



Metropolitan Transportation Authority

Meeting of the Metro-North Railroad Committee

November 2018

Members

S. Metzger

N. Brown

R. Glucksman

C. Moerdler

M. Pally

A. Saul

V. Vanterpool

C. Wortendyke

N. Zuckerman

Metro-North Railroad Committee Meeting

2 Broadway

20th Floor Board Room New York, NY

Tuesday, 11/13/2018

8:30 - 9:30 AM ET

1. PUBLIC COMMENTS PERIOD

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Next Meeting: Joint meeting with LIRR on Monday, December 10, 2018 at 8:30 a.m.

Minutes of the Regular Meeting
Metro-North Committee
Monday, October 22, 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 Committee
Hon. Norman Brown
Hon. Randy Glucksman
Hon. Charles G. Moerdler
Hon. Andrew Saul
Hon. Veronica Vanterpool
Hon. Carl V. Wortendyke
Hon. Neal J. Zuckerman

Also Present:

Hon. Ira Greenberg
Hon. Scott Rechler
Hon. Vincent Tessitore, Jr.
Janno Lieber, MTA Chief Development Officer
Catherine Rinaldi – President, Metro-North Railroad
Susan J. Doering – Executive Vice President, Metro-North Railroad
Yvonne Hill-Donald - Vice President, Human Resources
Richard L. Gans – Vice President and General Counsel
John Kennard – Vice President – Capital Programs
John Kesich – Senior Vice President, Operations
Mark Mannix – Sr. Director, Corporate and Public Affairs
Thomas Mitchell – Vice President, Customer Service and Stations
Owen Monaghan, Chief, MTA Police Department
Michael Shiffer – Vice President, Planning
Justin Vonashek – Vice President, System Safety
Steve Weiss – Executive Director Management and Budget

The members of the Metro-North Committee met jointly with the members of the Long Island Rail Road 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 Rail Road Committee for the meeting of October 22, 2018 should be consulted for matters addressed at the joint meeting relating to the Long Island Rail Road.

1. SAFETY PROCEDURES

Mark Hoffer, Vice President and General Counsel and Secretary, Long Island Rail Road, reviewed the emergency safety procedures and introduced the public speakers.

2. PUBLIC COMMENT

Orrin Getz, Vice Chairman Metro-North Railroad Commuter Council, asked that the heat be turned on in the shelters at Nanuet and Tarrytown Stations. Mr. Getz referenced a videotape that Governor Cuomo sent to President Trump showing the deterioration of the Hudson River Rail Tunnels that he would like to be sent to Board members. Mr. Getz stated that the MTA decided not to participate in the original Access to the Region's Core project and the project failed. He expressed his opinion that the MTA should become an active partner for the Gateway Project so that it is a success. Mr. Getz stated that the tunnels need to be repaired as soon as possible. Mr. Getz said he attended the October 10, 2018 New Jersey Transit (NJT) Board meeting during which he suggested that NJT turn over possession of the Suffern Station to the MTA so that it may be upgraded to be comparable with east of Hudson stations and provide Americans with Disabilities Act (ADA) accessibility. He stated that it has been two years since Rockland County Executive Ed Day wrote a letter to Chairman Lhota about the station.

Jason Pineiro stated that he looks forward to President Rinaldi's presentation of the Way Ahead plan.

Murray Bodin commented negatively on the Way Ahead. He stated that the red box painted on the roadway at the Roaring Brook Road grade crossing is illegal and nothing has been done about it. He complained of train horns blowing. Mr. Bodin expressed his opinion that Positive Train Control (PTC) is out of date and that it is taking too long to construct the new stations in the Bronx.

Corey King of Uptown Grand Central, a community development group for 125th Street, encompassing the area from Fifth Avenue going east, including Metro-North's Harlem-125th Street Station, commented on the work of her organization. She noted that Uptown Grand Central has operated under the tracks at 125th Street for three years. It has adopted a building owned by the Department of Transportation located across the street from the Metro-North station as a community plaza. Ms. King noted that the building is power washed daily. Community programs, such as a year round farmer's market, small business pop up shops, exercise classes, and live music are held in the building. Ms. King stated that half of the people who visit the building are Metro-North customers who appreciate the work her organization has done. She stated that Uptown Grand Central appreciates the rehabilitation work done at Harlem-125th Street Station and looks forward to partnering with Metro-North on future projects.

Additional details of the comments made by the public speakers are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records and in the minutes of the Long Island Railroad Committee for the meeting of October 22, 2018.

3. APPROVAL OF MINUTES

Upon motion duly made and seconded, the Committee approved the minutes of the September 24, 2018 Metro-North Committee meeting.

4. METRO-NORTH AND LONG ISLAND RAIL ROAD 2018 WORK PLANS

President Rinaldi reported that the schedule for the presentation of the Metro-North and Long Island Rail Road 2018 Work Plans has been changed. The Diversity/EEO Report – 2nd Quarter 2018 scheduled to be presented at the October 2018 Joint Committee meeting will now be presented at the November 2018 Committee meetings.

The details of the Metro-North 2018 Work Plans are contained in a report filed with the records of this meeting. The details of the Long Island Rail Road 2018 Work Plan are contained in a report filed with the minutes of the Long Island Committee for the meeting of October 22, 2018.

5. METRO-NORTH PRESIDENT'S OPENING REMARKS

President Rinaldi reported on two upcoming retirements. She noted that the Railroad will lose one-third of its employees over the next five years. President Rinaldi said that she does not report on every retirement because so many are leaving, but there are certain employees who she believes should be honored because of their exemplary service to the Railroad.

President Rinaldi recognized Walter Burger, a former Marine who has served Metro-North with distinction for over 32 years. Most recently, Mr. Burger was the leader of the Stations and Facilities Group in the Track and Structures Department who are known throughout the railroad as "Walter's guys." President Rinaldi noted that "Walter's guys" do everything including station improvements and facilities improvements. They recently completed improvements at Garrison Station and will be doing the upcoming roof work at the Cold Spring and Garrison Stations. President Rinaldi stated that Mr. Burger leads by example and has earned the respect and admiration of everyone at Metro-North that he has touched. President Rinaldi nominated Mr. Burger for the Customer Service Award in 2017 for his exemplary customer service both in terms of his care of customer and employee facilities. She stated that Mr. Burger is one of those employees who cannot be replaced and she will miss him terribly. President Rinaldi thanked Mr. Burger for his service.

President Rinaldi honored Jim McCormack who has served as Director of Operations Planning and Analysis since August 2016. Mr. McCormack started with Metro-North in 1984 as a Block Operator in the various towers of Grand Central Terminal (GCT). He has been integral in the Railroad's service recovery efforts and is a key player in Metro-North's Emergency Management Task Force. Whenever there has been a storm or other event that affects service, Mr. McCormack is in the Situation Room determining the schedule the railroad should run. Mr. McCormack has overseen the most significant service improvement program in the Railroad's history that resulted in record ridership. He has been the key player in the reshaping of the Railroad's scheduling processes. Mr. McCormack was a member of the team that received the Team Excellence Award for the Yankees-E. 153rd Street Station Project and was a member of the team that received the award for the Port Jervis Line Tropical Storm Irene Recovery Project. President Rinaldi reported that Ben Cornelius, who has a long and distinguished career with Amtrak, has been selected as Mr. McCormack's replacement. President Rinaldi stated that Mr. McCormack will be missed. She thanked him for his service.

President Rinaldi announced the promotion of Thomas Mitchell who has been appointed Vice President of Customer Service and Stations. Mr. Mitchell has been acting in this position since April 2018 when Sue Doering was promoted to the position of Executive Vice President. In his former role as Director of Customer Communications and Technology, Mr. Mitchell was responsible for managing the Customer Communications Center, including the Social Media and Call Centers, all customer-facing technology, and customer relations. He also played the role of customer advocate. He joined the Railroad in 1984 as a Ticket Agent and Block Operator and has been a central figure in many key customer service and customer communications initiatives over the years, including the deployment of cellular LCD screens, the implementation of Train Time, and the establishment of the 24/7 Customer Communications Center. President Rinaldi

congratulated Mr. Mitchell. She noted a Customer Service report will be on the Committee agenda each month.

The details of the President's Opening Remarks are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

6. CUSTOMER SERVICE REPORT

Mr. Mitchell reported that in conjunction with National Customer Service Appreciation Week, the Railroad will hold a Customer Service Appreciation Awards event. National Customer Service Appreciation Week celebrates the importance of customer service and the people who serve and support customers on a daily basis. Mr. Mitchell noted the Railroad stresses that all employees have an impact on customer service no matter what job they perform. During the month of October, senior management along with a group of customer service employees visited facilities across the Railroad to thank employees for their contribution to customer service. The monthly activities will conclude with the presentation of the Metro-North Customer Service Appreciation Awards to employees who are nominated by their peers. A committee selects winners who have demonstrated exemplary customer service, both internally and externally. True to the Railroad's message that all employees contribute to the customer experience, award recipients come from all departments of the Railroad. The awards will be presented in Vanderbilt Hall in GCT, during which 10 individual awards will be presented as well as a group award.

7. WAY AHEAD PLAN PRESENTATION

President Rinaldi unveiled Metro-North's strategic plan, Way Ahead. Committee members were provided with a brochure that sets forth Metro-North's priorities and expectations for the plan. Under Way Ahead, all railroad employees will work together to set the standard for safety, reliability, and innovation in the delivery of excellent customer service. Way Ahead is built upon Metro-North's existing internal strategic plan, which was recast as a more customer focused plan. President Rinaldi presented a video that was produced by MTA's in-house staff. She thanked Joe Chan, Jeesu Kim, Andrew Cashin, and Nicholas Sienty who worked tirelessly to produce the video.

Following the video presentation, President Rinaldi presented a PowerPoint presentation of the Railroad's mission, vision, strategy, and the deliverables associated with the Way Ahead strategic plan. She reported that the Railroad's mission is to be a safe, reliable and efficient railroad providing regional mobility and excellent service to our customers. President Rinaldi reported that Way Ahead focuses on three priorities: (1) the Railroad's customers, the reason Metro-North exists; (2) the Railroad's infrastructure, including trains, stations, track, structures, communications, signals, power, shops, and yards; and (3) the Railroad's people, Metro-North's greatest resource who deliver excellent service daily and tie the plan together. President Rinaldi reported that Way Ahead is based on three core principles: (1) safety, which rests at the heart of all our actions and initiatives; (2) integrity, to maintain the public's confidence that the Railroad is making responsible decisions based on good information and is spending funds wisely to reflect customer needs; and (3) innovation, to encourage new ways of thinking and doing business.

a. Our Customers

President Rinaldi reported that the Way Ahead plan is being implemented in the context of a change in ridership and ever evolving customer expectations. Since the formation of Metro-North in 1983, ridership has risen significantly, as has the frequency of train service. The typical rider no longer gets on the train in Westchester County to go to their job in the City during peak

hours. There has been significant growth in reverse-peak, off-peak, and weekend ridership. Social media has resulted in rising customer expectations. Customers expect that the information they receive is timely and complete. The Railroad addressed the change in expectations with the creation of a 24/7 social media unit. Metro-North must keep abreast of changes in technology and be proactive in terms of customer expectations.

President Rinaldi discussed the Railroad's priorities. She noted that Metro-North will continue to put the safety of its customers and employees first through a variety of initiatives. The Railroad will expand the "Together Railroads and Communities Keeping Safe" (TRACKS) free community outreach program which is designed to educate and promote rail safety. Metro-North has a goal of reaching 100,000 people per year through the TRACKS program and has already reached 94,000 individuals through September 2018. President Rinaldi reported that the Railroad won the 2018 APTA Gold Safety Award. Metro-North has partnered with WAZE to improve safety at railroad crossings and has also enhanced the safety of grade crossings. Metro-North has an ongoing project to install emergency signage and improve lighting in the Park Avenue Tunnel and in GCT, including the use of LED lighting, installation of battery backup at Emergency Exits, a communication link between fire alarm boxes in the Park Avenue Tunnel and the GCT Fire Brigade, and replacement of the aluminum third rail in the Park Avenue Tunnel on all four tracks. Beginning this winter, the Railroad will also be installing glow-in-the-dark signs in the Park Avenue Tunnel. As an interim step towards the full Customer Service Improvements (CSI) program, Metro-North is in the process of identifying the stations where security cameras will be installed. Metro-North is also in the process of improving and expanding other safety programs. A peer-to-peer program will be piloted in the fourth quarter of 2019. In the beginning of 2019, the Railroad will be launching improvements to Roadway Worker and Roadway Worker In-Charge training programs, and safety programs for supervisors will be expanded. Given the high rate of employee turnover and retirement, the Railroad needs to look for limitations in training programs so that they may be improved to ensure that new employees receive the safety training needed.

President Rinaldi reported that Metro-North will improve customers' day-to-day experience. An Ambassadors Program will be launched at the busiest stations. By the end of 2018, Ambassadors will be present to assist customers at White Plains, Fordham, Harlem-125th Street and Stamford Stations. In the first quarter of 2019, station management will be streamlined under the leadership of a single point of contact using a new Customer Service Station Ownership model that includes the reorganization of station departmental functions, such as custodians, ticket sellers, Ticket Vending Machine technicians, and emergency bus operators. The Railroad will also improve station and track clean-up programs. Custodial forces will be restructured to enable Metro-North to deploy these forces to high traffic stations and to be nimble in how the forces are deployed to the outlying stations. With respect to clean-up along the right-of-way, the Railroad is in the process of identifying hotspots in the Bronx and lower Westchester and is trying to work collaboratively with local community groups.

The Railroad will be undertaking major station improvements in the next several months. Improvements at Riverdale Station have been completed, Phase 1 of the White Plains Station improvements project has been completed, the project is scheduled to be fully completed by the fourth quarter of 2020. Improvements to Harlem-125th Street Station will be completed in the second quarter of 2019. Improvements to Port Chester Station will be completed in the second quarter of 2019. Improvements to Crestwood Station will be completed in the fourth quarter of 2019. Metro-North will also improve station accessibility, which is a priority across the MTA agencies. ADA compliant elevators and ramps will be installed at Hartsdale and Scarsdale Stations as part of the recently advertised contract. A new ADA compliant elevator will be installed on the outbound platform at White Plains Station in connection with the ongoing station

improvements there. The Railroad will also begin to replace seats and vestibule floors in more than 100 coaches in the diesel fleets.

President Rinaldi reported that Metro-North will improve communications with customers. Many of these improvements are associated with CSI, a federally funded capital project. A new “Big Board” will be installed in GCT during the second quarter of 2019, which will transform the manner in which information is displayed in GCT, followed by changes to the gate curtains and departure boards. Digital signs and enhanced real-time information displays providing the estimated time the next train will arrive will be installed at 20 stations. The first of these signs and displays will be completed in the spring of 2019 at Harlem-125th Street, Mount Vernon East, Riverdale, and Pelham Stations. Signs and displays will be installed by the end of 2019 at Larchmont, Harrison, Sputyen Duyvil, and Morris Heights Stations.

The Railroad will improve the quality and quantity of the information that the Ticket Information Machines (TIMs) provide to train crews. A new translation application has been installed on TIMs to assist train crews in communicating with customers. By the end of 2018, train crews will receive alerts about service related issues, including information about connecting services, such as the New York City Subways. As part of the CSI project, Metro-North will be unveiling a new public address system in GCT and in outlying stations. The system will allow the Railroad to increase the frequency of announcements and the amount of content provided. The new public address system will be ADA compliant, providing synchronous audio and visual displays and the option for bilingual announcements in Spanish. Metro-North is engaged in a partnership with MTA Information Technology and MTA Strategic Initiatives to improve cellular coverage and connectivity along the right-of-way. During the “Connect with Us!” forums, customers indicated that they would like to see more Wi-Fi service on trains since many customers work on the train. There are significant gaps in coverage on the Upper Harlem and Upper Hudson Lines. The Railroad is trying to improve cellular coverage along the right-of-way and to make it commercially attractive. Metro-North is working with Janno Lieber’s group to partner with cellular providers, making it an attractive business proposition for cellular providers. Metro-North launched the MYmta App in July of 2018 and is continuing to host “Connect with Us!” forums. Forums are scheduled to take place at Crestwood Station on October 25, Harrison Station on November 1 and in GCT on November 7.

b. Our Infrastructure

Metro-North will continue to invest in its infrastructure. PTC will be deployed as aggressively as possible and the Railroad expects to be in full compliance by the end of 2018. Metro-North will be obtaining 66 new M-8 rail cars to address increasing ridership and crowded conditions on the New Haven Line. The first of these M-8 rail cars will be delivered in the fourth quarter of 2019, with all cars delivered by the end of the second quarter of 2020. The Railroad has begun the procurement process to replace the locomotive fleet; a contract will be awarded in the first quarter of 2019. Metro-North will begin a Wayside Energy Storage System Pilot to address dips in power on the Upper Harlem Line. The pilot will require MTA Real Estate to acquire property between Chappaqua and Mount Kisco. The pilot will take about two years to deploy and should provide the Railroad with information that can be used to address power dips. Metro-North’s tree trimming program is being expanded, with work taking place now through 2019. During the months of March and May 2018, severe storms caused hundreds of trees to be damaged and fall on Metro-North’s tracks. The aggressive tree trimming program will reduce the likelihood and severity of service impacts during future storms.

Metro-North has begun developing a “SMARTRACK Program” to identify ways to perform multiple projects in specific areas simultaneously with fewer and shorter track outages and less

inconvenience for our customers. The Railroad has used the program to resurface rail, insulate joints, and trim trees between CP-35 and CP-39. Metro-North will be performing rail resurfacing, replacing ties, addressing mudspots, improving drainage, performing right-of-way cleanup, and cutting trees from CP 212 to CP 215. The April 2019 train schedule will accommodate the work in this area and will add time to the schedule so that it is a reliable schedule. President Rinaldi noted that the SMARTRACK Program is an important initiative that will permit the Railroad to have work performed more efficiently and to continue to restore the Railroad to a state of good repair. She gave an example of how the program works, noting that in October, the Track Production Gang working on the Waterbury Branch surpassed a long-standing single day tie installation record of 1,159 ties by installing an impressive 1,161 ties.

President Rinaldi reported that a new station standard will be implemented requiring the installation of heated platforms when platforms are replaced, such as during the Hartsdale and Scarsdale station rehabilitation projects. The outbound platform at White Plains Station will also be replaced with a heated platform. It is also anticipated that heated platforms will have a longer useful life because the platforms will not need to be salted when it snows.

Metro-North will complete the repair and fortification of the power and communication infrastructure damaged by Superstorm Sandy. Phase one of the work is being performed from Greystone to Croton-Harmon and will be completed in the second quarter of 2019. Phase two will be performed from Mott Haven to Greystone and will be completed in the second quarter of 2021. In the first quarter of 2019, the Railroad will begin a two-year project to replace 1200 power transmission poles on the Upper Harlem Line. The contract to complete the Croton-Harmon rail car maintenance facility was awarded in the fourth quarter of 2018, and is scheduled for completion in the fourth quarter of 2022. Metro-North will improve the track infrastructure program, and has increased annual track production levels to replace 20 miles of rail, 50,000 ties, and perform 200 miles of surfacing per year. The Railroad will also complete the replacement of the overhead power system by the second quarter of 2019.

c. Our People

President Rinaldi stated that Metro-North's people are the driving force behind the successful completion of improvement projects. The Railroad has developed a number of initiatives to support our people as they carry out this important mission. Metro-North will support its people by upgrading employee facilities, which is important for employee morale and productivity. President Rinaldi reported that a wide range of improvements have been made across Metro-North's territory, these include a new Component Change Out Shop in New Haven, repaving of the Brewster parking lot, construction of a new training facility in Hopewell Junction, repairing a ticket agent bathroom in White Plains, refurbishing offices in Harmon Building 14, and installing new stairs at Springdale.

In January 2019, Metro-North will begin to have cross-departmental rotations and mentorships. President Rinaldi stated that the Railroad's succession planning and knowledge transfer programs are critical since Metro-North could lose one-third of its workforce to retirements between now and 2022. The Railroad has identified critical positions and has established a plan to ensure continuity in transition from retirements, including shadow positions, seed positions, and use of a knowledge transfer program to ensure organizational resiliency. This is ongoing and will continue throughout this period. Metro-North is also working with MTA on an agency-wide retention and employee development program in an attempt to address compensation issues that make it difficult to attract people, such as engineers because they can earn more in the private sector. Metro-North is working with the MTA to develop a strategy that will make the Railroad an environment where people want to work long-term.

President Rinaldi reported that Metro-North is improving workforce diversity by expanding outreach to more high schools, trade schools, and colleges. The Railroad also participates at job fairs. Training programs have been developed to promote a positive working environment for a diverse population of employees. Metro-North is increasing its health and wellness offerings. The Healthy4U! Initiative has held an increased number of activities. Employee led walks took place at the Walkway over the Hudson in Poughkeepsie in August and at the Highline in September. The group also participated in a Suicide Prevention walk in Mamaroneck in October. There are employee wellness fairs throughout the territory.

Metro-North is working with MTA and will be deploying an Emergency Notification System in the second quarter of 2019. The Railroad constantly looks to adopt innovations and, through an internal task force, is examining how it can be innovative given current budget constraints.

d. Focus on the Future

President Rinaldi completed her report with a discussion of the future, which is something the Railroad has been discussing in light of its Capital Program. She reported that the Railroad will focus on the replacement of the 125 year-old Park Avenue Viaduct. Replacement of the Viaduct will be enormously challenging and necessary. President Rinaldi noted that the Railroad has to focus on the Park Avenue Tunnel and GCT track and platform areas, including egress out of the Park Avenue Tunnel which is important to the safety and reliability of that infrastructure. This is needed to ensure that GCT will continue to be a vibrant terminal. Metro-North will advocate for the replacement of the locomotive fleet in the upcoming Capital Program, as well as the M-3 electric fleet. The Railroad is also evaluating the feasibility of multi-level coaches. President Rinaldi noted that Metro-North is continually challenged by the number of apartment buildings being erected in Metro-North's territory, many of which are in Yonkers and along the Hudson Line. The Railroad needs to be poised to serve new customers from these developments. Metro-North is also in the process of evaluating the need for new yard, Maintenance of Way, and material storage facilities. The new Capital Program will include expansion of the Brewster Yard, which will better serve the Harlem Line. President Rinaldi stated that there will be new passenger stations and ADA Accessibility projects throughout the system. She noted that the Penn Station Access Project that is being constructed by MTA Capital Construction will open the Bronx to Penn Station and also provide additional capacity in GCT once trains are diverted to Penn Station. With respect to west-of-Hudson, Metro-North will construct a mid-point yard and passing sidings on the Port Jervis Line which, in conjunction with NJT, will provide opportunities to increase service on the Port Jervis Line.

e. Way Ahead Rollout

President Rinaldi stated that Metro-North is excited about the rollout of Way Ahead. Multiple Connect with Us! forums are scheduled to take place in October and November. Way Ahead will also be launched at the Customer Service Appreciation Awards ceremony. The program has a robust communications presence. The brochure provided to Board members will be posted on line along with a web link. The Railroad will be presenting the Committee with progress updates. President Rinaldi stated that Metro-North needs to keep the Committee fully engaged in the Railroad's progress and the progress of the Way Ahead initiatives. The plan will be publicized in Mileposts, on seat cards, in train advertisements, on station platforms, and on social media. President Rinaldi will be doing a Twitter feed on October 23 to respond to customer inquiries. The Railroad is trying to blitz its employees and customers with information regarding this program and the Railroad's commitment to improving customer experience.

President Rinaldi noted that development of the Way Ahead plan was a group effort. She stated that a lot of hard work went into her presentation. She thanked Sue Doering and Nate Gilbertson who assisted in the preparation of the speaker's notes. She also thanked the staff of Corporate and Public Affairs led by Mark Mannix. She thanked Barbara Sarcich who put together the brochure. She thanked Bob Wassinger who worked on the car cards, which will soon be deployed. President Rinaldi thanked Ben Kaplan of MTA who assisted in drafting the text for the brochure and John Mackay who put together some of the concepts for the car cards.

f. Discussion

Board member Zuckerman thanked President Rinaldi for her thoughtful presentation. He asked if Way Ahead sets forth what is already being done as part of at Metro-North's normal operations and if there are specific programs that fall outside of normal operations. He also asked what operating or capital expenses are associated with Way Ahead and how the Board should gauge the success of the plan. President Rinaldi stated that Way Ahead is a rebranding of Metro-North and also contains some new initiatives. She noted that some of the initiatives, such as, track work are already underway. President Rinaldi noted that the plan shows Metro-North's continuing focus on safety. She stated that when there are deliverables, it is important to discuss them in terms of the customers' overall experience. President Rinaldi stated that the plan also contains new initiatives such as SMARTTRACK, which will inform customers how the Railroad is working to aggressively improve the infrastructure in a way that is more thoughtful and done in a manner in which the Railroad will not have to perform the work as frequently. Funding for the capital priorities will be discussed as part of the capital funding conversation with the MTA. President Rinaldi noted that there is a Board-led vetting process for determining what the priorities are given the demands on funding. With respect to metrics, President Rinaldi noted that she tried to include specific time periods in which the various initiatives will take place. She expects the Committee to hold her to the dates she has provided, and she will provide the Committee with the deliverables. She noted that as new initiatives are added to the plan, to the extent possible, she will provide the dates that the new initiatives will be delivered. President Rinaldi noted that some of the initiatives in the plan complement the information that the Railroad reports on. For example, in October, the quarterly track program is in the Committee book as an information item and the Railroad will report on these items more specifically. Special periodic Way Ahead reports will be given along with the regular reports, which will give the Committee a good sense of Metro-North's process and progress and permit the Committee to hold the Railroad accountable.

Board member Moerdler complimented President Rinaldi on her forward looking, programmatic initiative which in the long-term will place Metro-North in good standing. He stated that the September 2018 on-time performance data concerns him since overall on-time performance appears to be materially down in peak hours. He stated that the unscheduled engineering and maintenance of equipment numbers that cause delays were three to four times greater than in the past. Board member Moerdler asked when Metro-North expects on-time performance to turn around. He noted that there is a significant amount of new construction along the Hudson Line right-of-way and asked if any thought has been given to value capture from all of the new developments in terms of a tax assessment or an increase in real estate taxes. He believes that this will make the initiatives affordable and doable. With respect to the shortage of personnel and the difficulty of attracting new employees, Board member Moerdler asked if any thought has been given to giving long overdue salary increases.

President Rinaldi discussed on-time performance. She noted that Metro-North did more infrastructure work than it could handle this past summer with a great deal of work performed on the Hudson Line. She reported that on-time performance on the Hudson Line increased somewhat from August to September 2018 but the Railroad continues to struggle on the New

Haven Line. President Rinaldi noted that the Railroad is trying to be more proactive in terms of developing the 2019 infrastructure program and will address how much work Metro-North can absorb without compromising the reliability of service. She stated that there is a constant balance between performing the necessary infrastructure work and maintaining reliable service. The Railroad is completing its 2018 program and is in the process of planning the 2019 infrastructure work. President Rinaldi noted that there will be some delays as the Railroad enters the slippery rail season. Metro-North hopes that by being proactive in structuring infrastructure work, there will be a better production period in 2019 than in 2018.

President Rinaldi noted that Metro-North also has an action plan for the reliability of the locomotive fleet. The Railroad is working very proactively to address the fleet problems so that the Railroad doesn't have the fleet reliability issues it faced this past summer. President Rinaldi reported that there are weekly meetings regarding service reliability. With respect to additional funding sources from developments along the right-of-way, President Rinaldi noted that the Railroad is very involved in Transit Oriented Development projects. She noted that the Railroad frequently does not learn about projects that are located near railroad property until they are in the process of being built.

Board member Moerdler suggested that Metro-North begin tracking the extent of the multiple dwelling complexes being built along the various lines so that there is available data that can be utilized. Mr. Lieber responded that this is being done in discussions regarding value capture in anticipation of the legislative process. Mr. Lieber noted that value capture is difficult to institute when there are so many individual jurisdictions. He stated that it is hoped that the discussion will be more regional, for example, County-wide. Mr. Lieber noted that the data regarding dwellings is being collected.

With respect to salary increases, President Rinaldi noted that the MTA is struggling with budgetary issues. The issue of attracting and retaining talent is an industry-wide concern. She noted that Metro-North's Human Resources Department is working in collaboration with the other agencies to develop strategies to attract and retain employees. President Rinaldi stated that the agencies are working on a telecommuting project that will make it more attractive for people with child care or family issues to be able to work from home. This may be helpful in attracting and retaining employees who may have child care issues.

Board member Glucksman enjoyed the report and wished Metro-North continued success. He hopes that west-of-Hudson commuters will benefit from the purchase of new locomotives. He stated that he would like the Long Island Rail Road to purchase the same locomotives as those purchased by Metro-North.

Board member Greenberg asked when and why problems arose with the electric fleet, stating that even the new equipment is below goal. President Rinaldi noted that it is anticipated that the M-3 fleet, which had been refurbished a few years ago, will be replaced as part of the upcoming capital program. Mr. Kesich stated that the implementation of Civil Speed Enforcement in January 2018 exposed all rolling stock to additional failures. He reported that there has been a 30% decrease in the Mean Distance Between Failures (MDBF) of the entire fleet, specifically related to the implementation of PTC. He stated that the goal is to have no more than 32 failures for the 20,000 trains that are operated. He noted that the equipment is 99.8% reliable. Mr. Kesich indicated that, when the Railroad is operating with Civil Speed Enforcement and full PTC in 2019, the goals will be adjusted downward. He noted that consist compliance is down due to having equipment out of service for the implementation of PTC. Metro-North has a shortage of rail cars on the New Haven Line due to the increase in ridership.

Board member Brown discussed recruitment and retention issues. He noted that the represented employees are bound to what they have bargained for. However, he stated that the pension has substantially deteriorated with respect to the completeness of the benefits provided. Board member Brown stated that pension is an inexpensive retention tool in the Human Resources package. He stated that the pay is good but that the pension is what holds people in place. He asked if the pension has been looked at as a factor that leads to people leaving the Railroad. Board member Brown discussed benefits for managers. He asked if they were provided with the benefit of a free transfer to the New York City Transit system, expressing his belief that this may be a tool to retain management employees. President Rinaldi noted that the Railroad has not done a survey about how the pension benefit for represented employees affects recruitment and retention. However, she noted that younger generation employees do not necessarily see the pension as a benefit when they first join the Railroad, as they do not necessarily take a railroad job with the intent of staying. One of Headquarter's initiatives is to ensure that employees have a full understanding of their benefits and the value of the total compensation package. There is a concern over young employees not staying on the Railroad since, as so many older employees retire, there may be a loss of valuable experience.

Chair Metzger thanked the staff for their hard work to develop the program. She stated that the Board would like to see the deliverable dates listed in a table so that they may be easily tracked. Chair Metzger suggested that a few questions be added to the customer surveys that will indicate whether the Railroad is meeting goals. She is aware of the advantage of using the same survey every year but believes it is time to add a few questions that pertain to the Way Ahead program. Chair Metzger is concerned about service reliability since other railroads have seen a decline in reliability since the implementation of PTC. She stated that both railroads are in an area where they do not know what the effect of PTC will be and the effect will be difficult to project. Chair Metzger would like to know when the Committee can expect to see some improvement in service reliability. She stated that salary is not solely a management responsibility as the Board has a budgetary responsibility. Chair Metzger believes that future decisions should consider both the customers and employees, and she is confident the Committee is capable of doing that. She believes the Board needs to look at different aspects of the budget more clearly than in the past. She thanked the Board for the support provided in getting the Railroad into this new Way Ahead program.

Board member Vanterpool stated that the development of this plan has been ongoing for some time. She is really glad to see everything outlined in the materials and presentation. She thanked President Rinaldi and the staff for their work. She asked what sort of political engagement the Railroad will embark on in the next year. Board member Vanterpool is glad that the program came out well in advance of the 2020-2024 Capital Program, which will be discussed in earnest next year. She stated that one of the greatest values of the plan is that it will address a question that many legislators ask, about what is being done to improve efficiency and operations within the existing budget. President Rinaldi reported that through Metro-North's Corporate and Public Affairs group, the Railroad frequently has discussions with legislators regarding the Railroad's programs and services. She expects these discussions to continue. President Rinaldi noted that with the launching of the Way Ahead program, it is important to educate legislators about the Railroad's priorities and challenges. President Rinaldi stated that discussions regarding Metro-North's capital investments will be done in coordination with the MTA. She expects that there will be a lot of trips to Albany as part of an agency-wide effort.

On behalf of the entire Board, Chairman Pally thanked President Rinaldi and staff for putting the report together. He believes the program is a very comprehensive and efficient program. He stated that the Board looks forward to assisting in any way it can on the Metro-North, Long Island Rail Road and New York City Transit strategic plans. Chairman Pally stated

that there have been discussions regarding how the Committee will know the railroads are doing better. The Committee receives monthly reports on the performance of railroad operations but it is difficult to gauge how each individual commuter is feeling. He stated that the railroad would be successful when both the operational figures and customer satisfaction figures rise.

The details of the Way Ahead presentation are contained in a brochure, video and PowerPoint presentation and in 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 presentation.

MTA METRO-NORTH RAILROAD SAFETY REPORT

Mr. Vonashek reported that both customer and employee lost time injuries trended better in the current 12-month period from September 2017 to August 2018 than the previous 12-month period from September 2016 to August 2017. Customer injuries in the current 12-month period from September 2017 to August 2018 are nearly 10% lower than in the previous 12-month period from September 2016 to August 2017, and employee lost time injuries are 20% lower. Metro-North's community outreach program, TRACKS, reached 8,500 individuals in August 2018, bringing the total for the year through August 2018 to over 82,000.

Mr. Vonashek reported that, as part of the TRACKS program, and in recognition of Fire Prevention Week, Metro-North held an interactive fire safety event in GCT on October 10, 2018. The event provided customers and employees with the opportunity to learn about fire safety on board trains and stations, as well as in their homes.

Mr. Vonashek reported that, as part of the partnership with WAZE, 82 grade crossings are currently active with drivers receiving alerts to use caution as they approach the crossing. Metro-North is working with WAZE to complete the remaining 20 plus grade crossings.

Chairman Pally commented positively on the significant decrease in employee and customer injuries on both railroads.

Board member Moerdler asked if data is available that shows the number of incidents that occur due to unauthorized people on the tracks. Mr. Vonashek stated that there is data which indicates that there has been a slight increase in the number of people on the tracks. The Safety Department works with the right-of-way taskforce and the MTAPD to identify particular areas where people enter the tracks and try to restrict access to those locations whenever possible.

The details of Mr. Vonashek's report are contained in the safety report filed with the records of this meeting and the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes Board members' comments and discussion regarding the safety report.

MTA POLICE DEPARTMENT (MTAPD) REPORT

Chief Monaghan reported on Long Island Rail Road and Metro-North crime statistics. He reported that year-to-date September 2018, system wide, total major felonies decreased by eight versus the comparable period of 2017, 187 versus 195. He reported that year-to-date September 2018, total major felonies on the Metro-North system decreased by one from the comparable period of 2017, 103 versus 104. In September 2018, system wide total major felonies increased by four from the comparable period of 2017, 21 versus 17. In September 2018, total major felonies on the Metro-North system decreased by two from the comparable period of 2017, eight

versus 10. There was one robbery; three assaults on police officers, two at 125th Street and one at Beacon; one grand larceny auto at Purdys; and three grand larcenies. There were 23 hate crimes year-to-date September 2018 versus 20 in the comparable period of 2017. Of the hate crimes, 20 were for graffiti, two were aggravated harassment and one was a misdemeanor assault. In 2017, there were a total of 29 hate crimes.

Board member Vanterpool discussed the agency-wide arrest classifications found on page 53 of the Committee book. She asked why the category for Warrant Arrest has increased significantly in 2018. Chief Monaghan reported that year-to-date September 2018, the MTAPD made 103 arrests on a warrant versus 38 in the comparable period of 2017. He reported that this is a direct result of the MTAPD's increased engagement in the busiest areas such as GCT and Penn Station, with 56 of the arrests occurring in those areas. Chief Monaghan stated that this is a positive result because it indicates that the MTAPD are arresting people who have outstanding warrants. Board member Moerdler congratulated Chief Monaghan on those arrests.

Board member Moerdler discussed the hate crime report. He is concerned because there were 23 hate crimes year-to-date September 2018, which were predominately against people of color and Jews. He asked if the MTAPD tracks the prosecution of these crimes. He also asked about the MTAPD's ability to effect arrests for these crimes. Chief Monaghan noted that year-to-date 2018 there were two incidents that resulted in arrest. The MTAPD followed up with the District Attorney and was satisfied with the convictions those individuals received. The MTAPD works with the District Attorneys to see that the individuals committing these crimes get the strongest sentence that they can get. The other incidents were in the form of graffiti that are part of ongoing investigations. Board member Moerdler understands the difficulties in effecting arrests for graffiti. He noted that the graffiti of 1938 became the Holocaust of 1939, stating that graffiti is the first sign of a person who is lacking in civility, understanding, and humanity and should be dealt with.

The details of Chief Monaghan's report are contained in the MTAPD 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 Board member Moerdler's comments.

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

Three joint information items were presented to the Committee:

- 2019 Preliminary Budget. Chairman Pally noted that the 2019 Preliminary Budget was included in the agenda to provide the public with an opportunity to comment on the budget.
- MTA Homeless Outreach. Chairman Pally noted that the MTA Homeless Outreach report is on page 62 of the Committee book. He noted that homelessness increases and decreases according to the weather and that winter weather will have an effect on those numbers.
- LIRR/Metro-North PTC Project Update. Chairman Pally noted that the Long Island Rail Road/Metro-North PTC Project Update is on page 67 of the Committee book.

Board member Glucksman asked when the installation of PTC will be completed. Mr. Kesich noted that the installation of PTC equipment should be completed by late November 2018.

Board member Zuckerman thanked President Rinaldi for moving mountains to try to bring PTC to implementation. He stated that the rider cares less about compliance with the federal

guidelines and more about the full implementation of PTC and all its components. He asked when the Committee will have the plan for the full implementation of PTC. President Rinaldi noted that both railroads are in the process of putting together the alternative PTC schedule which will indicate when PTC will be fully cut in after the satisfaction of the compliance requirements by December 31, 2018. She stated that both railroads are on the same timetable for putting together the alternative schedule which should be completed in approximately mid-November. The schedule will be filed as an update to both railroads' implementation plans. The railroads have sought guidance from the Federal Railroad Administration (FRA) regarding what needs to be in that alternative schedule. That information should be available shortly and will be shared with the Committee and the PTC working group. Board member Zuckerman asked that the Committee be provided with the cost associated with the implementation of PTC and what options are available for the acceleration of PTC implementation.

Board member Greenberg stated that he is concerned with how PTC implementation will impact customers. He stated that the passengers should be provided with information sometime in November or December regarding any expected impacts such as schedule changes. President Rinaldi stated that there have been internal discussions about the need to educate customers that PTC is not something that will make trains go more quickly and shorten their trip. The Railroad is working on adjusting the April 2019 and June 2019 schedules to reflect the infrastructure work the Railroad will be performing and the impact of PTC. President Rinaldi stated that SEPTA has told Metro-North that PTC affects performance and she believes the Railroad needs to make sure that customers understand this.

Chairman Pally asked how long it will take to realize the impact of PTC on service reliability, safety and speed of the commute. President Rinaldi stated that the impact will not be known until the railroads are in Revenue Service Demonstration (RSD). She reported that Metro-North received conditional approval for the RSD on October 19, 2018. She noted that there are a number of conditions that must be met before the Railroad can be in RSD. She noted the railroads are scheduled to commence RSD in November. After the commencement of RSD, the railroads will be able to evaluate the impacts of PTC on the pilot and globally.

Chairman Pally asked about the issues with New Jersey Transit (NJT) and Amtrak. President Rinaldi reported that NJT has provided Metro-North with the equipment it needs to install PTC on the Port Jervis Line. Metro-North is in the process of installing the wayside equipment and is confident it will be done by the end of 2018. President Rinaldi noted NJT is responsible for installing the equipment on the Pascack Valley Line, has completed that installation and is in compliance. President Rinaldi reported that Metro-North is in the process of doing interoperability testing with Amtrak on the pilot line segment that Amtrak travels over between Tarrytown and Croton-Harmon. She noted that the next interoperability test will take place on November 2 and, based upon the tests with CSX, Metro-North is confident that the testing will go well. Where Amtrak operates in Metro-North territory at New Haven, Poughkeepsie and New Rochelle there is an issue with respect to communication between Metro-North and Amtrak's safety servers, for example, communicating a temporary speed restriction. President Rinaldi noted that this may be an interoperability issue that is more challenging to tackle. Metro-North is trying to come up with a schedule to resolve those issues and Amtrak is fully engaged in resolving those issues.

The details of items two and three above 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 members' comments and discussion regarding the PTC report.

METRO-NORTH INFORMATION ITEM:

One information was presented to the Committee.

- Track Program Quarterly Update – President Rinaldi noted that the update is on page 103 of the Committee book. She introduced Dave Melillo, Metro-North's new Chief Engineer, who can respond to Committee members' questions.

The details of the above information item are contained in the Committee book filed with the records of this meeting.

LONG ISLAND RAIL ROAD PROCUREMENTS:

The Committee was presented with the following competitive procurement that relates to Metro-North.

- The Long Island Rail Road Company (LIRR), on behalf of itself and Metro-North Commuter Railroad Company (MNR) (collectively, the "Railroads"), request MTA Board approval to award a contract to Ronald E. Dowdy (Dowdy) in an amount of \$7,250,000 to purchase a license for additional Radio Spectrum which will minimize potential interference issues and address contingency and future growth needs in furtherance of the Railroads' implementation of the federally mandated Positive Train Control (PTC) Project.

Board member Glucksman asked about the ownership and cost of the spectrum. Mr. Gans noted that the spectrum is owned by an individual who obtained it from the Federal Communications Commission (FCC) some time ago when the FCC began to privatize spectrum. Mr. Gans stated that the price of the spectrum is reasonable and is the same price for spectrum the Railroads purchased previously.

Upon motion duly made and seconded, the Committee approved the foregoing procurement for recommendation to the Board.

The details of the approved procurement are contained in a staff summary and documentation filed with the minutes of the Long Island Rail Road Committee meeting held this day and in 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 Long Island Rail Road/Metro-North joint procurement.

METRO-NORTH PROCUREMENTS:

One non-competitive procurement was presented to the Committee:

- Board approval to award a non-competitive miscellaneous service contract to National Railroad Passenger Corporation (Amtrak) for the lease of two P42 Locomotives in the not-to-exceed amount of \$722,700 for a period of six months with an option for extending the lease period up to and including September 30, 2019.

Board member Saul stated that the cost of leasing the P42 locomotives seems very high. President Rinaldi noted that Amtrak is charging Metro-North their daily commercial rate for rental of these locomotives. She noted that Metro-North is fortunate to have found these locomotives which are in high demand. The locomotives may be used to shore up the locomotive fleet which has been experiencing reliability issues on the Hudson and the Branch Lines. The locomotives

are utilized for Metro-North's fall rail washing program and to provide service for Southeast and Wassaic, which will permit Metro-North to use other locomotives for Branch Line service in Connecticut.

Upon motion duly made and seconded, the Committee approved the foregoing procurement for recommendation to the Board.

The details of the 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 members comments and discussion regarding the non-competitive 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

Oct 2018 Committee Minutes – FINAL
Legal/Corporate/Committee Minutes Current

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

.....	
<u>November 2018</u>	
Holiday Schedule	Operations Planning & Analysis
PTC Status Report	Engineering
Diversity/EEO Report – 2 nd Quarter 2018	Diversity and EEO
<u>December 2018 (Joint meeting with LIRR)</u>	
2019 Final Proposed Budget	Finance
2019 Proposed Committee Work Plan	Committee Chairs & Members
Diversity/EEO Report – 3 rd Quarter 2018	Diversity and EEO
LIRR/MNR PTC Project Update	President
<u>January 2019</u>	
Approval of 2019 Committee Work Plan	Committee Chairs & Members
Track Program Quarterly Update	Engineering
PTC Status Report	Engineering
<u>February 2019 (Joint meeting with LIRR)</u>	
Adopted Budget/Financial Plan 2019	Finance
2018 Annual Operating Results	Operations
2018 Annual Fleet Maintenance Report	Operations
LIRR/MNR PTC Project Update	President
Diversity/EEO Report – 4 th Quarter 2018	Diversity and EEO
2019 Spring/Summer Schedule Change	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

May 2019

Diversity/EEO Report – 1st Quarter 2019
PTC Status Report

Diversity and EEO
Engineering

June 2019 (Joint meeting with LIRR)

LIRR/MNR PTC Project Update

President

July 2019

Grand Central Terminal Retail Development
Environmental Audit
Track Program Quarterly Update
PTC Status Report

MTA Real Estate
Environmental Compliance
Engineering
Engineering

September 2019

2020 Preliminary Budget (Public Comment)
2019 Mid-Year Forecast
2019 Fall Schedule Change
PTC Status Report

Finance
Finance
Operations Planning & Analysis
Engineering

October 2019 (Joint meeting with LIRR)

2020 Preliminary Budget (Public Comment)
LIRR/MNR PTC Project Update
Track Program Quarterly Update
MTA Homeless Outreach

Finance
President
Engineering
MTA

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

NOVEMBER 2018

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.

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.

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 2019 (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.

MAY 2019

Diversity & EEO Report– 1st Quarter 2019

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 2019 (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.

JULY 2019

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 2018 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 2019

2020 Preliminary Budget

Public comment will be accepted on the 2020 Budget.

2019 Mid-Year Forecast

The agency will provide the 2019 Mid-Year Forecast financial information for revenue and expense by month.

2019 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 2019.

PTC Status Report

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

OCTOBER 2019 (Joint Meeting with LIRR)

2020 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.

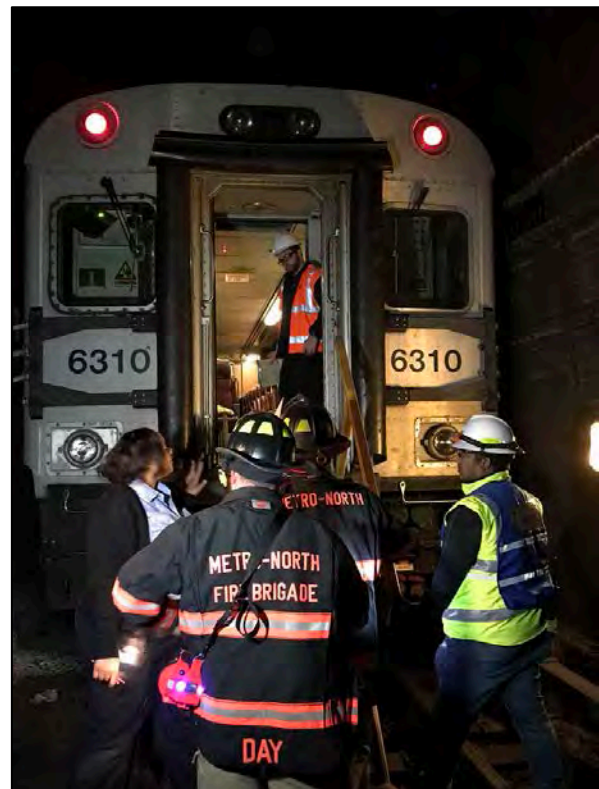
Safety Report

Justin R. Vonashek

Vice President, Office of System Safety



Out of the Darkness Walk
October 13, 2018



Park Avenue Tunnel Joint Exercise
October 26, 2018



Metro-North Railroad

September 2018 Highlights: Safety Report

Through TRACKS, Together Railroads And Communities Keeping Safe, Metro-North Railroad (MNR) participated in the American Foundation for Suicide Prevention walks in New York and Connecticut. MNR hosted an informational safety table and employees volunteered their time to support the Out of the Darkness Walk against suicide on October 13th in Mamaroneck, NY (Westchester County).

On October 26, 2018, MNR conducted a full-scale emergency preparedness exercise in the Park Avenue Tunnel. The scenario simulated the derailment and evacuation of a passenger train in the tunnel, and included response from MNR, MTAPD and FDNY. The exercise was designed to validate each agency's capabilities for responding to an incident in the Park Avenue Tunnel, and helped to evaluate coordination and communication processes between these agencies during a multi-agency incident response to a train emergency.

MNR continues to see positive trends in reducing employee lost time injuries. Overall, for the current 12-month period (October 17 – September 18) versus the previous 12-month period (October 16 – September 17), lost time per 200,000 working hours were reduced by 22%. The decrease can be attributed to various ongoing safety initiatives. A new system wide housekeeping initiative was launched to support a collaborative approach between employees and management to transform work areas into safer work zones. The goal of this initiative is to identify, evaluate, and prevent potential housekeeping issues from occurring.

Customer injuries continue to experience a decline. For the current 12-month period (October 17 – September 18), the customer reportable injury rate per million customers decreased by 10% compared to the previous 12-month period (October 16 – September 17). Although customer injuries continue to trend downwards, MNR continues to maintain a strong effort to promote safe behaviors around trains, tracks, grade crossings and station platforms.

Justin R. Vonashek
Vice President
Office of System Safety

September 2018 Safety Report

Performance				
Performance Indicator	12-Month Average			
	October 2015 - September 2016	October 2016 - September 2017	October 2017 - September 2018	
FRA Reportable Customer Accident Rate per Million Customers	1.25	0.92	0.83	
FRA Reportable Employee Lost Time Injury Rate per 200,000 worker hours	2.82	3.13	2.43	
	2017		2018	
	September	Year to Date	September	Year to Date
Grade Crossing Incidents ¹	0	1	0	1
Mainline FRA Reportable Train Derailments	0	2	0	0
Mainline FRA Reportable Train Collisions	0	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	
	September	Year to Date	September	Year to Date
First Responders Trained	115	1,091	104	1,705
Employee Safety Training Courses	137	294	132	339
Employees Trained	1,399	6,110	1,250	5,892
Employee Safety Training Hours	15,363	196,714	15,702	218,875
Customer and Community: Focus on Grade Crossings	2017		2018	
	September	Year to Date	September	Year to Date
Broken Gates	1	19	2	23
MTA Police Details	120	1116	94	1,030
Summons	62	515	75	531
Warnings	6	140	7	62
Community Education and Outreach	10,752	55,717	9,505	91,665
Cars Equipped with Cameras				
	Fleet Size	Total Cars Equipped	% Complete	
Inward / Outward Facing Cab Cameras	956	763	79.81%	
Passenger Compartment Cameras	1,085	734	67.65%	

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.

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

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

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

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

Community Education and Outreach - The number of individuals reached at a TRACKS event.

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



Police Report



October 2018 Highlights: MTA Police Report

- Metro-North Railroad experienced a decrease in major felonies (6 vs 15) for the month of October compared to the same period last year.
- Year to date Metro-North Railroad is down 9 crimes (110 vs 119).
- There was one (1) hate crime to report on Metro-North Railroad for the month of October

Owen Monaghan
Chief of Police



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department Metro North Railroad

October 2018 vs. 2017

	2018	2017	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	2	3	-1	-33%
Felony Assault	0	2	-2	-100%
Burglary	1	4	-3	-75%
Grand Larceny	3	6	-3	-50%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	6	15	-9	-60%

Year to Date 2018 vs. 2017

	2018	2017	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	14	12	2	17%
Felony Assault	16	15	1	7%
Burglary	16	11	5	45%
Grand Larceny	63	73	-10	-14%
Grand Larceny Auto	1	8	-7	-88%
Total Major Felonies	110	119	-9	-8%



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department

System Wide

October 2018 vs. 2017

	2018	2017	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	2	3	-1	-33%
Felony Assault	2	3	-1	-33%
Burglary	1	4	-3	-75%
Grand Larceny	8	12	-4	-33%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	13	22	-9	-41%

Year to Date 2018 vs. 2017

	2018	2017	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	25	38	-13	-34%
Felony Assault	35	31	4	13%
Burglary	18	12	6	50%
Grand Larceny	121	126	-5	-4%
Grand Larceny Auto	2	10	-8	-80%
Total Major Felonies	201	217	-16	-7%



Metropolitan Transportation Authority Police Department

Hate Crimes Report (January - October 2018)

Motivation	2018	2017	Diff	% Change
Asian	1	0	1	0 %
Black	6	6	0	0 %
Ethnic	0	0	0	0 %
Gender	0	0	0	0 %
Hispanic	2	0	2	0 %
Muslim	0	1	-1	-100 %
Other	1	0	1	0 %
Anti-Semitic	13	16	-3	-18 %
Sexual Orientation	1	0	1	0 %
White	0	0	0	0 %
Motivation Total	24	23	1	4 %

Crime Name	2018	2017	Diff	% Change
Aggravated Harassment #1	0	0	0	0 %
Aggravated Harassment #2	3	0	3	0 %
Felony Assault	0	0	0	0 %
Misdemeanor Assault	1	1	0	0 %
Criminal Mischief #3	0	0	0	0 %
Criminal Mischief #4	20	22	-2	-9 %
Grand Larceny #4	0	0	0	0 %
Menacing #2	0	0	0	0 %
Robbery #2	0	0	0	0 %
Crime Total	24	23	1	4 %

INDEX CRIME REPORT

Per Day Average

October 2018

	Systemwide	LIRR	MNRR	SIRT
Murder	0	0	0	0
Rape	0	0	0	0
Robbery	2	0	2	0
Fel. Assault	2	2	0	0
Burglary	1	0	1	0
Grand Larceny	8	4	3	1
GLA	0	0	0	0
Total	13	6	6	1
Crimes Per Day	0.42	0.19	0.19	0.03



MTA Police Department Arrest Summary: Department Totals

1/1/2018 to 10/31/2018

Arrest Classification	Total Arrests	
	2018	2017
Robbery	33	31
Felony Assault	41	37
Burglary	19	8
Grand Larceny	52	50
Grand Larceny Auto	2	2
Aggravated Harassment	4	4
Aggravated Unlicensed Operator	14	16
Assault-Misdemeanor	64	46
Breach of Peace	18	8
Child Endangerment	0	2
Conspiracy	1	0
Criminal Contempt	7	6
Criminal Impersonation	6	7
Criminal Mischief	48	54
Criminal Possession Stolen Property	15	18
Criminal Tampering	0	8
Criminal Trespass	41	33
Disorderly Conduct	2	3
Drug Offenses	127	91
DUI Offenses	16	7
Failure to Appear	0	1
Falsely Reporting an Incident	9	3
Forgery	55	52
Fraud	3	1
Graffiti	18	23
Harassment	1	4
Make Terrorist Threat	3	0
Menacing	19	7
NYC Admin Code	2	0
Obstruct Government	8	9
Petit Larceny	143	102
Public Lewdness	23	20
Reckless Endangerment	5	6
Resisting Arrest	45	30
Sex Offenses	24	16
Stalking	1	1
Theft of Services	189	162
Unlawful Fleeing a Police Officer	0	1
VTL Offenses	1	0
Warrant Arrest	115	49
Weapons Offenses	11	7
Unauthorized Use Vehicle	1	0
Total Arrests	1,186	925

MNR

EEO Report – 2nd Quarter 2018

November 5, 2018



Executive Summary

■ EEO (full report on page 6)

MNR examined the workforce composition as of **June 30, 2018**. The total workforce **increased by (1%)** in comparison to second quarter 2017.

- Females in the workforce **remained constant** compared to second quarter 2017 due to attrition.
- Females were hired at a **higher** percentage compared to their current representation of **13%** in the workforce due to increased outreach efforts.
- Minorities in the workforce **remained constant** compared to second quarter 2017 due to attrition.
- Minorities were hired at a **higher** percentage compared to their current representation of **38%** in the workforce due to increased outreach efforts.



Executive Summary

MNR conducted a **utilization analysis*** of females and minorities in its workforce as June 30, 2018.

- ❑ Based on the utilization analysis, the **majority**** of the underrepresentation for **females** occurred in the following EEO categories:
 - ❑ Professionals – Hispanics and Whites
 - ❑ Technicians – Asians and Whites
 - ❑ Paraprofessionals – Hispanics, 2+ Races, and Whites
 - ❑ Administrative Support – Hispanics, Asians, and Whites
 - ❑ Skilled Craft – Hispanics and Whites
 - ❑ Service Maintenance – Hispanics and Asians
- ❑ Based on the utilization analysis, the **majority**** of the underrepresentation for **minorities** occurred in the following EEO categories:
 - ❑ Protective Services – Blacks and Asians
 - ❑ Paraprofessionals – Blacks, Hispanics, Asians, and 2+ Races
 - ❑ Administrative Support – Hispanics and Asians
 - ❑ Skilled Craft – Black, Hispanics and Asians
 - ❑ Service Maintenance – Hispanics and Asians

*The utilization analysis compares the percentages of females and minorities employed in each job group to 80 percent of the females and minorities available within the relevant labor market.

Majority was determined by identifying the categories where most of the underutilization existed.



Executive Summary

■ Diversity Initiatives to increasing representation

- Initiatives/challenges to **address** underrepresentation for **females** and **minorities**
 - Female - Senior Level Female Managers will be involved in outreach efforts along with HR
 - Minority - MTA Hiring Restrictions limits recruitment
- Initiatives to **increase** representation for **veterans** and **persons with disabilities**
 - Veteran - Increase advertising and outreach to Veteran organizations
 - Persons with disability - Increase advertising and outreach to organization for people with disabilities



MNR's

Workforce

as of June 30, 2018



Workforce by EEO Category

The table below is a snapshot as of June 30, 2018 of MNR's 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	827		292	35%	535	65%	116	14%	72	9%	70	8%	2	0%	1	0%	31	4%	72	9%
F	185	22%	101	12%	84	10%	39	5%	26	3%	27	3%	1	0%	1	0%	7	1%	4	6%
M	642	78%	191	23%	451	55%	77	9%	46	6%	43	5%	1	0%	0	0%	24	3%	68	94%
Professionals	277		145	52%	132	48%	60	22%	33	12%	38	14%	2	1%	0	0%	12	4%	9	3%
F	107	39%	73	26%	34	12%	34	12%	14	5%	16	6%	2	1%	0	0%	7	3%	1	11%
M	170	61%	72	26%	98	35%	26	9%	19	7%	22	8%	0	0%	0	0%	5	2%	8	89%
Technicians	135		61	45%	74	55%	30	22%	16	12%	8	6%	0	0%	0	0%	7	5%	20	15%
F	16	12%	12	9%	4	3%	7	5%	3	2%	0	0%	0	0%	0	0%	2	1%	3	15%
M	119	88%	49	36%	70	52%	23	17%	13	10%	8	6%	0	0%	0	0%	5	4%	17	85%
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	3%	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	440		250	57%	190	43%	151	34%	62	14%	17	4%	0	0%	0	0%	20	5%	18	4%
F	176	40%	131	30%	45	10%	88	20%	29	7%	6	1%	0	0%	0	0%	8	2%	3	17%
M	264	60%	119	27%	145	33%	63	14%	33	8%	11	3%	0	0%	0	0%	12	3%	15	83%
Skilled Craft	2,952		997	34%	1,955	66%	523	18%	312	11%	43	1%	18	1%	0	0%	101	3%	303	10%
F	52	2%	38	1%	14	0%	492	17%	5	0%	0	0%	0	0%	0	0%	2	0%	2	1%
M	2,900	98%	959	32%	1,941	66%	31	1%	307	10%	43	1%	18	1%	0	0%	99	3%	301	99%
Service Maintenance	2,091		833	40%	1,258	60%	482	23%	236	11%	36	2%	5	0%	0	0%	74	4%	138	7%
F	313	15%	184	9%	129	6%	118	6%	45	2%	5	0%	1	0%	0	0%	15	1%	11	8%
M	1,778	85%	649	31%	1,129	54%	364	17%	191	9%	31	1%	4	0%	0	0%	59	3%	127	92%
Total	6,749	100%	2,586	38%	4,163	62%	1,365	20%	732	11%	213	3%	27	0%	1	0%	248	4%	560	8%

* American Indian/Alaskan Native

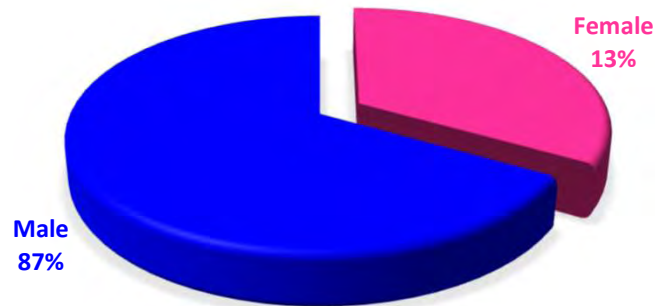
**Native Hawaiian Other Pacific Islander

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

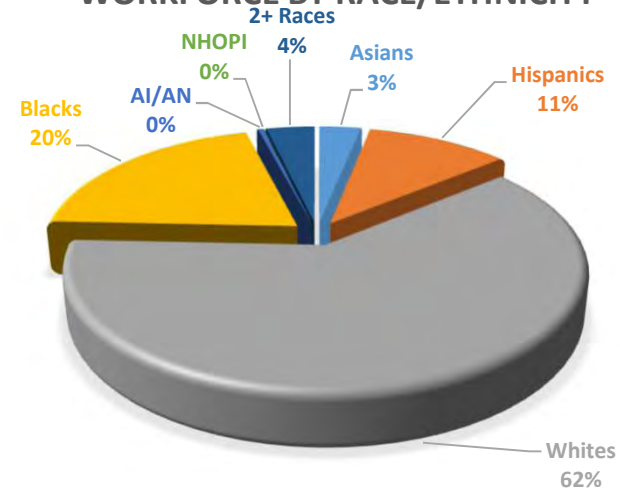


MNR's Workforce as of June 30, 2018

WORKFORCE BY GENDER



WORKFORCE BY RACE/ETHNICITY



MNR's workforce consists of **6,749** employees.

- ❑ **13%** females, **38%** minorities, and **8%** veterans.
- ❑ The percentage of females employed **remained constant** compared to second quarter 2017.
- ❑ The percentage of minorities has **remained constant** as it relates to race and ethnicity compared to second quarter 2017.



MNR Underutilization Analysis Overview

MNR has conducted a utilization analysis of females and minorities in its workforce. The utilization analysis consists of comparing MNR's **June 30, 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 charts provide shaded/bolded areas that represent below 80 percent of the Census availability or underutilization: (1) the female and minority workforce percentages for this 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.



MNR Underutilization Analysis

MNR has conducted a underutilization analysis of females and minorities in its workforce. The underutilization analysis consists of comparing MNR **June 30, 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%	6%	4%	5%	0%	0%	0%	0%	2%	3%		
Professionals	F	7%	12%	6%	5%	4%	6%	0%	1%	0%	0%	1%	3%	24%	12%
	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%	1%	4%	3%
	M	13%	17%	8%	10%	5%	6%	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 FTA Circular 4704.1A, EEO requirements and guidelines, *white males* have been excluded from the availability analysis. The shaded areas represent underutilization.



MNR Underutilization Analysis

MNR's utilization analysis compares the percentages of women and minorities employed in each job group as of **June 30, 2018** to 80 percent of the females and minorities available within the relevant labor market based on the 2010 U.S. Census. The underutilized areas of representation are shaded green.

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 %
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%	20%	11%	7%	4%	1%	0%	0%	0%	0%	0%	2%	30%	10%
	M	4%	14%	5%	8%	2%	3%	0%	0%	0%	0%	0%	3%		
Skilled Craft	F	1%	17%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	2%	0%
	M	12%	1%	10%	10%	2%	1%	0%	1%	0%	0%	2%	3%		
Service Maintenance	F	4%	6%	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 FTA Circular 4704.1A, EEO requirements and guidelines, *white males* have been excluded from the availability analysis. The shaded areas represent underutilization.



MNR's

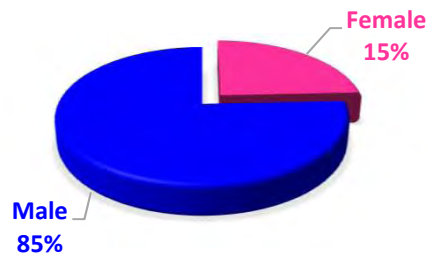
New Hires and Veterans

January 1, 2018 – June 30, 2018

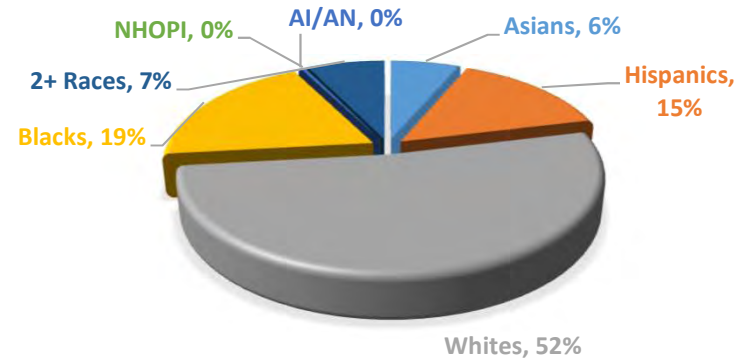


MNR's New Hires and Veterans By Gender and Race/Ethnicity January 1, 2018 to June 30, 2018

NEW HIRE BY GENDER



NEW HIRE BY RACE/ETHNICITY



MNR hired **250** employees including **10 (4%)** veterans.

- ❑ **15%** females in which **0%** were female veterans.
- ❑ Females were **hired at a higher** percentage compared to their current representation of **13%** in the workforce.
- ❑ **48%** minorities in which **3%** were minority veterans.
- ❑ Minorities were **hired at a higher** in percentage compared to their current representation of **38%** in the workforce.

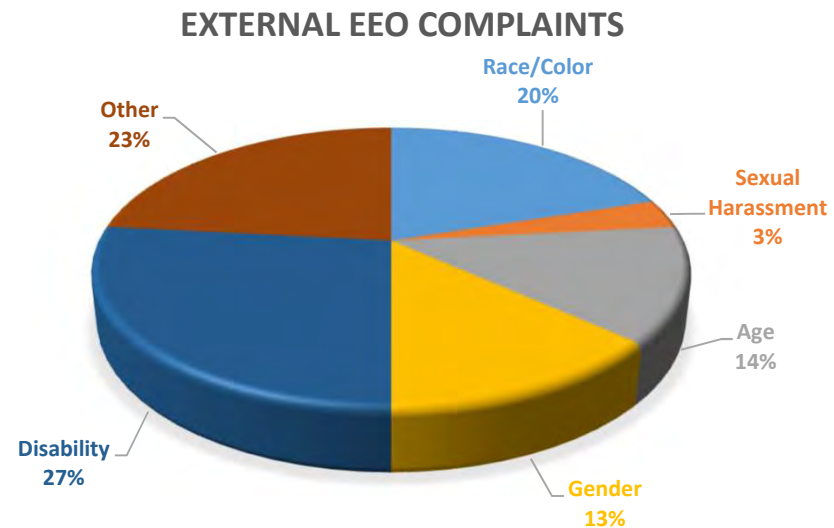
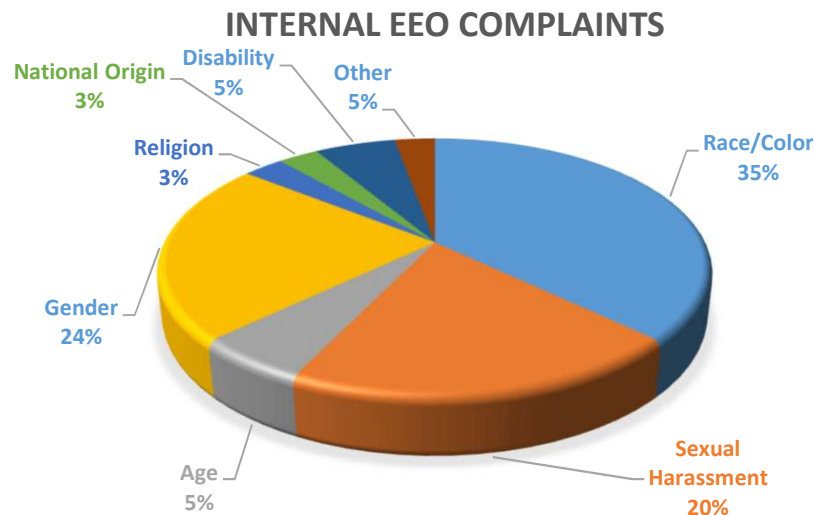
MNR's

Complaints and Lawsuits

January 1, 2018 – June 30, 2018



MNR's Internal/External EEO Complaints and Lawsuits January 1, 2018 to June 30, 2018



MNR handled **44** EEO complaints, citing **67** separate allegations, and **10** lawsuits.

❑ **25** filed internal complaints.

❑ **19** filed external complaints.

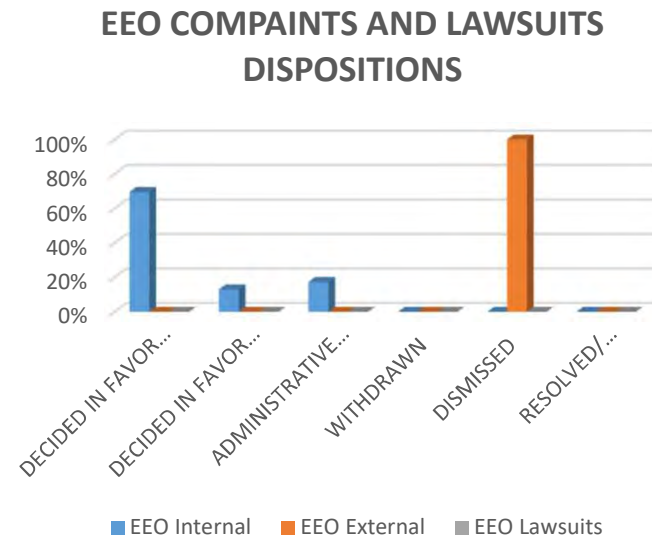
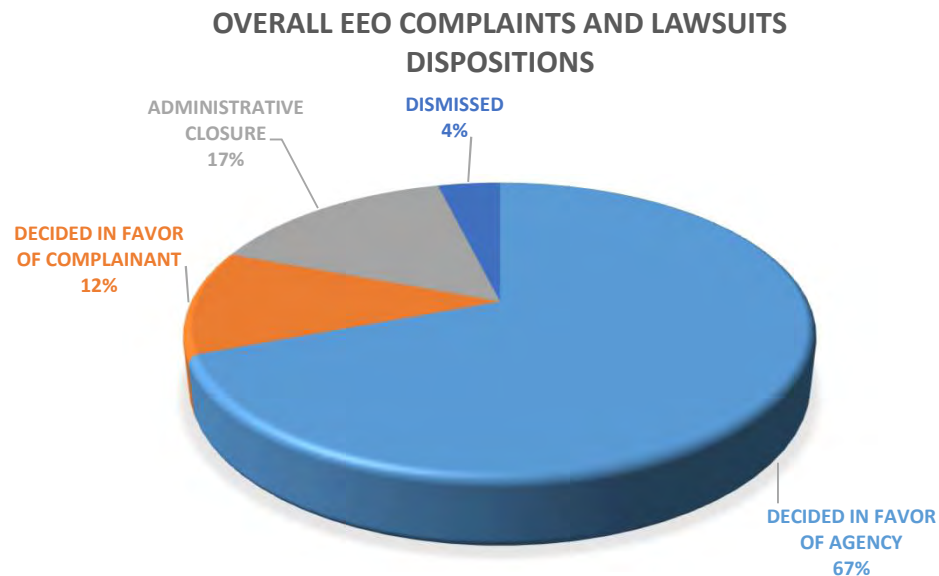
❑ The most frequently cited bases internally was race & color and externally was disability.



These charts include 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.).

MNR's EEO Complaint and Lawsuits Dispositions January 1, 2018 to June 30, 2018

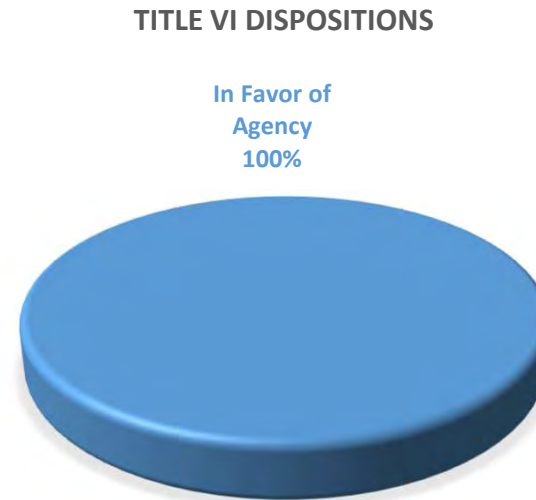
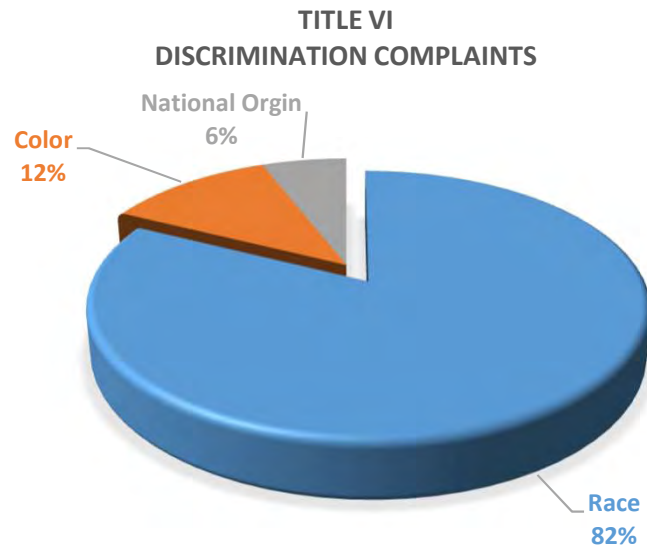


MNR disposed of **24** EEO complaints and **0** EEO lawsuits.

- **67%** complaints/lawsuits decided in favor of the agency.
- **12%** complaints /lawsuits decided in favor of the complainant.
- **17%** complaints/lawsuits were administrative closures.
- **0%** complaints/lawsuits were resolved/settled.
- **0%** of complaints/lawsuits were withdrawn.
- **4%** of complaints/lawsuits were dismissed.



MNR's Title VI Discrimination Complaints, Lawsuits and Dispositions January 1, 2018 to June 30, 2018



MNR **15** Title VI Complaints, citing **17** separate allegations and **0** Title VI lawsuits. Agency disposed of **12** complaints and **0** lawsuits.

- ❑ **100%** complaints/lawsuits decided in favor of the agency.
- ❑ **0%** complaints/lawsuits decided in favor of the complainant.
- ❑ **0%** complaints/lawsuits were administrative closures.
- ❑ **0%** complaints/lawsuits were resolved/settled.



Memorandum



Metro-North Railroad

Date November 2, 2018

To Metro-North Committee

From Catherine Rinaldi *CR*

Re 2018 Holiday and Special Event Services

Outlined below for your information are Metro-North's service plans for the upcoming 2018 Thanksgiving and Christmas/New Year's holiday periods. Ridership increases significantly during these holidays when many discretionary customers include Metro-North in their travel plans.

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

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

The objectives of the program are to:

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

The Thanksgiving holiday program remains essentially the same as in 2017, while the Christmas and New Year's holiday service differs from 2017 because Christmas and New Year's Day were on a Monday last year, with many customers taking a three-day weekend. Special Thanksgiving Weekend and Christmas/New Year's Weekend timetables have been developed to address the travel demands of our customers over both holiday weekend periods.

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

THANKSGIVING HOLIDAY WEEKEND

Metro-North will publish and operate a special four-day schedule for the Thanksgiving holiday weekend (Thursday, November 22, through Sunday, November 25) that is tailored to the travel needs of our customers; these schedules will also be available through the MyMTA app, our IVR/call center, the internet, and via TrainTime and third-party apps. As in past years, off-peak fares will be valid throughout the entire four-day period.

Wednesday, the day before Thanksgiving

Historically, this is the heaviest travel day of the year with outbound ridership between noon and 8 PM more than 25% higher than a normal weekday. Metro-North will operate a regular weekday schedule with longer trains at key times and 18 additional trains (5 Hudson, 3 Harlem, 10 New Haven) departing GCT between noon and 4:15 PM. All service is shown in the current timetables.

Thanksgiving Day

Metro-North will provide additional inbound morning service for customers going to the Macy's Thanksgiving Day Parade. There will also be expanded outbound service starting in the late morning and continuing until mid-afternoon for customers traveling to suburban destinations. Finally, there will be expanded evening service for customers returning to New York City. On the Harlem Line, trains which normally terminate and originate at Crestwood will be extended to serve Scarsdale, Hartsdale, White Plains and North White Plains.

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

Friday, the day after Thanksgiving

Fewer commuters and greatly increased discretionary travel require a significant change to regular weekday service. A special schedule included in Metro-North's four-day timetable addresses the unique travel patterns of our ridership on this day by featuring an expanded Saturday schedule with extra service in the traditional AM and PM peak periods plus Shoppers' Specials on the Hudson and New Haven Lines. On the Harlem Line, trains which normally terminate and originate at Crestwood will be extended to serve Scarsdale, Hartsdale, White Plains and North White Plains.

Thanksgiving Weekend (Saturday and Sunday)

Saturday and Sunday schedules complete the four-day timetable with extra trains and additional cars on existing trains. Saturday service will feature upper Hudson and outer New Haven Line Shoppers' Special service. Sunday service will feature outer New Haven Line Shoppers' Specials in addition to the normal half-hourly service on all lines.

THANKSGIVING – CHRISTMAS PERIOD

For the five-week period from November 17 through December 23, Metro-North will supplement regular weekend train service to meet the travel demands of increased discretionary ridership by providing:

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

As discretionary ridership continues to grow year by year, it should be noted that service is constrained in certain time periods by infrastructure, and some trains may operate with heavier than optimal loadings—especially on the Harlem and New Haven Lines. We continually monitor ridership (we perform passenger counts of almost every train at GCT every weekend between November 17 and New Year’s weekend) and, to the extent possible, divert the limited resources (cars and crews) to the time periods where ridership is heaviest.

CHRISTMAS/NEW YEAR’S HOLIDAYS

To accommodate customers’ travel needs on the Christmas and New Year’s holidays, Metro-North will publish special holiday timetables for Christmas Eve/Christmas Day and for New Year’s Eve/New Year’s Day.

Christmas Getaway (Friday, December 21)

Ridership on the Christmas Getaway follows the Thanksgiving Eve patterns, so Metro-North will provide the same service as on the Wednesday before Thanksgiving - a regular weekday schedule with longer trains at key times and 17 additional trains (5 Hudson, 3 Harlem, 9 New Haven) departing GCT between noon and 4:15 PM. All service is shown in the current timetables.

Saturday and Sunday, December 22-23

Metro-North will operate a regular Saturday schedule, with Shoppers’ Specials.

Christmas Eve

Metro North will operate an expanded Saturday schedule. On the Harlem Line, all trains which normally terminate and originate at Crestwood will be extended to serve Scarsdale, Hartsdale, White Plains and North White Plains.

Christmas Day

The Christmas Day and New Year’s Day holiday have the lowest ridership of any holidays. Metro-North will operate a special schedule on Christmas Day, with hourly service on the lower Hudson, upper Hudson, mid-Harlem, upper Harlem, inner New Haven, outer New Haven Lines and on the New Canaan branch, every two hours on the Wassaic segment, and every three hours on the Danbury and Waterbury branches.

CHRISTMAS-NEW YEAR’S WEEK (Wednesday, Dec. 26 – Thursday, Dec. 27)

Historically, commuter ridership decreases in the week between Christmas and New Year’s, while mid-day inbound ridership between 10 AM and 2 PM increases by more than 100% on the weekdays. This increase reflects high discretionary ridership while schools are on holiday recess, as well as shoppers taking advantage of after-Christmas sales. To accommodate this shifted demand, Metro-North will not operate a select number of morning rush-hour trains and will adjust train lengths and operate additional mid-day trains on all lines.

New Year's Getaway (Friday, December 28)

Ridership on the New Year's Getaway also follows Thanksgiving Eve patterns in addition to shoppers and visitors coming into New York. Metro-North will operate a regular weekday schedule with additional mid-day trains on all lines, and also will operate early-getaway trains on all three lines, similar to the Friday before Christmas.

New Year's Eve

On New Year's Eve, MNR will operate a reduced weekday schedule in the morning and evening rush hours providing approximately 75% of the regular service, expanded to include extra late-afternoon and early-evening service inbound to GCT as well as overnight New Year's morning service inbound and outbound for those attending New Year's celebrations.

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

New Year's Day

New Year's Day historically also has low ridership. Metro-North will operate a special schedule on New Year's Day, with hourly service on the lower Hudson, upper Hudson, mid-Harlem, upper Harlem, inner New Haven, outer New Haven Lines and on the New Canaan branch, every two hours on the Wassaic segment, and every three hours on the Danbury and Waterbury branches. There will also be three additional trains in each direction on the New Haven Line.

NCAA COLLEGE FOOTBALL AT YANKEE STADIUM

Again this year, Yankee Stadium will be the venue for NCAA college football, the 2018 New Era Pinstripe Bowl Game. The New Era Pinstripe Bowl will be played at 5:15 pm on Thursday, December 27. Metro-North will provide convenient service to/from this event, featuring direct service to Yankees-East 153rd Street station on the Hudson Line, shuttle service between Grand Central Terminal, Harlem-125th Street and Yankees-E. 153rd Street, and convenient connections at Harlem-125th Street station for customers traveling on the Harlem and New Haven lines.

cc: J. Lhota
V. Hakim
S. Doering
R. Gans
Y. Hill-Donald
J. Kennard
J. Kesich
M. Shiffer
M. Mannix

Memorandum



Metro-North Railroad

Date November 9, 2018

To Metro-North Committee

From Catherine Rinaldi

CAR

Re 2018 West Of Hudson Holiday Services

Outlined below for your information are Metro-North's West of Hudson service plans for the upcoming 2018 Thanksgiving and Christmas/New Year's holiday periods. Ridership increases significantly during these holidays when many discretionary customers include Metro-North in their travel plans. The key objective of the program is to provide a comfortable, safe and reliable service to our customers.

THANKSGIVING HOLIDAY

Metro-North and NJ Transit will operate extra trains and an amended schedule on Wednesday and Thursday, November 21-22.

Wednesday, the day before Thanksgiving

On the Pascack Valley Line, there will be an early-getaway train departing Hoboken at 2:58 p.m. and 3:08 pm from Secaucus Junction that operates to Spring Valley; the connecting train from New York departs Pennsylvania Station at 2:51 p.m. The train that departs Hoboken at 5:58 p.m. and Secaucus Junction at 6:09 p.m. will not operate on November 21.

On the Port Jervis Line, the train that departs Hoboken at 2:41 p.m. and Secaucus Junction at 2:52 p.m., with a connection that departs New York Pennsylvania Station at 2:33 p.m., is extended from Middletown with added station stops at Otisville and Port Jervis. The train that departs Hoboken at 6:15 p.m. and Secaucus Junction at 6:25 p.m. will not operate on November 21.

Thanksgiving Day

The Pascack Valley Line will operate on a regular weekend/holiday schedule.

On the Port Jervis Line, for customers headed to New York to see the Macy's Thanksgiving Day Parade, there is an extra train departing Port Jervis at 6:22 a.m., making all station stops to Suffern, arriving Secaucus Junction at 8:18 a.m. and Hoboken at 8:30 a.m. The connecting train to New York Pennsylvania Station departs Secaucus Junction at 8:25 a.m. and arrives in New York at 8:39 a.m. Returning from the parade, in addition to the regular weekend/holiday service, there is an extra train that departs Hoboken at 12:21 p.m. and Secaucus Junction at 12:31 p.m., stopping at Suffern and all station stops to Port Jervis. The connecting train departs New York Pennsylvania Station at 12:14 p.m.

CHRISTMAS/NEW YEAR'S HOLIDAYS

Christmas Getaway (Friday, December 21)

On the Pascack Valley Line, there will be an early-getaway train departing Hoboken at 2:58 p.m. and 3:08 pm from Secaucus Junction that operates to Spring Valley; the connecting train from New York departs Pennsylvania Station at 2:51 p.m. The train that departs Hoboken at 5:58 p.m. and Secaucus Junction at 6:09 p.m. will not operate on December 21.

On the Port Jervis Line, the train that departs Hoboken at 2:41 p.m. and Secaucus Junction at 2:52 p.m., with a connection that departs New York Pennsylvania Station at 2:33 p.m., is extended from Middletown with added station stops at Otisville and Port Jervis. The train that departs Hoboken at 6:15 p.m. and Secaucus Junction at 6:25 p.m. will not operate on December 21.

Saturday and Sunday, December 22-23

The Pascack Valley and Port Jervis Lines will operate a regular weekend schedule.

Christmas Eve

The Pascack Valley and Port Jervis Lines will operate a regular weekday schedule.

Christmas Day

The Pascack Valley and Port Jervis Lines will operate a regular weekend/holiday schedule.

New Year's Eve/New Year's Day

The Pascack Valley and Port Jervis Lines will a regular weekday schedule on December 31. After the ball drops at Times Square, there will be two extra trains to take revelers home on both the Pascack Valley and Port Jervis Lines.

On the Pascack Valley Line, there will be a train departing Hoboken at 1:24 a.m. and Secaucus Junction at 1:35 a.m., making all station stops to Spring Valley, with a connecting train from New York that departs Pennsylvania Station at 1:19 a.m., and a second train departing Hoboken at 3:45 a.m. and Secaucus Junction at 3:55 a.m., making all station stops to Spring Valley, with a connecting train from New York that departs Pennsylvania Station at 3:31 a.m.

On the Port Jervis Line, there will be a train departing Hoboken at 1:27 a.m. and Secaucus Junction at 1:38 a.m., operating express to Suffern and then all station stops to Port Jervis, with a connecting train from New York that departs Pennsylvania Station at 1:23 a.m., and a second train departing Hoboken at 3 a.m. and Secaucus Junction at 3:11 a.m., making all station stops to Port Jervis, with a connecting train from New York that departs Pennsylvania Station at 2:51 a.m.

New Year's Day

The Pascack Valley and Port Jervis Lines will operate a regular weekend/holiday schedule.

cc: V. Hakim
S. Doering
R. Gans
Y. Hill-Donald
J. Kennard
J. Kesich
M. Shiffer
M. Mannix

MNR Committee Meeting November 2018

PTC Project Update November 13, 2018



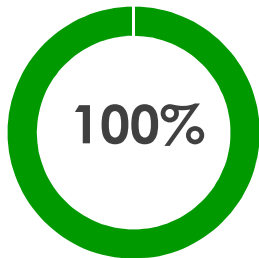
MNR Overall PTC Project Status

Item	Comments
Schedule	<ul style="list-style-type: none"><input type="checkbox"/> On Target to meet 2018 federal compliance requirements to submit an alternative schedule.<input type="checkbox"/> Received Conditional Approval request to conduct RSD of the ACSESII Between Tarrytown and Harmon<input type="checkbox"/> On target to commence RSD train in November 2018.
Overall Completion	83%
Budget	\$546M (Including CDOT Share)

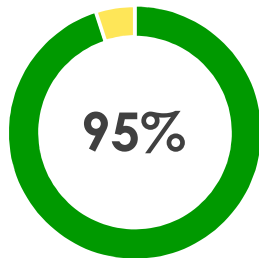


MNR PTC Project Progress Dashboard

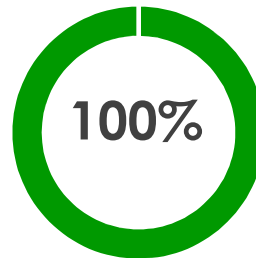
Radio
Spectrum



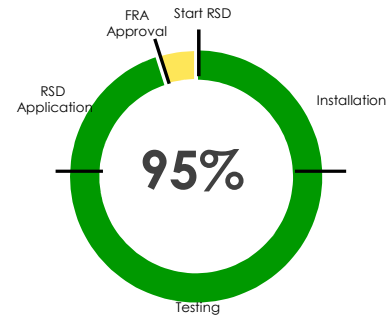
Installation of
Hardware



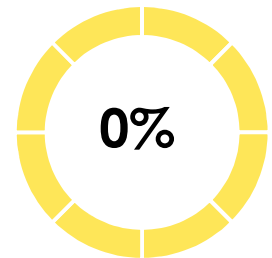
Employees
Trained



PTC Operations
(RSD) Pilot Lines



Extended RSD (ERSD)
8 Non-Pilot Segments



MNR East of Hudson PTC – 2018 Hardware Installation Projections

PTC Subsystem	System Requirements	FRA Goals	Installs through Oct 2018	% Complete FRA Goal	Remaining to meet FRA Goals	18-Oct		18-Nov	18-Dec
						Forecast	Actual	Forecast	Forecast
Transponders	2931	2931	2736	93%	195	143	36	195	0
WIUs	84	84	83	98%	1	1	0	1	0
Radio Cases	107	107	103	99%	3	4	3	4	0
M7	167	167	167	100%	0	0	0	0	0
M3	69	32	69	100%	0	9	9	0	0
P32	31	23	23 complete	100%/100%	0	4	3	3	5
			31 Partial (OBC)						
Cab Cars	51	35	42 complete	100%/100%	0	6	7	6	3
			48 Partial (OBC)						
M8	190	106	160 Complete	100%/100%	0	20	20	20	10
			190 Partial (OBC)						
BL20	12	9	4 complete 12 Partial	44%	5	4	3	5	3
GP35	8	4	2complete 7 Partial	50%	2	2	1	2	4




Month when FRA goal is met

MNR Port Jervis Line Hardware Installation Projections

PTC Subsystem	System Requirements	FRA Goals	Installs through Oct 2018	% Complete FRA Goal	Remaining to meet FRA Goals	Oct 2018		18-Nov	18-Dec
						Forecast	Actual	Forecast	Forecast
Transponders	230	230	174	76%	56	78	12	56	0
WIUs	10	10	1	10%	9	5	1	9	0
Radio Cases	11	11	11	100%	0	0	0	0	0

Reason for only one WIU in October, Force Account (FA) was testing Cab Signaling System to cutover Hudson Junction November 2 – 5, 2018 (Completed)



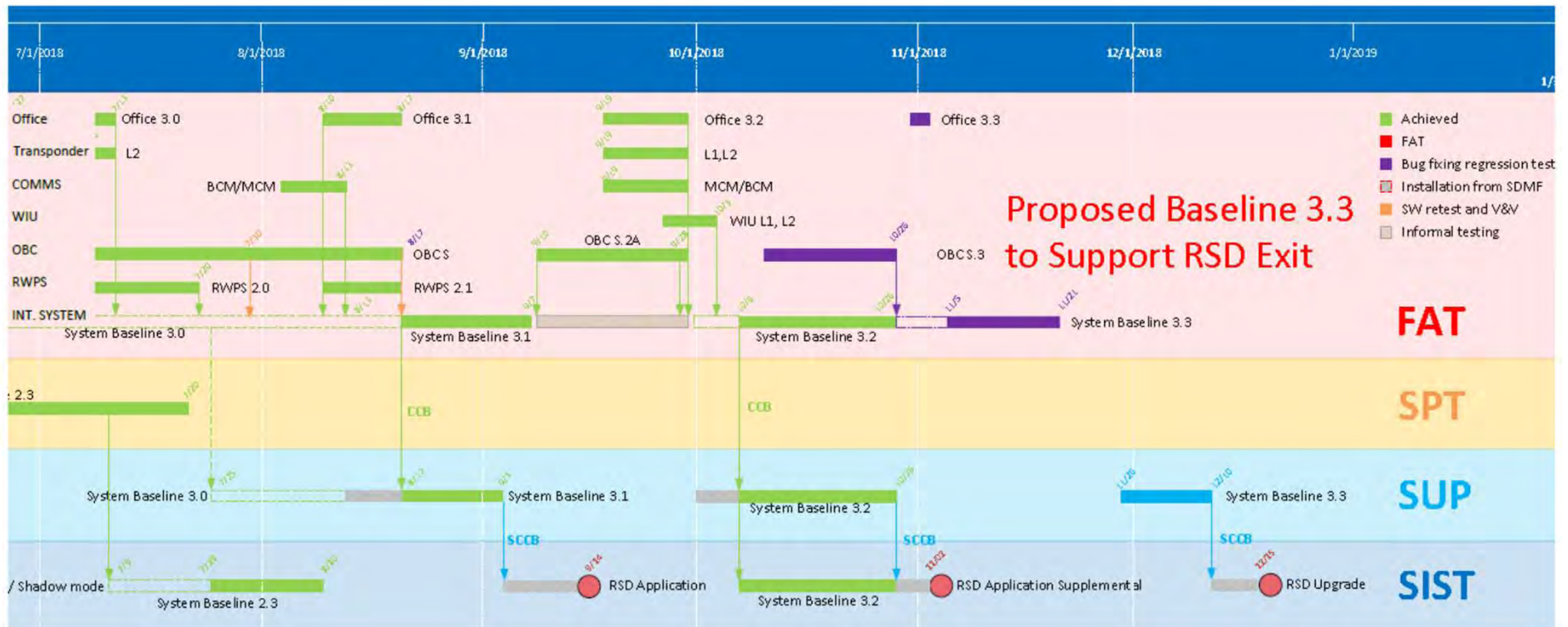
 Month when FRA goal is met

MNR Project Update

- Completed System 3.2 Site Update Period (SUP) testing in October 2018.
- Continued Repeatability Demonstration of PTC functions on pilot line.
- Received Conditional Approval request to conduct RSD of the ACSES II between Tarrytown and Harmon.
- Continued installations of wayside and on-board equipment on both east and west of the Hudson.
- Completed training of required employees.
- Continues to operate Civil Speed Enforcement (CSE) on all rolling stock.
- Performed interoperability testing with CSX and Amtrak (Tenants)
- Completed M3 installation (PTC Retro-fit)



MNR Software Development Schedule



Key

FAT = Factory Acceptance Test
 SIST = Site Integrated System Test
 WIU = Wayside Interface Unit
 OBC = On Board Computer
 CCB = Change Control Board

SPT = Site Performance Test
 P1 = MNR Pilot Line 1
 BCM = Base Comms Manager
 RWPS = Roadway Worker Protection System
 SCCB = Safety Change Control Board

SUP = Site Update Period
 P2 = MNR Pilot Line 2
 MCM = Mobile Comms Manager



MNR Project Concerns

- Completion of the project depends on timely resolution of interoperability issues with Amtrak.
- The SI is still resource limited to support both Railroads.
- Continue to closely monitor deliveries of transponders and on-board equipment to complete hardware installations.
- Working with the SI to identify software variances which may impact the non-pilot segments and operations.



MNR PTC Timeline and Look-ahead

October 2018

- ✓ Complete Integrated System FAT (Baseline 3.2) for RSD
- ✓ Complete training of all required employees.
- ✓ Performed interoperability testing with CSX/Amtrak.
- ✓ Complete uploading updated CSE QL Software on onboard fleet.
- ✓ Complete retrofitting of M3s at Arch Street.

November 2018

- Perform required test runs for addressing conditions outlined in the conditional approval letter for commencing RSD
- Meeting with the FRA for final review regarding commencement of RSD.
- Commence RSD on the Hudson Line - Tarrytown to Croton-Harmon.
- Complete installation of the PTC hardware for on-board and wayside.
- Update PTC Implementation Plans and develop Alternative Schedule.

December 2018

- Submit *Notification and Certification of Compliance* to FRA has met all statutory criteria.
- Site Accepting Testing (SIT) on non-pilot segments.

After January 2019

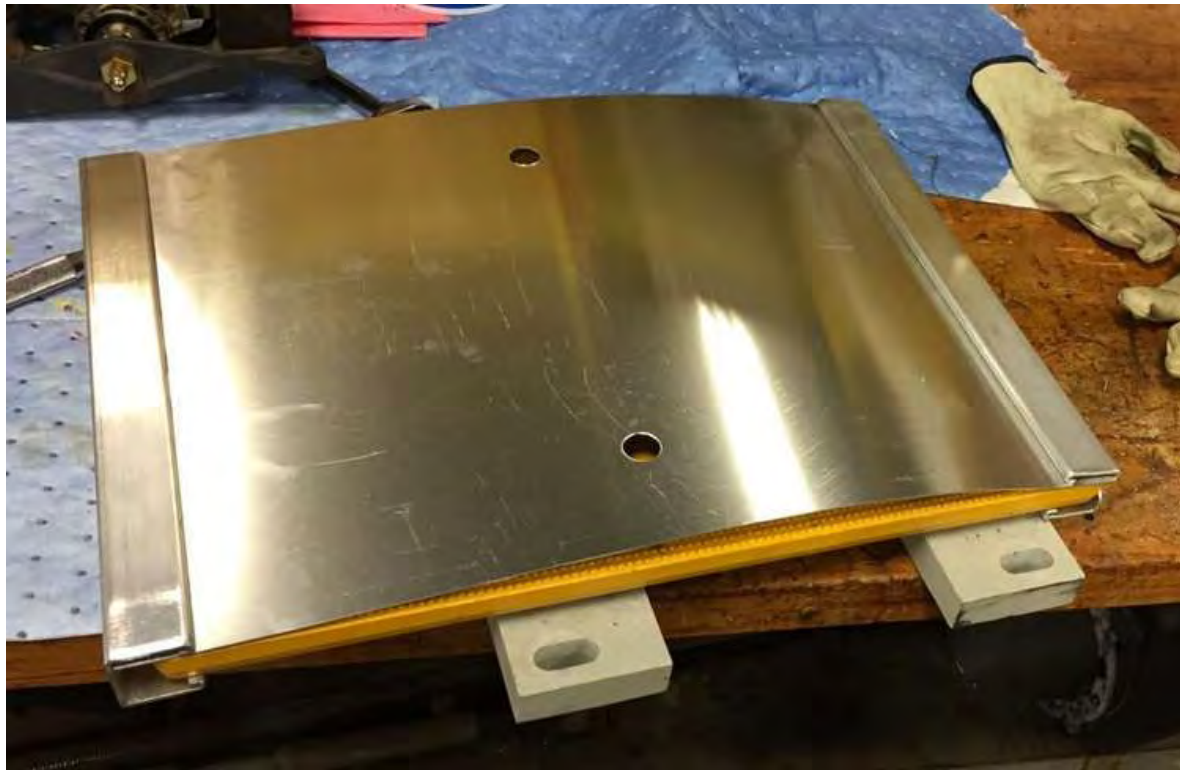
- Submit PTC Safety Plans to FRA for approval.
- Start placing non-pilot segments in PTC Operations (ERSD).



GCT 5C PTC COMPUTER ROOM OCC PTC SUBSYSTEM CABINETS



Covered Transponder




Installation of Radio Case at CP-116



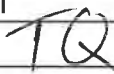



Staff Summary



Subject OPTION TO PURCHASE GRAND CENTRAL TERMINAL AND THE HARLEM/HUDSON LINES
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ROBERT PALEY & DAVID FLORIO

Date NOVEMBER 15, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	11/13/18	X		
2	Board	11/15/18	X		

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

AGENCY: Metropolitan Transportation Authority ("MTA")

SELLER: Midtown Trackage Ventures, LLC

PROPERTY: Grand Central Terminal (the "Terminal") and the Harlem and Hudson railroad lines, including the rights-of-way, trackages, passenger stations, shops, yards and other improvements within the same (collectively, the "Harlem and Hudson Lines") operated by MTA Metro-North Railroad, excluding the Landlord's Reserved Air Rights over the Terminal (collectively, the "Property")

ACTIVITY: Exercise an option to purchase the fee interest in the Property pursuant to an option to purchase (the "Option") contained in the long-term ground lease of the Property to MTA, and to enter into subdivision and zoning lot development documents with the Seller

ACTION REQUESTED: Approval to exercise an option to purchase the fee interest in the Property, and in connection therewith allow the Seller to create a "fee above a plane" above the Terminal to facilitate the Seller's reservation of Seller's transferrable air/development rights associated with the Property, to which Seller is already entitled and to finance the cost of the purchase price and related closing costs associated therewith. Additionally, to enable these transactions, approval is sought to create four new capital projects, two in the 2010-2014 Capital Program and two in the 2015-2019 Capital Program.

PURCHASE PRICE: Not to exceed \$35,065,664 depending on when the actual closing occurs, to be determined as of the closing date per the Option formula as described below, less a \$500,000 credit

COMMENTS:

In April 1994, the MTA entered into a lease (as amended, the "Lease") with Seller's predecessors-in-interest for the Property for an extended term expiring February 28, 2274, which also included an Option for MTA to purchase the Property. The Option may only be exercised beginning April 8, 2017 and no later than October 5, 2019, after which date MTA will have no further contractual right to purchase the Property. The Lease (and the Option) excludes all transferrable development rights appurtenant to the Terminal tax and landmark lot (the "Landlord's Air Rights"), less 100,000 sf which is reserved under the Lease for MTA. Therefore MTA has no ownership interest in the Landlord's Air Rights.

Staff Summary

FINANCE COMMITTEE MEETING

OPTION TO PURCHASE GRAND CENTRAL TERMINAL AND THE HARLEM/HUDSON LINES

(Cont'd.)

Page 2 of 2

The annual rent under the Lease is approximately \$2.4MM (decreasing to approximately \$2.04MM in 2019), payable in semi-annual installments through February 28, 2274.

Under the Option, the purchase price for the fee interest in the Property is (i) the present value of the rental stream for the balance of the term of the Lease plus (ii) \$400,000, which is the agreed to value of the landlord's reversionary interest. The discount rate which is used to calculate the present value of the rental stream is based on the then-current rate at which Lessor/Seller could borrow on a nonrecourse basis for a 25-year term secured solely by the Lease, subject to a minimum of 6.25% and a maximum of 9%. Given the current interest rate environment, the estimated Purchase Price set forth above utilizes a discount rate of 6.25%. The closing under the Option would not occur before April of 2020 or one year after its exercise, whichever is later.

Acquisition of the fee interest in the Property affords the MTA and Metro-North with a host of benefits, including the following:

- Owning the Property, as opposed to leasing it will afford Metro-North the ability to capture the full value of the Property, especially for the Hudson and Harlem Lines and any improvements, through transit-oriented development or other public-private partnerships.
- Ownership will allow Metro-North to enjoy unfettered control of its operating environment as it does on the New Haven Line, and also allow it to dispose of property if needed.
- Ownership will also allow the LIRR to enjoy unfettered control of the new East Side Access Terminal being constructed beneath the Terminal.
- MTA will be protected from having to "pay twice" for future investments in the Terminal and the Harlem and Hudson Lines, which increase the value of the Property.
- This is a one-time only Option. The Option expires in October 2019, and there is no other opportunity to purchase the Property, especially at the favorable price established in the Lease.
- If the Option is allowed to lapse, and MTA sought to acquire the Property in the future either through negotiations or condemnation, the assessed value would likely be many multiples of the purchase price under the Lease.
- Owning the Property removes the indemnification obligation to the Landlord.
- There is a positive arbitrage between the rate at which MTA borrows and the minimum 6.25% discount rate that is established under the Option for determining the present value of the future rent payments to be made by MTA under the Lease, which results in a lower purchase price than one could negotiate today.

As part of the exercise of the Option, the Seller has asked that MTA cooperate with the Seller in the establishment of a fee above a plane for the Terminal tax and landmark lot, which effectively subdivides the Terminal lot into two lots for zoning purposes only – one above a specified elevation and the other below, which lots are merged for zoning purposes. This will, at no cost or burden to MTA, facilitate the Seller's continued ownership of the Landlord's Air Rights, which in any event are not part of the Property leased to MTA or subject to the Option. The Lease and the Option each require MTA to continue to cooperate with the Seller after the closing to allow the Seller to transfer the Landlord's Air Rights. The implementation of the fee above the plane subdivision for zoning purposes and entering into by MTA of the zoning lot development agreement and other subdivision documents at no cost to MTA, would be an extension of that cooperation obligation. The Seller has agreed to accelerate the Closing and afford the MTA a credit of \$500,000 toward the purchase price of the Property.

The proposed activities will require the creation of four new Metro-North capital projects, two in the 2010-2014 Capital Program and two in the 2015-2019 Capital Program. These will be created in the GCT elements M60201 and M70201 and in the Track elements M60301 and M70301. New funding will provide for an increase to Metro-North's funding envelope for the purchase.

MTA Real Estate requests authorization for the MTA to exercise the Option, enter into the subdivision and zoning lot documents, and acquire the Property based upon the above terms and conditions, and to finance the cost of the purchase price and related closing costs associated therewith.



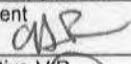





Metro-North Railroad

Procurements

Subject	Request for Authorization to Award Various Procurements
Department	Procurement and Material Management
Department Head Name	Al Muir, Sr. Director 
Department Head Signature	
Project Manager Name	

Date	November 6, 2018
Vendor Name	Various
Contract Number	Various
Contract Manager Name	Various
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm Mtg.	11-13-18	X		
2	MTA Board Mtg.	11-15-18	X		

Internal Approvals			
	Approval		Approval
X	President 		V.P. Capital Programs
X	Executive V.P. 		V.P. & General Counsel
X 	Sr. V.P. Operations		
X 	V.P. 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># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	NONE	
<u>Schedules Requiring Majority Vote</u>	NONE	

SUB TOTAL:

MNR proposes to award competitive procurements in the following categories:

		# of Actions	\$ Amount
<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		NONE	
<u>Schedules Requiring Majority Vote</u>		NONE	
Schedule I:	Modifications to Purchase and Public Work Contracts	1	\$2,004,290
	<ul style="list-style-type: none"> Tully Construction/Richards Plumbing Joint Venture LLC 		\$2,004,290
		1	\$2,004,290

MNR presents the following procurement actions for Ratification:

[illegible]

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

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

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

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

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

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

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

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

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

NOVEMBER 2018

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

I. Modifications to Purchase and Public Work Contracts

(Approvals/Staff Summaries required for individual change orders greater than \$250K.

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

**1. Tully Construction/Richards Plumbing \$2,004,290(not-to-exceed) Staff Summary Attached
Joint Venture LLC**

GCT Fire Standpipe System Upgrades

Approval is requested for a contract modification in the not-to-exceed amount of \$2,004,290 to the firm Tully Construction/Richards Plumbing Joint Venture LLC ("Tully/Richards ") for the Fire Standpipe System Upgrades located in Grand Central Terminal ("GCT").

During the initial design of the new stand pipe system certain determinations were made as to where the heat trace system could be electrically supported within the current GCT power distribution system. These determinations were documented in the contract drawings and provided as part of the Bid documents. Subsequent field review, after the contract award to Tully/Richards, found that the previously identified power source to operate the heat trace system, which encases the complete stand pipe system, was not available for use as it was a dedicated safety circuit and could not be compromised with additional circuits. This alteration necessitated several significant changes, including the need to install a new 1200amp Distribution Panel to ensure a dedicated circuit along with a need to increase the size and capacity of the wire and conduit based upon the increased length of the wire run. This modification created a dedicated and safer installation, but also added a greater complexity to the physical installation. An additional impact created by the Railroad's redirection was the need to recalculate and determine additional heat trace circuits based upon the new lengths and high amperage of the individual circuit runs. The relocation of the power source created a significant increase in the linear footage of heat trace material.

The price negotiated by MNR and the Contractor is consistent with MNR's independent cost estimate (\$1,798,247) with the differences being directly related to the final physical layout of the additional work and is deemed fair and reasonable.

It is recommended a contract modification be approved in the total not-to-exceed amount of \$2,004,290. Funding is included in the 2015-2019 MTA Capital Program and is federally funded.

Schedule I: Modifications to Purchase and Public Works Contracts

Item Number: I

Vendor Name (& Location) Tully Construction/Richards Plumbing Joint Venture LLC, Flushing, NY		Contract Number: 39090	AWO/Modification # 21 & 22
Description GCT Fire Standpipe System Upgrades		Original Amount: \$34,299,000	
Contract Term (including Options, if any)		Prior Modifications: \$ 854,939	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Budgetary Increases: \$ 0.00	
Procurement <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$ 35,153,939	
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other		This Request: \$ 2,004,290 (not-to-exceed)	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:		% of This Request to Current 6%	
Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr. Director		% of Modifications (including This Request) to Original Amount: 8%	

Discussion and Background:

Approval is requested for a contract modification in the not-to-exceed amount of \$2,004,290 to the firm Tully Construction/Richards Plumbing Joint Venture LLC ("Tully/Richards") for the Fire Standpipe System Upgrades located in Grand Central Terminal ("GCT").

The Fire Standpipe System is a built-in water piping system in which fire hoses can be connected allowing manual application of water to a fire much like a fire hydrant. The GCT Fire Standpipe System is almost 100 years old and reaching the end of its useful life.

On December 31, 2015, a competitively solicited contract was awarded to Tully/Richards in the amount of \$34,299,000. The work scope for the replacement of the existing lower level fire standpipe system includes:

- Replace the lower level and utility tunnel fire standpipe system including replacement of piping, valves and hose connection;
- Provide heat tracing system, alarm system upgrade, and additional electrical circuits associated with all new piping work and upgrade fire department connections and Siamese signage;
- Installation of pressure reducing valves at all sprinkler connections

Approval is requested at this time for a contract modification in the not-to-exceed amount of \$2,004,290 for two Metro-North requested changes. During the initial design of the new stand pipe system certain determinations were made as to where the heat trace system could be electrically supported within the current GCT power distribution system. These determinations were documented in the contract drawings and provided as part of the Bid documents. Subsequent field review, after the contract award to Tully/Richards, found that the previously identified power source to operate the heat trace system, which encases the complete stand pipe system, was not available for use as it was a dedicated safety circuit and could not be compromised with additional circuits. This alteration necessitated several significant changes, including the need to install a new 1200amp Distribution Panel to ensure a dedicated circuit along with a need to increase the size and capacity of the wire and conduit based upon the increased length of the wire run. This modification created a dedicated and safer installation, but also added a greater complexity to the physical installation. An additional impact created by the Railroad's redirection was the need to recalculate and determine additional heat trace circuits based upon the new lengths and high amperage of the individual circuit runs. The relocation of the power source created a significant increase in the linear footage of heat trace material.

Schedule I: Modifications to Purchase and Public Works Contracts

The price negotiated by MNR and the Contractor is consistent with MNR's independent cost estimate (\$1,798,247) with the differences being directly related to the final physical layout of the additional work and is deemed fair and reasonable.

MNR completed a responsibility review of Tully Richards Joint Venture LLC as defined in the All Agency Responsibility Guidelines in connection with this award recommendation, which yielded no significant adverse information (SAI).

It is recommended a contract modification be approved in the total not-to-exceed amount of \$2,004,290. Funding is included in the 2015-2019 MTA Capital Program and is federally funded.

NOVEMBER 2018

METRO-NORTH RAILROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

K. Ratification of Completed Procurement Actions

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

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

Non-competitive procurement deemed as an "Immediate Operating Need" in the not-to-exceed amount of \$516,650 to ORX Railway Corporation for the purchase of 225 axles for the Metro-North Railroad (MNR) Coach Cars and M-3 Fleet. This purchase requires the immediate delivery of axles to MNR property commencing in October 2018.

Presently, the inventory of axles for the Coach and M-3 railcars is being depleted and there is a critical need for the delivery of axles over the next few months to keep these railcars in revenue service. MNR has competitively solicited the fabrication and delivery of these axles and have made awards to two vendors, CAF and Lucchini. The First Article of Inspection (FAI) of their axles and manufacturing capabilities shall be fully completed by the end of 2018. Once MNR has fully approved these vendors they will be released for the production of the Coach and M3 axles. The timing of these approvals and subsequent production lead times will result in the possibility of having inadequate inventory of axles to support MNR Operations for the remainder of 2018 and into 2019.

ORX is a previously qualified supplier of axles for the Coach and M-3 railcars and can supply these 225 axles in time to meet MNR's immediate need. A comparative analysis of previous unit prices paid to ORX's proposed prices for the Coach Car and M-3 axles shows an increase of 3.8%. The two vendors, CAF and Lucchini once they have completed the FAI process, shall be delivering axles at an average unit price of \$1,660 which shall yield a significant long-term savings. The ORX pricing is deemed to be fair and reasonable given the immediate need.

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

Schedule K: Ratification

Item	K
Vendor Name (& Location) ORX Railway Corporation, Tipton, PA	Contract Number
Description Purchase of Axles for the Coach Car and M-3 Fleets	AWO/Modification # No
Contract Term (including Options, if any) N/A	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Total Amount: \$516,650 (not-to-exceed)
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source	Requesting Dept./Div. & Dept./Div. Head Name: Procurement & Material Management, Al Muir, Sr. Director

Discussion:

Non-competitive procurement deemed as an "Immediate Operating Need" in the not-to-exceed amount of \$516,650 to ORX Railway Corporation for the purchase of 225 axles for the Metro-North Railroad (MNR) Coach Cars and M-3 Fleet. This purchase requires the immediate delivery of axles to MNR property commencing in October 2018.

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

The total cost for this procurement in the not-to-exceed amount of \$516,650 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

October 2018 Highlights: Operations Report

October service delivery improved slightly from September and operated below goal at 89.6%. YTD OTP is below goal at 90.5% against a goal of 93%. 6-10" delays in the AM Peak increased due to the onset of slippery rail conditions coupled with some infrastructure failures while PM Peak improved.

On Tuesday October 2nd, a significant Storm with high winds and confirmed tornadoes moved through the Metro-North Region heavily impacting Harlem Line Service. Upper Hudson, Harlem and New Haven Lines including branches experienced high water conditions causing circuit issues and we initiated safety operating protocols until infrastructure could be inspected to ensure safe train operations. Track 2 just north of Hawthorne Station experienced significant damage which was repaired by 6AM on Thursday October 4th.

Service delivery also continued to be challenged by infrastructure work across all three lines resulting in reduced track capacity. On-going Track work across all three lines includes Sperry UT Rail Inspections, Track Geometry Inspections, Welding of Rail Joints, remediation of track defects, track surfacing and bridge repairs.

Hudson Line – 92.1% 90.4% YTD

98.1% of trains arrived within 10" of schedule in Sep with 8 (0.2%) cancelled or terminated

Harlem Line – 89.6% 92.5% YTD

95.6% of trains arrived within 10" of schedule in Sep with 28 (0.5%) cancelled or terminated

New Haven Line – 88.1% 89.1% YTD

96.2% of trains arrived within 10" of schedule in Sep with 24 (0.3%) cancelled or terminated

In October 6.9% of trains arrived 6-10" late with 60 (0.3%) cancelled or terminated.

Overall, 96.5% of trains arrived within 10" of schedule.

Consist Compliance: 98.3% overall with 96.6% during Peak. 98.7% YTD

We have a reduced number of cars available due to on-going PTC Installations that will continue thru the remainder of this year. Harmon Shop releases provide the Hudson Line the ability to generate replacement cars to meet the requirement. Due to the lack of spare cars the Harlem Line has difficulty recovering from cars becoming unavailable for service later in the day for the following morning. We are working with LIRR to procure new M9A cars in the next Capital Program to provide additional capacity and replace M3s.

Due to significant ridership increases on the New Haven we have the minimum number of cars to support the daily requirement. The remaining 36 old M2 cars are being used to compensate for the M8s being modified with PTC and Cameras; 12 have been removed from service as they have become unserviceable. The additional 66 new M8 cars will start to be available for service late next year with delivery completion in the summer of 2020.

West of Hudson Service operated below goal at 92.9% due to the PJL operating significantly below goal; PVL is operating closer to goal. Overall YTD is **91.4%**

Pascack Valley – 95.8% **94.7% YTD**

10/17: Tr# 1612 terminated due to NJT Loco failure

Port Jervis – 89.1% **86.9% YTD**

Various: Delays due to NJT Crew Performance and a MNR Speed Restriction

10/03: Delays due to Telco Code Line failure at CP Valley

Cancelled Trains

7 (0.4%) PVL: 3, PJL: 4

3 trains (43%) were cancelled due to lack of NJT Engineers; all on the Port Jervis.

4 trains (57%) were cancelled due to NJT equipment failures

Equipment Performance

Fleet Availability was under target due to ongoing PTC Installations with a consist compliance of 98.4%

Service disruptions caused peak consist compliance to be further below goal.

Fleet MDBF in September operated below goal at 103,129 with YTD at 142,807.

We are experiencing increased failures due to implementation of new PTC equipment.

Excluding PTC System failures adjusted MDBF for September is 120,978 adjusted YTD is 195,296.

M8 and Coach fleets experienced a higher number of failures and Maintenance of Equipment is evaluating as to cause.

Genesis locomotives operated 38% below goal thru September. The 31 locomotives are at the end of their useful life and we are proceeding with a RFP for their replacement.

John Kesich

Senior Vice President

Operations

Performance Summary			2018 Data			2017 Data	
			Annual Goal	October	YTD thru October	October	YTD thru October
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%	89.6%	90.5%	92.1%	93.9%
		AM Peak	93.0%	80.4%	88.8%	88.4%	94.1%
		AM Reverse Peak	93.0%	92.6%	93.8%	94.1%	95.6%
		PM Peak	93.0%	92.1%	90.3%	96.3%	94.9%
		Total Peak	93.0%	87.0%	90.2%	92.5%	94.6%
		Off Peak Weekday	93.0%	90.4%	88.6%	90.1%	92.1%
		Weekend	93.0%	93.1%	94.8%	95.6%	96.0%
	Hudson Line	Overall	93.0%	92.1%	90.4%	89.8%	94.0%
		AM Peak	93.0%	82.6%	87.2%	85.5%	94.0%
		AM Reverse Peak	93.0%	96.4%	95.7%	96.7%	97.3%
		PM Peak	93.0%	96.9%	92.7%	96.8%	96.6%
		Total Peak	93.0%	90.3%	90.6%	91.7%	95.5%
		Off Peak Weekday	93.0%	91.9%	87.7%	85.2%	91.6%
		Weekend	93.0%	96.0%	94.7%	95.0%	95.6%
	Harlem Line	Overall	93.0%	89.6%	92.5%	94.0%	95.7%
		AM Peak	93.0%	80.7%	90.8%	92.0%	95.9%
		AM Reverse Peak	93.0%	89.7%	93.6%	95.7%	97.1%
		PM Peak	93.0%	86.9%	89.8%	97.4%	95.5%
		Total Peak	93.0%	84.7%	90.9%	94.8%	95.9%
		Off Peak Weekday	93.0%	91.9%	92.5%	92.3%	94.7%
		Weekend	93.0%	95.3%	95.5%	96.3%	97.2%
	New Haven Line	Overall	93.0%	88.1%	89.1%	92.0%	92.5%
		AM Peak	93.0%	78.6%	88.3%	87.4%	92.7%
		AM Reverse Peak	93.0%	93.2%	92.9%	91.3%	93.4%
		PM Peak	93.0%	93.2%	89.2%	95.0%	93.3%
		Total Peak	93.0%	86.8%	89.4%	91.1%	93.0%
		Off Peak Weekday	93.0%	88.6%	86.3%	91.1%	90.5%
		Weekend	93.0%	89.7%	94.3%	95.5%	95.4%
Operating Statistics							
	Trains Scheduled			19,967	192,014	19,727	191,858
	Avg. Delay per Late Train (min) <i>excluding trains cancelled or terminated</i>			11.4	12.6	11.5	12.3
	Trains Over 15 min. Late <i>excluding trains cancelled or terminated</i>		2,300	314	3,473	261	2,168
	Trains Canceled		230	30	570	16	241
	Trains Terminated		230	30	337	19	232
	Percent of Scheduled Trips Completed		99.8%	99.7%	99.5%	99.8%	99.8%
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%	98.3%	98.7%	99.1%	99.1%
		AM Peak	98.0%	95.5%	97.0%	97.6%	97.8%
		AM Reverse Peak	99.5%	100.0%	100.0%	99.8%	99.7%
		PM Peak	98.0%	96.5%	96.8%	98.5%	97.9%
		Total Peak	98.0%	96.6%	97.4%	98.3%	98.1%
		Off Peak Weekday	99.5%	99.2%	99.4%	99.5%	99.4%
		Weekend	99.5%	99.6%	99.6%	99.9%	99.8%
	Hudson Line	AM Peak	99.5%	99.8%	99.4%	99.5%	99.7%
		PM Peak	99.5%	99.8%	98.8%	100.0%	99.9%
	Harlem Line	AM Peak	98.5%	96.8%	96.2%	97.1%	97.9%
		PM Peak	98.5%	98.0%	97.4%	99.6%	98.5%
	New Haven Line	AM Peak	97.5%	91.4%	95.9%	96.8%	96.5%
		PM Peak	97.5%	92.9%	95.0%	96.7%	96.1%

SYSTEM Category of Delay

Delay Minutes / Delay Threshold	% Total	September	October	2018 Data YTD thru October	October	2017 Data YTD thru October	YTD 2018 Vs 2017
Engineering (Scheduled)	7.3%	386	281	5,508	581	4,606	902
Engineering (Unscheduled)	23.7%	730	915	10,370	506	5,861	4,509
Maintenance of Equipment	15.9%	849	616	5,927	567	3,479	2,448
Transportation	5.5%	125	214	1,106	244	910	196
Capital Projects	12.0%	372	463	1,948	2	8	1,940
Weather and Environmental	19.3%	813	746	5,676	528	2,303	3,373
Police	5.7%	379	221	2,198	207	2,470	-272
Customers	7.0%	157	269	1,520	145	880	640
Other	3.2%	149	125	2,099	142	2,626	-528
3rd Party Operations	0.3%	16	13	171	10	32	140
TOTAL	100.0%	3,975	3,861	36,523	2,930	23,175	13,348

HUDSON LINE	% Total	September	October	YTD thru October	October	YTD thru October	YTD 2018 Vs 2017
Engineering (Scheduled)	12.1%	118	74	1,490	276	1,606	-116
Engineering (Unscheduled)	22.3%	171	136	2,612	122	1,121	1,491
Maintenance of Equipment	18.2%	158	111	1,533	161	840	693
Transportation	8.7%	22	53	280	67	167	113
Capital Projects	15.6%	90	95	806	0	0	806
Weather and Environmental	3.1%	108	19	880	36	478	402
Police	3.9%	27	24	294	49	559	-265
Customers	10.0%	74	61	549	74	345	204
Other	5.2%	23	32	314	34	301	13
3rd Party Operations	0.8%	6	5	52	7	11	41
TOTAL	100.0%	797	610	8,810	826	5,428	3,382

HARLEM LINE	% Total	September	October	YTD thru October	October	YTD thru October	YTD 2018 Vs 2017
Engineering (Scheduled)	3.9%	28	58	886	117	805	81
Engineering (Unscheduled)	19.6%	166	289	3,027	69	1,347	1,680
Maintenance of Equipment	10.9%	256	161	1,375	85	817	558
Transportation	4.3%	28	64	300	76	227	73
Capital Projects	4.5%	39	66	212	0	0	212
Weather and Environmental	42.2%	168	623	2,313	324	1,019	1,294
Police	5.6%	93	82	590	73	721	-131
Customers	6.6%	27	98	393	25	163	230
Other	2.4%	12	36	516	30	372	144
3rd Party Operations	0.0%	0	0	19	0	0	19
TOTAL	100.0%	817	1,477	9,631	799	5,471	4,160

NEW HAVEN LINE	% Total	September	October	YTD thru October	October	YTD thru October	YTD 2018 Vs 2017
Engineering (Scheduled)	8.4%	240	149	3,132	188	2,196	936
Engineering (Unscheduled)	27.7%	394	492	4,735	314	3,393	1,342
Maintenance of Equipment	19.4%	434	344	3,018	320	1,822	1,196
Transportation	5.4%	76	96	526	100	516	10
Capital Projects	17.0%	242	302	930	2	8	922
Weather and Environmental	5.9%	536	104	2,483	167	805	1,678
Police	6.5%	259	115	1,314	84	1,190	124
Customers	6.2%	56	110	579	46	371	208
Other	3.2%	114	56	1,269	78	1,953	-684
3rd Party Operations	0.3%	10	5	96	2	21	75
TOTAL	100.0%	2,361	1,773	18,082	1,301	12,275	5,807



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					
			L	C	T	L	C	T	L	C	T	L	C	T	Late	Cxld	Term
10/02	Tue	Down tree across Track 2 south of Bedford Hills Station.	0	0	0	0	0	0	35	1	7	14	5	1	49	6	8
10/02	Tue	Track circuits down, south of CP143, near Katonah Station and at CP 230, south of Riverside Station.	0	0	0	0	0	0	10	0	0	12	0	0	22	0	0
10/03	Wed	Stop and Warn in effect on New Canaan branch due to local traffic light preemption failure.	4	0	0	1	0	0	0	0	0	14	0	0	19	0	0
10/03	Wed	Erosion damage due to heavy rain on Track 2 north of Hawthorne.	12	0	0	3	0	0	20	2	2	40	3	2	75	5	4
10/04	Thu	Restricted cab from CAT888 on Track 1 through CP261 interlocking on Track 3 due to signal overlay failure.	7	0	0	0	0	0	3	0	0	2	0	0	12	0	0
10/05	Fri	Third Rail smoke condition on Track 26 in GCT.	19	0	0	0	0	0	0	0	0	2	0	0	21	0	0
10/05	Fri	Vehicle accident near Commerce Street crossing in Valhalla.	0	0	0	0	0	0	14	0	0	20	0	0	34	0	0
10/08	Mon	Undesired brake application of DH Train 1084 on Track 1 at Williams Bridge.	0	0	0	1	0	0	0	0	0	27	2	1	28	2	1
10/11	Thu	Delays on all 3 lines due to weather conditions.	0	0	0	0	0	0	9	0	0	15	0	0	24	0	0
10/11	Thu	Train 818 lost power on Track 1 south of Croton Harmon.	9	1	1	1	0	0	0	0	0	0	0	0	10	1	1
10/15	Mon	Slippery rail conditions on all 3 lines.	0	0	0	0	0	0	6	0	0	15	0	0	21	0	0
10/15	Mon	Lost control of RTC District U work station of Upper Level in GCT.	13	0	0	0	0	0	0	0	0	0	0	0	13	0	0
10/15	Mon	Medical assistance provided to customer of Train 1531 on Track 4 at 125th Street Station.	11	0	0	3	0	0	0	0	0	5	0	0	19	0	0
10/16	Tue	Track circuit down at CP25.	6	0	0	3	0	0	0	0	0	2	0	0	11	0	0
10/16	Tue	Train 1731 had consist trainline discrepancy, swapped equipment at Stamford.	6	0	0	2	0	0	0	0	0	2	0	0	10	0	0

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

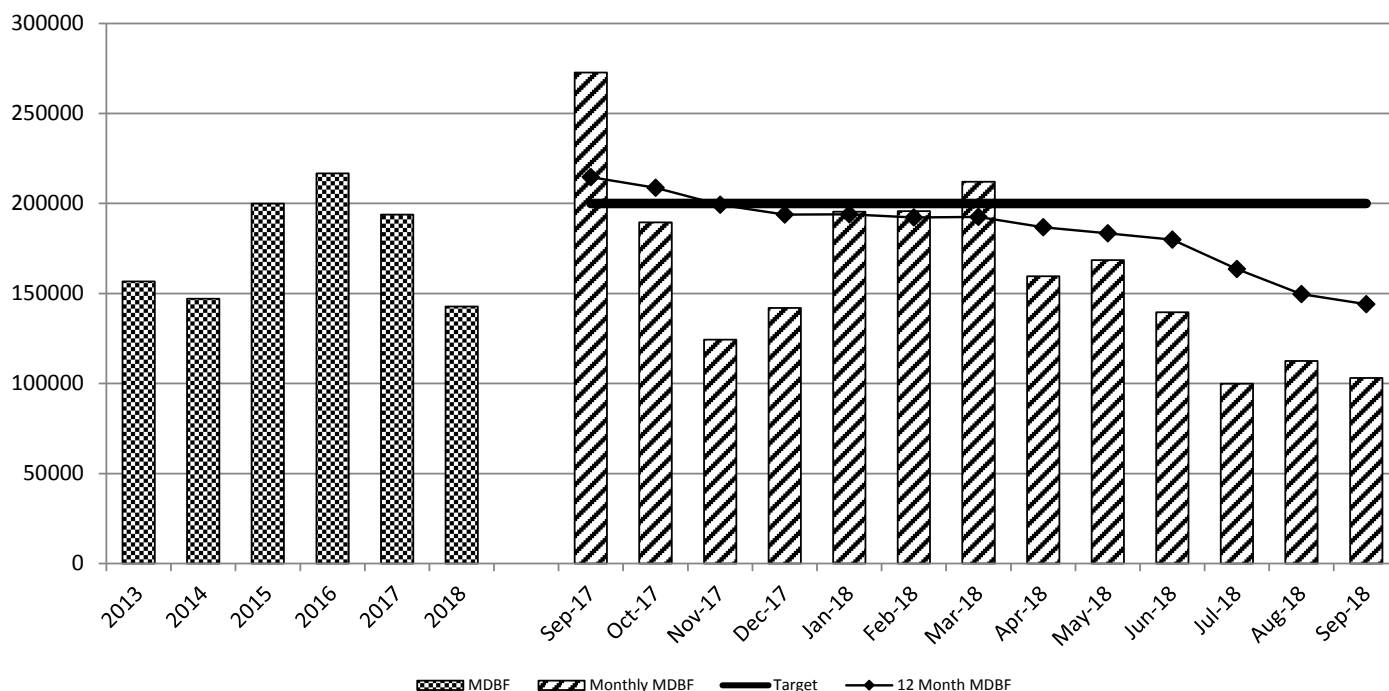
DateDayDESCRIPTION OF EVENT			Number of Late Trains														
			AM Peak			AM Reverse			PM Peak			Off Peak			TOTAL		
			L	C	T	L	C	T	L	C	T	L	C	T	Late	Cxld	Term
10/17	Wed	Medical assistance provided to customer of Train 610 on Track 2 at 125th Street Station.	74	0	0	1	0	0	0	0	0	1	0	0	76	0	0
10/18	Thu	Track circuit down on Track 1 at Hastings.	13	0	0	0	0	0	0	0	0	1	0	0	14	0	0
10/22	Mon	Congestion from CP232 to CP235 due to track 3 OOS for CDOT bridge work.	20	0	0	1	0	0	1	0	0	8	0	0	30	0	0
10/22	Mon	Train 616 sustained multiple penalty brake applications due to slippery rail.	12	0	0	2	0	0	0	0	0	1	0	0	15	0	0
10/23	Tue	Delays due to congestion caused by Train 1371 at GCT.	0	0	0	0	0	0	2	0	0	11	0	0	13	0	0
10/23	Tue	Train 916 had HEP issues at Wassaic Station.	13	0	0	0	0	0	0	0	0	0	0	0	13	0	0
10/23	Tue	Congestion from CP232 to CP235 due to track 3 bridge work.	7	0	0	3	0	0	4	0	0	5	0	0	19	0	0
10/25	Thu	Broken rail within CP117 interlocking.	42	0	0	14	0	0	0	0	0	2	0	0	58	0	0
10/29	Mon	Congestion from CP232 to CP235 due to track 3 OOS for CDOT bridge work.	13	0	0	0	0	0	0	0	0	2	0	0	15	0	0
10/30	Tue	Congestion between CP19 to CP25 account Track 4 out of service for Sandy work.	15	0	0	0	0	0	0	0	0	0	0	0	15	0	0
10/30	Tue	Delays due to reported 3rd rail arcing on track 4 at 125th Street Station.	32	0	0	1	0	0	0	0	0	0	0	0	33	0	0
10/31	Wed	Delays on all 3 lines due to slippery rails.	14	0	0	2	0	0	2	0	0	0	0	0	18	0	0
TOTAL FOR MONTH			342	1	1	38	0	0	106	3	9	201	10	4	687	14	14
																715	

	Equip- ment Type	Total Fleet Size	2018 Data						2017 Data		
			MDBF Goal (miles)	Sep MDBF (miles)	Primary Failure Goal	Sep No. of Primary Failures	YTD MDBF thru Sep (miles)	12 month MDBF Rolling Avg (miles)	Sep MDBF (miles)	Sep No. of Primary Failures	YTD MDBF thru Sep (miles)
Mean Distance Between Failures	M2	36	20,000	40,419	2	2	63,649	47,303	30,182	2	29,211
	M8	405	350,000	109,458	7	22	214,505	216,644	635,137	4	347,416
	M3	138	120,000	120,194	3	2	84,752	81,451	159,052	2	112,061
	M7	334	440,000	484,078	4	4	325,667	281,641	490,749	4	363,129
	Coach	209	260,000	77,983	6	18	151,514	167,435	477,855	3	382,400
	P-32	31	27,000	18,603	7	10	16,652	17,835	30,882	6	26,841
	BL-20	12	13,000	11,846	3	3	16,505	17,884	15,465	3	28,175
	Fleet	1165	200,000	103,129	32	61	142,807	144,057	272,803	24	216,284
	M2/8		260,000	103,705	9	24	199,164	194,556	433,485	6	267,864
	M3/7		300,000	362,783	7	6	242,494	216,499	380,183	6	273,934
	Diesel/Coach		110,000	52,428	16	31	71,604	77,680	138,771	12	135,919

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	October	YTD thru October	October	YTD thru October
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%	92.9%	91.4%	93.8%	94.5%
		AM Peak	95.5%	91.0%	91.6%	91.6%	93.5%
		PM Peak	95.5%	98.3%	91.9%	94.1%	94.5%
		Total Peak	95.5%	94.6%	91.7%	92.8%	94.0%
		Off Peak Weekday	95.5%	91.0%	90.7%	95.6%	95.1%
		Weekend	95.5%	94.8%	92.3%	91.3%	94.2%
	Pascack Valley Line	Overall	96.5%	95.8%	94.7%	96.7%	96.1%
		AM Peak	96.5%	93.8%	94.7%	96.6%	95.9%
		PM Peak	96.5%	99.4%	95.9%	95.5%	96.1%
		Total Peak	96.5%	96.6%	95.3%	96.1%	96.0%
		Off Peak Weekday	96.5%	94.8%	94.3%	97.2%	96.3%
		Weekend	96.5%	96.9%	94.5%	96.8%	95.9%
	Port Jervis Line	Overall	95.0%	89.1%	86.9%	89.6%	92.3%
		AM Peak	95.0%	87.7%	87.6%	84.8%	90.4%
		PM Peak	95.0%	97.1%	87.1%	92.4%	92.6%
		Total Peak	95.0%	92.4%	87.4%	88.6%	91.5%
		Off Peak Weekday	95.0%	85.8%	85.8%	93.3%	93.3%
		Weekend	95.0%	91.1%	88.4%	81.7%	91.4%
Operating Statistics							
Trains Scheduled				1,715	16,624	1,732	16,882
Avg. Delay per Late Train (min) <small>excluding trains canceled or terminated</small>				18.5	20.9	18.8	20.9
Trains Over 15 min. Late <small>excluding trains canceled or terminated</small>			300	50	565	48	377
Trains Canceled			60	7	218	14	106
Trains Terminated			60	4	54	2	45
Percent of Scheduled Trips Completed			99.4%	99.4%	98.4%	99.1%	99.1%
Consist Compliance* <i>(Percent of trains where the number of coaches provided met the scheduled requirement)</i>	System - AM	Overall	99.0%	97.6%	97.7%	96.7%	98.7%
	Pascack Valley - AM		99.0%	96.3%	97.3%	97.4%	98.9%
	Port Jervis - AM		99.0%	99.1%	98.1%	96.0%	98.6%

* 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											
			AM Peak			PM Peak			Off Peak			Weekend		
			L	C	T	L	C	T	L	C	T	L	C	T
10/03	Wed	PJL: Received / complied with Rule 241 and slow signals account code line failure at CP Valley.	4	0	0	0	0	0	2	0	0	0	0	0
10/17	Wed	PVL: Delays due to inability to rectify head end power issue of Train 1612 at leaving time.	0	0	0	1	0	0	5	0	0	0	0	0
TOTAL FOR MONTH			4	0	0	1	0	0	7	0	0	0	0	0
												12		

OCTOBER 2018 STANDEE REPORT
East of Hudson

			OCT 2017	YTD 2017	OCT 2018	YTD 2018
Daily Average AM Peak	Hudson Line	Program Standees	0	0	0	0
		Add'l Standees	12	3	6	13
		Total Standees	12	3	6	13
	Harlem Line	Program Standees	0	0	31	3
		Add'l Standees	47	29	47	98
		Total Standees	47	29	78	101
	New Haven Line	Program Standees	0	0	24	2
		Add'l Standees	21	30	221	96
		Total Standees	21	30	245	99
	EAST OF HUDSON TOTAL - AM PEAK		80	62	328	212
Daily Average PM Peak	Hudson Line	Program Standees	0	0	0	0
		Add'l Standees	0	1	2	6
		Total Standees	0	1	2	6
	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	0	16	21	28
		Total Standees	0	16	21	28
	New Haven Line	Program Standees	0	0	140	14
		Add'l Standees	102	89	187	122
		Total Standees	102	89	327	136
	EAST OF HUDSON TOTAL - PM PEAK		102	106	350	171

West of Hudson

			OCT 2017	YTD 2017	OCT 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 October 2018

		2018		2017	
		October	Year to Date	October	Year to Date
Elevator Availability					
	Grand Central Terminal	87.00%	90.55%	93.75%	93.53%
	Harlem	99.80%	99.84%	100.00%	99.86%
	Hudson	100.00%	99.86%	100.00%	99.96%
	New Haven	99.69%	99.78%	100.00%	99.70%
	Overall Average	96.62%	97.51%	98.44%	98.26%

GCT Availability for September 2018 is impacted by the NE-1 Elevator being Out of Service due to East Side Access construction since February 2017. The T-20 Elevator (leftmost B-Hall elevator) is Out of Service for conversion for Tracking Center Program

		2018		2017	
		October	Year to Date	October	Year to Date
Escalator Availability					
	Grand Central Terminal	85.83%	96.35%	89.00%	98.05%
	White Plains	100.00%	100.00%	82.50%	98.25%
	Overall Average	92.92%	98.18%	85.75%	98.15%

Escalator #5 (front of GCT Market) was Out of Service for the repair to the right side handrail since September 11, returned to service on October 24. Escalator #11 (47th St Cross Passage to 47th and Madison) is Out of Service since October 22 for brake issue and drive repair. Escalator #12 (245 Park Ave) is Out of Service since October 16 for repair to the step chain.

Finance Report

Steven Weiss

Executive Director, Management & Budget



Metro-North Railroad is in the process of procuring two Catenary Maintenance Vehicles (CMVs) to maintain the New Haven Line Catenary System. One of the two CMVs has been delivered and is currently being tested by Metro-North.



Metro-North Railroad

September 2018 Highlights: Financial Report

The Metro-North Railroad's Monthly Financial Report provides year-to-date fiscal information comparing actual revenues, expenses and staffing levels to Budget and key financial performance indicators. These results are compared to the Mid-Year Forecast (forecast).

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

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

- Ridership of 64.2 million, which includes East of Hudson ridership of 63.0 million and West of Hudson ridership of 1.2 million, was 0.3% unfavorable vs. the Mid-Year Forecast. Consequently, Farebox revenue of \$547.8 million was \$5.1 million (0.9%) lower than forecast.
- Total revenue of \$584.4 million was \$7.9 million (1.3%) lower than forecast primarily due to lower farebox revenue, advertising revenue and net GCT retail income.
- Total expenses of \$986.3 million were \$5.9 million (0.6%) favorable vs. the Mid-Year Forecast primarily due to lower discretionary contractual spending in both the Maintenance and Other Operating Contracts and Professional Services categories.

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

September 2018 Year-to-Date Results					
(in millions)					
				Fav/(Unfav) Variance	
	Mid-Year Forecast	Actual		\$ Var	% Var
Total Revenue	\$592.2	\$584.4		(\$7.9)	-1.3%
Total Expenses before Non-Cash Liability Adjs.	992.3	986.3		5.9	0.6%
Other Non-Cash Liabilities	238.3	218.3		20.0	8.4%
Net Surplus/(Deficit) after Non-Cash Liability Adjs.	(638.3)	(620.3)		18.0	2.8%
Cash Adjustments	241.7	242.5		0.7	0.3%
Net Cash Surplus/(Deficit)	(\$396.6)	(\$377.8)		\$18.8	4.7%

Steven Weiss

Executive Director, Management & Budget

NON-REIMBURSABLE and REIMBURSABLE SUMMARY

September 2018 YTD Net Deficit (Non-Reimbursable and Reimbursable) of \$620.3 million was \$18.0 million or 2.8% favorable vs. the Mid-Year Forecast. The month of September Net Deficit (Non-Reimbursable and Reimbursable) of \$72.8 million was \$3.1 million or 4.4% unfavorable vs. the Mid-Year Forecast.

Major drivers of the September 2018 YTD favorable result of \$18.0 million include lower Non-Reimbursable Expenses of \$25.9 million mainly due to both favorable maintenance contracts and professional services and timing of non-cash liability adjustments. Partly offsetting these favorable expense results were unfavorable Non-Reimbursable Revenues of \$7.9 million due to both lower farebox revenue (\$5.1 million), advertising revenue (\$1.9 million) and net GCT retail income (\$1.3 million).

September 2018 YTD Reimbursable Expenses of \$183.7 million was \$25.7 million favorable vs. the Mid-Year Forecast primarily due to timing for several capital projects including Positive Train Control, Turnout Replacement Program and Waterbury Branch Cab Signal.

REVENUE/RIDERSHIP

- **Farebox Revenue** – YTD was \$5.1 million (0.9%) unfavorable vs. the Mid-Year Forecast due to lower than anticipated yield in commutation ridership due to growth in shorter distance commuter trips as well as lower non-commutation ridership driven by adverse weather conditions and station improvement work on the Harlem line.
 - YTD Ridership of 64.2 million was 0.3% unfavorable vs. the Mid-Year Forecast and 0.2% unfavorable vs. YTD 2017.
- **Other Operating Revenue** – YTD was \$2.8 million (7.1%) unfavorable vs. the Mid-Year Forecast primarily due to lower advertising revenue and net GCT retail income.
- **Capital and Other Reimbursements** – YTD was \$25.7 million (12.3%) unfavorable vs. the Mid-Year Forecast due to scheduling and timing changes noted above.

TOTAL EXPENSES (Non-Reimbursable and Reimbursable)

Total Expenses – YTD expenses of \$1,388.3 million were \$51.6 million or 3.6% favorable vs. the Mid-Year Forecast.

Labor Expenses (including fringes and overhead recoveries) of 827.7 million YTD were \$6.6 million unfavorable vs. the Mid-Year Forecast.

- **Payroll** – YTD was \$0.9 million favorable vs. the Mid-Year Forecast.
- **Overtime** – YTD was \$2.7 million unfavorable vs. the Mid-Year Forecast primarily due to impacts from several nor'easter storms in March and significant storms in April and May as well as higher Reimbursable activity.

Non-Labor Expenses of \$342.3 million YTD were \$38.2 million favorable vs. the Mid-Year Forecast.

- **Electric Power** – Higher rates yielded unfavorable YTD results of \$1.1 million vs. the Mid-Year Forecast.
- **Fuel** – YTD expenses were \$0.2 million favorable vs. the Mid-Year Forecast due to a lower diesel fuel price per gallon.
- **Maintenance & Other Operating Contracts** – YTD was \$4.4 million favorable vs. the Mid-Year Forecast primarily due to lower than anticipated Non-Reimbursable expenses for BL-20 Locomotive Overhauls and other lower maintenance and operating contracts as well as GCT utilities costs partially offset by higher Reimbursable project activity.

- **Professional Services** – YTD was \$28.1 million favorable vs. the Mid-Year Forecast primarily due to lower Reimbursable project activity as well as lower than anticipated Non-Reimbursable expenses for engineering and consulting services, medical services and outside training.
- **Materials & Supplies** – YTD was \$6.7 million favorable vs. the Mid-Year Forecast primarily due to lower Reimbursable project activity.
- **Other Business Expenses** – YTD was \$0.7 million unfavorable vs. the Mid-Year Forecast due to higher subsidy payments to New Jersey Transit for West of Hudson Operations.

Depreciation and Other Non-Cash Liability Adjustments were \$20.0 million favorable vs. the YTD Mid-Year Forecast primarily due to timing.

CASH DEFICIT SUMMARY

September YTD Net Cash Deficit of \$377.8 million was \$18.8 million or 4.7% favorable to the Mid-Year Forecast. This is mainly due to revised milestone scheduling of capital projects partially offset by timing of expenditures for several categories.

FINANCIAL PERFORMANCE MEASURES

- Adjusted Farebox Operating Ratio of 61.2% was 0.1% favorable vs. the Mid-Year Forecast.
- Adjusted Cost per Passenger of \$15.05 was \$0.19 favorable to the Mid-Year Forecast.
- Revenue per Passenger of \$8.53 was (\$0.05) unfavorable vs. the Mid-Year Forecast.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
September 2018
(\$ in millions)

SCHEDULE I - A

	Nonreimbursable				Reimbursable				Total			
	Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$63.302	\$61.774	(\$1.527)	(2.4)	\$0.000	\$0.000	\$0.000	-	\$63.302	\$61.774	(\$1.527)	(2.4)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	4.398	2.876	(1.522)	(34.6)	0.000	0.000	0.000	-	4.398	2.876	(1.522)	(34.6)
<i>Capital & Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	11.846	10.883	(0.964)	(8.1)	11.846	10.883	(0.964)	(8.1)
CDOT	0.000	0.000	0.000	-	13.742	12.939	(0.803)	(5.8)	13.742	12.939	(0.803)	(5.8)
Other	0.000	0.000	0.000	-	0.752	1.084	0.332	44.1	0.752	1.084	0.332	44.1
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	26.340	24.906	(1.435)	(5.4)	26.340	24.906	(1.435)	(5.4)
Total Revenue/Receipts	\$67.700	\$64.651	(\$3.049)	(4.5)	\$26.340	\$24.906	(\$1.435)	(5.4)	\$94.040	\$89.556	(\$4.484)	(4.8)
Expenses												
<i>Labor:</i>												
Payroll	\$40.990	\$40.767	\$0.222	0.5	\$4.534	\$3.742	\$0.793	17.5	\$45.524	\$44.509	\$1.015	2.2
Overtime	7.620	7.455	0.165	2.2	2.432	2.139	0.293	12.1	10.052	9.594	0.458	4.6
Health and Welfare	8.057	8.404	(0.346)	(4.3)	1.576	1.292	0.285	18.1	9.634	9.695	(0.061)	(0.6)
OPEB Current Payment	2.812	2.926	(0.114)	(4.0)	0.000	0.000	0.000	-	2.812	2.926	(0.114)	(4.0)
Pensions	8.509	7.978	0.531	6.2	1.078	0.908	0.171	15.8	9.587	8.885	0.702	7.3
Other Fringe Benefits	9.935	13.964	(4.028)	(40.5)	1.185	0.993	0.193	16.2	11.121	14.957	(3.836)	(34.5)
Reimbursable Overhead	(5.370)	(5.055)	(0.315)	(5.9)	5.197	4.784	0.414	8.0	(0.173)	(0.271)	0.098	56.7
Total Labor	\$72.553	\$76.439	(\$3.886)	(5.4)	\$16.003	\$13.856	\$2.147	13.4	\$88.557	\$90.295	(\$1.739)	(2.0)
<i>Non-Labor:</i>												
Electric Power	\$6.216	\$7.361	(\$1.145)	(18.4)	\$0.000	\$0.037	(\$0.037)	-	\$6.216	\$7.398	(\$1.182)	(19.0)
Fuel	1.815	1.547	0.268	14.7	0.000	0.000	0.000	-	1.815	1.547	0.268	14.7
Insurance	1.454	1.454	0.001	0.0	0.571	0.318	0.253	44.3	2.026	1.772	0.254	12.5
Claims	0.096	0.026	0.071	73.4	0.000	0.000	0.000	-	0.096	0.026	0.071	73.4
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	11.974	7.972	4.002	33.4	1.216	1.760	(0.544)	(44.7)	13.190	9.732	3.458	26.2
Professional Service Contracts	3.382	2.975	0.408	12.1	5.155	5.155	0.000	0.0	8.538	8.130	0.408	4.8
Materials & Supplies	8.033	11.348	(3.315)	(41.3)	3.366	3.752	(0.386)	(11.5)	11.400	15.101	(3.701)	(32.5)
Other Business Expenses	2.256	3.034	(0.778)	(34.5)	0.027	0.027	0.001	2.7	2.283	3.061	(0.778)	(34.1)
Total Non-Labor	\$35.226	\$35.716	(\$0.490)	(1.4)	\$10.337	\$11.050	(\$0.713)	(6.9)	\$45.563	\$46.766	(\$1.203)	(2.6)
<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.	\$107.779	\$112.155	(\$4.376)	(4.1)	\$26.340	\$24.906	\$1.435	5.4	\$134.120	\$137.061	(\$2.941)	(2.2)
Depreciation	20.542	19.449	1.093	5.3	0.000	0.000	0.000	-	20.542	19.449	1.093	5.3
OPEB Obligation	4.833	4.574	0.259	5.4	0.000	0.000	0.000	-	4.833	4.574	0.259	5.4
GASB68 Pension Adjustment	3.250	1.272	1.978	60.9	0.000	0.000	0.000	-	3.250	1.272	1.978	60.9
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	\$137.405	\$137.450	(\$0.045)	(0.0)	\$26.340	\$24.906	\$1.435	5.4	\$163.745	\$162.356	\$1.390	0.8
Net Surplus/(Deficit)	(\$69.705)	(\$72.799)	(\$3.094)	(4.4)	\$0.000	(\$0.000)	(\$0.000)	-	(\$69.705)	(\$72.799)	(\$3.094)	(4.4)
<i>Cash Conversion Adjustments:</i>												
Depreciation	20.542	19.449	(1.093)	(5.3)	0.000	0.000	0.000	-	20.542	19.449	(1.093)	(5.3)
Operating/Capital	(5.627)	(5.120)	0.508	9.0	0.000	0.000	0.000	-	(5.627)	(5.120)	0.508	9.0
Other Cash Adjustments	11.333	25.525	14.192	*	0.000	0.000	0.000	-	11.333	25.525	14.192	*
Total Cash Conversion Adjustments	\$26.248	\$39.854	\$13.606	51.8	\$0.000	\$0.000	\$0.000	-	\$26.248	\$39.854	\$13.606	51.8
Net Cash Surplus/(Deficit)	(\$43.457)	(\$32.945)	\$10.512	24.2	\$0.000	(\$0.000)	(\$0.000)	-	(\$43.457)	(\$32.945)	\$10.512	24.2

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.

--The impact of LIRR's Forward Plan, MNR's Way Ahead, and the MTA Bus Action Plan, which were captured as MTA Re-estimates within below-the-line adjustments in the 2018 July Financial Plan, have been allocated and are now reflected within Agency baseline Mid-Year Forecasts.*

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST ACCURAL STATEMENT of OPERATIONS by CATEGORY September Year-To-Date (\$ in millions)												
SCHEDULE I - B												
	Nonreimbursable				Reimbursable				Total			
	Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$552.849	\$547.789	(\$5.061)	(0.9)	\$0.000	\$0.000	\$0.000	-	\$552.849	\$547.789	(\$5.061)	(0.9)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	39.371	36.568	(2.804)	(7.1)	0.000	0.000	0.000	-	39.371	36.568	(2.804)	(7.1)
<i>Capital & Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	102.840	94.373	(8.467)	(8.2)	102.840	94.373	(8.467)	(8.2)
CDOT	0.000	0.000	0.000	-	100.093	79.948	(20.145)	(20.1)	100.093	79.948	(20.145)	(20.1)
Other	0.000	0.000	0.000	-	6.469	9.381	2.912	45.0	6.469	9.381	2.912	45.0
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	209.402	183.702	(25.700)	(12.3)	209.402	183.702	(25.700)	(12.3)
Total Revenue/Receipts	\$592.221	\$584.357	(\$7.864)	(1.3)	\$209.402	\$183.702	(\$25.700)	(12.3)	\$801.623	\$768.059	(\$33.565)	(4.2)
Expenses												
<i>Labor:</i>												
Payroll	\$387.231	\$389.675	(\$2.443)	(0.6)	\$38.315	\$34.949	\$3.366	8.8	\$425.547	\$424.624	\$0.923	0.2
Overtime	71.671	73.572	(1.901)	(2.7)	18.905	19.747	(0.842)	(4.5)	90.576	93.318	(2.742)	(3.0)
Health and Welfare	78.375	83.021	(4.646)	(5.9)	13.276	12.383	0.893	6.7	91.652	95.404	(3.752)	(4.1)
OPEB Current Payment	25.564	27.431	(1.867)	(7.3)	0.000	0.000	0.000	-	25.564	27.431	(1.867)	(7.3)
Pensions	78.972	77.676	1.296	1.6	9.100	8.611	0.489	5.4	88.072	86.287	1.784	2.0
Other Fringe Benefits	92.050	93.770	(1.720)	(1.9)	9.991	9.456	0.535	5.4	102.041	103.226	(1.185)	(1.2)
Reimbursable Overhead	(44.203)	(45.416)	1.214	2.7	41.864	42.824	(0.960)	(2.3)	(2.339)	(2.593)	0.254	10.8
Total Labor	\$689.660	\$699.728	(\$10.068)	(1.5)	\$131.451	\$127.970	\$3.481	2.6	\$821.111	\$827.698	(\$6.587)	(0.8)
<i>Non-Labor:</i>												
Electric Power	\$55.829	\$56.825	(\$0.995)	(1.8)	\$0.000	\$0.107	(\$0.107)	-	\$55.829	\$56.931	(\$1.102)	(2.0)
Fuel	16.052	15.874	0.178	1.1	0.000	0.000	0.000	-	16.052	15.874	0.178	1.1
Insurance	13.042	13.186	(0.143)	(1.1)	4.426	3.217	1.209	27.3	17.468	16.403	1.065	6.1
Claims	4.432	4.709	(0.277)	(6.2)	0.000	0.000	0.000	-	4.432	4.709	(0.277)	(6.2)
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	90.435	75.832	14.603	16.1	7.523	17.773	(10.250)	*	97.958	93.605	4.353	4.4
Professional Service Contracts	28.965	23.788	5.177	17.9	36.612	13.724	22.888	62.5	65.577	37.512	28.065	42.8
Materials & Supplies	71.627	73.384	(1.756)	(2.5)	29.169	20.736	8.433	28.9	100.796	94.120	6.676	6.6
Other Business Expenses	22.221	23.012	(0.792)	(3.6)	0.221	0.175	0.047	21.0	22.442	23.187	(0.745)	(3.3)
Total Non-Labor	\$302.604	\$286.610	\$15.994	5.3	\$77.951	\$55.732	\$22.219	28.5	\$380.555	\$342.342	\$38.213	10.0
<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.	\$992.264	\$986.337	\$5.926	0.6	\$209.402	\$183.702	\$25.700	12.3	\$1,201.666	\$1,170.039	\$31.627	2.6
Depreciation	182.009	171.718	10.291	5.7	0.000	0.000	0.000	-	182.009	171.718	10.291	5.7
OPEB Obligation	43.500	40.069	3.431	7.9	0.000	0.000	0.000	-	43.500	40.069	3.431	7.9
GASB68 Pension Adjustment	9.750	3.993	5.757	59.0	0.000	0.000	0.000	-	9.750	3.993	5.757	59.0
Environmental Remediation	3.000	2.504	0.496	16.5	0.000	0.000	0.000	-	3.000	2.504	0.496	16.5
Total Expenses	\$1,230.523	\$1,204.622	\$25.901	2.1	\$209.402	\$183.702	\$25.700	12.3	\$1,439.925	\$1,388.324	\$51.601	3.6
Net Surplus/(Deficit)	(\$638.302)	(\$620.265)	\$18.037	2.8	\$0.000	(\$0.000)	(\$0.000)	-	(\$638.302)	(\$620.265)	\$18.037	2.8
<i>Cash Conversion Adjustments:</i>												
Depreciation	182.009	171.718	(10.291)	(5.7)	0.000	0.000	0.000	-	182.009	171.718	(10.291)	(5.7)
Operating/Capital	(41.737)	(35.162)	6.575	15.8	0.000	0.000	0.000	-	(41.737)	(35.162)	6.575	15.8
Other Cash Adjustments	101.452	105.910	4.458	4.4	0.000	0.000	0.000	-	101.452	105.910	4.458	4.4
Total Cash Conversion Adjustments	\$241.725	\$242.466	\$0.742	0.3	\$0.000	\$0.000	\$0.000	-	\$241.725	\$242.466	\$0.742	0.3
Net Cash Surplus/(Deficit)	(\$396.577)	(\$377.799)	\$18.778	4.7	\$0.000	(\$0.000)	(\$0.000)	-	(\$396.577)	(\$377.799)	\$18.778	4.7

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.

--The impact of MNR's Way Ahead which was captured in MTA Re-estimates within below-the-line adjustments in the 2018 July Financial Plan, has been allocated and is now reflected within the baseline Mid-Year Forecast

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST
SEPTEMBER 2018
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast			Year to Date vs. Mid-Year Forecast		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
OTHER OPERATING REVENUE	Non-Reimb	(\$1.522)	(34.6%)	Lower net GCT retail income as well as lower advertising revenue due to a reduced MNR allocation of the overall MTA contracted advertising revenue.	(\$2.804)	(7.1%)	Lower advertising revenue due to a reduced MNR allocation of the overall MTA contracted advertising revenue as well as lower net GCT retail income.
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$1.435)	(5.4%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.	(\$25.700)	(12.3%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.
PAYROLL	Reimb	\$0.793	17.5%	Reflects lower monthly activity in the following projects: Connecticut Track Program and Cyclical Track Programs.	\$3.366	8.8%	Reflects lower year-to-date activity in the following projects: Cyclical Track Programs, Connecticut Track Program and Cyclical Replacement Insulated Joints.
OVERTIME	Reimb	\$0.293	12.1%	See overtime tables.	(\$0.842)	(4.5%)	See overtime tables.
HEALTH AND WELFARE	Non-Reimb	(\$0.346)	(4.3%)	Primarily reflects higher than forecasted rates.	(\$4.646)	(5.9%)	Reflects higher than forecasted rates combined with higher labor costs.
	Reimb	\$0.285	18.1%	Reflects lower monthly activity driven by the following projects: Connecticut Track Program and Cyclical Track Programs.	\$0.893	6.7%	Reflects lower year-to-date activity driven by the following projects: Connecticut Track Program and Cyclical Track Programs.
OPEB CURRENT PAYMENT	Non-Reimb	(\$0.114)	(4.0%)		(\$1.867)	(7.3%)	Reflects additional retirees.
PENSIONS	Non-Reimb	\$0.531	6.2%	Primarily reflects lower than forecasted rates.	\$1.296	1.6%	
	Reimb	\$0.171	15.8%	Reflects lower monthly activity driven by the following projects: Connecticut Track Program and Cyclical Track Programs.	\$0.489	5.4%	Reflects lower year-to-date activity for Cyclical Track Programs.
OTHER FRINGE BENEFITS	Non-Reimb	(\$4.028)	(40.5%)	Primarily reflects quarterly adjustment for employee claims reserve.	(\$1.720)	(1.9%)	
	Reimb	\$0.193	16.2%	Reflects lower monthly activity in the Connecticut Track Program.	\$0.535	5.4%	Reflects lower year-to-date activity for Cyclical Track Programs.

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST
SEPTEMBER 2018
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast			Year to Date vs. Mid-Year Forecast		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
REIMBURSABLE OVERHEAD	Non-Reimb	(\$0.315)	(5.9%)	The non-reimbursable and reimbursable variances primarily reflect lower monthly activity in the Connecticut Track Program.	\$1.214	2.7%	
	Reimb	\$0.414	8.0%		(\$0.960)	(2.3%)	
ELECTRIC POWER	Non-Reimb	(\$1.145)	(18.4%)	Primarily due to higher rates.	(\$0.995)	(1.8%)	
FUEL	Non-Reimb	\$0.268	14.7%	Reflects lower diesel fuel price per gallon.	\$0.178	1.1%	
INSURANCE	Reimb	\$0.253	44.3%	Reflects lower monthly activity in the following projects: Connecticut Track Program, Cyclical Track Programs and Turnouts Mainline High Speed.	\$1.209	27.3%	Reflects lower year-to-date activity in the following projects: Cyclical Track Programs, Connecticut Track Program, Positive Train Control, Turnouts Mainline High Speed, Signal Replacement from Greenwich to South Norwalk, Install Bridge Timbers and Communication & Signal Infrastructure Repair.
CLAIMS	Non-Reimb	\$0.071	73.4%	Primarily due to lower passenger claims reserve.	(\$0.277)	(6.2%)	Reflects year-to-date increase in the passenger claims reserve.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$4.002	33.4%	Reflects timing delays for the BL-20 locomotive overhauls and lower than anticipated expense for other miscellaneous maintenance and operating contracts as well as lower GCT utilities expense resulting from efficient chiller equipment implemented in conjunction with NYPA.	\$14.603	16.1%	Reflects timing delays for the BL-20 locomotive overhauls and lower than anticipated expense for other miscellaneous maintenance and operating contracts as well as lower GCT utilities expense resulting from efficient chiller equipment implemented in conjunction with NYPA.
	Reimb	(\$0.544)	(44.7%)	Reflects higher monthly activity in Signal Replacement from Greenwich to South Norwalk Project.	(\$10.250)	*	Reflects higher year-to-date activity in Signal Replacement from Greenwich to South Norwalk Project (budgeted in Professional Services).
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$0.408	12.1%	Primarily due to timing of expenses for engineering, EAM consulting, medical services and the Market Share Study.	\$5.177	17.9%	Primarily due to timing of expenses for engineering, EAM consulting, medical services, outside training and the Market Share Study.
	Reimb	\$0.000	0.0%		\$22.888	62.5%	Reflects lower year-to-date activity in the following projects: CT Positive Train Control Program and Signal Replacement from Greenwich to South Norwalk (actuals recorded in Maintenance and Other Operating Contracts).

MTA METRO-NORTH RAILROAD
ACCUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST
SEPTEMBER 2018
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast			Year to Date vs. Mid-Year Forecast		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
MATERIAL AND SUPPLIES	Non-Reimb	(\$3.315)	(41.3%)	Higher obsolete and excess materials reserve along with quarterly inventory adjustments.	(\$1.756)	(2.5%)	Primarily due to higher usage of materials for Reliability Centered Maintenance (RCM) programs in Maintenance of Equipment.
	Reimb	(\$0.386)	(11.5%)	Reflects higher monthly activity for Power Infrastructure Restoration project.	\$8.433	28.9%	Reflects lower year-to-date activity in the following projects: Turnouts Mainline High Speed, Cyclical Track Programs, Waterbury Branch Cab Signal, GCT Turnouts-Switch Renewal, Saga Bridge Repairs, Harmon Shop Improvements and Connecticut Track Program.
OTHER BUSINESS EXPENSES	Non-Reimb	(\$0.778)	(34.5%)	Primarily due to higher subsidy payment to NJT along with a lower expense recovery from Amtrak.	(\$0.792)	(3.6%)	Reflects higher subsidy payment to NJT for West of Hudson operations.
	Reimb	\$0.001	2.7%		\$0.047	21.0%	Reflects lower year-to-date activity in Crossing Upgrades Phase II project.
DEPRECIATION	Non-Reimb	\$1.093	5.3%	Reflects lower capitalization of assets than forecasted due to timing differences in project completions and assets reaching beneficial use.	\$10.291	5.7%	Reflects lower capitalization of assets than forecasted due to timing differences in project completions and assets reaching beneficial use.
GASB68 PENSION ADJUSTMENT	Non-Reimb	\$1.978	60.9%	Reflects adjustments to account for MNR's net pension liability.	\$5.757	59.0%	Reflects adjustments to account for MNR's net pension liability.
ENVIRONMENTAL REMEDIATION	Non-Reimb	\$1.000	100.0%	Reflects timing of projects requiring remediation.	\$0.496	16.5%	Reflects timing of projects requiring remediation.
OPERATING CAPITAL	Non-Reimb	\$0.508	9.0%	Reflects lower monthly activity in the GP35 Locomotive Overhaul Project.	\$6.575	15.8%	Reflects lower year-to-date activity in the following projects: Camera-Audio for Non-M8 Fleet, GP 35 Locomotive Overhaul and 525 North Broadway Façade Repair.

* Variance exceeds 100%.

MTA Metro-North Railroad
July Financial Plan - 2018 Mid-Year Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	September					Year To Date(September)				
	Mid-Year Forecast		Actual		Var. - Fav/(Unfav)	Mid-Year Forecast		Actual		Var. - Fav/(Unfav)
	Hours	\$	Hours	\$	Hours	Hours	\$	Hours	\$	Hours
NON-REIMBURSABLE OVERTIME										
<u>Scheduled Service</u> ¹	45,292	\$ 3.174	47,886	\$ 2.850	(2,594) -5.7%	406,896	\$ 27.673	441,703	\$ 26.434	(34,807) -8.6%
					10.2%					\$1.239 4.5%
<u>Unscheduled Service</u>	0	\$ -	0	\$ -	0 \$ -	0	\$ -	0	\$ -	0 \$ -
<u>Programmatic/Routine Maintenance</u>	48,076	\$ 2.889	51,581	\$ 2.902	(3,504) -7.3%	432,115	\$ 25.596	445,622	\$ 25.181	(13,507) -3.1%
					(\$0.013) -0.4%					\$0.415 1.6%
<u>Unscheduled Maintenance</u>	357	\$ 0.019	1	\$ 0.000	356 99.7%	6,959	\$ 0.400	2	\$ 0.000	6,957 100.0%
					\$0.019 99.7%					\$0.400 100.0%
<u>Vacancy/Absentee Coverage</u> ²	23,179	\$ 1.301	26,372	\$ 1.407	(3,192) -13.8%	234,874	\$ 12.962	248,230	\$ 13.160	(13,356) -5.7%
					(\$0.106) -8.1%					(\$0.199) -1.5%
<u>Weather Emergencies</u>	3,865	\$ 0.238	2,778	\$ 0.161	1,087 28.1%	70,725	\$ 3.967	121,825	\$ 6.789	(51,100) -72.3%
					\$0.077 32.4%					(\$2.822) -71.1%
<u>Safety/Security/Law Enforcement</u> ³	0	\$ -	0	\$ -	0 \$ -	0	\$ -	0	\$ -	0 \$ -
<u>Other</u>	(5)	\$ (0.000)	0	\$ 0.136	(5) (\$0.136)	36	\$ 1.073	153	\$ 2.007	(117) (\$0.934)
Subtotal	120,765	\$ 7.620	128,618	\$ 7.455	(7,853) -6.5%	1,151,605	\$ 71.671	1,257,535	\$ 73.572	(105,930) -9.2%
					\$0.165 2.2%					(\$1.901) -2.7%
REIMBURSABLE OVERTIME	39,159	\$ 2.432	36,107	\$ 2.139	3,052 7.8%	307,938	\$ 18.905	345,270	\$ 19.747	(37,332) -12.1%
					\$0.293 12.1%					(\$0.841) -4.5%
TOTAL OVERTIME	159,924	\$ 10.052	164,724	\$ 9.594	(4,801) -3.0%	1,459,543	\$ 90.576	1,602,804	\$ 93.318	(143,262) -9.8%
					\$0.458 4.6%					(\$2.742) -3.0%

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
July Financial Plan - 2018 Mid-Year Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	September			Year To Date(September)		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
NON-REIMBURSABLE OVERTIME						
<u>Scheduled Service</u> ¹	(2,594)	\$0.324	Reflects service coverage versus available staff and train dispatchment needs.	(34,807)	\$1.239	Reflects service coverage versus available staff and train dispatchment needs.
	-5.7%	10.2%		-8.6%	4.5%	
<u>Unscheduled Service</u>	0	\$ -		0	\$ -	
<u>Programmatic/Routine Maintenance</u>	(3,504)	(\$0.013)	Slightly higher infrastructure repair work.	(13,507)	\$0.415	Lower infrastructure repair work in Maintenance of Way.
	-7.3%	-0.4%		-3.1%	1.6%	
<u>Unscheduled Maintenance</u>	356	\$0.019	Fewer than planned unscheduled maintenance events.	6,957	\$0.400	Fewer than planned unscheduled maintenance events.
	99.7%	99.7%		100.0%	100.0%	
<u>Vacancy/Absentee Coverage</u> ²	(3,192)	(\$0.106)	Slightly higher vacation, sick and vacancy coverage requirements.	(13,356)	(\$0.199)	Slightly higher vacation, sick and vacancy coverage requirements.
	-13.8%	-8.1%		-5.7%	-1.5%	
<u>Weather Emergencies</u>	1,087	\$0.077	Fewer weather events than budgeted.	(51,100)	(\$2.822)	Reflects impact of Winter Storms Riley, Quinn, Toby and Skylar in March as well as significant storms in April and May.
	28.1%	32.4%		-72.3%	-71.1%	
<u>Safety/Security/Law Enforcement</u> ³	0	\$ -		0	\$ -	
<u>Other</u>	(5)	(\$0.136)	Reflects timing differences related to payroll and calendar cutoff dates.	(117)	(\$0.934)	Reflects timing differences related to payroll and calendar cutoff dates.
Subtotal	(7,853)	\$0.165		(105,930)	(\$1.901)	
	-6.5%	2.2%		-9.2%	-2.7%	
REIMBURSABLE OVERTIME	3,052	\$0.293	Reflects lower monthly activity in the Connecticut Track program.	(37,332)	(\$0.841)	Reflects higher activity in the Turnouts Yards/Sidings and Turnouts Mainline High Speed projects.
	7.8%	12.1%		-12.1%	-4.5%	
TOTAL OVERTIME	(4,801)	\$0.458		(143,262)	(\$2.742)	

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 resulting from extraordinary events</u> , including running repairs. Program/Routine maintenance work is usually performed during hours that are deemed more practical in order to minimize service disruptions, and includes contractual scheduled pay over 8 hours.
<i>Unscheduled Maintenance</i>	Resulting from an <u>extraordinary event</u> (not weather-related) requiring the use of unplanned maintenance to perform repairs on trains, buses, subway and bus stations, depots, tracks and administrative and other facilities, including derailments, tour length and weekend coverage.
<i>Vacancy/Absentee Coverage</i>	Provides coverage for an absent employee or a vacant position.
<i>Weather Emergencies</i>	Coverage necessitated by extreme weather conditions (e.g. snow, flooding, hurricane, and tornadoes), as well as preparatory and residual costs.
<i>Safety/Security/Law Enforcement</i>	Coverage required to provide additional customer & employee protection and to secure MTA fleet facilities, transportation routes, and security training.
<i>Other</i>	Includes overtime coverage for clerical, administrative positions that are eligible for overtime.
<i>Reimbursable Overtime</i>	Overtime incurred to support projects that are reimbursed from the MTA Capital Program and other funding sources.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST
CASH RECEIPTS AND EXPENDITURES
(\$ in millions)

SCHEDULE III

	September 2018				Year-to-Date			
	Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
Receipts								
Farebox Receipts	\$62.344	\$57.326	(\$5.018)	(8.0)	\$544.125	\$536.784	(\$7.341)	(1.3)
Toll Receipts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Receipts	5.936	9.756	3.820	64.3	85.511	89.426	3.915	4.6
<i>Capital & Other Reimbursements:</i>								
MTA	12.487	4.873	(7.614)	(61.0)	96.284	93.092	(3.192)	(3.3)
CDOT	13.742	4.668	(9.074)	(66.0)	105.292	86.988	(18.304)	(17.4)
Other	0.752	1.011	0.259	34.4	8.983	11.552	2.569	28.6
Total Capital and Other Reimbursements	26.981	10.552	(16.429)	(60.9)	210.559	191.632	(18.927)	(9.0)
Total Receipts	\$95.261	\$77.634	(\$17.627)	(18.5)	\$840.195	\$817.842	(\$22.353)	(2.7)
Expenditures								
<i>Labor:</i>								
Payroll	\$45.924	\$43.015	\$2.909	6.3	\$431.706	\$423.458	\$8.248	1.9
Overtime	10.133	9.855	0.278	2.7	91.718	92.599	(0.881)	(1.0)
Health and Welfare	9.963	2.136	7.827	78.6	98.145	96.713	1.432	1.5
OPEB Current Payment	2.812	0.614	2.198	78.2	23.668	25.200	(1.532)	(6.5)
Pensions	9.620	10.093	(0.473)	(4.9)	89.811	88.599	1.212	1.3
Other Fringe Benefits	10.657	9.353	1.304	12.2	106.197	107.886	(1.689)	(1.6)
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	100.0	0.000	0.000	0.000	100.0
Total Labor	\$89.110	\$75.066	\$14.044	15.8	\$841.245	\$834.455	\$6.790	0.8
<i>Non-Labor:</i>								
Electric Power	\$6.389	\$6.555	(\$0.166)	(2.6)	\$55.269	\$59.220	(\$3.951)	(7.1)
Fuel	1.776	1.612	0.164	9.2	17.275	16.768	0.507	2.9
Insurance	2.518	0.000	2.518	100.0	9.949	11.503	(1.554)	(15.6)
Claims	0.599	0.112	0.487	81.3	6.465	6.106	0.359	5.6
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	14.783	9.995	4.788	32.4	107.083	96.194	10.889	10.2
Professional Service Contracts	7.998	1.957	6.041	75.5	62.187	27.787	34.400	55.3
Materials & Supplies	11.907	11.982	(0.075)	(0.6)	105.368	112.311	(6.943)	(6.6)
Other Business Expenditures	3.638	3.300	0.338	9.3	31.930	31.297	0.633	2.0
Total Non-Labor	\$49.608	\$35.513	\$14.095	28.4	\$395.527	\$361.186	\$34.341	8.7
<i>Other Adjustments:</i>								
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	\$138.718	\$110.579	\$28.139	20.3	\$1,236.772	\$1,195.641	\$41.131	3.3
Net Cash Deficit (excludes Opening Cash Balance)	(\$43.457)	(\$32.945)	\$10.512	24.2	(\$396.577)	(\$377.799)	\$18.778	4.7
Subsidies								
MTA	33.496	28.173	(5.323)	(15.9)	315.674	291.340	(24.334)	(7.7)
CDOT	9.961	0.743	(9.218)	(92.5)	101.485	96.320	(5.165)	(5.1)
Total Subsidies	\$43.457	\$28.916	(\$14.541)	(33.5)	\$417.159	\$387.660	(\$29.499)	(7.1)
Cash Timing and Availability Adjustment	\$0.000	\$0.846	\$0.846	-	\$0.000	(\$13.044)	(\$13.044)	-

-- Results are preliminary and subject to audit review.

--The impact of MNR's Way Ahead which was captured in MTA Re-estimates within below-the-line adjustments in the 2018 July Financial Plan, has been allocated and is now reflected within the baseline Mid-Year Forecast

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
(\$ in millions)

\$ Detail

Generic Receipt or Expense Category	September Month vs Mid-Year Forecast			Year-To-Date as of September 30th, 2018		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
FARE REVENUE	(5.018)	(8.0%)	Timing of cash in transit combined with lower than anticipated yield in commutation ridership due to growth in shorter distance commuter trips as well as lower non-commutation ridership driven by station improvement work on the Harlem line.	(7.341)	(1.3%)	
OTHER OPERATING REVENUE	3.820	64.3%	Timing of Amtrak reimbursement and GCT revenues.	3.915	4.6%	
CAPITAL AND OTHER REIMBURSEMENTS:						
MTA	(7.614)	(61.0%)	Lower cash receipts than forecasted combined with lower capital related project activity.	(3.192)	(3.3%)	Lower capital related project activity combined with lower cash receipts than forecasted.
CDOT	(9.074)	(66.0%)	Lower cash receipts than forecasted combined with lower capital related project activity.	(18.304)	(17.4%)	Lower capital related project activity partially offset by higher cash receipts than forecasted.
OTHER	0.259	34.4%	Higher cash receipts than forecasted.	2.569	28.6%	Higher cash receipts than forecasted combined with higher reimbursable related project activity.
PAYROLL	2.909	6.3%	Due to re-scheduling of training of conductors and engineers combined with timing differences related to payroll and calendar cutoff dates.	8.248	1.9%	
HEALTH & WELFARE	7.827	78.6%	Timing of payments for health insurance premiums.	1.432	1.5%	
OPEB CURRENT PAYMENT	2.198	78.2%	Timing of payments for health insurance premiums.	(1.532)	(6.5%)	
OTHER FRINGE BENEFITS	1.304	12.2%	Timing of payroll taxes paid combined with lower FELA claims.	(1.689)	(1.6%)	
ELECTRIC POWER	(0.166)	(2.6%)		(3.951)	(7.1%)	Timing of payments combined with higher rates than forecasted.
FUEL	0.164	9.2%	Reflects lower diesel fuel price per gallon partially offset by timing of payments.	0.507	2.9%	
INSURANCE	2.518	100.0%	Timing of payments for insurance premiums relating to All Agency Property, All Agency - Catastrophic Bond and Force Account.	(1.554)	(15.6%)	Timing of payments for insurance premiums relating to Station Liability and Automobile.
CLAIMS	0.487	81.3%	Timing of passenger injury settlements.	0.359	5.6%	Timing of passenger injury settlements.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
(\$ in millions)

\$ Detail

Generic Receipt or Expense Category	September Month vs Mid-Year Forecast			Year-To-Date as of September 30th, 2018		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
MAINTENANCE & OTHER OPERATING CONTRACTS	4.788	32.4%	Reflects timing delays for the BL-20 locomotive overhauls and lower than anticipated expense for other miscellaneous maintenance and operating contracts, timing of Real Estate Management Services and Camera Kits.	10.889	10.2%	Reflects timing of payments for MTA Police Services, lower than anticipated expense for other miscellaneous maintenance and operating contracts, timing delays for the BL-20 locomotive overhauls and timing of Camera Kits partially offset by payments for Capital Related Projects.
PROFESSIONAL SERVICE CONTRACTS	6.041	75.5%	Primarily due to timing of payments for Engineering, Consulting and Medical Services.	34.400	55.3%	Primarily due to revised milestone scheduling of Capital Related Projects (Positive Train Control and Signal Replacement - Greenwich to South Norwalk) combined with timing of payments for NHL share of BSC/IT Costs and Engineering Services.
MATERIALS & SUPPLIES	(0.075)	(0.6%)		(6.943)	(6.6%)	Timing of payments for materials placed into inventory.
OTHER BUSINESS EXPENSES	0.338	9.3%	Lower spend on Purchases - Other Non-Operating and Travel, Meeting & Conventions.	0.633	2.0%	
MTA SUBSIDY RECEIPTS	(5.323)	(15.9%)	Lower net cash deficit combined with available cash balance partially offset by lower CDOT Subsidy.	(24.334)	(7.7%)	Lower net cash deficit combined with available cash balance partially offset by lower CDOT Subsidy.
CDOT SUBSIDY RECEIPTS	(9.218)	(92.5%)	Lower share of prior months deficit than forecasted.	(5.165)	(5.1%)	Lower share of prior months deficit than forecasted.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST
CASH CONVERSION (CASH FLOW ADJUSTMENT)
(\$ in millions)

	September 2018				Year-to-Date			
			Favorable (Unfavorable)				Favorable (Unfavorable)	
	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent
Receipts								
Farebox Revenue	(\$0.958)	(\$4.448)	(\$3.491)	*	(\$8.724)	(\$11.005)	(\$2.280)	(26.1)
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	1.538	6.880	5.342	*	46.140	52.858	6.719	14.4
Capital & Other Reimbursements:		0.000			0.000	0.000		
MTA	0.641	(6.010)	(6.650)	*	(6.556)	(1.281)	5.275	80.5
CDOT	0.000	(8.271)	(8.271)	-	5.199	7.040	1.841	35.4
Other	0.000	(0.073)	(0.073)	-	2.513	2.171	(0.342)	(13.6)
Total Capital and Other Reimbursements	0.641	(14.354)	(14.994)	*	1.157	7.930	6.774	*
Total Revenue/Receipts	\$1.221	(\$11.922)	(\$13.143)	*	\$38.572	\$49.783	\$11.212	29.1
Expenditures								
<i>Labor:</i>								
Payroll	(\$0.400)	\$1.494	\$1.894	*	(\$6.160)	\$1.166	\$7.326	*
Overtime	(0.081)	(0.261)	(0.180)	*	(1.142)	0.719	1.861	*
Health and Welfare	(0.329)	7.559	7.889	*	(6.494)	(1.309)	5.185	79.8
OPEB Current Payment	0.000	2.312	0.000		1.895	2.231	0.336	17.7
Pensions	(0.033)	(1.208)	(1.174)	*	(1.739)	(2.312)	(0.573)	(32.9)
Other Fringe Benefits	0.463	5.604	5.140	*	(4.156)	(4.660)	(0.504)	(12.1)
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0.173)	(0.271)	(0.098)	(56.7)	(2.339)	(2.593)	(0.254)	(10.8)
Total Labor	(\$0.553)	\$15.229	\$15.783	*	(\$20.134)	(\$6.757)	\$13.377	66.4
<i>Non-Labor:</i>								
Electric Power	(\$0.174)	\$0.843	\$1.017	*	\$0.560	(\$2.289)	(\$2.848)	*
Fuel	0.039	(0.065)	(0.104)	*	(1.222)	(0.894)	0.329	26.9
Insurance	(0.493)	1.772	2.265	*	7.519	4.900	(2.620)	(34.8)
Claims	(0.502)	(0.086)	0.416	82.8	(2.033)	(1.397)	0.636	31.3
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	(1.593)	(0.263)	1.330	83.5	(9.125)	(2.589)	6.537	71.6
Professional Service Contracts	0.540	6.173	5.632	*	3.390	9.725	6.336	*
Materials & Supplies	(0.508)	3.119	3.626	*	(4.572)	(18.191)	(13.619)	*
Other Business Expenses	(1.355)	(0.239)	1.115	82.3	(9.488)	(8.110)	1.378	14.5
Total Non-Labor	(\$4.045)	\$11.253	\$15.298	*	(\$14.972)	(\$18.844)	(\$3.872)	(25.9)
<i>Other Adjustments:</i>								
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.	(\$4.599)	\$26.482	\$31.080	*	(\$35.106)	(\$25.602)	\$9.505	27.1
Depreciation	20.542	19.449	(1.093)	(5.3)	182.009	171.718	(10.291)	(5.7)
OPEB Obligation	4.833	4.574	(0.259)	5.4	43.500	40.069	(3.431)	7.9
GASB68 Pension Adjustment	3.250	1.272	(1.978)	60.9	9.750	3.993	(5.757)	59.0
Environmental Remediation	1.000	0.000	(1.000)	(100.0)	3.000	2.504	(0.496)	16.5
Total Expenditures Adjustments	\$25.027	\$51.777	\$26.750	*	\$203.153	\$192.683	(\$10.470)	(5.2)
Total Cash Conversion Adjustments	\$26.248	\$39.854	\$13.606	51.8	\$241.725	\$242.466	\$0.742	0.3

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.

--The impact of MNR's Way Ahead which was captured in MTA Re-estimates within below-the-line adjustments in the 2018 July Financial Plan, has been allocated and is now reflected within the baseline Mid-Year Forecast

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST
RIDERSHIP/UTILIZATION
SEPTEMBER 2018
(in millions)

	MONTH			VARIANCE				YTD			VARIANCE			
	MID-YEAR FORECAST	2018	2017 ^(A)	MID-YEAR FORECAST		2017		MID-YEAR FORECAST	2018	2017 ^(A)	MID-YEAR FORECAST		2017	
FAREBOX REVENUE														
Harlem Line - Commutation	9.483	9.296	9.328	(0.187)	-2.0%	(0.032)	-0.3%	84.451	83.707	82.959	(0.744)	-0.9%	0.747	0.9%
Harlem Line - Non-Commutation	8.806	8.173	8.440	(0.633)	-7.2%	(0.266)	-3.2%	75.392	72.947	74.345	(2.445)	-3.2%	(1.398)	-1.9%
TOTAL HARLEM LINE	\$18.289	\$17.469	\$17.768	(\$0.819)	-4.5%	(\$0.298)	-1.7%	\$159.842	\$156.653	\$157.304	(\$3.189)	-2.0%	(\$0.651)	-0.4%
Hudson Line - Commutation	6.233	6.181	6.115	(0.051)	-0.8%	0.067	1.1%	55.291	55.135	54.175	(0.155)	-0.3%	0.960	1.8%
Hudson Line - Non-Commutation	7.448	7.594	7.347	0.146	2.0%	0.247	3.4%	63.333	63.517	61.843	0.184	0.3%	1.674	2.7%
TOTAL HUDSON LINE	\$13.681	\$13.775	\$13.461	\$0.094	0.7%	\$0.314	2.3%	\$118.623	\$118.652	\$116.018	\$0.029	0.0%	\$2.634	2.3%
New Haven Line - Commutation	13.863	13.266	13.217	(0.596)	-4.3%	0.050	0.4%	120.892	118.642	117.579	(2.250)	-1.9%	1.063	0.9%
New Haven Line - Non-Commutation	16.220	16.019	15.658	(0.201)	-1.2%	0.360	2.3%	142.566	142.859	140.873	0.293	0.2%	1.986	1.4%
TOTAL NEW HAVEN LINE	\$30.082	\$29.285	\$28.875	(\$0.798)	-2.7%	\$0.410	1.4%	\$263.458	\$261.500	\$258.452	(\$1.957)	-0.7%	\$3.048	1.2%
All Lines - Commutation	29.578	28.743	28.659	(0.835)	-2.8%	0.084	0.3%	260.634	257.484	254.713	(3.150)	-1.2%	2.770	1.1%
All Lines - Non-Commutation	32.474	31.785	31.445	(0.688)	-2.1%	0.341	1.1%	281.290	279.322	277.061	(1.968)	-0.7%	2.261	0.8%
TOTAL EAST OF HUDSON LINES	\$62.052	\$60.529	\$60.104	(\$1.523)	-2.5%	\$0.425	0.7%	\$541.924	\$536.806	\$531.774	(\$5.118)	-0.9%	\$5.031	0.9%
West of Hudson ^(B)	\$1.250	\$1.246	\$1.189	(0.005)	-0.4%	0.056	4.7%	\$10.926	\$10.983	\$10.777	0.057	0.5%	0.206	1.9%
TOTAL FAREBOX REVENUE	\$63.302	\$61.774	\$61.293	(\$1.527)	-2.4%	\$0.481	0.8%	\$552.849	\$547.789	\$542.551	(\$5.061)	-0.9%	\$5.237	1.0%
RIDERSHIP														
Harlem Line - Commutation	1.297	1.280	1.290	(0.017)	-1.3%	(0.010)	-0.8%	12.511	12.455	12.507	(0.055)	-0.4%	(0.051)	-0.4%
Harlem Line - Non-Commutation	0.963	0.899	0.929	(0.064)	-6.7%	(0.030)	-3.3%	8.177	7.933	8.181	(0.245)	-3.0%	(0.248)	-3.0%
TOTAL HARLEM LINE	2.260	2.179	2.219	(0.081)	-3.6%	(0.040)	-1.8%	20.688	20.388	20.687	(0.300)	-1.5%	(0.300)	-1.4%
Hudson Line - Commutation	0.725	0.727	0.719	0.002	0.3%	0.008	1.1%	6.995	7.030	6.980	0.035	0.5%	0.050	0.7%
Hudson Line - Non-Commutation	0.660	0.679	0.653	0.019	2.9%	0.026	4.0%	5.636	5.669	5.577	0.033	0.6%	0.092	1.6%
TOTAL HUDSON LINE	1.386	1.406	1.372	0.021	1.5%	0.034	2.5%	12.631	12.699	12.557	0.068	0.5%	0.142	1.1%
New Haven Line - Commutation	1.736	1.718	1.731	(0.018)	-1.1%	(0.013)	-0.8%	16.566	16.545	16.675	(0.022)	-0.1%	(0.130)	-0.8%
New Haven Line - Non-Commutation	1.502	1.510	1.460	0.008	0.6%	0.050	3.4%	13.279	13.343	13.171	0.064	0.5%	0.172	1.3%
TOTAL NEW HAVEN LINE	3.238	3.228	3.191	(0.010)	-0.3%	0.037	1.2%	29.846	29.888	29.846	0.042	0.1%	0.042	0.1%
Total Ridership East of Hudson														
All Lines - Commutation	3.758	3.725	3.740	(0.033)	-0.9%	(0.015)	-0.4%	36.072	36.030	36.161	(0.042)	-0.1%	(0.132)	-0.4%
All Lines - Non-Commutation	3.125	3.088	3.042	(0.037)	-1.2%	0.046	1.5%	27.093	26.945	26.929	(0.148)	-0.5%	0.016	0.1%
TOTAL EAST OF HUDSON LINES	6.883	6.813	6.782	(0.070)	-1.0%	0.031	0.5%	63.165	62.975	63.090	(0.190)	-0.3%	(0.116)	-0.2%
West of Hudson ^(B)	0.131	0.122	0.123	(0.009)	-6.6%	(0.001)	-0.7%	1.218	1.222	1.217	0.004	0.3%	0.005	0.4%
TOTAL EAST & WEST OF HUDSON LINES	7.014	6.935	6.905	(0.079)	-1.1%	0.030	0.4%	64.383	64.197	64.308	(0.187)	-0.3%	(0.111)	-0.2%

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

^(B) 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 MID-YEAR FORECAST VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
September 30, 2018

<u>Department</u>	<u>Mid-Year Forecast</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Notes</u>
Administration				
President	3	3	-	
Labor Relations	17	14	3	
Safety	56	56	0	
Security	23	23	0	
Office of the Executive VP	9	9	-	
Corporate & Public Affairs	20	18	2	
Customer Service	67	59	8	A
Legal	12	11	1	
Claims	12	12	0	
Environmental Compliance & Svce	6	6	0	
Human Resources	49	45	4	
Training	85	85	-	
Employee Relations & Diversity	6	4	2	
VP Planning	2	2	-	
Operations Planning & Analysis	22	21	1	
Capital Planning & Programming	13	13	-	
Long Range Planning	8	8	-	
VP Finance & Info Systems	4	-	4	B
Controller	75	70	5	C
Budget	17	17	0	
Procurement & Material Management	25	27	(2)	
Total Administration	531	503	28	
Operations				
Operations Administration	69	77	(8)	B
Transportation	1,624	1,616	8	A,D
Customer Service	291	274	17	A
Metro-North West	25	34	(9)	D
Total Operations	2,009	2,001	8	
Maintenance				
Maintenance of Equipment	1,685	1,674	11	A
Maintenance of Way	2,204	2,137	67	A,B,D
Procurement & Material Mgmt	121	113	8	
Total Maintenance	4,010	3,924	86	
Engineering/Capital				
Construction Management	41	37	4	
Engineering & Design	79	75	4	
Total Engineering/Capital	120	112	8	
Total Positions	6,670	6,541	129	
Non-Reimbursable	5,877	5,920	(43)	E
Reimbursable	793	620	172	
Total Full-Time	6,669	6,540	129	
Total Full-Time-Equivalents (of part-time positions)	1	1	-	

Notes

(A) Variance reflects delayed hiring of vacant positions.

(B) Variance reflects the transfer of certain Enterprise Asset Management functions and positions from Maintenance of Way and VP Finance & Info Systems to Operations Administration.

(C) Variance reflects higher attrition than planned.

(D) Metro-North West unfavorable variance is due to the transfer of Maintenance of Way and Transportation staff supporting West of Hudson activity.

(E) Variance primarily reflects Maintenance of Way and Transportation positions performing operating work due to the rescheduling of reimbursable projects.

MTA METRO-NORTH RAILROAD
2018 MID-YEAR FORECAST VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
September 30, 2018

FUNCTION/OCCUPATION	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance
Administration			
Managers/Supervisors	185	169	16
Professional, Technical, Clerical	346	334	12
Operational Hourlies	-	-	-
Total Administration	531	503	28
Operations			
Managers/Supervisors	252	240	12
Professional, Technical, Clerical	183	175	8
Operational Hourlies	1,574	1,586	(12)
Total Operations	2,009	2,001	8
Maintenance			
Managers/Supervisors	635	636	(1)
Professional, Technical, Clerical	518	491	27
Operational Hourlies	2,857	2,798	59
Total Maintenance	4,010	3,924	86
Engineering/Capital			
Managers/Supervisors	45	45	(0)
Professional, Technical, Clerical	75	67	8
Operational Hourlies	-	-	-
	120	112	8
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	-	-	-
Total Positions			
Managers/Supervisors	1,117	1,090	27
Professional, Technical, Clerical	1,122	1,066	56
Operational Hourlies	4,431	4,384	47
Total Positions	6,670	6,541	129

**MTA METRO-NORTH RAILROAD
2018 MID-YEAR FORECAST VS. ACTUALS
September 30, 2018**

Agency-wide (Non-Reimbursable and Reimbursable)	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance	Explanation of Variances
<i>Functional Classification:</i>				
Administration	531	503	28	Primarily reflects delayed hiring of vacant positions and higher attrition than planned as well as the transfer of certain Enterprise Asset Management functions and positions from Maintenance of Way and VP Finance & Info Systems to Operations Administration.
Operations	2,009	2,001	8	Primarily reflects delayed hiring of vacant positions partially offset by the transfer of certain Enterprise Asset Management functions and positions from Maintenance of Way and VP Finance & Info Systems to Operations Administration.
Maintenance	4,010	3,924	86	Primarily reflects delayed hiring of vacant positions and the transfer of certain Enterprise Asset Management functions and positions from Maintenance of Way and VP Finance & Info Systems to Operations Administration.
Engineering / Capital	120	112	8	
Total Agency-wide Headcount	6,139	6,038	101	
Non-Reimbursable	5,346	5,418	(71)	Primarily reflects Maintenance of Way and Transportation positions performing operating work due to the rescheduling of reimbursable projects.
Reimbursable	793	620	172	

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2018 MID-YEAR FORECAST
MONTHLY PERFORMANCE INDICATORS ^(A)
SEPTEMBER 2018

	MONTH			VARIANCE	
	MYF	2018	2017	Fav/(Unfav)	
				MYF	2017
Farebox Operating Ratio					
Standard ^(B)	57.4%	54.1%	54.1%	-3.3%	0.0%
Adjusted ^(C)	63.6%	58.7%	61.2%	-4.9%	-2.5%
Cost per Passenger					
Standard ^(B)	\$15.73	\$16.47	\$15.95	(\$0.74)	(\$0.51)
Adjusted ^(C)	\$15.35	\$16.07	\$15.77	(\$0.72)	(\$0.30)
Passenger Revenue/Passenger	\$9.03	\$8.91	\$8.64	(\$0.12)	\$0.27
	YEAR-TO-DATE			VARIANCE	
	MYF	2018	2017	Fav/(Unfav)	
				MYF	2017
Farebox Operating Ratio					
Standard ^(B)	55.0%	55.2%	57.2%	0.2%	-2.0%
Adjusted ^(C)	61.0%	61.2%	64.1%	0.1%	-2.9%
Cost per Passenger					
Standard ^(B)	\$15.62	\$15.46	\$14.75	\$0.16	(\$0.71)
Adjusted ^(C)	\$15.25	\$15.05	\$14.39	\$0.19	(\$0.66)
Passenger Revenue/Passenger	\$8.59	\$8.53	\$8.44	(\$0.05)	\$0.10

(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



The sunset over the Moodna Viaduct on the Port Jervis Line.

Photo courtesy of Linda Morris



Metro-North Railroad

November 2018 Highlights: Ridership Report

September 2018 vs. 2017

- East of Hudson ridership increased 0.5% vs. September 2017 and was 1.0% below forecast
 - Commutation ridership decreased 0.4%
 - Non-Commutation ridership increased 1.5%
- Harlem Line non-commutation ridership continues to be down 3.3% due in part to the reduced weekday off-peak and weekend service levels to accommodate White Plains station improvements.
- East of Hudson ridership by line:
 - Hudson Line ridership increased 2.5%
 - Harlem Line ridership decreased 1.8%
 - New Haven Line ridership increased 1.2%

2018 vs. 2017 YTD

- Total YTD rail ridership is 0.2% below 2017 and 0.3% below forecast
 - YTD Commutation ridership is 0.4% below 2017
 - YTD Non-Commutation ridership is 0.1% above 2017

Michael Shiffer
Vice President
Planning

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

RIDERSHIP SUMMARY

September Ridership and Revenue (millions)

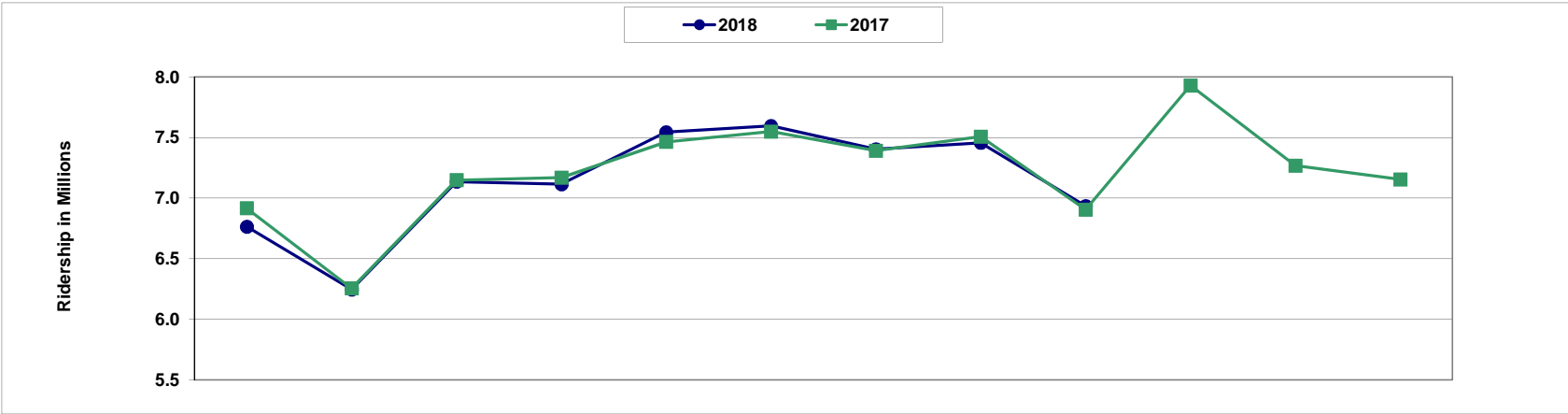
	September 2018	% Change vs. 2017
Total Rail Ridership	6.935	+0.4% ▲
Commutation Ridership	3.788	-0.5% ▼
Non-Commutation Ridership	3.147	+1.6% ▲
Connecting Service Ridership	0.047	+3.5% ▲
Total MNR System Ridership	6.982	+0.5% ▲
Rail Revenue	\$61.8	+0.8% ▲

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

	YTD 2018	% Change vs. 2017	Comparison to Forecast
Total Rail Ridership	64.197	-0.2% ▼	- 0.3% ▼
Commutation Ridership	36.704	-0.4% ▼	-0.1% ▼
Non-Commutation Ridership	27.493	+0.1% ▲	-0.5% ▼
Connecting Service Ridership	0.433	-1.7% ▼	+0.2% ▲
Total MNR System Ridership	64.630	-0.2% ▼	-0.3% ▼
Rail Revenue	\$547.8	+1.0% ▲	-0.9% ▼

SEPTEMBER RAIL RIDERSHIP (1)

- September's Total Rail Ridership was 0.4% above 2017 and 1.1% below forecast.

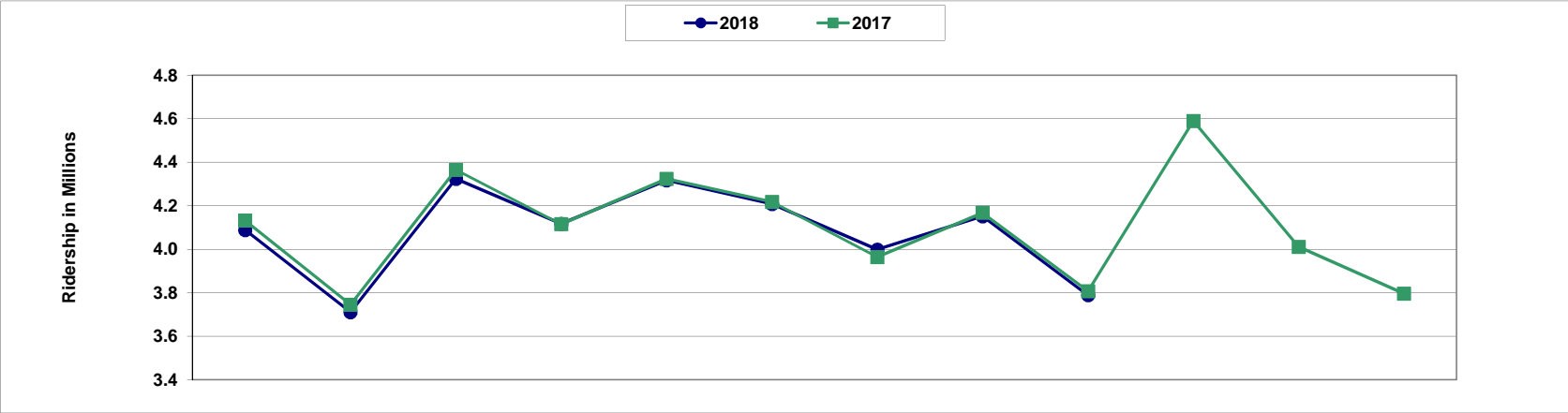


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2018	6.8	6.2	7.1	7.1	7.5	7.6	7.4	7.5	6.9				64.2
2017	6.9	6.3	7.1	7.2	7.5	7.5	7.4	7.5	6.9	7.9	7.3	7.2	64.3
PCT CHG.	-2.2%	-0.1%	-0.2%	-0.8%	1.1%	0.6%	0.2%	-0.7%	0.4%				-0.2%

1) Includes East and West of Hudson.

SEPTEMBER RAIL COMMUTATION RIDERSHIP (1)

• September's Rail Commutation Ridership was 0.5% below 2017 and 1.0% below forecast.

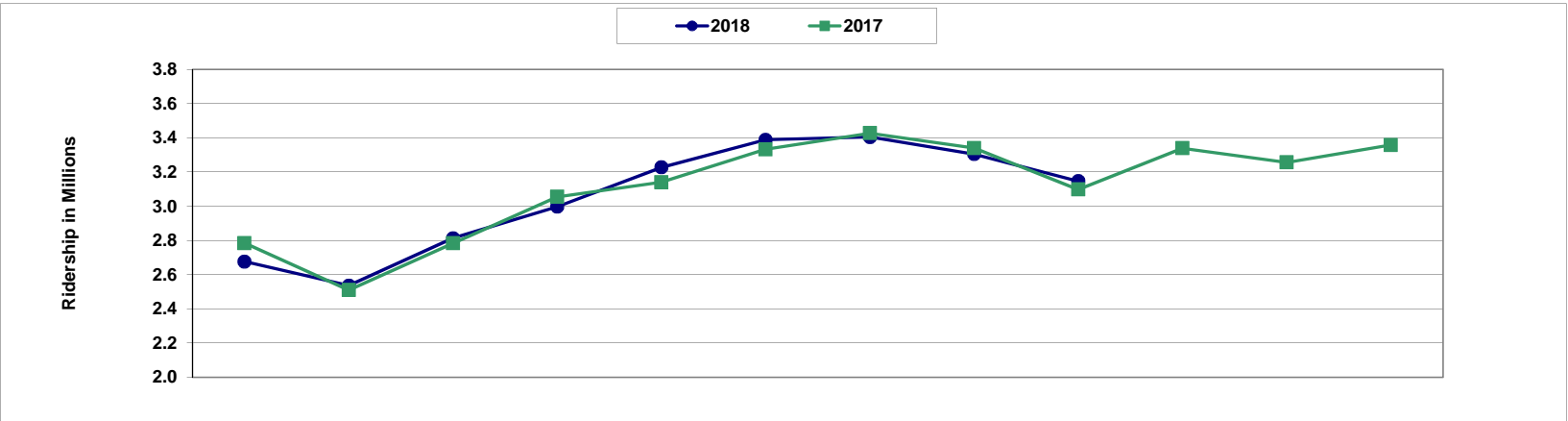


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2018	4.1	3.7	4.3	4.1	4.3	4.2	4.0	4.2	3.8				36.7
2017	4.1	3.7	4.4	4.1	4.3	4.2	4.0	4.2	3.8	4.6	4.0	3.8	36.8
PCT CHG.	-1.1%	-0.9%	-0.9%	0.1%	-0.2%	-0.2%	0.9%	-0.4%	-0.5%				-0.4%

1) Includes East and West of Hudson.

SEPTEMBER RAIL NON-COMMUTATION RIDERSHIP (1)

• September's Rail Non-Commutation Ridership was 1.6% above 2017 and 1.3% below forecast.

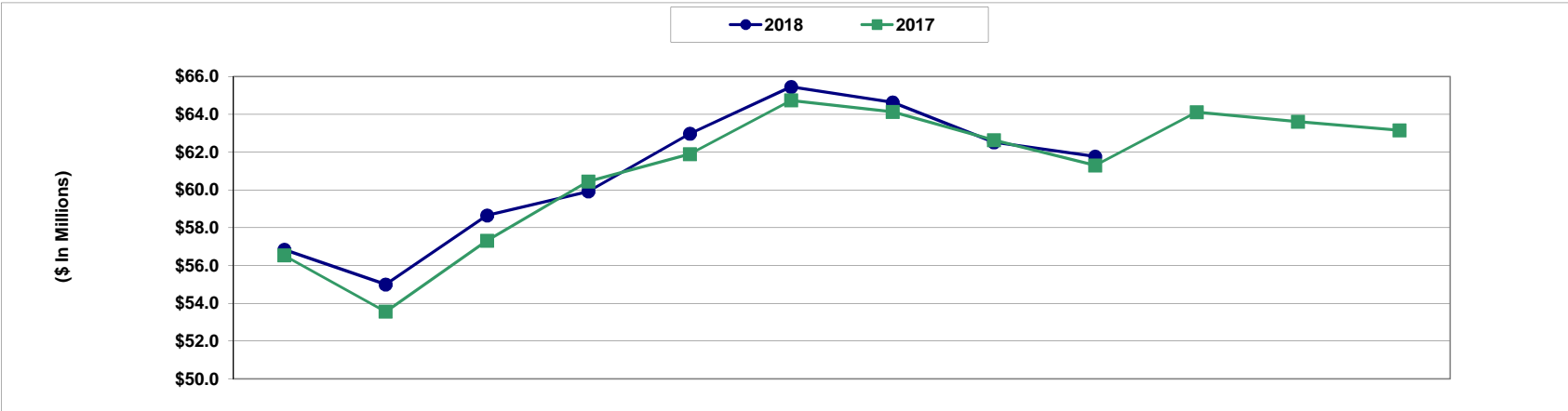


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2018	2.7	2.5	2.8	3.0	3.2	3.4	3.4	3.3	3.1				27.5
2017	2.8	2.5	2.8	3.1	3.1	3.3	3.4	3.3	3.1	3.3	3.3	3.4	27.5
PCT CHG.	-3.9%	1.0%	1.0%	-1.9%	2.8%	1.7%	-0.7%	-1.0%	1.6%				0.1%

1) Includes East and West of Hudson.

SEPTEMBER RAIL REVENUE (1)

•September's Total Rail Revenue was 0.8% above 2017 and 2.4% below forecast.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2018	\$56.8	\$55.0	\$58.6	\$59.9	\$63.0	\$65.5	\$64.6	\$62.5	\$61.8				\$547.8
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	\$542.6
PCT CHG.	0.5%	2.7%	2.3%	-0.9%	1.7%	1.1%	0.8%	-0.2%	0.8%				1.0%

1) Includes East and West of Hudson.

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

TICKET TYPE/SERVICE	SEPTEMBER 2018 ACTUAL	SEPTEMBER 2018 FORECAST	VARIANCE VS. FORECAST		SEPTEMBER 2017 RESTATE (1)	CHANGE FROM 2017	
			AMOUNT	PERCENT		AMOUNT	PERCENT
RAIL COMMUTATION RIDERSHIP							
East of Hudson	3,724,883	3,758,037	(33,154)	-0.9%	3,739,950	(15,067)	-0.4%
West of Hudson	63,610	69,183	(5,573)	-8.1%	67,013	(3,403)	-5.1%
Total Rail Commutation Ridership	3,788,493	3,827,220	(38,727)	-1.0%	3,806,963	(18,470)	-0.5%
RAIL NON-COMMUTATION RIDERSHIP							
East of Hudson	3,088,087	3,125,041	(36,954)	-1.2%	3,042,006	46,081	1.5%
West of Hudson	58,431	61,474	(3,043)	-5.0%	55,936	2,495	4.5%
Total Rail Non-Commutation Ridership	3,146,518	3,186,515	(39,997)	-1.3%	3,097,942	48,576	1.6%
TOTAL RAIL RIDERSHIP							
East of Hudson	6,812,970	6,883,078	(70,108)	-1.0%	6,781,956	31,014	0.5%
West of Hudson (2)	122,041	130,657	(8,616)	-6.6%	122,949	(908)	-0.7%
TOTAL RAIL RIDERSHIP	6,935,011	7,013,735	(78,724)	-1.1%	6,904,905	30,106	0.4%
CONNECTING SERVICES RIDERSHIP (3)	47,240	45,833	1,407	3.1%	45,653	1,587	3.5%
TOTAL MNR SYSTEM RIDERSHIP	6,982,251	7,059,568	(77,317)	-1.1%	6,950,558	31,693	0.5%

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 ACTUAL	2018 YTD FORECAST	VARIANCE VS. FORECAST		2017 YTD RESTATE (1)	CHANGE FROM 2017	
			AMOUNT	PERCENT		AMOUNT	PERCENT
RAIL COMMUTATION RIDERSHIP							
East of Hudson	36,029,604	36,072,084	(42,480)	-0.1%	36,161,284	(131,680)	-0.4%
West of Hudson	674,311	674,725	(414)	-0.1%	676,902	(2,591)	-0.4%
Total Rail Commutation Ridership	36,703,915	36,746,809	(42,894)	-0.1%	36,838,186	(134,271)	-0.4%
RAIL NON-COMMUTATION RIDERSHIP							
East of Hudson	26,944,921	27,092,737	(147,816)	-0.5%	26,928,993	15,928	0.1%
West of Hudson	547,837	543,761	4,076	0.7%	540,490	7,347	1.4%
Total Rail Non-Commutation Ridership	27,492,758	27,636,498	(143,740)	-0.5%	27,469,483	23,275	0.1%
TOTAL RAIL RIDERSHIP							
East of Hudson	62,974,525	63,164,821	(190,296)	-0.3%	63,090,277	(115,752)	-0.2%
West of Hudson	1,222,148	1,218,486	3,662	0.3%	1,217,392	4,756	0.4%
TOTAL RAIL RIDERSHIP	64,196,673	64,383,307	(186,634)	-0.3%	64,307,669	(110,996)	-0.2%
CONNECTING SERVICES RIDERSHIP (2)	432,881	431,938	943	0.2%	440,464	(7,583)	-1.7%
TOTAL MNR SYSTEM RIDERSHIP	64,629,554	64,815,245	(185,691)	-0.3%	64,748,133	(118,579)	-0.2%

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
SEPTEMBER 2018**

LINE	SEPTEMBER 2018 ACTUAL	SEPTEMBER 2017 RESTATED (1)	CHANGE FROM 2017	
			AMOUNT	PERCENT
EAST OF HUDSON				
Harlem Line	2,178,843	2,219,181	(40,338)	-1.8%
Hudson Line	1,406,474	1,372,184	34,290	2.5%
New Haven Line	3,227,653	3,190,591	37,062	1.2%
Total East of Hudson	6,812,970	6,781,956	31,014	0.5%
WEST OF HUDSON				
Port Jervis Line	77,253	74,928	2,325	3.1%
Pascack Valley Line	44,788	48,021	(3,233)	-6.7%
Total West of Hudson (2)	122,041	122,949	(908)	-0.7%
TOTAL RAIL RIDERSHIP	6,935,011	6,904,905	30,106	0.4%
CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS				
Hudson Rail Link	30,399	31,071	(672)	-2.2%
Haverstraw-Ossining Ferry (3)	11,450	9,819	1,631	16.6%
Newburgh-Beacon Ferry	5,391	4,763	628	13.2%
Total Connecting Services	47,240	45,653	1,587	3.5%
TOTAL MNR SYSTEM	6,982,251	6,950,558	31,693	0.5%

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	20,387,896	20,687,468	(299,572)	-1.4%
Hudson Line	12,698,842	12,556,834	142,008	1.1%
New Haven Line	29,887,787	29,845,975	41,812	0.1%
Total East of Hudson	62,974,525	63,090,277	(115,752)	-0.2%
WEST OF HUDSON				
Port Jervis Line	721,845	726,408	(4,563)	-0.6%
Pascack Valley Line	500,303	490,984	9,319	1.9%
Total West of Hudson	1,222,148	1,217,392	4,756	0.4%
TOTAL RAIL RIDERSHIP	64,196,673	64,307,669	(110,996)	-0.2%
CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS				
Hudson Rail Link	298,417	297,766	651	0.2%
Haverstraw-Ossining Ferry	91,966	95,358	(3,392)	-3.6%
Newburgh-Beacon Ferry	42,498	47,340	(4,842)	-10.2%
Total Connecting Services	432,881	440,464	(7,583)	-1.7%
TOTAL MNR SYSTEM	64,629,554	64,748,133	(118,579)	-0.2%

Notes:

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



Sandy Restoration Design-Build Phase I

Elevated Steel Platform for Signal and Control Remote Terminal Houses – Hastings



Metro-North Railroad

October 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 October, Metro-North awarded project tasks totaling \$384.9 million, including the Design-Build for the Harmon Yard Shop Replacement Phase V, Stage 2. Also, Metro-North substantially completed \$10.4 million including installation of a new interlocking switch on the Harlem Line at CP – 109 located between Fordham and Botanical Garden Stations. Metro-North had closeouts totaling \$2.3 million including GCT Utility Vault Repairs.

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

	(\$ in Millions)			
	<u>Annual Planned</u>	<u>Planned thru 10/31</u>	<u>Achieved thru 10/31</u>	<u>% thru 10/31</u>
Design Awards*	\$4.5	\$4.5	\$4.3	96%
Construction Awards*	\$535.1	\$533.0	\$489.2	92%
Substantial Completions	\$463.5	\$368.6	\$43.6	12%
Closeouts*	\$14.5	\$6.3	\$14.0	222%

*Does not include support costs

John Kennard
Vice President
Capital Programs

CAPITAL PROGRAM

HIGHLIGHTS

October 31, 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. An additional 6 cars of an up to 34 car option were ordered in June 2018 under the last option which brings the total of additional cars to 66 – 33 “A” Cars and 33 “B” 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. Review and approval of obsolete components replacement continues to ensure specification and performance compliance and backward compatibility with the existing M-8 fleet. Production of the carbody structural sub-assemblies in Japan’s facility commenced; shipment to the Lincoln Nebraska plant, for use in the car shell assembly, commenced on October 23, 2018.

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 with installation of fire hose valve cabinets, heat tracing, and fire alarm cables at 43rd, 44th, 45th and 46th Street crossings.

Pipe Tunnel – Continued installation of fire stand pipes and zone control assemblies in the east tunnel.

Upper Level – Continued with installation of: heat tracing and fire alarm cables at tracks 21, 31 and the loop track; high tension conduits at tracks 21 and 31; as well as insulation of cable/conduit and fire stand pipe.

Overall project completion is anticipated in April 2019.

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.

- Final design continues for development for RTTDS (Real-Time Train Detection System) and PA/VIS.
- Construction of the Customer Service Equipment Room 7C continues. Construction of the GCT cable plant is ongoing. Conduit and cable is being run to the Big Boards and visual information system (VIS) cabinets.
- Prototype Test Unit Gate Boards were shipped to Package #1 for scheduled integrated factory acceptance testing in November 2018. Test unit Big Boards shall be shipped and delivered in November, in time for the testing.

STATIONS/PARKING/FACILITIES

Harlem-125th Street Improvements

- *Exterior Lighting Improvements & Art Work on the Viaduct (Small Business Mentoring Program Tier I)* – Completed mounting of customer information display monitors above both the east and west stairs. Procurement of L2 light fixtures and coves are ongoing.

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.

To date the Design-Builder has completed 100% design drawings for the first group of five stations (Mt. Vernon East, Larchmont, Pelham, Riverdale and North White Plains IT room) and for the second group of stations (Harlem-125th St., Rye, Harrison and New Rochelle). 75% design drawings have been completed for the third group of stations (Mamaroneck, Port Chester, Melrose and Tremont). Site work including raceway installation continues at Mt. Vernon East, Pelham and Riverdale Stations. Mobilization at Harlem -125th St. Station has commenced and mobilization at North White Plains IT room is imminent.

Installation of node houses (48 VDC power plants) at 23 stations is complete and installation commenced at several other stations. Design development for facility enhancements continue and surveys continue at Harlem-125th St., Rye, Harrison and New Rochelle Stations. Design development continues for: video, access control, elevator & escalator management 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, waiting plaza, and improvements in station overpasses (Riverdale and Crestwood). Harlem-125th Street will receive station building 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 – Construction was completed on White Plains Station Phase 1 on September 30th, 2018. Phase 2 construction is on-going including demo of column encasements, canopy ceiling, restrooms, and electrical systems. Additionally, platform crack and spall repairs has commenced as well as installation of new rubber roof.
- Riverdale Station – The Kiss & Ride and overpass renovations are substantially complete.
- Harlem-125th Street Station – Demolition of the restrooms 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 installation of signal power conduits and C&S trough; interface panel and control cable inside the sectionalizing switches; concrete placement for cable tie-in at different station platforms; track crossings and laterals as well as conduits for platform's reactor and sectionalizing switches. Also continued cable pulling and 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 field walk throughs and surveys for Phase II design finalization. 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* – Continued installation of substation vault exhaust fan. Pre-energization testing of the substation power room and Supervisory Control and Data Acquisition (SCADA) continues.
- *Croton-Harmon* – Continued installation of vault exhaust fan for the power control room and conduits for the battery room. Energization of power control room is underway.
- *Riverdale* – Continued installation of conduits for the battery room and miscellaneous work at the Crew Quarters building such as: heating, ventilation and air conditioning units, and vault exhaust fan.

Substantial completion for the three substations is forecasted for April 2019.

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 continue. Installation of the 5KV switchgear building's foundation at the west platform is underway as well as new column footings on the east platform.

AC and DC Switchgear equipment are currently in storage. Set-up of AC switchgear equipment with the DC switchgear equipment will follow in early 2019. Overall project completion in the first quarter of 2019.

- *The Brewster Substation* – Continued installation of precast and cast in place concrete ductbank; substation vault exhaust fan; support of excavation; rebars and form work for the 15 KV manhole as well as PVC conduits for temporary power from substation vault to the culvert. Preparations for SCADA testing are underway. Substantial completion is anticipated in April 2019.

Substation Replacement Bridge - 23

- *Mount Vernon East* – Signal Substation assembly and testing are complete and are under review by Engineer of Record. Commissioning of the substation continues.
- *Catenary work between Mount Vernon and New Rochelle* - Testing and commissioning is complete.
- *New Rochelle* – Follow-up relay switch control testing requiring power outage is anticipated to begin in November, pending availability of power outage.

Overall project completion is anticipated in first quarter of 2019.

TRACK AND STRUCTURES

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

Various Load Rating reports continue to be submitted and reviewed by key stakeholders and is at 97% completion.

Project completion is anticipated in March 2019.

Overhead Bridge Program (2010 – 2014 Program) – East of Hudson

- Design of Five Bridge Replacements, Mt. Vernon - The preliminary design documents for the replacement of 14th Avenue Bridges are complete. The final design documents for the replacement of 3rd Avenue Bridge are complete. 100% design of Fulton Avenue bridge replacement is underway. Design documents for the replacement of the 6th and 10th Avenue Bridges are complete; with bids received and an award forecasted for January 2019.
- 14th Avenue Bridge, Mt. Vernon, NY (Design-Build contract) – Continued demolition and excavation works on the north and south abutments. The bridge will be opened for vehicular traffic by June 2019.

Overhead Bridge Program (2015 to 2019 Program) – East of Hudson

Design-Build of Prospect Hill Road Bridge (Southeast Station) - The design portion of the project is complete. Construction of retaining walls and build-up of the roadway at both east and west approaches has been completed. Patching of concrete barrier, erection of bridge fence and retaining walls chain link fence are scheduled for completion in November 2018. Prospect Hill Road Bridge is anticipated to open for vehicular traffic by year end 2018.

Harlem River Lift Bridge (HRLB) Security Upgrades

Construction submittal phase is underway. Installation work of the following continues: fire suppression attachments in the machine room; conduits in the communication shelters; conduit between the Bronx and Manhattan AC houses; CCTV devices; and access control devices are scheduled for completion in November 2018.

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 tunnel that spans across the Harlem River. Construction submittal phase continues, and major equipment is scheduled to arrive at the site in November 2018.

2018 Cyclical Track Program

The 2018 Cyclical Track Program consists of the replacement of 38,400 wood ties, 10 miles of continuous welded rail (CWR), and surfacing of 140 miles of track. To date, Metro-North forces have installed approximately 8,175 ties, 5.82 miles of rail, surfaced 8.23 miles of track, and performed 630 welds for CWR on the Hudson, Harlem, and New Haven Lines.

COMMUNICATIONS AND SIGNAL

Positive Train Control (PTC)

Subsystem designs being finalized. On-Board, office and integrated software is in development. Factory Acceptance Testing (FAT) for sub-system level software for On-Board and Office continues. FAT for integrated system software continues. All communication site locations have been approved by the Federal Communications Commission (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. Wayside subsystem deliveries and installations continue on all lines. All M7A on-board PTC equipment installation has been completed. M8, M3A, P32, BL 20 and Cab Car on-board PTC hardware installations are ongoing. Third party contract work for communications infrastructure installation is nearing completion. Formal pilot testing of all subsystems on Pilot Line 2 continues. Application for Revenue Service Demonstration (RSD) was approved by FRA in October 2018. 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. Cut over from CP Harriman to CP Valley was complete in June 2018. The next cutover at CP Hudson Junction, is scheduled for November 2018.

Hudson Line Communication and Express Cable Installation

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 from CP 35 (Harmon) to CP 75 (Poughkeepsie).

- Continue cross track and pull box surveys on the Hudson Line between CP 35 (Harmon) to CP 53 (Cold Spring).
- Continue cable plow pre-ripping at locations on the Hudson Line between CP 35 (Harmon) to CP 53 (Cold Spring).
- Continue surveys and preparation of construction layouts for locations on the Hudson Line between CP 53 (Cold Spring) to CP 75 (Poughkeepsie).
- Continue performing test pits on the Hudson line between CP 53 (Cold Spring) to CP 75 (Poughkeepsie).

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).

- Construction submittals phase is underway. Field survey, soil testing, and test pits are all on-going at various locations. Installation of the trough is ongoing at segment one from CP 112 (Woodlawn) to CP 124 (North White Plains) and is scheduled for completion in October 2019.

SHOPS AND YARDS

Harmon Shop Improvements

Phase V, Stage I Design-Build

- *Consist Shop Facility (CSF)* – Continued installation of the DC bug and stinger system, pipe identification and application of touch-up paint. Pre-functional testing is underway for: AC/DC substation, emergency generator, various mechanical systems, electrical panel boards, freight/passenger elevator and heating systems. Office furniture installation continued.
- *EMU (Electric Multiple Unit) Annex Building* – Continued with application of touch-up paint. Pre-functional testing is underway for fire alarm, mechanical and industrial equipment. Functional testing is underway for the following: emergency generator, Building Management System (BMS), passenger and freight elevators, HVAC, mechanical and industrial equipment. Office furniture installation continued.
- *Yard Utilities and Miscellaneous* – Continued installation of underground utilities at CSF.

Overall, Phase V, Stage I substantial completion is anticipated in November 2018.

Phase V, Stage II Preliminary Design - The scope of this work includes the demolition of the remainder of Building 6 as well as the associated Building 5 storeroom and the construction of the balance of the Phase V Electric Car Shop and Support Shop facilities.

- Executed a design-build contract; kick off meeting to be scheduled in early November 2018.

2018 MNR Capital Program Goals

As of October 31, 2018

In Millions

