



Metropolitan Transportation Authority

May 2025

MTA Board Action Items



MTA Board Meeting

Wednesday, 5/28/2025

12:00 - 2:00 PM ET

2 Broadway

20th Floor Boardroom

New York, NY 10004

1. PUBLIC COMMENT PERIOD

2. PRESENTATION

3. 2025-2029 CAPITAL PLAN

2025-2029 Capital Plan Staff Summary Resubmission - Page 3

4. APPROVAL OF MINUTES

Joint Minutes of the April Board Meeting - Page 5

5. AUDIT COMMITTEE

a. Action Items

i. 2024 Audited Financial Statements - Materials Distributed in Exhibit Book

ii. Management Review of MTA Consolidated Financial Statements - Materials Distributed in Exhibit Book

6. CORPORATE GOVERNANCE COMMITTEE

a. Action Items

Staff Summary Procurement Guidelines 2025 - Page 13

Staff Summary Public Authorities Law Required Policies May 28, 2025 - Page 14

7. COMMITTEE ON CAPITAL PROGRAM

a. Procurement

C & D Procurements - Page 15

8. COMMITTEE ON METRO-NORTH RAILROAD & LONG ISLAND RAILROAD - No Items

9. COMMITTEE ON NYCT & BUS - No Items

10. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS - No Items

11. COMMITTEE ON FINANCE

a. Actions

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b. Procurements

MTAHQ Non-Competitive Procurements - Page 51

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c. Real Estate Items

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12. FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY (FMTAC)

a. Action Items

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FMTAC Business Continuity Plan - Page 81

13. EXECUTIVE SESSION

Staff Summary

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| | |
|--|--|
| Subject MTA 2025-2029 Capital Plan | Date May 28, 2025 |
| Department MTA Construction & Development | Department MTA HQ Financial Services |
| Department Head Name Steven Loehr, Deputy Chief Development Officer | Department Head Name Olga Chernat, Deputy Chief, Financial Services |
| Department Head Signature | Department Head Signature |
| Project Manager/Division Head Stephen A. Berrang, Senior VP, C&D Program Oversight | Project Manager/Division Head Tiana Grimes, Director, Capital Funding Management |
| Project Manager/Division Head Signature | Project Manager/Division Head Signature |

| Board Action | | | | | | Internal Approvals | | | |
|--------------|-------|-----------|----------|------|-------|--------------------|---------------------------|-------|----------|
| Order | To | Date | Approval | Info | Other | Order | Approval | Order | Approval |
| 1 | Board | 5/28/2025 | | | | 5 | Chair and CEO | | |
| | | | | | | 4 | Chief of Staff | | |
| | | | | | | 3 | Chief Development Officer | | |
| | | | | | | 2 | Chief Financial Officer | | |
| | | | | | | 1 | Legal | | |

Purpose:

To obtain MTA Board approval of the proposed \$68.4 billion MTA 2025-2029 Capital Plan presented herein and to authorize the MTA to re-submit the \$65.4 billion Capital Program Review Board (CPRB) portion of it to the CPRB for its review and approval, in accordance with Public Authorities Law §1269-b., as well as the \$3.0 billion non-CPRB portion proposed by MTA Bridge and Tunnels (B&T).

Discussion:

Background: The 2025-29 Capital Plan was originally approved by the MTA Board on September 25, 2024 and subsequently submitted to the CPRB. CPRB appointees representing the New York State Senate and the New York State Assembly vetoed the plan on December 24, 2024 on the grounds that funding sources for the plan had not yet been fully identified at the time. However, Governor Kathy Hochul and both houses of the Legislature have subsequently re-affirmed their commitment to a fully funded 2025-29 Capital Plan by providing new dedicated recurring revenue for the 2025-29 Capital Plan, which was enacted with New York State's FY2026 budget.

2025-2029 Resubmission: Following the approval of the FY2026 NYS Budget, the \$65.4 billion CPRB portion of the MTA 2025-2029 Capital Plan is now being re-submitted to CPRB. The proposed plan continues to include critical investments to rebuild, improve, and expand the MTA system. The plan will enable the MTA to continue to provide frequent and reliable service by keeping the system on a path to state of good repair, including investments in railcars, power, and signals. The plan will also improve the customer experience, with investments in ADA accessibility, stations, and modern fare gates, and will take action on climate change, Implementing resilience and sustainability initiatives. The Plan remains the same overall size as the September 2024 submission; however, this resubmission incorporates additional location details in key elements including ADA accessibility, station renewals, signals, traction power, and other infrastructure investments. This re-submission also highlights nearly \$6 billion in capital work to be performed by MTA in-house forces.

New York City Transit (NYCT) and Staten Island Railway (SIR): \$47.386 billion. NYCT and SIR will build on successful initiatives of the 2020–2024 Capital Plan by continuing to expand ADA station accessibility to at least 60 stations and by installing modern Communications-Based Train Control (CBTC) signaling on at least 75 miles of the subway system. The plan also includes full renewals at ten stations and component investments at over 200 others, including replacement of existing elevators and escalators. Next generation turnstiles will enhance accessibility and passenger flow while improving fare compliance. The plan includes major investments in the power system, bridge, tunnel, and other critical infrastructure. Investments in over 65 power substations will ensure the reliability of our aging power infrastructure. Other state-of-good repair (SGR) work includes 60 miles of mainline track replacement, repair of a substantial portion of above and below ground subway and elevated line structures. Rehabilitation and enhancement of pump rooms will better prepare the subway system against extreme weather events. Funding is included for new rail cars to replace the R62 and R68 fleets that are reaching the end of their useful lives. Cyclical bus replacement will continue, including the addition of 500 electric buses to our zero-emission fleet (ZEF), alongside 1,761 new clean diesel and Compressed Natural Gas (CNG) ones. Significant yard and depot investments will include addressing the Livonia and 240th Street Shops.

Staff Summary

Long Island Rail Road (LIRR): \$6.005 billion. The LIRR will invest over \$600 million in the new rail cars while also replacing locomotives. Accessibility enhancements at least four stations, achieving 98% system accessibility, combined with numerous station renewals are planned; Mets-Willets Point, Douglaston, Bellerose, Cold Spring Harbor, and East New York stations are among the candidate ADA locations; Floral Park and Port Washington will undergo renewals. In addition to normal cyclical track replacement, up to six power substation renewals are planned. Bridge rehabilitation and painting will take place at over 35 locations, including the Wreck Lead Bridge to Long Beach. Signal upgrades will be performed on the Montauk and Port Jefferson branches and interlocking improvements are planned in support of the Jamaica Capacity initiative.

Metro North Railroad (MNR): \$6.005 billion. MNR will purchase over \$1 billion of new rail cars along with new locomotives for the West of Hudson and new Coaches. An accessibility project at Wakefield will join seven "hollow-core" platform station renewals on the Harlem line. Another ADA project at Ludlow on the Hudson line is also planned. Track replacement and structural work will expand with an additional in-house track crew and a new emphasis on right-of-way drainage improvements and rock slope remediation. Significant signal investments on the Hudson Line from Croton-Harmon to Poughkeepsie are also proposed.

MTA Bus Company (MTAB): \$454 million. MTAB will continue to replace rolling stock as it reaches their end of its useful life, with the purchase of 243 new buses. Depot improvements are also planned.

MTA Interagency: \$300 million. Interagency categories include MTA Police (MTAPD) projects, where a district office modernization is planned, and MTA Construction and Development (MTA C&D). MTA C&D will provide Capital Program administration and support, along with planning initiatives.

MTA Major Projects and Expansion: \$5.25 billion. The proposed 2025-2029 Capital Plan includes funding for the Interborough Express (IBX) and critical state-of-good repair investments at the Grand Central Trainshed and Terminal as part of the MTA's Grand Central Artery Initiative.

MTA Bridge & Tunnels (B&T): \$3.0 billion. B&T will focus its Capital Program efforts on Structures and Utilities with two new cable de-humidification projects for the Throgs Neck and Bronx-Whitestone Bridges, along with new fire suppression systems at the Hugh Carey and Queens Midtown Tunnels.

Funding Sources:

The proposed 2025-2029 Capital Plan is expected to be funded with a mix of federal, state, regional, city, and MTA sources. To support the 2025-2029 Capital Plan, the enacted New York State FY 2026 Budget made changes to the Payroll Mobility Tax that are intended to generate new, recurring revenue of approximately \$1.4 billion in the first full year, as forecasted by the NYS Division of Budget, with growth thereafter. This new funding source is statutorily dedicated to MTA's capital lockbox to support bonds and PAYGO and is expected to generate \$31.5 billion of funding for the 2025-2029 Plan. Federal grants and loans are estimated to provide \$14.0 billion based on funding levels for the 2020-2024 Plan. The proposed 2025-2029 Capital Plan also includes \$9.7 billion in MTA Bonds and/or PAYGO, \$3.0 billion from the State and the City capital appropriations each, and \$1.2 billion State capital appropriation reallocated by the State from the Empire Station Complex to projects in the 2025-2029 Plan. In addition, MTA is committed to achieving \$3.0 billion in additional self-funding through capital program cost savings or other initiatives, which could include debt funded by savings or other available funds. The Bridges and Tunnels portion of the Capital Program is completely self-funded through the issuance of Triborough Bridge and Tunnel Authority (TBTA) bonds, which will be repaid from toll revenues and/or funded by PAYGO.

Alternatives:

Approving the proposed 2025-29 Capital Plan is critical to enabling the MTA to ensure the safety, reliability, and longevity of the transit system, improve the customer experience, make the system more accessible to all riders, enhance resiliency, and expand the MTA's network to meet the mobility needs of the region. A smaller 2025-29 Plan would hamper the MTA's efforts to keep pace with state of good repair needs and adversely impact the MTA's ability to continue delivering safe and reliable service. A smaller Plan would also compromise the MTA's ability to make the MTA system more resilient and sustainable, and to deliver enhancement and expansion projects that address the evolving needs of MTA customers and support a vibrant regional economy.

Recommendation:

It is recommended that the MTA Board approve the proposed MTA 2025-2029 Capital Plan of \$68.4 billion and authorize the MTA to re-submit the \$65.4 billion CPRB portion to the CPRB for its review and approval.

Joint Minutes of the Metropolitan Transportation Authority, the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road Company, Metro-North Commuter Railroad Company, MTA Construction and Development Company, the MTA Bus Company, Grand Central Madison Operating Company, and the First Mutual Transportation Assurance Company

Regular Board Meeting Minutes

April 30, 2025

9:00 a.m.

2 Broadway

New York, NY

The following Board Members were present (*attended remotely):

Hon. Janno Lieber, Chair & CEO

Hon. Andrew Albert

Hon. Norman Brown

Hon. Samuel Chu*

Hon. Michael Fleischer

Hon. Daniel Garodnick

Hon. Marc Herbst

Hon. David Jones

Hon. Meera Joshi

Hon. Christopher Leathers

Hon. David Mack

Hon. Haeda B. Mihaltses

Hon. Dr. John-Ross Rizzo

Hon. Lisa Sorin

Hon. Midori Valdivia

Hon. Edward Valente

Hon. Neal Zuckerman

The following alternate non-voting members were present:

Hon. Gerard Bringmann

Hon. Randolph Glucksman

The following Board Members were not present:

Hon. Blanca Lopez

Hon. John Samuelsen

Paige Graves, General Counsel, Laura Wiles, Chief of Staff, John McCarthy, Chief External Relations & Policy, Lisette Camilo, Chief Administrative Officer, Kevin Willens, Chief Financial Officer, Jai Patel, Co-Chief Financial Officer, Carl Hamann, Acting Chief Safety Officer, Frank Annicaro, Sr. Vice President NYCT DOB/MTA Bus Company, Justin Vonashek, President Metro-

North Railroad, Rob Free, President LIRR, Jamie Torres-Springer, President MTA C&D, Michael Kemper, Chief Security Officer, Shanifah Rieara, Senior Advisor for Communications and Policy/Chief Customer Officer, Juliette Michaelson, Deputy Chief External Relations, Catherine Sheridan, President MTA Bridges & Tunnels, Demetrius Crichlow, President New York City Transit, Monica Murray, Auditor General, Daniel Cort, MTA IG, and Ruby Benitez, Assistant Director Government Community Relations, attended the meeting.

Chair Lieber called to order the April 2025 Board meeting.

A safety announcement was made.

1. PUBLIC SPEAKERS' SESSION

The MTA Moderator announced that the following public speakers will speak either live virtually or in-person. The MTA Moderator reminded public speakers of the rules of conduct and the two-minute speaking limit. The Moderator reminded speakers of the warning beep when 30 seconds remain to conclude their remarks. The moderator advised that the public comment will be recorded, published to the MTA website, and available for MTA Board Members' review.

The following public speakers commented (*live virtual comments):

Jessica Murray, Elevator Action Group
Jack Nierenberg, Passengers United
David Kupferberg, Passengers United
Lisa Daglian, PCAC
Debra Greif, BFSSAC
Michael Ring, Disabled in Action
Gian Pedulla, Private citizen
Christopher Greif, ADA accessibility transportation group
Latoya Deleon, New York Institute of Technology*
Jason Anthony, LIRR ADA task force*
Omar Vera, Private Citizen
Mo Yain Tham, BFSSAC
Charlton D'Souza, Passengers United
Aleta Dupree, Team Folds*
Eric Romann, Jobs to Move America
Tramell Thomson, TWU Local 100
Jason Anthony, LIRR ADA task force*
Miriam Fisher, private citizen*
Iris Kelly, private citizen
David Paul Gerber, private citizen*
Lisa Gesson, Brooklyn Center for Independence
Yolanda Alleyne, private citizen
Carl Perrera, Our Neighbors Civic Association of Ozone Park, Inc*
Jennifer Van Dyck, Elevator Action Group

Anna Humphrey, Center for Independence of the Disabled
Freeman X, Fare Ain't Fair
Day Peace, Fare Ain't Fair
Marlo Sausville, Fare Ain't Fair
Shane Kennedy, Fare Ain't Fair
Jordan Lee, private citizen
Dom Troupe, Fare Ain't Fair
Cynthia Nozomu Ikuta, Harlem Palestine peace walk
Amadi Ozier, Fare Ain't Fair

2. **CHAIR'S REMARKS**

Chair Lieber thanked everyone who joined the meeting today, especially the public speakers. Chair Lieber acknowledged two new MTA Board members, Ed Valente of ACRE and Chris Leathers of SMART, representing the Metro-North and Long Island Rail Road ("LIRR") workforce. The Chair reminded the Board that on Monday the committee meetings had discussed key MTA-wide issues, like safety, security, fare collection and fare evasion, and the complex transition to tap-and-go fare collection. Monday's presenters confirmed that the MTA is a high-functioning and fact-based organization, which is trying to steer away from rhetoric and focus on the facts.

On ridership, the Chair stated that subways has increased 7% and buses has increased 14% this year. Metro-North and LIRR have increased ridership of 9 and 10% compared to last year. Overall, across the system, year-to-date ridership has increased 8%. Paratransit has increased 20% compared to last year. Moving to on-time-performance("OTP"), subways and buses are doing well. The buses are picking up speed, thanks not only to congestion pricing, but also because of the increased application of Automatic Camera Enforcement. Soon, the Queens Bus Network Redesign will provide the opportunity to speed up service in the most bus-dependent part of our city. For LIRR and Metro-North, OTP is almost 97% on LIRR and 98% on Metro-North. The Chair stated that these are historic numbers. Chair Lieber stated that the MTA is accomplishing all these great results with less. The MTA has become a dramatically more cost-efficient agency. The MTA is operating with a 3% lower budget than it was before the pandemic, while providing more service. There is 40% more service on the LIRR. There are 14 subway lines with more service, and more bus service was announced last week.

The Chair stated that the MTA is making headway on safety issues. Crime and fare evasion have decreased. The MTA is struggling to overcome the impact in the public mind of high profile and very disturbing incidents, and there is a long way to go before New Yorkers truly feel safe on the subway, given what they're seeing in the media. Thanks to investments made by Governor Hochul and to our partnership with the NYPD, the numbers are moving in the right direction.

The Chair noted that C&D is moving along on capital work, with more elevators; new electric buses; the Rockaway Resiliency project; a brand new East Yaphank LIRR station and more.

The Chair noted that the best example of MTA competency is congestion pricing. After almost four months, the program is achieving all of its goals, including quieter streets, faster travel, less

congestion, safer streets, and increased economic growth. The Chair also noted that the implementation of this complex initiative was successful. The software, the cameras, the bureaucratic side of making sure it all linked up to E-ZPass – it all went down exactly as planned and the public saw immediate perceptible benefits. The Chair credited the Board for its participation all along the way. The MTA did the work, first with the State-mandated 20 Year Needs Assessment and then made the case when the findings were condensed into the \$68.4 billion 2025-2029 Capital Plan. The Chair stated that the campaign behind the assessment and plan was effective. We are not moving backward – we’re going forward. Chair Lieber noted that Governor Hochul listens to facts and evidence and takes on the political complexities of making sure MTA does the right thing. She is the one who committed to and has, under her leadership in tandem with a very pro-transit Legislature, now secured full funding for the 2025-2029 Capital Plan. The Chair asked for applause from the Board for that accomplishment.

The Chair commented on the budget process and thanked Kevin Willens and Jai Patel for being a real source of creativity and policy making leadership in the discussion with the Legislature. He further noted that he supported the core concept proposed in the Governor’s budget framework for the MTA, which is that they want us to run a huge amount of service and better service than pre-COVID. Chair Lieber stated that it makes sense to combine doing that with cutting the payroll mobility tax (“PMT”), cutting the taxes that are asked from smaller companies and nonprofits – who are also employers. The Chair stated that the deal is a historic victory for riders and for the MTA, not just because it enables us to execute on the Capital Plan but also because it established a new norm in Albany – that the MTA’s \$1.5 trillion system must receive sustained investment and modernization. For the first time ever there wasn’t debate about the substance of the capital plan because we had laid out the merits and what needed to be invested in such detail and in such a thorough way that there was only discussion on how to fund it, and that too is a milestone that we should treat as an important precedent.

The Chair emphasized that the Capital Plan will deliver for New Yorkers. State of Good Repair (“SOGR”) will have huge and direct benefits for the lives of New Yorkers. This Capital Plan is principally about SOGR but there are elements of expansion across the board. The Interborough Express is getting a big step forward with a new 14 milelong rail line and it will be built on an existing Right of Way. Similarly, Penn Access would see the Hell Gate line turn into a commuter railroad line – that is the same idea behind the Interborough Express. It’s a huge opportunity to expand and to do it in a way that will be tremendously cost efficient.

Continuing with efficiency, Albany recognized another key cost-saving initiative that we had proposed – to do more capital construction using in-house forces. The Chair announced that MTA is going to be adding significant jobs to our in-house operations in order to accomplish these types of savings. We are already advertising for new positions. The Chair recognized the increased efforts surrounding the internship program for CUNY students and other employment opportunities for New Yorkers. Chair Lieber stated that with the budget framework in place, we are now moving full speed ahead. First step – update the Capital Program so that the Board can act on it, correcting the veto from the end of last year and including the strategies for the MTA to, in effect, self-fund \$3 billion of the \$68.4 billion. The Chair reflected that in February, Jamie Torres-Springer presented about how C&D has already figured out how to save \$3 billion just by

redoing the scope and engineering strategies on the existing capital program. As an example, C&D was able to deliver escalators at a 22% lower cost than in the past. The 2025-1029 plan calls for completing a lot more core infrastructure projects – power substations, signals, structure, ADA stations -- than ever before. The budget framework allows MTA to begin on new signals on the Fulton and Liberty portions of the A and C lines in Brooklyn and Queens and also on the next phase of work on the Grand Central Train Shed for Metro-North. In addition, we are working with JP Morgan Chase to expand the scope of work they are doing since they are already down in the train shed working on their new building. We also want to start with accessibility and station renewal on the LIRR. Several projects are kicking off right away now that the capital program is in place.

Please refer to the video recording of the meeting, produced by the MTA and maintained in the MTA records, for details of the Chair's remarks to the Board.

General Counsel Paige Graves confirmed that a quorum of Board Members was present.

3. AMTRAK ERT RESOLUTION

Chair Lieber called on LIRR President Rob Free ("President Free") to discuss the potential Amtrak closure of the East River Tunnel.

President Free presented on the potential impacts of the East River Tunnel closure. Chair Lieber called on General Counsel Paige Graves to read out to the Board a Resolution for Board Action.

Paige Graves read the Resolution. Upon motion by Board Member Herbst and seconded by Board Member Mack, the Board voted to approve the Resolution.

Please refer to the video recording of the meeting, produced by the MTA and maintained in the MTA records, for details of the presentation and board member remarks. The Staff Summary and Resolution are contained in the meeting materials prepared for this meeting.

4. PRESENTATION ON POTENTIAL NJ TRANSIT STRIKE.

Chair Lieber called on Metro-North President Justin Vonashek ("President Vonashek") to present to the Board regarding the impacts a potential NJ Transit Strike would have on the MTA and its customers.

President Vonashek provided Metro-North's preparations for the potential strike and suggested alternatives for MTA customers to connect to Metro-North service east of Hudson.

Please refer to the video recording of the meeting, produced by the MTA and maintained in the MTA records, for details of the presentation and board member remarks.

5. APPROVAL OF MINUTES

Upon motion duly made and seconded, the Board approved the Joint Minutes of the MTA and MTA Agencies Regular Board meeting held on March 26, 2025, as corrected.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records for details.

6. CHAIR'S REMARKS ON RETIREMENT OF NORMAN BROWN.

Chair Lieber offered remarks on the retirement of Board Member Norman Brown.

For details of the Chair's remarks and Board Members' comments please refer to the video recording of the meeting, produced by the MTA and maintained in the MTA records.

7. JOINT MEETING OF THE LONG ISLAND RAIL ROAD/METRO-NORTH RAILROAD, TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY, NEW YORK CITY TRANSIT AND CAPITAL PROGRAM COMMITTEES

Upon motion duly made and seconded, the Board voted to approve the following:

- i. Award of a publicly advertised and competitively solicited contract of \$6.4 million to Atlas ATC Engineering Inc to provide special inspection and testing services in support of C&D projects.
- ii. Award of a publicly advertised and competitively solicited contract of \$4.4 million to Nordic Signals Consulting APS to provide a technical and program oversight team with specialized knowledge in Communications Based Train Control system to support the deployment of CBTC across the New York City subway system.
- iii. Ratification of a modification to a contract totaling \$7.7 million with Cubic Transportation systems for the ONMY new fare payment system. This modification will provide for several software enhancements to the existing point of sale network and reduce fare and paratransit functions and improve customer-facing applications and system interfaces. This modification includes technical support for these enhancements through July of 2030 and then two five-year options exercisable at MTA's discretion to extend the technical support for another 10 years.
- iv. Ratification of a modification in the amount of \$5.75 million to a contract with Siemens to provide a cloud-based automatic train supervision tool which will support the ongoing expansion of CBTC across the New York City transit system.
- v. Ratification of a modification to a contract in the amount of \$2.9 million with Restani/ASW JV, a joint venture of Restani Construction Corp and ASW Construction to furnish and install temporary structural shoring to the underside portions of the Belt Parkway ramp of the Verrazzano-Narrows Bridge.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records for the staff summary and details.

- i. Upon motion duly made and seconded, the Board voted to approve the following:
- ii. Award of a publicly advertised and competitively solicited three-month miscellaneous service contract of \$1.7 million to Sovereign Hydroseal East Inc for the injection of three-month 2:14:33 miscellaneous service contract to Sovereign Hydro Seal East Inc for the injection of cementitious grouts into the tunnel subbase underneath the track bed at Essex Street Station, which is built above soil that is often waterlogged due to its proximity to the East River.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records for the staff summary and details.

8. **COMMITTEE ON FINANCE**

Upon motion duly made and seconded, the Board voted to approve the following action items:

- i. Management Consultant Services \$10.3 million.
- ii. Ernst & Young LLC \$4.4 million.
- iii. Cubic Transportation Systems \$4.9M

Board Member Zuckerman recused himself from the vote on item i listed above. Board Member Valdivia recused herself from item ii listed above.

Upon motion duly made and seconded, the Board voted to approve the following real estate items:

- i. Authorization to acquire property interests by negotiated agreement or eminent domain for Phase 2 of the Second Avenue Subway
- ii. Authorization to acquire property interests by negotiated agreement or eminent domain for the Marble Hill Substation Project in the Bronx.
- iii. Conditional designation of Gotham Organization to construct and operate a Transit Oriented Development on the former commuter parking lot at the Westbury Station

9. **ADJOURNMENT**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:31 am.

Paige Graves
General Counsel and

Haley Stein
Acting Vice President, General Counsel and

Corporate Secretary
MTA

Corporate Secretary
Metro-North Commuter Railroad Company

David Farber
General Counsel and
Corporate Secretary
NYCT and MTA Bus

Haley Stein
Vice President,
General Counsel and Corporate Secretary
Long Island Rail Road Company

Paul L. Friman
General Counsel
and Corporate Secretary
Triborough Bridge and Tunnel
Authority

Evan Eisland
General Counsel and Corporate Secretary
MTA C&D

Staff Summary

| | |
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| Subject All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services | Date May 28, 2025 |
| Department MTA Office of the General Counsel | Vendor Name N/A |
| Department Head Name Paige Graves | Contract Number N/A |
| Department Head Signature | Contract Manager Name N/A |
| Project Manager Name Paige Graves | Table of Contents Ref # N/A |

| Board Action | | | | | | Internal Approvals | | | |
|--------------|----------------------|----------|----------|------|-------|--------------------|---------------------------|-------|----------|
| Order | To | Date | Approval | Info | Other | Order | Approval | Order | Approval |
| | Corporate Governance | 05/28/25 | | | | 1 | Chief Compliance Officer | | |
| | Board | 05/28/25 | | | | 2 | Legal | | |
| | | | | | | 3 | Chief Procurement Officer | | |

Purpose:

To obtain Board approval of the MTA's All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services.

Discussion:

Public Authorities Law Section 2879 requires the MTA to annually review and approve its All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services. The All-Agency General Contract Procurement Guidelines and the All-Agency Guidelines for Procurement of Services were last approved by the Board on March 27, 2024.

There is a one revision to the Procurement Guidelines needed to align Article III.C, which governs award of Small Business Development Program ("SBDP") contracts, with Public Authorities Law, Section 1265-b. Section 1265-b was amended to increase the threshold for Tier 1 SBDP contracts from \$1 million to \$1.5 million and Tier 2 SBDP contracts from \$3 million to \$5 million.

Recommendation:

It is recommended that the MTA Board approve the annexed revised All Agency Procurement Guidelines and All Agency Guidelines for Procurement of Services.

Staff Summary

| | |
|---|--|
| Subject Public Authorities Law Required Policies | Date May 28, 2025 |
| Department Corporate Compliance | Vendor Name N/A |
| Department Head Name Lamond W. Kears | Contract Number N/A |
| Department Head Signature | Contract Manager Name N/A |
| Project Manager Name Karen Schrempp | Table of Contents Ref # N/A |

| Board Action | | | | | | Internal Approvals | | | |
|--------------|------------|----------|----------|------|-------|--------------------|----------------------|-------|----------|
| Order | To | Date | Approval | Info | Other | Order | Approval | Order | Approval |
| 1 | Governance | 05/28/25 | X | | | 1 | Corporate Compliance | | |
| 2 | Board | 05/28/25 | X | | | 2 | Legal | | |
| | | | | | | | | | |
| | | | | | | | | | |

Purpose:

To obtain Board approval for revisions to certain existing policies of the MTA and its Agencies, in order to comply with Public Authorities Law Section 2824 (“PAL 2824”).

Discussion:

PAL 2824 requires formal Board adoption of certain policies. Corporate Compliance has provided an exhibit book that includes the relevant policies for your review. The policies in the exhibit book are new or revisions to existing policies which have been approved by their respective Agencies.

Recommendation:

It is recommended that the Board approve the policies contained in the exhibit book.

Contracts Department

Evan Eisland, Executive Vice President and General Counsel

PROCUREMENT PACKAGE MAY 2025

PROCUREMENTS

The Procurement Agenda this month includes 27 actions for a proposed expenditure of \$ 35.6 M.

Staff Summary

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| | | | | | |
|---|---------------------------|-------------|-----------------|-------------|--------------|
| Subject Request Authorization for Several Procurement Actions | | | | | |
| Contracts Department Evan Eisland, Executive Vice President and General Counsel | | | | | |
| Board Action | | | | | |
| Order | To | Date | Approval | Info | Other |
| 1 | Capital Program Committee | 05/28/25 | X | | |
| 2 | Board | 05/28/25 | X | | |

| | | | |
|---------------------------|---|---|--|
| Date: May 21, 2025 | | | |
| Internal Approvals | | | |
| | Approval | | Approval |
| X | Deputy Chief Development Officer, Delivery | X | President |
| X | Deputy Chief Development Officer, Development | X | Executive Vice President & General Counsel |

Purpose

To obtain the approval of the Board to award several procurement actions and to inform the Capital Program Committee of these procurement actions.

Discussion

MTA Construction & Development proposes to award Competitive Procurements in the following categories:

| | | | |
|--|---------------------|-----------|-------------------|
| <u>Schedules Requiring Two-Thirds Vote</u> | <u># of Actions</u> | <u>\$</u> | <u>Amount</u> |
| C. Competitive Requests For Proposals (Award of Purchase and Public Work Contracts) | 1 | \$ | 35,628,265 |
| <u>Schedules Requiring Majority Vote</u> | <u># of Actions</u> | <u>\$</u> | <u>Amount</u> |
| H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services | 26 | \$ | 0 |
| SUBTOTAL | 27 | \$ | 35,628,265 |
| TOTAL | 27 | \$ | 35,628,265 |

Budget Impact

The approval of these procurement actions will obligate capital and operating funds in the amounts listed. Funds are available in the operating and capital program budgets for this purpose.

Recommendation

That the procurement actions be approved as proposed. (The items are included in the resolution of approval at the beginning of the Procurement Section.)

MTA Construction & Development

BOARD RESOLUTION

WHEREAS, in accordance with Sections 559, 2879, 1209 and 1265-a of the Public Authorities Law and the All Agency General Contract Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public works 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 Service Contract Procurement Guidelines and the All Agency General Contract Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service 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 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 authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals and authorizes the solicitation of such proposals.
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. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein, and ratifies each action 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; vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.
6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

MAY 2025

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)

(Staff Summaries required for all items greater than \$1M.)

- | | | | |
|----|---|---------------------|--------------------------------------|
| 1. | DeFoe Corporation Contract No. RK-90 | \$35,628,265 | <u>Staff Summary Attached</u> |
|----|---|---------------------|--------------------------------------|

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build services to eliminate a center lane merge where the RFK Bridge's exit ramp meets the FDR Drive in order to enhance traffic safety and increase traffic flow on the RFK Bridge.

Procurements Requiring Majority Vote:

H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services

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

- | | | | |
|-------|--|------------|--------------------------------------|
| 2-27. | Various Contracts Nos. CM1600-CM1615, CM1626-CM1635 | \$0 | <u>Staff Summary Attached</u> |
|-------|--|------------|--------------------------------------|

- a. AECOM USA, Inc.
- b. Henningson Durham & Richardson Architecture and Engineering, P.C.
- c. Hill International, Inc./Parsons Transportation Group of New York, Inc., Joint Venture
- d. HNTB New York Engineering and Architecture, P.C.
- e. Jacobs Civil Consultants, Inc.
- f. LiRo Engineers, Inc.
- g. Mott MacDonald NY, Inc.
- h. Naik Consulting Group P.C.
- i. STV Incorporated
- j. Systra Engineering Inc./MCSS Inc., Joint Venture
- k. Tectonic Engineering & Surveying Consultants, P.C.
- l. T.Y. Lin International Engineering, Architecture and Land Surveying, P.C.
- m. WSP USA Inc.

MTA Construction & Development requests Board approval to extend twenty-six Indefinite Quantity contracts (13 federal and 13 state) for consultant construction management and inspection services for 18 months, through December 31, 2026 and to increase the aggregate budget for these contracts by \$400 Million.

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Page 1 of 2

| Item Number 1 Department, Department Head Name: Delivery, Romolo Desantis, P.E., SVP & Chief Engineer, B&T Business Unit | | | | | | SUMMARY INFORMATION | | | | | |
|--|---------------------------|--------------|--|-------------|--------------|---|--|-------------|-----------------|-------------------|-------|
| | | | | | | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 70%;">Vendor Name</th> <th style="width: 30%;">Contract Number</th> </tr> <tr> <td>DeFoe Corporation</td> <td>RK-90</td> </tr> </table> | | Vendor Name | Contract Number | DeFoe Corporation | RK-90 |
| Vendor Name | Contract Number | | | | | | | | | | |
| DeFoe Corporation | RK-90 | | | | | | | | | | |
| | | | | | | Description Design-Build Services to eliminate center lane merge from RFK Bridge exit ramp to FDR Drive | | | | | |
| Board Reviews | | | | | | Total Amount 1. Design-Build Contract: \$35,628,265 2. Stipend Payments: \$120,000 | | | | | |
| Order | To | Date | Approval | Info | Other | Contract Term (including Options, if any) 429 Calendar Days | | | | | |
| 1 | Capital Program Committee | 05/28/25 | X | | | Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | | |
| 2 | Board | 05/28/25 | X | | | Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | | |
| Internal Approvals | | | | | | Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive | | | | | |
| Order | Approval | Order | Approval | | | | | | | | |
| X | Deputy Chief, Development | X | Executive Vice President & General Counsel | | | | | | | | |
| X | Deputy Chief, Delivery | X | President | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: | | | | | |
| | | | | | | Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | | | | | |

ACTION REQUESTED

MTA Construction & Development ("C&D") requests Board approval to award to DeFoe Corporation ("DeFoe") a publicly advertised and competitively solicited contract (the "Contract") for Design-Build services to eliminate a center lane merge where the RFK Bridge's exit ramp meets the FDR Drive in order to enhance traffic safety and increase traffic flow on the RFK Bridge. The Contract is in the amount of \$35,628,265 and for a duration of 429 Calendar Days. In accordance with MTA policy regarding the use of Design-Build contracts, and to enhance competition and defray proposal costs, the solicitation included a stipend of \$60,000 to be paid to each of the two unsuccessful proposers for a total of \$120,000.

DISCUSSION

The Contract will widen the FDR Drive from three lanes to four from the RFK Bridge's exit ramp to 116th Street in order to eliminate the center lane merge from the exit ramp. The work will include structural repairs to the ramp and RFK Bridge structure as well as replacement of the existing East 120th Street pedestrian bridge over the FDR Drive and new access ramps to the pedestrian bridge to comply with the Americans with Disabilities Act.

A two-step procurement process was utilized for this Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of five Statements of Qualifications which were then evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and bonding capability) and Substantive Evaluation Criteria (addressing team, key personnel and organization, project approach, prior experience, past performance, and diversity compliance). Based on these criteria, the following four firms were selected to receive a Request for Proposals ("RFP") in Step 2:

- DeFoe Corporation (DeFoe)
- Posillico Civil, Inc. (Posillico)
- Restani Construction Corp. (Restani)
- Walsh Construction Co. II, LLC (Walsh)

In response to the RFP, DeFoe, Posillico, and Restani submitted technical and price proposals. Walsh withdrew from the RFP process, citing resource constraints. The selection committee, consisting of representatives from C&D Delivery, Development, Contracts, and B&T's Operations Department, reviewed the technical proposals and attended the oral presentations of each of the three teams. The selection committee evaluated the technical proposals using the following preestablished selection criteria: design and construction, schedule, key personnel, management plan, safety and quality, past performance, diversity practices and other relevant matters. The selection committee next opened the price proposals which were as follows: DeFoe \$35,756,965, Posillico \$63,909,399.61, Restani \$47,940,000.

After reviewing the price proposals, the selection committee invited DeFoe to participate in negotiations. Posillico and Restani were not invited to participate in negotiations because their price proposals were outside of the competitive range. Negotiations with DeFoe included detailed discussions of DeFoe's overall cost as well as proposed schedule and approach to design and construction. Following negotiations, DeFoe was given the opportunity to submit a Best and Final Offer ("BAFO"). The BAFO submitted was in the amount of \$35,628,265.

The selection committee unanimously recommended DeFoe for the award of the Contract. In addition to providing the lowest competitive price, the selection committee determined that DeFoe's proposal provided the best value to the MTA, when considering the quality of its technical proposal. DeFoe's schedule includes a reduction of 36 calendar days from the maximum duration permitted under the Contract. DeFoe's proposal maximizes project efficiencies by mobilizing its resources and incorporating lessons learned from a recently completed MTA project of similar scope. DeFoe also demonstrated a strong understanding of all components of the scope of work as established in its technical approach, and its key personnel have successfully completed Design-Build projects of similar scope and magnitude. DeFoe's BAFO of \$35,628,265 is deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established an MBE goal of 15%, WBE goal of 15%, and SDVOB goal of 6% for the Contract. DeFoe is committed to meet the required goal requirements and their utilization plan is under review. DeFoe has achieved its DBE/MBE/WBE/SDVOB goals on recently completed MTA contracts.

IMPACT ON FUNDING

Funding for the Contract, and stipends for the two unsuccessful proposers, are included in the B&T portion of the MTA's 2020-2024 Capital and Operating Programs.

ALTERNATIVES

None recommended. MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Page 1 of 1

Item Number: **2-27**

| | |
|---|--|
| Vendor Name (& Location) | |
| Various | |
| Description | |
| Indefinite Quantity Consultant Construction Management and Inspection Services for Miscellaneous Construction Projects | |
| Contract Term (including Options, if any) | |
| 78 months | |
| Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a | |
| Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive | |
| Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification | |
| Funding Source | |
| <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other: | |
| Requesting Dept/Div & Dept/Div Head Name: | |
| Delivery, Mark Roche, Deputy Chief Development Officer | |

| Contract Number | AWO/Modification # |
|-----------------------------|-----------------------|
| CM-1600 – CM-1615 | Various |
| CM-1626 – CM-1635 | |
| | |
| Original Budget Amount: | \$ 800,000,000 |
| Prior Modifications | \$ 0 |
| Prior Budgetary Increases: | \$ 400,000,000 |
| Current Budget Amount: | \$ 1,200,000,000 |
| This Budget Request: | \$ 400,000,000 |

DISCUSSION:

Contract Nos. CM-1600 to 1615 and CM-1626 to 1635 (collectively, the “Contracts”) are twenty-six Indefinite Quantity (“IQ”) contracts (13 federal and 13 state) for consultant construction management and inspection (“CCM”) services for MTA C&D projects. MTA Construction & Development (“C&D”) requests Board approval to extend the Contracts for 18 months, through December 31, 2026, and to increase the aggregate budget for these contracts by \$400 million.

On October 24, 2018, the Board approved the award of the Contracts to support NYC Transit capital projects on an as-needed basis for a period of 60 months with a total aggregate budget of \$800 million. The scope of the Contracts was expanded by C&D in 2021 to support all C&D projects. These Contracts were awarded as zero-dollar based contracts, with no minimum guarantee of any assignments, to form a pool of pre-qualified teams through which task orders are, in general, competed to provide CCM and inspection services. Thirteen consultants were awarded these contracts as follows: AECOM USA, Inc., Henningson Durham & Richardson Architecture and Engineering, P.C., Hill International, Inc./Parsons Transportation Group of New York, Inc., Joint Venture, HNTB New York Engineering and Architecture, P.C., Jacobs Civil Consultants, Inc. (“Jacobs”), LiRo Engineers, Inc., Mott MacDonald NY, Inc., Naik Consulting Group P.C. (a certified DBE and MBE firm), STV Incorporated, Systra Engineering Inc./MCSS Inc., Joint Venture (MCSS is a certified DBE and MBE firm), Tectonic Engineering & Surveying Consultants, P.C., T.Y. Lin International Engineering, Architecture and Land Surveying, P.C. and WSP USA, Inc.

The Contracts are currently due to expire on June 30, 2025. C&D is in the process of soliciting a replacement contract series that is anticipated to be awarded by the second quarter of 2026. To date, 213 task orders have been issued with a total expenditure of \$937.6 million and additional task orders are in the solicitation process. This Modification will allow for C&D to continue to use the Contracts to meet the projected needs of the Capital Program while the replacement contracts are procured.

The Contract series was originally awarded in 2018 and there have been no adjustments to rates or overhead to date. This modification will provide for negotiated individual rate adjustments and adjustments to overhead based on a re-assessment of overhead by MTA Audit. Based on the foregoing, the modification is considered fair and reasonable.

In connection with the review of Jacobs’ responsibility pursuant to the All-Agency Responsibility Guidelines, Jacobs was found to be responsible notwithstanding Significant Adverse Information and such responsibility finding was approved by the Chief Administrative Officer in consultation with the MTA General Counsel in April 2024.

Staff Summary

Page 1 of 2

| | |
|--|--------------------------------|
| Subject 2024 Annual Investment Report and MTA All Agency Investment Guidelines | Date May 28, 2025 |
| Department CFO/Treasury | Vendor Name |
| Department Head Name Kevin Willens, Chief Financial Officer | Contract Number |
| Department Head Signature | Contract Manager Name |
| Project Manager/Division Head Scott Gerstner, Director Cash and Investment Management/Olga Chernat, Deputy Chief, Financial Services | Table of Contents Ref # |

| Board Action | | | | | |
|--------------|---------------|------|----------|------|-------|
| Order | To | Date | Approval | Info | Other |
| 1 | Finance Comm. | 5/28 | | | |
| 2 | Board | 5/28 | | | |
| | | | | | |
| | | | | | |

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

Purpose:

Pursuant to the requirements of Public Authorities Law Section 2925, provide the MTA Board information on the MTA portfolio's investment performance for the period January 1, 2024 to December 31, 2024, obtain Board approval of the MTA 2024 Annual Investment Report and obtain Board approval of the MTA All Agency Investment Guidelines ("Investment Guidelines" or "Guidelines").

Discussion:

Investment Performance Information

The summary of the investment performance information for the year ended on December 31, 2024 is presented on the next page in aggregate and by fund type.

MTA Annual Investment Report

The full 2024 MTA Annual Investment Report contains additional information, including the following:

- Investment Income Record
- Fees and Commissions Paid
- Investment Inventory
- Transaction Report
- Draft Investment Compliance Report for the Year Ending December 31, 2024 issued by MTA Independent Auditors (the Final Investment Compliance Report is expected to be issued after the Board meeting in May 2025)
- MTA All Agency Investment Guidelines

Recommendation(s):

It is recommended that the MTA Board approve the MTA's submission of the 2024 Annual Investment Report.

Investment Performance by Type of Fund for the Year Ended December 31, 2024

| Type of Fund | Net Earnings this Period | Average Daily Portfolio Balance | Net Portfolio Yield %, 365-day Basis |
|--|--------------------------|---------------------------------|--------------------------------------|
| MTA Operating Funds and Other Internal Available Funds | \$293,966,628 | \$5,789,255,384 | 5.03 |
| TBTA Operating Investments | 14,059,780 | 274,182,332 | 5.07 |
| MTA Bond Resolution Funds (See Note 1) | 62,436,672 | 1,269,973,722 | 5.12 |
| TBTA Bond Resolution Funds (See Note 1) | 120,876,757 | 2,363,937,651 | 5.10 |
| Hudson Yards Bond Resolution Funds (See Note 2) | 6,688,935 | 126,710,104 | 5.03 |
| Real Estate / Other | 11,014,365 | 210,381,359 | 5.18 |
| | \$509,043,138 | \$10,034,440,553 | 5.05% |

Average Yield on 1-month Generic Treasury Bill (1/2/24 - 12/31/24) **5.12%**

Average Yield on 3-month Generic Treasury Bill (1/2/24 - 12/31/24) **5.09%**

Average Yield on 6-month Generic Treasury Bill (1/2/24 - 12/31/24) **4.98%**

Average Yield on 12-month Generic Treasury Bill (1/2/24 - 12/31/24) **4.68%**

Note 1: This analysis does not include bond escrows, which are not managed by MTA Treasury.

Note 2: MTA is the bondholder of the Hudson Yards 2020A bonds.



Metropolitan Transportation Authority

2024 ANNUAL INVESTMENT REPORT

MTA Cash and Investments Department

2024 ANNUAL INVESTMENT REPORT

| Index | Page |
|---|-------------|
| MTA Investment Performance by Type of Fund, 2024 (Funds actively managed by MTA Cash and Investments) | 1 |
| Portfolio Statistics by Instrument Type as of 12/31/2024 | 2 |
| Broker Activity Distribution for the Period 2024 | 3 |
| Investment Maturity Distribution as of 12/31/2024 | 4 |
| Listing of Primary Government Securities Dealers That Have a Master Repurchase Agreement With the MTA | 5 |
| Listing of Fees and Commissions Paid to Brokers, Agents, Dealers, Advisors and Asset Managers for the Period 01/01/2024 – 12/31/2024 | 6 |
| Investment Inventory with Market Value as of 12/31/2024 | 7 |
| Transaction Report Summary by Transaction Type for Period 01/01/2024 – 12/31/2024 | 8 |

Investment Performance by Type of Fund
For the Period January 1, 2024 to December 31, 2024

| Type of Fund | Net Earnings this Period | Average Daily Portfolio Balance | End of Period Portfolio Balance | Weighted Average Yield % at End of Period | Weighted Average Days to Maturity | Net Portfolio Yield %, 365-day Basis |
|--|--------------------------|---------------------------------|---------------------------------|---|-----------------------------------|--------------------------------------|
| MTA Operating Funds and Other Internal Available Funds | \$ 293,966,628 | \$ 5,789,255,384 | \$ 7,783,598,100 | 4.37% | 35 | 5.03% |
| TBTA Operating Investments | 14,059,780 | 274,182,332 | 230,426,619 | 4.36% | 41 | 5.07% |
| MTA Bond Resolution Funds (See Note 1) | 62,436,672 | 1,269,973,722 | 804,739,756 | 4.35% | 35 | 5.12% |
| TBTA Bond Resolution Funds (See Note 1) | 120,876,757 | 2,363,937,651 | 1,403,883,127 | 4.42% | 56 | 5.10% |
| Hudson Yards Bond Resolution Funds (See Note 2) | 6,688,935 | 126,710,104 | 98,545,120 | 4.86% | 7,910 | 5.03% |
| Real Estate / Other | 11,014,365 | 210,381,359 | 88,693,086 | 4.27% | 41 | 5.18% |
| \$ | 509,043,138 | \$ 10,034,440,553 | \$ 10,409,885,807 | 4.37% | 99 | 5.05% |

| | |
|---|-------|
| Average Yield on 1-month Generic Treasury Bill (1/1/24 -12/31/24) | 5.12% |
| Average Yield on 3-month Generic Treasury Bill (1/1/24 - 12/31/24) | 5.09% |
| Average Yield on 6-month Generic Treasury Bill (1/1/24 - 12/31/24) | 4.98% |
| Average Yield on 12-month Generic Treasury Bill (1/1/24 - 12/31/24) | 4.68% |

Note 1: This analysis does not include bond escrows, which are not managed by MTA Treasury.

Note 2: MTA is the bondholder of the Hudson Yards 2020A bonds.

**MTA HEADQUARTERS
CASH AND INVESTMENTS DEPARTMENT
PORTFOLIO STATISTICS BY SECURITY TYPE**

AS OF: 12/31/2024

| Instrument Type | Wtd Avg Yield | Wtd Avg Days to Maturity | Scheduled Par Value | Scheduled Book Value * |
|-------------------------------------|---------------|--------------------------|--------------------------|--------------------------|
| Federal Home Loan Bank Notes | 4.10 | 2 | 80,000,000 | 79,981,778 |
| Hudson Rail Yards Investment | 5.00 | 7,989 | 72,940,000 | 72,940,000 |
| Collateralized Repurchase Agreement | 4.18 | 2 | 458,782,000 | 458,782,000 |
| US Treasury Bills | 4.37 | 38 | 9,226,447,396 | 9,147,007,841 |
| US Treasury Notes | 4.38 | 135 | 656,625,000 | 651,174,188 |
| Grand Total | 4.37% | 99 | \$ 10,494,794,396 | \$ 10,409,885,807 |

* Includes purchase interest not yet received

Broker Activity Distribution for the Period January 1, 2024 - December 31, 2024

| Broker | Total Trans Count | Purchase of Securities | % Purchases | Sale of Securities | % Sales | REPOS | % REPOS | Total |
|--|-------------------------|---------------------------|----------------|-------------------------|---------------|--------------------------|---------------|---------------------------|
| Bank of New York Securities | 14 | \$ 1,430,104,836 | 1.4% | \$ 45,754,177.96 | 1.0% | \$ - | 0.0% | \$ 1,475,859,014 |
| Daiwa Securities Co. Ltd. | 2,523 | 64,085,436,719 | 63.7% | 2,357,983,172 | 52.6 | \$ 47,330,817,000 | 94.6 | 113,774,236,891 |
| Loop Capital Markets LLC (Minority Bank) | 193 | 2,648,852,340 | 2.6% | 346,142,373 | 7.7 | \$ - | 0.0 | 2,994,994,713 |
| Mizuho Securities | 329 | 9,803,002,057 | 9.7% | 227,340,365 | 5.1 | \$ 2,700,000,000 | 5.4 | 12,730,342,422 |
| Royal Bank of Canada | 345 | 9,134,224,930 | 9.1% | 815,013,314 | 18.2 | \$ - | 0.0 | 9,949,238,245 |
| Wells Fargo | 499 | 13,449,216,132 | 13.4% | 688,834,961 | 15.4 | \$ - | 0.0 | 14,138,051,093 |
| Total | 3,889 | \$ 100,550,837,014 | 100.00% | \$ 4,481,068,364 | 100.0% | \$ 50,030,817,000 | 100.0% | \$ 155,062,722,378 |

Investment Maturity Distribution

As of: 12/31/2024

| Maturity Curve | From | To | Number of Securities | Scheduled Book Value* | % |
|---------------------------|-----------------|-------------------|-----------------------------|------------------------------|---------------|
| One Day to 1 Month | 1/1/2025 | 1/31/2025 | 104 | \$ 3,766,602,753 | 36.18% |
| 1 to 2 Months | 2/1/2025 | 2/28/2025 | 146 | 4,940,913,300 | 47.46 |
| 2 to 4 Months | 3/1/2025 | 4/30/2025 | 20 | 917,916,170 | 8.82 |
| 4 to 6 Months | 5/1/2025 | 6/30/2025 | 43 | 711,513,584 | 6.83 |
| 2+ Years | 1/1/2027 | 11/15/2046 | 1 | 72,940,000 | 0.70 |
| Grand Total | 1/1/2025 | 11/15/2046 | 314 | \$ 10,409,885,807 | 100.0% |

* Includes purchase interest not yet received.

| |
|--|
| <p align="center">LISTING OF PRIMARY GOVERNMENT SECURITIES DEALERS WITH WHOM THE MTA HAS A SIGNED A MASTER REPURCHASE AGREEMENT</p> |
|--|

| Broker Name | Capital Included in Tier Calculation | Tier Level | Balance Sheet Date |
|------------------------------------|--------------------------------------|------------|--------------------|
| JP Morgan Securities | \$ 37,855,000,000 | 1 | 12/31/2024 |
| Bank of America Securities, Inc. | \$ 37,381,000,000 | 1 | 12/31/2024 |
| Citigroup Global Markets Inc. | \$ 27,728,000,000 | 1 | 12/31/2024 |
| Morgan Stanley & Company Inc. | \$ 19,312,000,000 | 1 | 12/31/2024 |
| BNP Paribas Securities Corp. | \$ 3,415,467,000 | 1 | 12/31/2024 |
| Mizuho Securities, USA Inc. | \$ 2,546,237,000 | 1 | 3/31/2024 |
| HSBC Securities (USA) Inc. | \$ 1,793,000,000 | 1 | 12/31/2024 |
| Daiwa Capital Markets America Inc. | \$ 1,558,257,000 | 1 | 3/31/2024 |

| | |
|-----------------------------|--------------------------|
| Repurchase Limit for Tier 1 | 300,000,000 |
| Repurchase Limit for Tier 2 | 250,000,000 |
| Repurchase Limit for Tier 3 | Amount of firm's capital |

| Tier levels to determine dealer limits for repurchase agreements | |
|--|---------------------------------------|
| 1st Tier | \$1,000.0 million or more in capital |
| 2nd Tier | \$200.0 to \$999.9 million in capital |
| 3rd Tier | Less than \$200.0 million in capital |

**Listing of Fees and Commission Paid to Brokers, Agents,
Dealers, Advisers and Asset Managers for Custody Accounts
For the Period 1/1/2024 to 12/31/2024**

Investment Administration and Support

Fees:

The Bank of New York:

| | | |
|---|---------------|---------------|
| * Custody fees | \$ 479,917.00 | |
| * Trade charges (daily buy/sell, Repos) | \$ 90,422.00 | |
| * Wire transfer fees | \$ 39,822.00 | |
| * Account maintenance fees | \$ 62,785.00 | |
| The Bank of New York (Note 1) | | \$ 672,946.00 |

Bloomberg:

| | | |
|--|---------------|---------------|
| *Terminals and Communication Lines | \$ 168,420.00 | |
| * PeopleSoft Data Licenses and MTM Pricing | \$ 36,000.00 | |
| Bloomberg: | | \$ 204,420.00 |

| | |
|-------------------|---------------|
| Total Fees: | \$ 877,366.00 |
| Total Commission: | \$ - |

| | |
|---|----------------------|
| Total Annual 2024 Fees and Commission (Custody): | \$ 877,366.00 |
|---|----------------------|

(Note 1): This does not include Trustee Fees, just Custody Fees.

**MTA HQ - TREASURY DEPARTMENT
INVESTMENT INVENTORY WITH MARKET VALUE
TOTAL BY FUND+INSTRUMENT TYPE**

AS OF: 12/31/2024

| Instrument | Sched Par | Original Settlement Amount | Sched Book Value | Market Value* | Accrued Interest | Accrued (Prem)/Disc | Amortized Book Value | Unrealized Gain | Unrealized Loss |
|-------------------------------------|--------------------------|----------------------------|--------------------------|--------------------------|----------------------|---------------------|--------------------------|----------------------|--------------------|
| Collateralized Repurchase Agreement | \$ 458,782,000 | \$ 458,782,000 | \$ 458,782,000 | \$ 458,782,000 | \$ 53,247 | \$ - | \$ 458,782,000 | \$ - | \$ (878) |
| Federal Home Loan Bank Notes | \$ 80,000,000 | \$ 79,981,778 | \$ 79,981,778 | \$ 79,979,840 | \$ 9,111 | \$ - | \$ 79,981,778 | \$ - | \$ (1,938) |
| Hudson Yards 2020A Bonds | \$ 72,940,000 | \$ 72,940,000 | \$ 72,940,000 | \$ 72,940,000 | \$ 466,006 | \$ - | \$ 72,940,000 | \$ - | \$ - |
| US Treasury Bills | \$ 9,227,335,425 | \$ 9,147,006,855 | \$ 9,147,007,841 | \$ 9,189,284,576 | \$ 45,139,218 | \$ - | \$ 9,147,006,855 | \$ 42,278,599 | \$ (74,117) |
| US Treasury Notes | \$ 656,625,000 | \$ 651,339,173 | \$ 651,174,188 | \$ 651,445,608 | \$ 1,811,614 | \$ 1,041,969 | \$ 651,416,769 | \$ 103,794 | \$ (838) |
| Grand Total | \$ 10,495,682,425 | \$ 10,410,049,806 | \$ 10,409,885,807 | \$ 10,452,432,024 | \$ 47,479,196 | \$ 1,041,969 | \$ 10,410,127,402 | \$ 42,382,393 | \$ (77,770) |

* If no Market Price, then Market Value = Book Value

Transaction Report Summary By Transaction Type for the Period January - December 2024

| Trans Type | No. of Trans. | Par | Book Value | Prem/(Disc) | (Interest) | Amort/(Accr) | (Gain) / Loss | Settlement |
|---------------------------|---------------|----------------------|----------------------|----------------------|----------------------|---------------------|-----------------|------------------------|
| Amort/(Accr) Total | 209 | - | 33,942,379 | - | - | (33,942,379) | - | - |
| Final Sale Total | 91 | (3,095,555,999) | (3,072,634,957) | 22,921,042 | (15,180,649) | - | (68,190) | 3,087,883,796 |
| Interest Total | 34 | - | (234,610) | - | (28,905,951) | - | - | 29,153,695 |
| Matured Total | 3,322 | (135,376,217,286) | (135,009,413,427) | - | (418,968,261) | - | - | 135,428,381,689 |
| Partial Sale Total | 306 | (1,437,969,667) | (1,426,764,484) | 11,205,182 | (6,303,873) | - | (25,310) | 1,433,093,856 |
| Purchase Total | 3,492 | 141,862,384,848 | 141,400,557,558 | (461,827,289) | - | - | - | (141,400,557,558) |
| Grand Total | 7,454 | 1,952,641,896 | 1,925,452,460 | (427,701,064) | (469,358,734) | (33,942,379) | (93,500) | (1,422,044,523) |

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of
Metropolitan Transportation Authority

Dear Members of the Board:

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the business-type activities of the Metropolitan Transportation Authority (the "Authority"), a component unit of the State of New York, which comprise the statement of net position as of December 31, 2024, and the related statements of revenue, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 30, 2025, which expresses an unmodified opinion on those financial statements and includes emphasis-of-matter paragraphs regarding (1) the Authority requiring significant subsidies from other governmental entities and (2) regarding the Authority's adoption of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*.

In connection with our audit, nothing came to our attention that caused us to believe that the Authority failed to comply with the Authority's Investment Guidelines, the New York State ("NYS") Comptroller's Investment Guidelines, Section 2925 of the NYS Public Authorities Law, or Section 201.3 of the NYS Public Authorities Law (collectively, the "Investment Guidelines"), insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Authority's noncompliance with the Investment Guidelines, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the board of directors and management of the Authority, and the Office of the New York State Comptroller and is not intended to be and should not be used by anyone other than these specified parties.

May 30, 2025

MTA ALL AGENCY
INVESTMENT GUIDELINES
Operating and Capital Program Funds

WHEREAS the Treasury Department of the Metropolitan Transportation Authority manages the investment of the operating and capital program funds of the Metropolitan Transportation Authority (MTA), The Long Island Rail Road Company (LIRR), the Metro-North Commuter Railroad Company (MN), the Manhattan and Bronx Surface Transit Operating Authority (MaBSTOA), the Metropolitan Suburban Bus Authority (MSBA), the New York City Transit Authority (NYCTA), the Staten Island Rapid Transit Authority (SIRTOA), the Grand Central Madison Concourse Operating Company (GCMCO) and the Triborough Bridge and Tunnel Authority (TBTA) (collectively the related entities), and

WHEREAS the investment of funds are regulated by the New York State Public Authorities Law, the State Comptroller's Investment Guidelines for Public Authorities, and in accordance with the Bond Resolutions of the MTA and TBTA ,

BE IT RESOLVED, that the following investment guidelines be adopted by the related entities.

I. GENERAL GUIDELINES

1. The MTA Treasury Department (Treasury) shall be responsible for the execution and management of all operating and capital program investment activity for each of the related entities. The Treasury Department will report to the Director of Finance.
2. Federal Statutory Requirements, New York State Statutory Requirements, and Bond Resolutions of the related entities supercede these guidelines.
 - a. Federal Statutory requirements include compliance with any existing or future statute or administrative ruling that may affect the tax-exempt status of related entities' debt.
 - b. New York State statutory requirements include, but not limited, to the following sections:
 - i. Public Authorities Law Sections 1265(4) (MTA), 1204(19) (Transit Authority) and 553(21) (TBTA)
 - ii. Public Authorities Law Section 2925 Investment of funds by public authorities and public benefit corporations; general provisions
 - iii. State Finance Law Article 15 – EXCELSIOR LINKED DEPOSIT ACT
3. Authorized Investment Obligations will be limited to the following:
 - a. obligations of the state or the United States government,
 - b. obligations the principal and interest of which are guaranteed by the state or the United States government,
 - c. money market funds that meet the definition of “Government Money Market Fund” under the SEC’s Rule 2a-71 under the Investment Company Act of 1940, and do not impose any liquidity fees or suspend redemptions,
 - d. certificates of deposit of banks or trust companies in this state, secured, if the authority shall so require, by obligations of the United States or of the state of New York of a market value equal at all times to the amount of the deposit,
 - e. banker’s acceptances with a maturity of ninety days or less which are eligible for purchase by the federal reserve banks and whose rating at the time of purchase is in the highest rating category of two nationally recognized independent rating agencies, provided, however, that the amount of banker’s acceptances of any one bank shall not exceed two hundred fifty million dollars,
 - f. obligations of any bank or corporation created under the laws of either the United States or any state of the United States maturing within two hundred seventy days, provided that such obligations receive the highest rating of two nationally recognized independent rating agencies and, provided further, that no more than two hundred fifty million dollars may be invested in such obligations of any one bank or corporation,
 - g. as to any such moneys held in reserve and sinking funds, other securities in which the

¹ 17 CFR 270.2a-7] under the Investment Company Act of 1940 [15 U.S.C. 80a-1 et seq.] (“1940 Act”).

- trustee or trustees of any public retirement system or pension fund has the power to invest the monies thereof pursuant to article four-a of the retirement and social security law, each such reserve and sinking fund being treated as a separate fund for the purposes of article four-a of the retirement and social security law,
- h. notes, bonds, debentures, mortgages and other evidences of indebtedness, issued or guaranteed at the time of the investment by the United States postal service, the federal national mortgage association, the federal home loan mortgage corporation, the student loan marketing association, the federal farm credit system, or any other United States government sponsored agency, provided that at the time of the investment such agency or its obligations are rated and the agency receives, or its obligations receive, the highest rating of all independent rating agencies that rate such agency or its obligations, provided, however, that no more than two hundred fifty million dollars or such greater amount as may be authorized for investment for the state comptroller by section ninety-three of the state finance law may be invested in the obligations of any one agency,
 - i. general obligation bonds and notes of any state other than the state, provided that such bonds and notes receive the highest rating of at least one independent rating agency, and bonds and notes of any county, town, city, village, fire district or school district of the state, provided that such bonds and notes receive either of the two highest ratings of at least two independent rating agencies,
 - j. mutual funds registered with the United States securities and exchange commission whose investments are limited to obligations of the state described in paragraph (a) of this subdivision, obligations the principal and interest of which are guaranteed by the state described in paragraph (b) of this subdivision, and those securities described in paragraph (h) of this subdivision and that have received the highest rating of at least one independent rating agency, provided that the aggregate amount invested at any one time in all such mutual funds shall not exceed ten million dollars, and, provided further, that the authority shall not invest such funds, accounts or other monies in any mutual fund for longer than thirty days,
 - k. financial contracts in a foreign currency entered into for the purpose of minimizing the foreign currency exchange risk of the purchase price of a contract with a vendor chosen through competitive process for the acquisition of capital assets for the benefit of the capital program of the Triborough bridge and tunnel authority or either the transit or transportation capital programs, and
 - l. repurchase agreements with any dealer or bank, which agreement is secured by any one or more of the securities described in clauses (a), (b) or (g) above, which securities shall (A) at all times have a market value of not less than the full amount held or invested pursuant to the agreement and (B) be delivered to a Bank as defined in clause (i) or (ii) of the definition thereof, as custodian, that is independent from the dealer or bank with whom the repurchase agreement is executed.
4. Bank shall mean any (i) bank or trust company organized under the laws of any state of the United States of America, (ii) national banking association, (iii) savings bank or savings and loan association chartered or organized under the laws of any state of the United States of America, or (iv) federal branch or agency pursuant to the International Banking Act of 1978 or any successor provision of law, or domestic branch or agency of a foreign bank which branch or agency is fully licensed or authorized to do business under the laws of any state or territory of the United States

of America.

5. Trading Authorization – The board delegates to the Chairman and the Executive Director, acting individually, the power to authorize certain individuals to buy and sell securities and enter into investment agreements on behalf of the related entities. The trading authorization will take the form of attachment A to these guidelines.
6. Investment Limitations – All dollar limitations for investment will be based on the original cost of the investment including accrued interest purchased at the time of investment.

II. CUSTODIAN

1. All Investment Obligations and collateral is to be held by a custodian who is not a party to the Investment Obligation.
2. A custodian must meet either of the following three criteria:
 - a. A bank as the term is defined in either clauses (i) or (ii) in section I.4 of these guidelines, and which the MTA Board has adopted a resolution establishing the bank as a depository of the MTA or any of its related entities.
 - b. A bank appointed as a trustee under a specific MTA board resolution.
 - c. A bank designated as a trustee by an authorized officer who has been delegated the authority by the MTA Board to appoint a custodian as part of a specific transaction.
3. Each bank acting as a custodian, except for a custodian established for a specific transaction, must have the following capabilities;
 - a. Daily electronic reporting of all investment and cash activity,
 - b. Acceptance of electronic instructions to buy, sell, deliver or receive securities,
 - c. Acceptance of electronic instructions to transfer funds, and
 - d. Electronic Access to current Investment Inventory position statements.
4. The Treasury Department will maintain at least \$100 million of its portfolio with a separate emergency custodian bank. The purpose of this deposit is in the event that the MTA's main custodian cannot execute transactions due to an emergency outside of the custodian's control, the MTA has an immediate alternate source of liquidity. Securities held in the separate emergency custodian bank are subject to the following conditions;
 - a. The securities will be included in the MTA portfolio, and
 - b. All security activity in the emergency custodian bank will be governed by these guidelines.

III. REPURCHASE AGREEMENTS

1. An executed Master Repurchase Agreement, approved as to form by the MTA General Counsel, must be executed between the dealer or bank and the MTA. The Director of Treasury is authorized to execute the agreement on behalf of the related entities.
 - a. A dealer must be listed on the "LIST OF THE GOVERNMENT SECURITIES DEALERS REPORTING TO THE MARKET REPORTS DIVISION OF THE FEDERAL RESERVE BANK OF NEW YORK", published by the Federal Reserve Bank of New York.
 - b. Agreements currently signed with firms meeting the requirements contained in the current Investment Guidelines will remain in effect.
2. The market value of the collateral must at all times be not less than the principal amount of the repurchase agreement plus the accrued interest of the repurchase agreement. MTA Treasury will use as its primary source its mark-to-market report based upon the prior day closing prices.
 - a. A mark- to- market of the collateral will be done each morning. The market value will include the accrued interest on the collateral securities.
 - b. For repurchase agreements having a term of more than 1 business day, if the market value of the collateral is less than 102%, rounded to the nearest 1%, additional collateral must be delivered to the MTA's custodian.
 - c. For the purpose of the mark- to- market calculation, the market value for all repurchase agreements with any one dealer, having a maturity of more than 1 business day, may be aggregated against the total collateral requirement for all of the repurchase agreements, having a maturity of more than 1 business day, with the one dealer.
 - d. The Treasury Department may waive the requirement for additional collateral if the amount of additional collateral is less than \$100,000.00 and the market value, as determined in the daily mark to market referred to in subsection (a) of this section, of the collateral held by the MTA's custodian is greater than the sum of the principal amount of the repurchase agreement plus the accrued interest of the repurchase agreement.
 - e. On the purchase date, which is the date on which the repurchase agreement is entered into, the Treasury Department will test a minimum of 20% of the repurchase agreements to ensure that the collateral being delivered is sufficient for the repurchase agreement.
 - f. For overnight, including weekends and holidays, repurchase agreements, the Treasury Department will be responsible for monitoring dealer performance and will take corrective action with regard to chronic problems. Such corrective action will consist of notifying in writing the dealer who has developed a pattern of not providing adequate collateral. If the problem persists, the Treasury Department will discontinue doing business with the dealer.
 - g. For repurchase agreements longer than overnight, including weekends and holidays, the Treasury Department will contact any under collateralized dealer and require additional collateral or the return of cash as required in the written repurchase agreement. Request for additional collateral should be made by 10:00AM.

- h. In the event of a dispute, a revised mark-to-market report may be used based upon current day pricing provided by a 3rd party, such as Bloomberg LLP. Documentation for such a revised report will consist of a screen pricing out of each collateral security at the current bid price plus the accrued interest on the collateral security.

Nothing in these guidelines prohibit entering into 3rd party repurchase agreements if the custodian meets the above criteria and all segregation requirements for the MTA funds are maintained.

- 3. Dealer limits for repurchase agreements are to be determined by a tier level based on a firm's capital.
 - a. The tier levels are:
 - 1st Tier - \$1,000.0 million or more in capital
 - 2nd Tier - \$200.0 to \$999.9 million in capital
 - 3rd Tier - Less than \$200.0 million in capital
 - b. Capital will be defined as the sum of the firm's equity plus subordinated long-term debt. If the dealer is a wholly owned subsidiary of another dealer, and is included in a consolidated balance sheet of the parent broker, the parent's capital will be the basis for determining the capitalization. If the parent organization is not primarily a dealer/broker type of firm, but does have a major portion of its revenues generated by other than security type transactions, the parent's capital will not be included. This would exclude firms owned by insurance companies, and other non-security investment institutions. Only audited financial statements will be used for determining the firm's capital.
 - i. Capital for a bank or dealer owned by a bank shall mean the bank's equity only.
 - ii. The capital of those holding companies which are foreign based cannot be applied for the purpose of determining capitalization except and unless the holding company has provided an unconditional guarantee in writing and any necessary supporting documents in a form acceptable to the MTA General Counsel against any losses incurred as a result of the domestic subsidiary being unable to fulfill its Contractual Obligations with the MTA.
 - iii. Only audited financial statements will be used for determining a firm's capital.
 - c. The total maximum exposure for repurchase agreements to any Dealer/Banks will be limited by Tier as follows for any one day:
 - 1st Tier - \$300.0 million
 - 2nd Tier - \$250.0 million
 - 3rd Tier - amount of firm's capital
- 4. Investment in repurchase agreements will be further governed by the following operational requirements:

- a. The Treasury Department will maintain a record of the results of its monitoring of overnight repurchase agreement collateral for each dealer.
- b. All repurchase agreements shall be in the form of cash versus delivery.
- c. The MTA Treasury Department will determine the final maturity of repurchase agreements based upon cash needs of the Authority.
- d. A minimum of three solicitations will be made prior to the awarding of any repurchase agreement. The award of the investment will be made in order of the highest yields, and in accordance with the exposure constraints established in Section III.3. A written record of the quotes received and awards made will be maintained by the Treasury Department.

IV. SECURITY PURCHASES AND SALES

1. The direct purchase of investment obligations securities covers the purchase of securities listed in sections I.3.a, b, d, e, g and h above.
2. All securities will be delivered to a designated MTA Custodian against cash payment. Delivery instructions will be sent to the MTA Custodian electronically or via telecopied letter signed by an authorized signer
3. A minimum of three (3) bids or offers will be solicited for direct purchases or sales of securities. The award will be based on lowest cost for purchases or highest price for sales. A written record of the quotes received will be maintained by the Treasury Department.
4. Nothing in this section prohibits the use of electronic trading screens, provided that the requirements of III.2 and III.3 are met.
5. The authority may participate directly in US Treasury government security auctions. This participation takes the form of placing an order through one of the dealers listed on the "LIST OF THE GOVERNMENT SECURITIES DEALERS REPORTING TO THE MARKET REPORTS DIVISION OF THE FEDERAL RESERVE BANK OF NEW YORK", published by the Federal Reserve Bank of New York. The award of securities is determined by the results of the auction process, and is based on the rates received and the amount of securities offered for sale. The pricing results of the auction are published, and such published notices will be included in the record of the trade.

V. REPORTING REQUIREMENTS

1. The Treasury Department will prepare reports as scheduled by the Finance Committee's work plan, investment reports covering the investment activity of all MTA Treasury Department funds. These reports will contain a detailed listing of all broker activity for the period. A listing of dealers with whom the MTA does repurchase agreements including limits set for each broker, will also be included.
2. An annual investment report shall be submitted to the Finance Committee consisting of the following:
 - a. Investment Guidelines and amendments to those guidelines since the last report, and an explanation of the guidelines and amendments.
 - b. Investment income for the year.
 - c. List of total fees, commissions or other charges paid to each investment banker, broker, agent, dealer, custodian bank and adviser rendering investment associated services to the MTA.

Following receipt of approval of the Board, copies of the annual report shall be submitted to:

1. State Division of the Budget
2. State Department of Audit and Control
3. State Senate Finance Committee
4. Assembly Ways and Means Committee

VI. PORTFOLIO MANAGERS

1. Due to the various portfolio requirements of the MTA, it may be advantageous to structure a specific portfolio and contract with outside portfolio managers for the management of these funds. The awarding of a portfolio management contract will be controlled by the MTA's procurement policy covering personal services contracts. The criteria for awarding these contracts will include, but not limited by, the following provisions:
 - a. Experience of the portfolio manager.
 - b. Concepts and ideas for the management of the funds, including the identification of an appropriate benchmark for the portfolio.
 - c. The ability to provide regular and timely reports, consistent with internal reporting requirements of the MTA All Agency Investment Guidelines.
 - d. Fees
 - e. Capitalization and financial strength of the firm.
2. Each portfolio manager will be required to operate within the structure of these guidelines except for the reporting requirement of competition with regards to the purchase and sale of securities. This exception is made because it would be impossible to monitor compliance. In addition, an outside manager would also have to comply with the following:
 - a. All transactions will be made from an MTA controlled Custody Account on a cash vs. delivery basis.
 - b. All Bank Statements and Broker advices will be mailed to the Comptroller for the MTA.
 - c. The MTA will designate to the custodian the representatives of the portfolio manager authorized to conduct business on behalf of the MTA.

VII. MISCELLANEOUS

The following guidelines will also be adhered to with regard to the investment of MTA Operating and Capital Program Funds.

1. AUTHORIZATION - The Chairman and the Executive Director, or any person or persons who may from time to time be designated in writing by either the Chairman or the Executive Director, may purchase or sell securities and/or enter into repurchase agreements for the MTA and its related entities.
2. BANK RECONCILIATIONS - All bank confirmations and statements will be addressed to the Comptroller. The Comptroller will be responsible for all investment custody account reconciliations.
3. INDEPENDENT AUDITOR - The MTA's independent auditor will include as part of its annual audit a statement on the compliance of the investment activity with these investment guidelines.
4. INVESTMENT DECISIONS - All investment decisions will also meet the following requirements:
 - a. Safeguard the Investment Principal.
 - b. Meet expected cash flow requirements.
 - c. Maximize yield.
5. CONFLICTS OF INTEREST - MTA's policy regarding conflicts of interest shall be followed regarding the investment of funds. Business may not be transacted with any institution or dealer of which an MTA Board Member, senior agency official, or any other officer or employee authorized to participate in the selection of such institution or dealer is an officer, a director or a substantial stockholder.
6. BROKER ADVICES - All broker advices will be mailed to the Treasury Department for safekeeping. All broker advices will be made available by the Treasury Department to the Comptroller and Audit Department as requested.
7. STOCK TRANSACTIONS - Due to the reorganization of mutual insurance firms into stock firms, the MTA and its related entities receive stock in reorganized corporations. The Chairman and the Executive Director, or any person or persons who may from time to time be designated in writing by either the Chairman or the Executive Director, may sell this stock for the MTA and its related entities.
 - a. If the corporation has a stock buy back plan that will purchase the stock, the stock will be sold using the plan.
 - b. If the corporation does not have a stock buy bank plan, the Treasury Department will solicit commission fee bids from at least 3 members of the MTA's senior underwriting management firms. The firm with the smallest commission will be

awarded the sale trade. In case of a tie, the trade may be divided among the firms with the same commission fee bid.

- c. Proceeds from the sale of the stock will be distributed back to the related entities in proportion to the shares of securities and/or enter into repurchase agreements originally owned by each of the related entities.

STAFF SUMMARY

| | |
|---|--------------------------------|
| Subject | Date |
| Promotional Transfer Policy for the Queens Bus Network Redesign | May 28, 2025 |
| Department | Vendor Name |
| Finance | N/A |
| Department Head Name | Contract Number |
| Jai Patel | N/A |
| Department Head Signature | Contract Manager Name |
| | N/A |
| Project Manager | Table of Contents Ref # |
| Sarah Wyss | N/A |

| Board Action | | | | | | Internal Approvals | | |
|--------------|-------|-----------|----------|------|-------|--------------------|-----------------------------------|----------|
| Order | To | Date | Approval | Info | Other | Order | Approval | Approval |
| 1 | Board | 5/28/2025 | X | | | 1 | CFO | |
| | | | | | | 2 | Legal | |
| | | | | | | 3 | Chief of Staff | |
| | | | | | | 4 | Chief External Relations & Policy | |

Purpose

To obtain Board approval to launch a promotional transfer policy beginning on June 29, 2025, when Phase 1 of the Queens Bus Network Redesign takes effect. This promotional transfer policy would be in effect for at approximately six months, to January 2026.

Discussion

On January 29, 2025, the MTA Board unanimously approved the Queens Bus Network Redesign plan, an historic effort to bring new and improved transit service to New York's largest and most bus-dependent borough. When implemented, the Queens Bus Network Redesign will bring faster, more frequent, and more reliable bus service to Queens riders.

Currently, the MTA allows customers to make one transfer within two hours from the time of the initial paid fare tap at the start of the journey. Today, 22 Queens bus routes have “Special Transfer Privileges”, allowing bus customers using those routes for an additional transfer from other transit routes.

The Queens Bus Network Redesign represents a significant change to the current service plan, including the introduction of “rush routes” and enhanced coverage in many Queens neighborhoods. Allowing customers to use an additional bus transfer would encourage customers to fully utilize these new options, as they decide on their preferred routes to work, school and recreational activities.

Therefore, the MTA is proposing this promotional free transfer policy to allow Queens bus riders tapping with OMNY one additional free bus transfer within a three-hour period from the time of the initial paid tap. The existing transfer window of two hours will remain. Additionally, the existing restrictions on the use of free transfers will remain to minimize the opportunity for round-trip travel (e.g., the restriction on using the free transfer for travel on the same bus route).

By implementing this promotional policy, the MTA will identify permanent “Special Transfer Privilege” routes for 2026.

Impact on Funding

Currently, MTA forgoes \$2.2M annually in fare revenue due to the 22 Queens bus routes with Special Transfer Privileges and would expect approximately comparable rates of forgone revenue for the duration of the pilot.

Recommendation

It is recommended that the MTA Board adopt this promotional transfer policy.

MAY 2025

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

F. Personal Service Contracts

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

1. Marine Tiger Technologies Corporation \$5,571,180 (est.) *Staff Summary Attached*

Three years

Contract# 600000000035710

Award of a contract to provide consulting services to support Paratransit Intelligent Transportation Systems and technology projects.

| | | | |
|---|-----------------|--------------|-----------------|
| Item Number: 1 | | | |
| Department: Paratransit, Rachel Cohen | | | |
| Internal Approvals | | | |
| Order | Approval | Order | Approval |
| 1 | Procurement | | |
| 2 | IT | | |
| 3 | DDCR | | |
| 4 | Legal | | |
| 5 | CFO | | |

| | |
|--|---|
| SUMMARY INFORMATION | |
| Vendor Name(s) Marine Tiger Technologies Corporation | Master Contract 600000000035710 |
| Description Professional Services for Paratransit Intelligent Transportation Systems | |
| Total Amount: \$5,571,180 (estimated) | |
| Contract Term (including Options, if any) Three Years | |
| Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A | |
| Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive | |
| Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole-Source | |
| Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | |

Purpose

MTA Headquarters is seeking Board approval to award a noncompetitive personal service contract to Marine Tiger Technologies Corporation (“Marine Tiger”) to provide consulting services to support the transition to new Paratransit Intelligent Transportation Systems (“ITS”), which provide essential support for daily Paratransit operations, enable efficiencies, and improve customer experience. The contract is for a period of three years, coinciding with the implementation timeframe for the Paratransit Technology System (“PTS”) upgrade. The estimated contract value is \$5,571,180.

Discussion

In 2022, Paratransit faced significant daily operational challenges due to (1) its 20-year-old PTS system, and (2) the incumbent PTS vendor’s failure to deliver a scheduled upgrade to that system. The MTA completed a competitive discretionary procurement process, in which four firms participated, to select a technology consultant to develop and execute a strategy to address Paratransit’s technology risks, vulnerabilities, and opportunities. Marine Tiger, a New York State certified WBE and DBE firm focused entirely on transportation technology solutions, was retained in 2022 via this procurement. Marine Tiger’s selected team of consultants have been fully embedded within Paratransit since 2022 and understand the many complex and unique aspects of Paratransit in general and NYC Transit’s Paratransit operation specifically. Leveraging its technical and operational expertise and experience, Marine Tiger successfully identified the root causes of these technology system failures and provided comprehensive recommendations to Paratransit on a path forward toward a more sustainable technology solution. Marine Tiger collaborated with Paratransit to immediately develop requirements for a new technology platform.

In the second phase of this engagement, Marine Tiger was tasked with gathering system requirements from across the business for a comprehensive scope of work and system specifications for the new platform that will replace the failing PTS system. Marine Tiger successfully led a year-plus effort to develop an RFP based on these business requirements. This RFP was released in 2024 and is currently undergoing proposal evaluation phase; Marine Tiger has served in a technical advisory capacity throughout this RFP process. Marine Tiger successfully completed both phases of its initial engagement.

Once the above-referenced RFP is awarded later this year, the MTA will begin to implement the comprehensive overhaul to its PTS. The MTA plans to re-engage Marine Tiger to play a key role in ensuring a timely and effective transition and implementation of the new system. Each member of the Marine Tiger team has demonstrated in-depth knowledge and experience in ITS and the capability to provide expertise and guidance through this once-in-a-generation technological change. Based on its technology expertise and time spent embedded with the Paratransit team, Marine Tiger has a unique technical and operational understanding of every element of Paratransit’s business and technological needs. They successfully delivered a technology transition strategy and developed the scope and technical requirements for the PTS RFP, and in this new contract term will ensure timely and successful delivery of that new PTS system. Marine Tiger’s team will bring its expertise in technology systems management, paratransit operations, and organizational change management to bear in order to ensure successful delivery of the PTS project, which will yield significant, long-term benefit for the operation and the customer.

Marine Tiger's continued efforts throughout this process are critical to ensure system compliance with all of MTA's business requirements. The firm has worked with the MTA from the beginning of the PTS scope development and will continue through full implementation of the new technology platform. The team of consultants will collaborate with the selected PTS vendor to configure and implement the platform, ensuring it fully meets the organization's needs. The goal is to maintain continuity of Marine Tiger's involvement in delivering a comprehensive end-to-end solution that integrates seamlessly with existing ancillary systems and to do so in a timely and cost-effective fashion.

Under this new agreement, Marine Tiger is obligated to work closely with the selected PTS system provider to ensure successful implementation of the new PTS. They will play a critical project management role to ensure the project remains on time and on budget, while MTA staff continue to operate the current/legacy system in parallel until completion/cutover to the new system. Marine Tiger's negotiated level of effort supporting every milestone under the PTS contract will be heavily monitored on a weekly basis and any lapse in performance or delays duly caused by Marine Tiger are subject to penalty provisions established in the contract. This new contract requires Marine Tiger to adhere to an evaluation program that allows the MTA to reduce payments in the event of any lapse in its performance related to three criteria: (1) the response time of their submittals for specific milestones under the new PTS system implementation project; (2) their ability to properly monitor and control project budget/hours for the new PTS during implementation and; (3) their ability to ensure that the PTS system implementation stays within an MTA-approved project timeline. This provision ensures timely completion of every implementation milestone while minimizing any risk of cost overruns by Marine Tiger and/or the new PTS system provider.

In February 2025, a noncompetitive public advertisement was posted in the *NYS Contract Reporter*, the *Daily News*, and on the MTA website citing the MTA's intention to award this contract to Marine Tiger. Vendor responses were received, but none possessed the expertise necessary to fully meet and support the Scope of Work for this engagement. Furthermore, introducing a new vendor at this time will disrupt the transition and implementation of the critical new PTS. The new vendor would need to spend substantial time and effort to fully understand the business and system requirements from user groups and may need to perform its own independent validation in order to properly oversee the installation and perform the necessary project management work. This effort would delay PTS implementation and further strain the resources of the NYCT Paratransit team. Marine Tiger understands Paratransit's operations and needs and provides a unique blend of subject-matter expertise and strategic guidance. Its continued engagement will help ensure that the MTA works effectively through the significant technological changes Paratransit's operation will undergo over the next three years and continue to improve efficiency and effectiveness.

Paratransit plans to conclude Marine Tiger's services in Year 3 (2028) and finalize work on all open projects and tasks specified under the contract and transition into the maintenance phase. At this time, the Paratransit Management Office will assume the role of maintaining these products for daily use by the operation.

Procurement negotiated a 20 percent reduction from Marine Tiger's original price proposal from \$6.964 million to \$5.571 million for the three-year contract period. Marine Tiger's hourly labor rates range from \$160 to \$289 and are 14 percent lower than the original proposed rates. The MTA Cost/Price Group completed an analysis of Marine Tiger's hourly labor rates based on audited overhead statement, margin and along with Procurement negotiated varied rates for remote and on-site work. Compared to a similar Board-approved consulting contract for systems integration services, Marine Tiger's rates are 23–40 percent lower for Program Manager to Project Manager titles. In addition, Marine Tiger's negotiated rate is 19 percent below current market rates received compared to a similarly situated consulting contractor providing a Senior Project Manager title. These Marine Tiger hourly rates are fixed for the entire contract period. The MTA Cost/Price Group deemed the rates fair and reasonable.

Marine Tiger has certified its compliance to MTA cybersecurity requirements, including requirements under federal, state, and local law regulations. Applicable cybersecurity requirements will be included in the final contract.

Marine Tiger has certified that pursuant to EO 16, it is not doing business in Russia.

M/W/DBE Information

The MTA Department of Diversity and Civil Rights (DDCR) has established zero MBE, WBE, or SDVOB goals for this contract.

Impact on Funding

This contract will be funded by NYC Transit's Operating budget.

Alternatives

Perform services in-house: This alternative is not feasible as Paratransit has neither the bandwidth nor the experience with complex technology implementations and integrations.

Do not approve award: This alternative is not advisable. Replacing the current Marine Tiger consultant would be detrimental, as it would result in Paratransit incurring a significant setback in projects critical to its operation, including the development and implementation of PTS. Changing consultants at this time would cause significant issues and delays, adversely impacting Paratransit's operational capabilities. In the event of a consultant change, NYC Transit would lose valuable time and progress on work already developed by Marine Tiger and risk a less effective PTS implementation.

Recommendation

It is recommended that the Board approve the award of this noncompetitive personal service contract to Marine Tiger to provide consulting services to Paratransit.

MAY 2025

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

K. Ratification of Completed Procurement Actions (Involving Schedule E-J)

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

- | | | |
|---|-------------|-------------------------------|
| 1. Cubic Transportation Systems 13 years + two, 1-year options Contract# A-34024.22 | \$3,664,348 | <i>Staff Summary Attached</i> |
|---|-------------|-------------------------------|

Contract for NYC Transit and the MTA Bus Company New Fare Payment System; Ratification to add funding to cover the Customer Service Point-of-Sale Terminals Agreement and an additional amount to cover two, 1-year options.

- | | | |
|---|--------------|-------------------------------|
| 2. Cubic Transportation Systems 13 years + one 5-year option Contract# A-34024.25 | \$12,937,718 | <i>Staff Summary Attached</i> |
|---|--------------|-------------------------------|

Contract for NYC Transit and the MTA Bus Company New Fare Payment System; Ratification to add funding to cover the Customer Website AI Chatbot Service feature and an additional amount to cover one, 5-year option.

Schedule K: Ratification of Completed Procurement Actions

Item Number: 1

| |
|--|
| Vendor Name (Location) Cubic Transportation Systems (San Diego, California) |
| Description New Fare Payment System |
| Contract Terms (including Options, if any) Contract Term: November 1, 2017–July 31, 2030 Optional Service Extensions: August 2030–July 2040 |
| Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a |
| Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive |
| Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Ratification: |
| Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: |
| Requesting Department: Delivery, Mark Roche, Deputy Chief Development Officer |

| Contract Number | AWO/Modification # |
|--|---------------------|
| A-34024 | 22 |
| Original Amount: | \$ 553,827,839 |
| Prior Modifications: | \$ 68,012,917 |
| Prior Budgetary Increases: | \$ 0 |
| Current Amount: | \$ 621,840,756 |
| This Request: | |
| Modification 22: \$1,544,752 | \$ 3,664,348 |
| Option 1 (Aug. 1, 2025–Jul. 31, 2026): \$1,054,798 | |
| Option 2 (Aug. 1, 2026–Jul. 31, 2027): \$1,054,798 | |
| % of This Request to Current Amount: | 0.59% |
| % of Modifications (including This Request) to Original Amount: | 12.9% |

Discussion:

MTA Headquarters is seeking Board approval to formally ratify the modification to a competitively negotiated personal service contract awarded to Cubic Transportation Systems (“Cubic”) for Customer Service Point-of-Sale Terminals Agreement in the amount of \$1,544,752, and an additional amount of \$2,109,596 to cover two, 1-year options, for a total requested amount of \$3,664,348. The Board is also requested to authorize the MTA Deputy Chief Procurement Officer to approve the exercise of the two 1-year options pending the approval of funding.

The base contract term is 13 years and provides NYC Transit and the MTA Bus Company (“MTABC”) a New Fare Payment System (“NFPS”). This contract replaces the legacy payment systems in use by NYC Transit and MTABC and provides the MTA with a state-of-the-art, integrated, reliable, and convenient contactless fare payment system, allowing customers to pay fares using digital wallets, contactless bank cards and MTA-issued contactless transit cards under the One Metro NY brand name.

This modification covers (1) a three-year base service agreement (July 1, 2022–July 31, 2025), which includes 34 months (July 2022–May 2025) of retroactive services, for Cubic to provide all labor, materials, and support services for Remedial and Preventive Maintenance of the Customer Service Point-of-Sales (“CS POS”) Terminal; (2) the development of software for Key Performance Indicators (“KPIs”) tracking and reporting of the CS POS terminals; (3) procurement of three additional CS POS terminals to supplement the spares inventory; (4) a bank of hours for discretionary activities such as relocation of a CS POS or installation of a CS POS from the spares inventory and (5) two, 1-year options.

In accordance with the NFPS contract, Cubic has provided CS POS terminals to assist customers and perform operations including card issuance for Reduced Fare and Paratransit customers, once done in an office setting. Under the base contract, NYC Transit performs First-Call and Second-Call Maintenance, and Cubic Third-Call Maintenance during the Hardware Warranty Period. However, NYC Transit elected not to perform any maintenance on CS POS terminals at the time CS POS installations began. Therefore, in 2022, when installations commenced, NYC Transit Revenue elected to outsource the field preventative, remedial, lifecycle maintenance services, excluding Cubic’s base contract warranty obligations, and accordingly, requested this modification to have Cubic perform First- and Second-Call Maintenance. To bridge the time between CS POS installation and the execution of this modification, NYC Transit requested that Cubic perform maintenance with the understanding that this modification would cover the retroactive period once this modification was executed, as long as both parties maintain records of service calls performed during the retroactive period.

Cubic submitted its proposal in the amount of \$1,885,289 for the base term, and \$2,778,657 for the two optional years. Negotiations yielded reductions in service hours which reduced MTA’s cost to \$1,544,752 for the base period, and \$2,109,595 for the two optional years. All hourly rates negotiated in 2022 remain firm. The final negotiated total value for this modification is \$3,664,348 which is 22 percent (or \$1 million) below the original proposed amount, and 9 percent (or \$342,000) below the total in-house estimate. All pricing and terms have been deemed fair and reasonable.

Schedule K: Ratification of Completed Procurement Actions

Cubic has certified its compliance to MTA cybersecurity requirements, including requirements under federal, state, and local law regulations. Applicable cybersecurity requirements are included in the contract.

Cubic has certified that pursuant to EO 16, it is not doing business in Russia.

Schedule K: Ratification of Completed Procurement Actions

Item Number: 2

| | | |
|--|--|-------------------------|
| Vendor Name (Location) Cubic Transportation Systems (San Diego, California) | Contract Number A-34024 | AWO/Mod. # 25 |
| Description New Fare Payment System | Original Amount: | \$ 553,827,839 |
| Contract Term (including Options, if any) Contract Term: November 1, 2017–July 31, 2030 Optional 1 Year Service Extensions: August 2030–July 2040 | Prior Modifications: | \$ 68,012,917 |
| Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a | Prior Budgetary Increases: | \$ 0 |
| Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive | Current Amount: | \$ 621,840,756 |
| Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: Ratification | This Request: | |
| Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other: | Modification 25: \$2,974,513 Option Amount (Jan. 1, 2026–Dec. 31, 2030): \$9,963,205 | \$ 12,937,718 |
| Requesting Department: Delivery, Mark Roche, Deputy Chief Development Officer | % of This Request to Current Amount: | 2.08% |
| | % of Modifications (including This Request) to Original Amount: | 14.6% |

Discussion:

MTA Headquarters is seeking Board approval to formally ratify the modification to a competitively negotiated personal service contract awarded to Cubic Transportation Systems (“Cubic”) for Customer Website AI Chatbot Service Feature in the amount of \$2,974,513, and an additional amount of \$9,963,205 to cover one, 5-year option, for a total requested amount of \$12,937,718. The Board is also requested to authorize the MTA Deputy Chief Procurement Officer to approve the exercise of the five-year option pending the approval of funding.

The base contract term is 13 years and provides NYC Transit and the MTA Bus Company (“MTABC”) a New Fare Payment System (“NFPS”). This contract replaces the legacy payment systems in use by NYC Transit and MTABC and provides the MTA with a state-of-the-art, integrated, reliable, and convenient contactless fare payment system, allowing customers to pay fares using digital wallets, contactless bank cards and MTA-issued contactless transit cards under the One Metro NY brand name.

Cubic offered MTA a free pilot of a third-party Chatbot feature developed by Pypestream, which was initially available to One Metro New York (“OMNY”) customers from March 2022 through September 2022. At the end of the pilot, Cubic and MTA agreed on the continuation of the Chatbot feature with the understanding that the MTA would pay for services beyond the pilot period.

This modification includes 31 months (October 2022–May 2025) of retroactive services and covers (1) the development, integration, and provision of ongoing services for a customer service Chatbot feature on the OMNY customer website; (2) continued software updates and maintenance services to support Chatbot; and (3) reimbursement to Cubic for costs beyond the Chatbot pilot period, which ended September 30, 2022. Chatbot allows customers to type their questions into a chat box that prompts the Chatbot to provide prepopulated responses regarding OMNY cards and account questions.

Under the base contract, Cubic is obligated to provide supplemental customer call center support and is paid a monthly call center fixed fee and a monthly customer interaction fee. The goal of the Chatbot is to reduce the number of calls to the OMNY call center about general information or OMNY account details by redirect inquiries to the Chatbot. This applies to both registered users and general inquiries. Potential results include lowering per-unit cost for calls to the Customer Call Center, as Chatbot interactions in these instances are at a lower cost than OMNY Call Center (“OCC”) calls.

As OMNY usage increases, the volume of calls to the OCC will grow as well. It is therefore expected that (1) Chatbot will be able to absorb some of that growth such that Cubic can utilize staff more efficiently to address customer caller issues requiring research and responses, and (2) MTA’s call center costs can be reduced.

Cubic’s final proposal in the amount of \$2,974,512 covers the base period of October 1, 2022–December 31, 2025, and provides (1) the monthly customer website Chatbot fixed fee; and (2) the volume-based per-unit interaction fee (estimated amount of 60,000 Chatbot interactions monthly). This final proposal is 15 percent or \$527,000 below MTA’s in-house estimate due to a 5 percent reduction on the per-unit interaction fee (from \$1.33 to \$1.26) as well as the additional Chatbot interactions of 10,000 per month that are being provided at no cost to the MTA (equivalent to \$390,000).

One five-year option was agreed upon in the price of \$9,963,204 associated with the monthly customer website Chatbot fixed fee and an estimated 214,512 monthly Chatbot interactions. This five-year option cost reflects a further reduction of 44 percent in per-unit interaction fee from \$1.26 to \$0.71 (equivalent to \$7 million reduction over 5 years), as well as 10,000 Chatbot interactions per month at no cost to the MTA (equivalent to \$426K in cost avoidance). The total modification amount is \$12,937,718, which has been deemed fair and reasonable.

Cubic has certified its compliance to MTA cybersecurity requirements, including requirements under federal, state, and local law regulations. Applicable cybersecurity requirements are included in the contract.

Cubic has certified that pursuant to EO 16, it is not doing business in Russia.

MAY 2025
MTA REAL ESTATE
FINANCE COMMITTEE AGENDA ITEMS

1. ADMINISTRATIVE ACTION ITEMS

MTA Metro-North Railroad

- a. Authorization to acquire property interests by negotiated agreement or eminent domain in the Bronx and New Rochelle, for the Penn Station Access Project.

2. TRANSACTIONAL ACTION ITEMS

MTA New York City Transit

- b. Lease with Stillwell Transit, Inc. for retail space at Coney Island – Stillwell Avenue Terminal in Brooklyn, NY
- c. Lease with B&B Station Management LLC for retail space at Rockaway Park – Beach 116 Station, (A and S trains) Rockaway Park, NY

MTA Metro-North Railroad

- d. License with Global Java III Inc. for retail space at the Larchmont Station, Larchmont, NY
- e. Lease with the Grand Concourse for a Café and Bar at the MNR Poughkeepsie Station Building in Poughkeepsie, NY
- f. Lease agreement with Vizz Group for a restaurant in the Shuttle Passage at Grand Central Terminal.

2. INFORMATION ITEMS

- a. Short-term permit between MNR and the Town of Ossining for the use of commuter parking lots at Ossining Station, Ossining, NY
- b. Entry permit between B&T and Philip Kaplan Glass and Mirror LLC for the use of a sidewalk and one traffic lane on Tunnel Exit Street to support work at 633 Third Avenue, New York, NY

- c. Permit agreement between NYCT and New York City Department of Parks and Recreation for the construction of accessibility improvements at the Broadway Junction Station in Brooklyn, NY
- d. Report on agreements entered into directly by the Real Estate Department pursuant to board policy

| <u>Legal Name</u> | <u>Popular Name</u> | <u>Abbreviation</u> |
|--|---|---------------------|
| <u>New York City Transit Authority</u> | <u>MTA New York City Transit</u> | <u>NYC Transit</u> |
| <u>The Long Island Rail Road Company</u> | <u>MTA Long Island Rail Road</u> | <u>LIRR</u> |
| <u>Metro-North Commuter Railroad Company</u> | <u>MTA Metro-North Railroad</u> | <u>MNR</u> |
| <u>Triborough Bridge and Tunnel Authority</u> | <u>MTA Bridges and Tunnels</u> | <u>MTA B&T</u> |
| <u>MTA Construction and Development Company</u> | <u>MTA Construction and Development</u> | <u>MTA C&D</u> |
| <u>MTA Bus Company</u> | <u>MTA Bus Company</u> | <u>MTA Bus</u> |
| <u>MTA Grand Central Madison Operating Company</u> | <u>Grand Central Madison</u> | <u>GCMC</u> |

Staten Island Rapid Transit Operating Authority is a subsidiary of the Metropolitan Transportation Authority. Its popular name is MTA Staten Island Railway (abbreviated as SIR).

Manhattan and Bronx Surface Transit Operating Authority is a subsidiary of the New York City Transit Authority (abbreviated as MaBSTOA).

MTA METRO-NORTH RAILROAD

Staff Summary

| |
|--|
| Subject ACQUISITION OF PROPERTY INTERESTS FOR THE PENN STATION ACCESS PROJECT |
| Department REAL ESTATE |
| Department Head Name DAVID FLORIO |
| Department Head Signature |
| Project Manager Name ANGELA SZU |

| |
|------------------------------------|
| Date MAY 28, 2025 |
| Vendor Name |
| Contract Number |
| Contract Manager Name |
| Table of Contents Ref. # |

| Board Action | | | | | |
|--------------|-------------------|----------|----------|------|-------|
| Order | To | Date | Approval | Info | Other |
| 1 | MNR | 05/28/25 | | X | |
| 2 | Finance Committee | 05/28/25 | X | | |
| 3 | Board | 05/28/25 | X | | |
| | | | | | |

| Internal Approvals | | | |
|--------------------|------------------------------|-------|----------|
| Order | Approval | Order | Approval |
| 1 | Legal | | |
| 2 | Chief Administrative Officer | | |
| 3 | Chief Financial Officer | | |
| | | | |

AGENCY: Metropolitan Transportation Authority ("MTA") and MTA Metro-North Railroad ("MNR")

GRANTORS: Various grantors per attached schedule

LOCATIONS: Various locations per attached schedule

ACTIVITY: Acquisition of real property interests in connection with the Penn Station Access Project ("PSA")

ACTION REQUESTED: Authorization to acquire various real property interests through negotiated agreements or eminent domain

COMPENSATION: To be determined separately for each property interest via negotiation or condemnation

COMMENTS:

In connection with the construction of PSA, a number of real property interest acquisitions will be required for stations (including platforms, stairways, walkways and Americans with Disabilities Act compliance), electrical substations, right-of-way ("ROW") augmentations along Amtrak's Hell Gate Line, and New Rochelle Yard improvements. The properties are listed on the attached schedule.

The MTA will endeavor to acquire all property interests for the project through negotiated agreements, but for a project of this magnitude, the MTA may not be able to reach agreements with all property owners and will be compelled to acquire some property interests through eminent domain. Thus, Board approval is being sought for the MTA to begin taking steps to satisfy the requirements of the Eminent Domain Procedure Law in order to preserve the MTA's rights, lessen the potential for delays to PSA and ensure the timely acquisition of the necessary property interests. If a negotiated agreement to acquire any of the property interests is reached prior to the filing of condemnation papers with the court, the terms of any such agreements will be presented to the Finance Committee and the MTA Board for further approval.

Based on the foregoing, MTA Real Estate requests authorization to proceed with the acquisition, by negotiated agreement or condemnation on the above-described terms and conditions.

**FINANCE COMMITTEE MEETING
ACQUISITION OF PROPERTY INTERESTS FOR THE PENN STATION ACCESS PROJECT
(Cont'd.)**

Page 2 of 3

BOARD RESOLUTION

WHEREAS, the MTA is undertaking the construction of the MTA MNR Penn Station Access Project ("PSA");

WHEREAS, in connection with PSA a number of real property interest acquisitions will be required for stations (including platforms, stairways, walkways and Americans with Disabilities Act compliance), electrical substations, Right-of-Way ("ROW") augmentations along Amtrak's Hell Gate Line, and New Rochelle Yard improvements;

WHEREAS, the MTA will endeavor to acquire the real property interests through negotiated voluntary agreements with the affected property owners, in order to preserve the MTA's rights and lessen the potential for future delays to the project if agreements cannot be negotiated in a timely manner, the MTA must take preliminary steps under the Eminent Domain Procedure Law to secure the property interest needed for PSA.

WHEREAS, if a negotiated agreement to acquire any of the property interests is reached prior to the filing of condemnation papers with the court, the terms of any such agreements will be presented to the Finance Committee and the MTA Board for further approval.

NOW THEREFORE, BE IT RESOLVED that in accordance with the Eminent Domain Procedure Law and Section 1267 of the Public Authorities Law, the Chairman or designated staff member of the MTA is authorized to proceed with the acquisition of real property interests in the properties described above by negotiated agreements or eminent domain and to schedule and undertake such preliminary steps, including holding a public hearing, as may be required under the Eminent Domain Procedure Law, in connection with these acquisitions.

BE IT FURTHER RESOLVED that the proposed acquisitions will be subject to prior, satisfactory completion of any required environmental reviews and that the terms of any negotiated agreements will be presented to the Finance Committee and the MTA Board for further approval.

See attachment for list of properties.

This resolution shall take effect immediately upon its adoption.

FINANCE COMMITTEE MEETING

ACQUISITION OF PROPERTY INTERESTS FOR THE PENN STATION ACCESS PROJECT

(Cont'd.)

Page 3 of 3

Acquisition of Various Real Property Interests in Support of the MTA Metro-North Penn Station Access Project by Negotiated Purchase or Condemnation

| <u>Borough</u> | <u>Block</u> | <u>Lot</u> | <u>Property Address</u> | <u>Reputed Owner</u> | <u>Type of Interest</u> |
|----------------|--------------|---------------------|-----------------------------------|--|-------------------------|
| Bronx | 2599 | 1 | Southern Boulevard | Bruckner RR, LLC | Perm & Temp Easements |
| Bronx | 2599 | 62 | Bruckner Boulevard | 980 BLC Owner LLC | Perm & Temp Easements |
| Bronx | 2599 | 87 | 980 East 149 th Street | 980 BLC Owner LLC | Perm & Temp Easements |
| Bronx | 2599 | 175 | East 141 st Street | 980 BLC Owner LLC | Perm & Temp Easements |
| Bronx | 2599 | 269 | 380 Bruckner Boulevard | Bruckner, LLC | Full Fee Simple |
| Bronx | 4018 | 121 | Van Buren Street | 1601 Van Buren LLC | Permanent Easement |
| Bronx | 4085 | 4 | 1140 Sacket Avenue | Y Properties Holdings II, LLC | Permanent Easement |
| Bronx | 4411 | 300 | 1770 Stillwell Avenue | United Cerebral Palsy of New York City, Inc. | Permanent Easements |
| Westchester | 238 | 10 | 171 Huguenot Street | SILWIS LLC | Perm & Temp Easements |
| Westchester | 238 | 5 p/o (F/K/A 21) | 12 Commerce Drive | BRP 10 Commerce LLC | Perm & Temp Easements |
| Westchester | 238 | 20 | 8 Commerce Drive | Cedar Plaza Associates, LLC | Perm & Temp Easements |
| Westchester | 250 | 1 | 8 Joyce Road | Agree Eastern LLC | Perm & Temp Easements |
| Westchester | 267 | 30 | 2533 Palmer Avenue | 2533 Premium Realty LTD. | Perm & Temp Easements |
| Westchester | 267 | 15 | 2525 Palmer Avenue | 2525 Palmer Associates LLC | Perm & Temp Easements |
| Westchester | 267 | 3 | Oak Street | Aldanso Realty LLC | Perm & Temp Easements |
| Westchester | 308 | 29 | 186 Lispenard Avenue | AMD Realty, Inc. | Perm & Temp Easements |
| Westchester | 308 | 30 | Oak Street | AMD Realty, Inc. | Perm & Temp Easements |
| Westchester | 310 | 20 | 2425 Palmer Avenue | Palmer-Petersville Leopold LP | Perm & Temp Easements |

MTA NEW YORK CITY TRANSIT

Staff Summary

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| Subject LEASE WITH STILLWELL TRANSIT, INC. FOR THE OPERATION OF A TRAVEL CONVENIENCE RETAIL SPACE AT CONEY ISLAND – STILLWELL AVENUE TERMINAL IN BROOKLYN, NY |
| Department REAL ESTATE |
| Department Head Name DAVID FLORIO |
| Department Head Signature |
| Project Manager Name ARTURO ESPINOZA |

| |
|------------------------------------|
| Date MAY 28, 2025 |
| Vendor Name |
| Contract Number |
| Contract Manager Name |
| Table of Contents Ref. # |

| Board Action | | | | | |
|--------------|-------------------|----------|----------|------|-------|
| Order | To | Date | Approval | Info | Other |
| 1 | Finance Committee | 05/28/25 | X | | |
| 2 | Board | 05/28/25 | X | | |
| | | | | | |
| | | | | | |

| Internal Approvals | | | |
|--------------------|------------------------------|-------|----------|
| Order | Approval | Order | Approval |
| 1 | Legal | | |
| 3 | Chief Administrative Officer | | |
| 2 | Chief Financial Officer | | |
| | | | |

AGENCY: MTA New York City Transit (“NYCT”)
LESSEE: Stillwell Transit, Inc.
LOCATION: Coney Island – Stillwell Avenue Terminal, Brooklyn, NY
PREMISES: Approximately 149 square feet
USE: Operation of a travel convenience retail unit
TERM: Ten (10) years
ACTION REQUESTED: Authorization to enter into a lease
RENT Lease year one rent of \$32,400 subject to annual escalations of three percent (3%)

COMMENTS:

MTA Real Estate issued a Request for Proposals (“RFP”) dated January 25, 2024, for a lease of the Premises. One proposal was received and is summarized below:

| Proposer Name | Present Value at 6% |
|------------------|---------------------|
| Taiseer Masurkar | \$272,370 |

Taiseer Masurkar, the sole proposer, has experience operating convenience stores and gas stations in Long Island and was recently awarded a lease to operate a travel convenience space at Jamaica Center – Parsons/Archer subway station in Queens. Stillwell Transit, Inc. is a newly formed corporation wholly owned by Taiseer Masurkar. Taiseer Masurkar will provide a personal guaranty of the construction, operation, and maintenance of the Premises.

A background and credit investigation performed on Mr. Masurkar and his corporate entity (Masurkar’s USA, Inc.) demonstrates he has excellent credit and the financial resources to undertake the proposed improvements and pay the rent offered.

FINANCE COMMITTEE MEETING

LEASE AGREEMENT WITH STILLWELL TRANSIT, INC FOR THE OPERATION OF A TRAVEL CONVENIENCE RETAL SPACE AT CONEY ISLAND – STILLWELL AVENUE TERMINAL IN BROOKLYN, NY(Cont'd)

Page 2 of 2

MTA Real Estate obtained an independent appraisal to determine the market value of the of the lease and the Rent offered exceeds the appraised value of \$26,000 per year.

Based on the foregoing, MTA Real Estate requests authorization for NYCT to enter into a lease with Stillwell Transit, Inc. on the above-described terms and conditions.

Staff Summary

| | |
|--|------------------------------------|
| Subject LEASE WITH B & B STATION MANAGEMENT LLC FOR RETAIL STREET LEVEL UNITS AT ROCKAWAY PARK – BEACH 116 STATION, ROCKAWAY PARK, NY | Date MAY 28, 2025 |
| Department REAL ESTATE | Vendor Name |
| Department Head Name DAVID FLORIO | Contract Number |
| Department Head Signature | Contract Manager Name |
| Project Manager Name RAYMOND SMYTH | Table of Contents Ref. # |

| Board Action | | | | | |
|--------------|-------------------|----------|----------|------|-------|
| Order | To | Date | Approval | Info | Other |
| 1 | Finance Committee | 05/28/25 | X | | |
| 2 | Board | 05/28/25 | X | | |
| | | | | | |
| | | | | | |

| Internal Approvals | | | |
|--------------------|------------------------------|-------|----------|
| Order | Approval | Order | Approval |
| 1 | Legal | | |
| 2 | Chief Administrative Officer | | |
| 3 | Chief Financial Officer | | |
| | | | |

AGENCY: MTA New York City Transit (“NYCT”)
LESSEE: B & B Station Management LLC
LOCATION: Rockaway Park - Beach 116 St Station
PREMISES: Station building comprised of five retail spaces
USE: Various retail uses
ACTION REQUESTED: Authorization to enter into a lease agreement
TERM: Thirty-five (35) years
RENT:

| | |
|-------------|---|
| Year 1-7: | \$15,000 per year (base rent construction credit) |
| Year 8-10: | \$15,000 per year |
| Year 11-15: | \$18,000 with 3% annual increases through year 14 |
| Year 16-20: | \$24,000 with 3% annual increases through year 20 |
| Year 21-35: | \$48,000 with 3% annual increases through year 35 |

COMMENTS:

MTA Real Estate issued a Request for Proposal (“RFP”) on October 6, 2022, seeking a master lessee to assume exclusive responsibility for the complete renovation, development, and management and operation of the Premises. Due to prolonged negotiations due to the complexity and extent of the initial improvements, as outlined below, the RFP timeline process extended beyond initial expectations. The initial deadline for RFP bid submissions was January 19, 2023. Following a careful review of the bid submissions, the MTA Real Estate Department decided to provide proposers an opportunity to submit a Best and Final Offer (“BAFO”), with a revised deadline of June 30, 2023. After extensive discussions and evaluations, the Conditional Designation Letter (“CDL”) was executed on December 18, 2023. However, during lease negotiations, delays became a recurring challenge as extended timeframes to respond to key terms and revisions, causing further setbacks to finalizing the agreement.

FINANCE COMMITTEE MEETING

LEASE WITH B & B STATION MANAGEMENT LLC FOR STREET LEVEL RETAIL UNITS AT ROCKAWAY PARK – BEACH 116 STATION, ROCKAWAY PARK, NY (Cont'd)

Page 2 of 3

A total of two (2) proposals were received and are summarized below.

| Company | Proposed Rent/Term | Proposed Use | Net Present Value |
|------------------------------|---|--------------------------------|-------------------|
| Adjmi Group | <p>49-Year Initial Term with an additional 49-year term</p> <p>\$40,000 annually for the initial 10 years, with 10% increases after each 10-year period</p> | Various Commercial Retail Uses | \$99,810.00 |
| B & B Station Management LLC | <p>35 Year Term</p> <p>Year 1-7: \$15,000 per year (Rent credited)</p> <p>Year 8-10: \$15,000 per year</p> <p>Year 11: \$18,000 per year</p> <p>Year 12-15: 3% annual increases</p> <p>Year 16: \$24,000 per year</p> <p>Year 17-20: 3% annual increases</p> <p>Year 21: \$48,000 per year</p> <p>Year 22-35: 3% annual increases</p> | Various Commercial Retail Uses | \$380,422.34 |

Following review of the proposals, MTA Real Estate requested a Best and Final Offer (“BAFO”) from each proposer. Adjmi Group confirmed that their initial proposal would serve as their BAFO, which included a 49-year initial term with an option for an additional 49-year term. Upon reviewing the Adjmi Group’s proposal, MTA Real Estate found that the proposed capital investment did not justify the requested terms.

Following continued negotiations, MTA Real Estate then determined that the most favorable proposal was from B & B Station Management LLC. As part of the required improvements, B & B Station Management LLC will be required to install a new roof for the Premises and bring the vacant units into a state of good repair. B & B Station Management LLC will sublease the entirety of the Premises. B & B Station Management LLC will be required to provide high-quality retail options aimed at delivering optimal service to NYCT subway and bus passengers, visitors, and the Rockaway Beach community.

In addition to the roof replacement, B & B Station Management LLC will be responsible for all required improvements, including but not limited to white-boxing the three vacant retail units and utility improvements for mechanical, electrical, plumbing, and gas work. Throughout the term, B & B Station Management LLC will be responsible for ongoing maintenance and necessary repairs to the Premises, its components, and all related systems, including fixtures, equipment, and any alterations made by B & B Station Management LLC or any of the sublessees. B & B Station Management LLC has proposed to invest approximately \$1,656,880.00 to cover the total cost of the initial work to the Premises, which includes roof replacement as the most significant item, along with plumbing fixtures, electrical upgrades, and cosmetic improvements.

FINANCE COMMITTEE MEETING

LEASE WITH B & B STATION MANAGEMENT LLC FOR STREET LEVEL RETAIL UNITS AT ROCKAWAY PARK – BEACH 116 STATION, ROCKAWAY PARK, NY (Cont'd)

Page 3 of 3

A credit and background investigation was performed on B & B Station Management LLC and its principals, and the investigation indicates no history of open civil or criminal records and that B & B Station Management LLC possesses adequate financial resources to complete the required improvements and meet the compensation obligations. Joseph Gagliardotto will personally guaranty B & B Station Management LLC's obligations under the Lease.

The proposed rent for the Premises covers a thirty-five-year term with no option to extend. Tenant's initial bid provided no rent for the first seven years of the agreement. Given the scope and cost of the initial work, during negotiations the Tenant agreed to receive base rent construction credits, in lieu of no rent, in the amount of \$105,000 or \$15,000 annually, which will reduce the base rent payments over the first seven years until fully applied. In the event B & B Station Management LLC defaults under terms of the agreement, the rent credit will be deemed null and void and the full rent will become due and payable.

An independent appraisal of the Premises indicates that the gross annual market rental value of the Premises is \$160,000 per annum. While the rent offered by B & B Station Management LLC is lower than the appraised value, MTA Real Estate has determined that the proposed transaction represents fair market value to NYCT, taking into account the immediate and continuing value of the permanent improvements, including, but not limited to, the replacement of the existing roof which will be at B & B Station Management LLC's sole cost and expenses.

Based on the foregoing, MTA Real Estate hereby requests authorization for NYCT to enter into a lease agreement with B & B Station Management LLC on the above-described terms and conditions.

MTA METRO-NORTH RAILROAD

Staff Summary

| |
|---|
| Subject LICENSE WITH GLOBAL JAVA III INC. FOR RETAIL SPACE AT LARCHMONT STATION, LARCHMONT, NY |
| Department REAL ESTATE |
| Department Head Name DAVID FLORIO |
| Department Head Signature |
| Project Manager Name JASON ORTIZ |

| |
|------------------------------------|
| Date MAY 28, 2025 |
| Vendor Name |
| Contract Number |
| Contract Manager Name |
| Table of Contents Ref. # |

| Board Action | | | | | |
|--------------|-------------------|----------|----------|------|-------|
| Order | To | Date | Approval | Info | Other |
| 1 | MNR | 05/28/25 | | X | |
| 2 | Finance Committee | 05/28/25 | X | | |
| 3 | Board | 05/28/25 | X | | |
| | | | | | |

| Internal Approvals | | | |
|--------------------|------------------------------|-------|----------|
| Order | Approval | Order | Approval |
| 1 | Legal | | |
| 2 | Chief Administrative Officer | | |
| 3 | Chief Financial Officer | | |
| | | | |

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

LICENSEE: Global Java III Inc. ("Global Java")

LOCATION: Larchmont Station

PREMISES: Approximately 130 sq. ft.

USE: Operation of a travel convenience retail unit

ACTION REQUESTED: Authorization to enter into a license with Global Java

TERM: Five (5) years and one (1) five (5)-year extension option

COMPENSATION: License year one compensation of \$8,400, subject to three percent (3%) annual escalations, plus eight percent (8%) of gross sales over \$48,000 per annum through the Term

COMMENTS:

MTA Real Estate issued a Request for Proposals ("RFP") on July 30, 2024, seeking qualified proposals to license the Premises. Two proposals were received and are summarized below:

| Proposer | Present Value at 6% |
|----------------------------|---------------------|
| Global Java III Inc. | \$37,440.47 |
| Winfield Street Croton LLC | \$26,744.59 |

Upon review of the submitted proposals, MTA Real Estate determined that the most favorable proposal was submitted by Global Java, with Sudhir Patel and Radhika Patel as its principals. Global Java is the highest bidder and has been operating at the Premises since July 2008. Global Java has proposed to continue to operate the Premises as a coffee and travel convenience concession.

MTA Real Estate requested a Broker's Opinion of Value ("BOV") from Greystone Real Estate Advisors to determine the rental market value of the retail unit, and Global Java's per annum rent proposal is higher than the BOV of \$4,057 per annum.

Staff Summary

FINANCE COMMITTEE MEETING

LICENSE AGREEMENT BETWEEN MNR AND GLOBAL JAVA III INC. THE RETAIL SPACE AT LARCHMONT STATION, LARCHMONT, NY (Cont'd)

Page 2 of 2

A credit and background investigation was performed and indicates that Global Java and its principals have no open civil or criminal records and possesses adequate financial resources to pay the proposed license compensation, maintain the required insurance, make the required improvements, and carry out the required property maintenance on the Premises.

Based on the foregoing, MTA Real Estate hereby requests authorization to enter into a license agreement on behalf of MNR with Global Java under the above-described terms and conditions.

Staff Summary



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| Subject LEASE AGREEMENT WITH THE GRAND CONCOURSE FOR A CAFÉ AND BAR IN THE POUGHKEEPSIE STATION IN POUGHKEEPSIE, NY |
| Department REAL ESTATE |
| Department Head Name DAVID FLORIO |
| Department Head Signature |
| Project Manager Name JASON ORTIZ |

| |
|------------------------------------|
| Date May 28, 2025 |
| Vendor Name |
| Contract Number |
| Contract Manager Name |
| Table of Contents Ref. # |

| Board Action | | | | | |
|--------------|-------------------|----------|----------|------|-------|
| Order | To | Date | Approval | Info | Other |
| 1 | Metro-North | 05/28/25 | | X | |
| 2 | Finance Committee | 05/28/25 | X | | |
| 3 | Board | 05/28/25 | X | | |
| | | | | | |

| Internal Approvals | | | |
|--------------------|------------------------------|-------|----------|
| Order | Approval | Order | Approval |
| 1 | Legal | | |
| 2 | Chief Administrative Officer | | |
| 3 | Chief Financial Officer | | |
| | | | |

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

LESSEE: 224 TCR LLC. dba The Grand Concourse ("TGC")

LOCATION: Poughkeepsie Station Building

PREMISES: A portion of the Poughkeepsie Station Building consisting of approximately 600 square feet of concession and kitchen space, a non-exclusive license to use approximately 400 square feet of seating area in the waiting area, and an optional 100 square foot mobile kiosk on the overpass of the Poughkeepsie Station Building at 41 Main Street, Poughkeepsie, NY

USE: Operation of an Italian inspired daytime café and evening cocktail bar

ACTION REQUESTED: Authorization to enter into a lease agreement

TERM: Ten (10) years

COMPENSATION: Year 1: \$10,500 per year
Year 2: \$10,506 per year
Years 3-10: \$10,821 per year with 3% annual increases

COMMENTS:

MTA Real Estate issued a Request for Proposals ("RFP") dated March 29, 2024, for the lease of the Premises. Two (2) proposals were received and are summarized below:

| Proposer Name | Present Value at 6% |
|-------------------------------------|---------------------|
| 224 TCR LL, DBA The Grand Concourse | \$85,134.82 |
| Chew Chew Bagel Cafe | \$67,636.91 |

TGC proposed a starting rent of \$10,500 (\$17.50 psf) with three percent (3%) annual increases after Year 2 on a ten (10) year term. TGC plans to initially invest \$160,000 in improvements to the space for its use. Based on their proposal,

FINANCE COMMITTEE MEETING

LEASE AGREEMENT WITH THE GRAND CONCOURSE FOR A CAFÉ AND BAR IN THE POUGHKEEPSIE STATION IN POUGHKEEPSIE, NY (Cont'd)

Page 2 of 2

interview, and supporting information, the most favorable proposal was submitted by TGC. Patrick McLauchlan will provide a personal guaranty of the construction, operation, and maintenance of the Premises.

TGC plans to activate the space with a traditional coffee bar experience during the day and cocktail bar in the evening. The café aims to become a lively spot for both commuters and local residents, offering healthy, in-house prepared food for any meal of the day.

TGC proposes a renovation of the Premises in compliance with all the MTA required design guidelines. The interior design, fit-out and carpentry will be customized for the historical nature of the Poughkeepsie Station Building

Credit and background investigations performed on 224 TCR LLC and its principals found no evidence of criminal conviction history, or other disagreement or reputation issues connected with the aforementioned business. 224 TCR LLC has sufficient financial resources to successfully complete the required improvements and compensation obligations.

MTA Real Estate requested a Broker Opinion of Value for the market rental value of the Premises. The broker noted that publicly reported listings are limited, and traditional market comparables are unavailable due to the unique position of the Location and its distance from the primary retail corridor of downtown Poughkeepsie. The Premises which has been vacant since May 31, 2020, relies entirely on commuter traffic for sales. The broker recommended offering the space at 8% of gross sales for the first two years to establish a breakpoint for a base rent for the remaining term and any option terms. TCG proposed a starting rent of \$10,500 with three (3%) escalations which MTA Real Estate accepted as the best and highest offer.

Based on the foregoing, MTA Real Estate hereby requests authorization for MNR to enter into a lease agreement with TGC on the above-described terms and conditions.

Staff Summary

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| Subject LEASE AGREEMENT WITH VIZZ GROUP LLC FOR A RESTAURANT IN THE SHUTTLE AND VANDERBILT PASSAGES IN GRAND CENTRAL TERMINAL |
| Department REAL ESTATE |
| Department Head Name DAVID FLORIO |
| Department Head Signature |
| Project Manager Name KIM TREVISAN |

| |
|------------------------------------|
| Date MAY 28, 2025 |
| Vendor Name |
| Contract Number |
| Contract Manager Name |
| Table of Contents Ref. # |

| Board Action | | | | | |
|--------------|-------------------|----------|----------|------|-------|
| Order | To | Date | Approval | Info | Other |
| 1 | MNR | 05/28/25 | | X | |
| 2 | Finance Committee | 05/28/25 | X | | |
| 3 | Board | 05/28/25 | X | | |
| | | | | | |

| Internal Approvals | | | |
|--------------------|------------------------------|-------|----------|
| Order | Approval | Order | Approval |
| 1 | Legal | | |
| 3 | Chief Administrative Officer | | |
| 2 | Chief Financial Officer | | |
| | | | |

AGENCY: MTA Metro-North Railroad ("MNR")
 LESSEE: Vizz Group LLC ("Vizz Group")
 LOCATION: Grand Central Terminal ("GCT")
 PREMISES: MC-10, approximately 8,455 sq. ft. located in the Shuttle Passage
 USE: Operation of a combination quick service and a sit-down restaurant
 ACTION REQUESTED: Authorization to enter into a lease agreement
 TERM: Fifteen (15) years

| RENT: | Period | Base Rent | Percentage Rent |
|-------|---------|--------------|---|
| | Year 1 | \$630,000.00 | 11% of gross sales over a breakpoint of \$6,300,000 |
| | Year 2 | \$648,900.00 | 11% of gross sales over a breakpoint of \$6,489,000 |
| | Year 3 | \$668,367.00 | 11% of gross sales over a breakpoint of \$6,683,670 |
| | Year 4 | \$688,418.01 | 11% of gross sales over a breakpoint of \$6,884,180 |
| | Year 5 | \$709,070.55 | 11% of gross sales over a breakpoint of \$7,090,706 |
| | Year 6 | \$730,342.67 | 11% of gross sales over a breakpoint of \$7,303,427 |
| | Year 7 | \$752,252.95 | 11% of gross sales over a breakpoint of \$7,522,530 |
| | Year 8 | \$774,820.54 | 11% of gross sales over a breakpoint of \$7,748,205 |
| | Year 9 | \$798,065.15 | 11% of gross sales over a breakpoint of \$7,980,652 |
| | Year 10 | \$822,007.11 | 11% of gross sales over a breakpoint of \$8,220,071 |
| | Year 11 | \$846,667.32 | 11% of gross sales over a breakpoint of \$8,466,673 |
| | Year 12 | \$872,067.34 | 11% of gross sales over a breakpoint of \$8,720,673 |
| | Year 13 | \$898,229.36 | 11% of gross sales over a breakpoint of \$8,982,294 |
| | Year 14 | \$925,176.24 | 11% of gross sales over a breakpoint of \$9,251,762 |
| | Year 15 | \$952,931.53 | 11% of gross sales over a breakpoint of \$9,529,315 |

FINANCE COMMITTEE MEETING LEASE AGREEMENT WITH VIZZ GROUP LLC FOR A RESTAURANT IN THE SHUTTLE AND VANDERBILT PASSAGES IN GRAND CENTRAL TERMINAL (Cont'd)

Page 2 of 2

COMMENTS:

MTA Real Estate issued a request for proposals ("RFP") dated May 1, 2024 for retail space MC-10 located between the Shuttle Passage and Vanderbilt Passage in Grand Central Terminal. This unit was previously occupied by Rite- Aid Pharmacy until February 29, 2024. In response to the RFP, a single proposal was received by Vizz Group.

The Vizz Group proposal was evaluated according to the Selection Process guidelines outlined in the Real Estate Department Real Property Disposition Guidelines last approved by the MTA Board in March, 202. After initial review and consideration, Vizz Group's proposal was deemed complete and responsible and was additionally evaluated by MTA Real Estate's third-party real estate service providers CBRE and JLL against the selection criteria listed in the RFP and recommended for selection. The net present value of the base rent proposal is \$7,348,207 (calculated at 6%) which is in line with the appraised value of \$100/sf. of the Premises, as estimated by an independent appraiser.

Vizz Group is a current GCT tenant in good standing, operating the Grand Brassiere in Vanderbilt Hall. In MC-10, Vizz Group proposes to operate a combination quick-serve food, retail, and a sit-down bar/restaurant. The proposed menu will include breakfast (bagels, oatmeal, juice bar, and coffee station) and a lunch into dinner menu offering a variety of food choices from salads, pizza, focaccia sandwiches, antipasto platters and desserts. A selection of alcoholic beverages from local distilleries, breweries and vineyards will also be available. Vizz Group will invest approximately \$5 million to improve and fit-out the space.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease, on behalf of MNR, with Vizz Group under the above-described terms and conditions.

Staff Summary

| | |
|---|---------------------------------------|
| Subject NYS Department of Financial Services Cybersecurity Certification of Material Compliance for First Mutual Transportation Assurance Company | Date May 28, 2025 |
| Department Finance | Vendor Name N/A |
| Department Head Name Kevin Willens, Chief Financial Officer | Contract Number N/A |
| Department Head Signature | Contract Manager Name N/A |
| Project Manager Name Claudia Reuben, Deputy Chief, Risk & Insurance Management | Table of Contents Ref # N/A |

| Board Action | | | | | | Internal Approvals | | | |
|--------------|---------|-----------|----------|------|-------|--------------------|----------------|-------|----------|
| Order | To | Date | Approval | Info | Other | Order | Approval | Order | Approval |
| 1 | Finance | 5/28/2025 | X | | | 1 | Legal | | |
| 2 | Board | 5/28/2025 | X | | | 2 | Chief of Staff | | |
| | | | | | | 3 | CFO | | |
| | | | | | | | | | |

Purpose:

To obtain Board approval of the annual Cybersecurity Certification of Material Compliance filed with the NYS Department of Financial Services on April 11, 2025 for First Mutual Transportation Assurance Company (FMTAC), the MTA's captive insurance company.

Discussion:

On March 1, 2017, the New York State Department of Financial Services (NYDFS) enacted a regulation establishing cybersecurity requirements for financial services companies, 23 NYCRR Part 500 ("the Cybersecurity Regulation") which requires development and maintenance of a cybersecurity program at the company level. The regulation mandates that affected organizations implement measures to ensure their systems and private data remain secure, unaltered, and accessible. FMTAC developed a cybersecurity plan and test criteria to meet the requirements under the NY Cyber Law including qualification for limited exemptive relief provided by the captive exemption under 500.19(d) of the law.

On an annual basis, FMTAC is required to file a Certification of Material Compliance with NYDFS. The Certification, plan, and assessment results are in the exhibit book for your review.

The Certification and assessments have been updated to reflect changes in personnel as well as updates to the plan.

Alternative:

Not to adopt the 2025 Cybersecurity Certification of Material Compliance. This alternative is not recommended because the certification is required by the NYDFS.

Recommendation:

It is recommended that the Board adopt the attached.

Staff Summary

| | |
|---|---------------------------------------|
| Subject Business Continuity Plan and Disaster Response Plan for First Mutual Transportation Assurance Company | Date May 28, 2025 |
| Department Finance | Vendor Name N/A |
| Department Head Name Kevin Willens, Chief Financial Officer | Contract Number N/A |
| Department Head Signature | Contract Manager Name N/A |
| Project Manager Name Claudia Reuben, Deputy Chief, Risk & Insurance Management | Table of Contents Ref # N/A |

| Board Action | | | | | | Internal Approvals | | | |
|--------------|---------|-----------|----------|------|-------|--------------------|----------------|-------|----------|
| Order | To | Date | Approval | Info | Other | Order | Approval | Order | Approval |
| 1 | Finance | 5/28/2025 | X | | | 1 | Legal | | |
| 2 | Board | 5/28/2025 | X | | | 2 | Chief of Staff | | |
| | | | | | | 3 | CFO | | |
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Purpose:

To obtain Board approval of updates made to the attached Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) for First Mutual Transportation Assurance Company (FMTAC), the MTA’s captive insurance company.

Discussion:

Insurance Circular Letter #3 issued by the New York State Department of Financial Services (NYSDFS) requires the BCP and the DRP to be approved by the Board. The approved DRP needs to be filed with the NYSDFS along with evidence of such approval. The plans are in the exhibit book for your review.

Business Continuity Plan and Disaster Response Plan:

The BCP is an “inward looking pre-disaster” plan that addresses and describes how FMTAC plans to continue operations during and immediately following a disaster. The DRP is oriented as an “outward looking post-disaster” plan that focuses primarily how FMTAC processes claims during and immediately following a disaster.

Both plans have been updated to reflect changes in personnel as well as updates to the captive’s business plan as the plans were last approved by the Board in 2024.

Alternative:

Not to adopt the revised plans. This alternative is not recommended because these plans are required by the NYSDFS.

Recommendation:

It is recommended that the Board adopt the attached.