 8,199,499 | (175,203) | -2.1% | 8,077,591 | (53,295) | -0.7% |
| TOTAL RAIL RIDERSHIP | | | | | | | |
| East of Hudson | 19,756,369 | 20,044,915 | (288,546) | -1.4% | 19,924,196 | (167,827) | -0.8% |
| West of Hudson | 390,684 | 401,754 | (11,070) | -2.8% | 395,567 | (4,883) | -1.2% |
| TOTAL RAIL RIDERSHIP | 20,147,053 | 20,446,669 | (299,616) | -1.5% | 20,319,763 | (172,710) | -0.8% |
| CONNECTING SERVICES RIDERSHIP (2) | 134,481 | 143,907 | (9,426) | -6.6% | 143,383 | (8,902) | -6.2% |
| TOTAL MNR SYSTEM RIDERSHIP | 20,281,534 | 20,590,576 | (309,042) | -1.5% | 20,463,146 | (181,612) | -0.9% |

Notes:

1) 2017 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
MARCH 2018**

| LINE | MARCH 2018 ACTUAL | MARCH 2017 RESTATED (1) | CHANGE FROM 2017 | |
|--|-------------------------|-------------------------------|------------------|--------------|
| | | | AMOUNT | PERCENT |
| EAST OF HUDSON | | | | |
| Harlem Line | 2,306,324 | 2,345,498 | (39,174) | -1.7% |
| Hudson Line | 1,387,849 | 1,366,145 | 21,704 | 1.6% |
| New Haven Line | 3,303,757 | 3,297,299 | 6,458 | 0.2% |
| Total East of Hudson | 6,997,930 | 7,008,942 | (11,012) | -0.2% |
| WEST OF HUDSON | | | | |
| Port Jervis Line | 83,402 | 81,904 | 1,498 | 1.8% |
| Pascack Valley Line | 55,051 | 57,604 | (2,553) | -4.4% |
| Total West of Hudson (2) | 138,453 | 139,508 | (1,055) | -0.8% |
| TOTAL RAIL RIDERSHIP | 7,136,383 | 7,148,450 | (12,067) | -0.2% |
| CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS | | | | |
| Hudson Rail Link | 34,504 | 35,343 | (839) | -2.4% |
| Haverstraw-Ossining Ferry (3) | 9,216 | 10,066 | (850) | -8.4% |
| Newburgh-Beacon Ferry | 3,727 | 4,787 | (1,060) | -22.1% |
| Total Connecting Services | 47,447 | 50,196 | (2,749) | -5.5% |
| TOTAL MNR SYSTEM | 7,183,830 | 7,198,646 | (14,816) | -0.2% |

Notes:

- 1) 2017 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 BY LINE
2018 YEAR-TO-DATE

| TICKET TYPE/SERVICE | 2018 YTD ACTUAL | 2017 YTD RESTATED (1) | CHANGE FROM 2017 | |
|--|-----------------------|-----------------------------|------------------|--------------|
| | | | AMOUNT | PERCENT |
| EAST OF HUDSON | | | | |
| Harlem Line | 6,543,098 | 6,629,700 | (86,602) | -1.3% |
| Hudson Line | 3,886,315 | 3,892,284 | (5,969) | -0.2% |
| New Haven Line | 9,326,956 | 9,402,212 | (75,256) | -0.8% |
| Total East of Hudson | 19,756,369 | 19,924,196 | (167,827) | -0.8% |
| WEST OF HUDSON | | | | |
| Port Jervis Line | 231,066 | 233,838 | (2,772) | -1.2% |
| Pascack Valley Line | 159,618 | 161,729 | (2,111) | -1.3% |
| Total West of Hudson | 390,684 | 395,567 | (4,883) | -1.2% |
| TOTAL RAIL RIDERSHIP | 20,147,053 | 20,319,763 | (172,710) | -0.8% |
| CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS | | | | |
| Hudson Rail Link | 101,292 | 101,240 | 52 | 0.1% |
| Haverstraw-Ossining Ferry | 24,612 | 28,701 | (4,089) | -14.2% |
| Newburgh-Beacon Ferry | 8,577 | 13,442 | (4,865) | -36.2% |
| Total Connecting Services | 134,481 | 143,383 | (8,902) | -6.2% |
| TOTAL MNR SYSTEM | 20,281,534 | 20,463,146 | (181,612) | -0.9% |

Notes:

1) 2017 ridership figures have been restated to eliminate calendar impacts on ridership.

Capital Programs Report

John Kennard

Vice President, Capital Program



Harmon Shop Replacement Program – Phase V – Stage I

Consist Shop Facility: Pre-testing of Mechanical, Electrical and Plumbing systems.



Metro-North Railroad

April 2018 Highlights: Capital Program Status Report

The purpose of the Capital Program Status Report is to provide a monthly and year-to-date overview of the progress of Metro-North's Capital Program including a brief discussion of the current month's project highlights. The report focuses primarily on providing a summary of achievements regarding design and construction awards, project completions and contract closeouts. The point of contact for the report is John Kennard, Vice President, Capital Program Management.

In the month of April, Metro-North awarded project tasks totaling \$21.1 million, including the PTC Installation on 100 M-3 Railcars, Cyclical Track Program Material, Harlem Line Express Cable In-house Support. Metro-North had no Project Completions planned for April.

Metro-North's performance against its 2018 Capital Project Goal was:

| | (\$ in Millions) | | | |
|-------------------------|---------------------------|------------------------------|-------------------------------|------------------------|
| | <u>Annual Planned</u> | <u>Planned thru 4/30</u> | <u>Achieved thru 4/30</u> | <u>% thru 4/30</u> |
| Design Awards* | \$4.5 | \$2.1 | \$4.3 | 204% |
| Construction Awards* | \$535.1 | \$109.0 | \$109.2 | 100% |
| Substantial Completions | \$463.5 | \$2.5 | \$3.4 | 136% |
| Closeouts* | \$14.5 | \$0.0 | \$0.0 | |

*Does not include support costs

John Kennard
Vice President
Capital Programs

CAPITAL PROGRAM

HIGHLIGHTS

April 30, 2018

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 to arrive in the fourth quarter 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.

GRAND CENTRAL TERMINAL (GCT)

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

Lower Level – Continued installation of fire hose valve cabinets at 43rd, 44th, 45th and 46th Streets' crossings and continued installation of heat tracing conduits at 43rd, 44th, 45th, 46th, 49th and 50th Streets' crossings.

Pipe Tunnel – Continued installation of fire standpipes and pipe hangers at Carey's hole.

Upper Level – Continued installation of zone control assemblies and fire standpipes along upper level tracks.

Overall project completion is anticipated in January 2019.

GCT Leaks Remediation Phase II

Installation of architectural panels and restoration continues at the 45th Street Bridge. Overall project completion is anticipated in June 2018.

Grand Central Terminal Public Address and Visual Information and Real Time Train Database System (RTTDS) Replacements

The purpose of this project is to replace, update and consolidate the existing Public Address (PA) and Visual Information Systems (VIS) in order to provide improved information to Metro-North customers. The project is divided into three GCT contracts (PA/VIS & RTTDS, Cable Plant, and Big Boards & Gate Boards) which are critical to the implementation of the global Customer Service Initiative Project. Preliminary quality, safety and baseline schedule submissions are underway. Continued concept development for RTTDS and preliminary design for PA/VIS. Completed preliminary surveys and continued design development of

Room CSER 7C and various other locations for cable plant at GCT. Design continues with the development for Information/Big Boards. Site surveys for the Gate Boards commenced.

STATIONS/PARKING/FACILITIES

Harlem-125th Street Improvements

- *Replace historic stairways located on the south side of 125th Street (Small Business Mentoring Program Tier II)* – Continued installation of the new steel for the west stair. The replacement of the east stair will commence upon the west stair's completion which is expected in June 2018.
- *Exterior lighting improvements & art work on the viaduct (Small Business Mentoring Program Tier I)* – Arts for Transit lighting fixtures are being fabricated. Delivery is scheduled for September 2018.

CSI Outlying Stations Public Announcement/Visual Information and Surveillance/Access Control Systems

The CSI Project will enhance the customers' experience and improve operations with a system-wide upgrade of the public address, visual information and video surveillance/access control systems at twenty (20) Metro-North stations and facilities throughout New York. This project also includes upgrades to elevator monitoring, providing network connectivity for new and existing equipment and real-time data improvements.

Site surveys at various locations for node houses (48 VDC power plants) are complete. Surveys at Riverdale, Pelham, Larchmont and Mt. Vernon East stations are underway. Preliminary design development continues for: video, access control, and security systems.

Station Improvement Initiatives at Harlem-125th Street, Riverdale, Crestwood, White Plains and Port Chester

The purpose of this project is to develop and improve station aesthetics, introduce new technology, and develop sustainability initiatives. A key focus will be to transform and elevate the customer experience at the White Plains Station, Metro-North's third busiest station. White Plains Station improvements will include a renovated and expanded waiting room including new bathrooms, upgraded HVAC, Wi-Fi, charging stations, benches, a new heated side platform, new island platform canopy, and entrance enhancements at Main St., Hamilton Ave., Mott St. Tunnel and the main entrance. The Crestwood, Port Chester and Riverdale Stations will receive a new canopy and waiting plaza and improvements in station overpasses (Riverdale and Crestwood). Harlem-125th Street will receive station house and platform improvements, as well as, an enhanced lighting installation under the viaduct.

The design portion of the contract is progressing with various packages under review by key stakeholders. Site work is also underway as follows:

- White Plains Station – Brick removal around the columns on the island platform, ceiling removal on the south end of the platform and temporary closure of Hamilton

Avenue stairs for painting containment and blasting are scheduled for completion in May 2018.

- Crestwood Station – Lidar survey has commenced.

There are various interim milestone completion dates at each station, with overall project completion in December 2020.

POWER

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

- *Phase I* – The purpose of this project is to replace and restore to a state of good repair the power and communication and signal (C&S) equipment and infrastructure that were destroyed, damaged and/or compromised by Super Storm Sandy on over 16 miles of railroad along the Hudson Line from CP 19 (Greystone) to CP 35 (Croton-Harmon). Continued work to install a precast ductbank and trough, conduits, cables, communication enclosure and fiber enclosure continued under the Track 4 continuous outage from CP 25 (Tarrytown) to CP 19 (Greystone). In the out-of-outage work area (outside the track limits for a power outage), continued to test pitting excavation work and communication fiber testing/splicing.
- *Phase II* – Replace and restore to a state of good repair the power and C&S equipment and infrastructure that were destroyed, damaged and/or compromised by Super Storm Sandy on over 14 miles of railroad along the Hudson Line from CP 5 (Bronx) to CP 19 (Greystone). Work will include replacement of C&S cable, fiber optic cable, equipment and components, with significant work that is at-grade as well as in and around the track bed adjacent to the Hudson River. Continued utility mark-outs, test pit excavations and borings. 90% design review by key stakeholders continues.

Overall project completion of Phase I and II is anticipated in the first quarter 2021.

Power Infrastructure Restoration – Substations – Sandy

- *Tarrytown* – Completed installation of Con Ed required tags at power control room. Punchlist work is underway.
- *Croton-Harmon* – Continued testing the supervisory control and data acquisition system (SCADA) and rectifier, substation vault inspection. Punchlist work is underway.
- *Riverdale* – Continued installation of plumbing, heating, ventilation and air conditioning units as well as tiles at the Crew Quarters building.

Substantial completion for the three substations is forecasted for September 2018.

Harlem & Hudson Lines Power Improvements

- *Construction of 86th Street Substation and 110th Street Negative Return Reactors*
 - *110th St. (replacement of negative return reactors in the substation under the viaduct) – Operating as of July 2016.*
 - *86th St. – Demolition and removal of equipment on the east and west platforms continues. Installation of 15KV switchgear building foundation at the west platform continues. Excavation for new column footings and completed excavation of DC equipment trench at the east platform is underway.*

AC and DC Switchgear equipment are currently in storage. Set-up of AC switchgear equipment is planned for the third quarter 2018 with the DC switchgear equipment to follow in the fourth quarter 2018. Overall project completion is anticipated in the first quarter of 2019.

- *The Brewster Substation – Continued testing SCADA and rectifier, dielectric testing of power control room floor, substation vault inspection, installation of transformer pad lighting, grounding of transformer pad fence. Performed general housekeeping, maintenance and protection of traffic, and soil erosion control. Substantial completion is anticipated in the third quarter 2018.*

Substation Replacement Bridge - 23

- *Mount Vernon East – Signal substation was delivered to site and assembly is underway. Final testing and commissioning continues.*
- *Catenary work between Mount Vernon and New Rochelle - Further testing and commissioning continues.*
- *New Rochelle – Control work of transfer trip for non-outage Integrated Communications Optical Network (ICON) testing is complete. Follow-up ICON control testing requiring power outage is tentatively scheduled to begin by the end of May 2018.*

Overall project completion is anticipated in the fourth quarter 2018.

TRACK AND STRUCTURES

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

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

Project completion is anticipated in March 2019.

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

The design portion of the contract continues with various design packages under review by key stakeholders. The structural steel fabrication for the deck girders is scheduled for delivery and installation in May 2018. Prospect Hill Road Bridge is anticipated to open for vehicular traffic by year end 2018.

Overhead Bridge Program – Select Bridges East of Hudson

14th Avenue Bridge, Mt. Vernon, NY (Design-Build contract) – Various design packages are under review by key stakeholders. Installation of foundation post, conduits and junction boxes / pull boxes is complete for the relocation of the signal cable along tracks 3 and 4. Cable pulling installation is scheduled for completion in early May 2018. The bridge will be closed to vehicular traffic on May 7, 2018 until the work is complete, which is scheduled for February 2019.

Harlem River Lift Bridge (HRLB) Security Upgrades

Construction submittal phase is underway. Completed Manhattan communication shed foundation. Installation of conduit risers on both the Bronx and Manhattan sides is underway. Lead abatement of the Bronx tower is nearing completion.

Harlem River Lift-Bridge Power Cable Tie

The purpose of this project is to furnish and install a new Bronx-Manhattan power cable tie system to provide back-up power between the two sides of the Harlem River Lift Bridge. The new power cable will be installed in the existing duct bank / manhole system of the existing micro tunnel that spans across the Harlem River. Construction submittal phase continues. Preparation for conduit installation between the Bronx and Manhattan AC houses is underway.

Harlem Line Wayside Communications and Signal System Infrastructure Improvements

The purpose of the project is for the engineering, procurement, installation and the testing of fiber optic and copper cables and related installation materials, enclosures, equipment, conduits and hardware along CP 112 (Woodlawn) to CP 154 (Southeast).

The contract was awarded on March 13, 2018. Construction submittals phase is underway and site mobilization is scheduled for May 2018.

Cyclical Track Program

Cyclical Track Program consists of the replacement of 14,600 wood ties, 10 miles of continuous welded rail, and surfacing of 140 miles of track. To date, Metro-North forces have installed approximately 13,898 ties, 4 miles of rail, and surfaced 28.19 miles of track on the Hudson, Harlem, and New Haven Lines.

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 continues. Surveys and Federal Communications Commission (FCC) / Tribal applications continue for communication site locations, with 98% of all sites approved by the FCC. Civil Speed Enforcement is available on all lines for use by Amtrak, freight and Metro-North Advanced Civil Speed Enforcement System equipped rolling stock for revenue service. Installation and testing of PTC transponders are complete for Pilot 2 (Hudson Line CP 25 Tarrytown to CP 35 Croton-Harmon) and is ongoing for Pilot 1 (New Haven Line CP 255 Bridgeport to CP 274 New Haven). Wayside subsystem deliveries and installations continue on all lines. All M7A on-board PTC equipment installation has been completed. M3A on-board PTC hardware installations are ongoing. Third party contract work for communications infrastructure installation is ongoing. Training of employees continues. Interoperability discussions with Amtrak and Freight carriers continue. 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. Metro-North 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 was complete in March 2018. The next cut over from CP-Harriman to CP-Valley is scheduled for June 2018.

SHOPS AND YARDS

Harmon Shop Improvements

Phase V, Stage I Design-Build

- *Consist Shop Facility/Building 6 (CSF)* – Completed cable pulls for bug and stinger system. Continued interior mechanical, electrical & plumbing related installation including: duct work, plumbing, fire suppression, insulation, conduit installation and wire pulling for various systems, equipment/panel boards, interior partitions, doors & windows hardware, kitchen cabinet installation, flooring materials, bathroom accessories, pre-testing for passenger & freight elevators and installation of lightning protection for roof top units RTUs & parapets FM-200 related sprinkler head replacement and application of fire stopping to all refrigerant and condensate drainage piping. Continued application of final coating of exposed electric conduit, compressed air piping, foundation wall and steel columns.
- *EMU (Electric Multiple Unit) Annex Building* – Continued interior installation such as: masonry walls, interior duct work, plumbing, fire suppression, seismic control for gas line, conduits and wiring for PA system, voice & data lines, lighting controls, bathroom

accessories, equipment/panel boards, bridge and gantry cranes & workstations, metal stairs, control panel wiring and pre-testing for passenger and freight elevators, wiring of switchgear and panels inside the electrical room. Continued installation of axle cleaning equipment, inspection station, elevator sump pump, wheel press equipment and other industrial equipment. Continued painting of exposed electric conduits and compressed air lines.

- *Yard Utilities and Miscellaneous* – Continued installation of underground utilities at CSF and EMU Annex.

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

Phase V, Stage II Preliminary Design

Procurement process is underway with design-build proposals received and under review, plan to award in July 2018.

2018 MNR Capital Program Goals

As of April 30, 2018

In Millions

