Exhibit Book
Capital Program Committee Meeting
10/27/2025

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MTA Construction & Development's (C&D) last report to the Capital Program Committee (CPC) on integrated projects was in July 2024. Below are updates for this integrated project as of September 30, 2025:

Metro-North Penn Station Access

CBX001

Penn Station Access will provide Metro-North Railroad New Haven Line customers with service into and out of Penn Station via Amtrak's Hell Gate Line. The project includes four new ADA-accessible stations in the East Bronx, including rail service to communities underserved by public transit, drastically reducing travel times, and increasing reverse commute opportunities. The project also includes bridge rehabilitations, 19 miles of new and rehabilitated track work, new and reconfigured interlockings, modernization of signal, power and communication infrastructure. By bringing the Hell Gate Line to a state of good repair (SOGR), the project will also improve reliability and on-time performance for Amtrak customers and prepare the Northeast Corridor for high-speed rail in the future.

PROJECT STATUS	Original	Forecast
Substantial Completion	March 2027	Q2 2030*
Budget	$2.867B**	$2.867B**

**Assumes Amtrak agreement with mitigated schedule assumptions*
***Excludes cost for rolling stock and any potential delay costs*
The project is approximately 39% complete

The Penn Station Access project faces delays in achieving revenue service and potential cost overruns, predominantly due to lack of cooperation and support by Amtrak. Decisive action is needed to get this project on track and deliver rail service to East Bronx residents.

As the owner of the right-of-way, Amtrak committed contractually to support the project in advance of the project's award in late 2021. Unfortunately, these commitments have not been kept, and the project has suffered major delays as a result.

At the start of the project, necessary outages were essentially not provided at all. When outages began to be provided, necessary staffing (force account) was not available to allow work to proceed under Amtrak supervision. Even as staffing has begun to be made available, inconsistently applied work rules have reduced productivity and caused cascading delays. Throughout the entire process, Amtrak's failure to work effectively within the framework of a Design-Build project has slowed down progress and reduced the impact of the collective efforts of Amtrak, MTA, and the contractor to address these challenges.

Outages
Initially, Amtrak failed to provide the outages needed to provide track access and advance work at all.

As the Hell Gate line is an active railroad, outages are needed in order to perform work on the right of way, including rebuilding tracks, power systems, and drainage, all major components of the project. These outages typically involve rerouting Amtrak service to avoid specific tracks while allowing for Amtrak's Northeast Corridor Service to continue, albeit with less resilience if delays are incurred.

From the very start of the project, these agreed-upon outages were simply not delivered. In the first year of work, 2022, just 2 of 10 weekend outages were delivered.

As the MTA raised the alarm about this failure to deliver outages, Amtrak did respond, and in the spring of 2023, agreed to a long-term outage. (Even during this long-term outage, however, access continued to be limited as Amtrak was unable to provide staff support for work to proceed.) More extensive 55-hour weekend outages had been planned for 2023; just 5 of 38 planned full weekend outages were delivered. A similar outage was agreed to for 2024 but suffered many of the same challenges.

Staff Support

As the long-term outage unfolded, however, it exposed an equally grave challenge to the project: Amtrak's inability to provide the staffing needed to support the work, even when outages were scheduled.

To perform work safely, dedicated personnel referred to as "force account" are needed to perform functions such as de-energizing power lines, flagging, and oversight. The initial agreement set out planned levels of force account staffing for the project. In 2023 and 2024, Amtrak failed to come close to meeting this commitment. This severely limited the productivity of the contractor and required re-sequencing work to avoid parallel work in multiple locations beyond what Amtrak could support.

For example, installation of a new interlocking near Leggett Avenue was meant to be a major early milestone for the project. Leggett interlocking provides Amtrak with greater operational flexibility and allows the project to work in constant cyclical long-term single-track outages to provide the contractor with greater access. However, this early milestone was only achieved in July 2025 – 17 months later than initially planned. What's more, this was achieved only at the cost of delaying other parallel work in nearby locations to allow Amtrak's limited staffing to accommodate even this delayed schedule. As a result, further cascading delays were incurred in addition.

Even more critically, personnel in vital roles were often entirely absent. From March 2023 to August 2025, on 98 days, Amtrak did not provide a track foreman, meaning that track could not be taken out of service even though outages were scheduled on that track. On 77 days, Amtrak did not provide an electric traction

lineman, meaning that the power system could not be safely de-energized and work near it could not proceed.

As a result, delays on the project mounted even when outages were technically scheduled. On many instances, Amtrak trains were even rescheduled to avoid causing delays to Amtrak service—only for the project's construction crews to be turned away from working for lack of support.

Imposed Work Limitations

Where work was able to proceed and where force account has been provided, it quickly became clear that inconsistently applied work rules were a major impediment to progress. In 2025, Amtrak began to meet its force account commitments. In contradiction to agreements and documentation provided in advance of the project's award, however, Amtrak has insisted on dramatically more force account to be present at any given location in order for work to proceed.

For example, a major early construction activity was the installation of new Overhead Catenary Structures (OCS) to support the power cables. Planning documents provided by Amtrak stated that 9 total force account personnel would be required to supervise and support contractor work to erect a steel beam that holds the catenary (OCS portal). On the ground, Amtrak has required an average of 17 personnel be present for this activity. This exacerbated the impact of the failure to provide staff and meant that, even in instances when sufficient staff was available, the productivity rate of the contractor was severely limited. Instead of 17 staff being able to support work on two separate OCS portals simultaneously, all of them were required to support just one, essentially cutting productivity in half for this critical task.

As a result, the contractor has been unable to perform work at anywhere near its planned pace. The initial schedule called for an average of 92 activities to be completed each month. The new project schedule shows only 53.

Work Plan / Design Review

Throughout the entire process, Amtrak has failed to work within a Design-Build framework. Design-Build is a powerful tool for delivering projects more efficiently. However, Amtrak has institutionally been unable to utilize this tool and as a result slow, contradictory decision making has hampered the project at every step.

Amtrak review of Safe Work Plans and Design Packages is a case in point. It has taken an average of 6 months for Amtrak to approve submitted designs. While some of this is a result of the typical back and forth between a designer and an approver, in many cases, even designs that are ultimately approved without any changes required have sat for multiple months. 18 construction work plans are currently outstanding, meaning that even where designs have been approved, work cannot proceed.

Contractor Performance
In addition, the contractor has had performance issues of its own, although the impact of these more typical challenges pales in comparison to the impact of Amtrak's delays. The quality of the contractor's designs, especially early, was inconsistent. The installation of catenary wiring specifically was a challenge, with quality issues arising. The contractor's electrical subcontractor has had numerous performance issues.

MTA has worked closely with the contractor and addressed these concerns as they have arisen. Design Partnering workshops have extensively reviewed designs before they are submitted to Amtrak, and have greatly improved quality. A rigorous Quality Control Audit and Improvement plan helped address catenary issues. Greater involvement and oversight from the prime contractor, Amtrak, and MTA collectively improved the performance of the electrical subcontractor.

Mitigation Efforts to Date
MTA made efforts to partner with Amtrak and the contractor to mitigate these delays. In particular, the MTA's team has worked with Amtrak to document and implement a Book of Rules, which helped to define and standardize Amtrak's force account support requirements and work rules, and implemented Design Partnering Workshops to speed up design reviews. Regional outage and force account planning were implemented to coordinate scarce resources across the region. Bi-weekly coordination meetings and daily debriefs were conducted to improve daily force account coordination. Amtrak arranged for additional training for contractor staff to reduce the need for Amtrak force account in certain circumstances, although its impact on productivity has been limited.

On the design-builder side, the MTA has addressed contactor performance issues.

MTA has also engaged in an extensive value engineering effort to focus work on the most essential tasks. MTA removed scope including third rail throughout the project, DC substations in Queens, and heated platforms at the four stations. For its part, Amtrak deleted the repainting of one bridge; additional value engineering opportunities have been proposed to Amtrak but have not been accepted.

Further Mitigation Efforts
From project start to the commissioning of Leggett Interlocking, a 17-month delay has already been incurred. If the project were to continue along its current path, significant additional delay would be the likely result, putting the project's completion date in May 2032 or later – a catastrophic outcome.

If action is taken now, though, it is still possible to mitigate these delays. The contractor and MTA have worked to create a schedule with a March 2030 completion date. This schedule is possible if Amtrak commits to major structural

reforms. These include:

- Providing double-block outages, where two adjacent areas of railroad section can be worked on simultaneously
- Eliminate the week between continuous outages for track hardening, which can be performed simultaneously with other work
- Approve standard details for temporary wire protection on Out of Service tracks, reducing costly and time-intensive duplication of work
- Increase force account and reform work rules to increase productivity
- Embrace Design/Build project delivery to provide faster approval of designs and work plans.

In fact, with Amtrak's agreement, it would be possible to begin temporary service starting in 2027 as originally planned. With Amtrak's cooperation, work could be re-sequenced to deliver a robust limited service to Co-op City, Morris Park, and Parkchester-Van Nest stations in 2027 while the rest of the construction continues. The temporary service would include 5 trains during each of the AM and PM peaks and 2 trains in reverse peak direction to enable Bronx residents to commute to jobs in Westchester and Connecticut. Outside of peak hours, bi-directional hourly service would be provided between 6AM and 8:30 PM on weekdays.

Construction on remaining work would occur on weeknights and weekends. While this would extend substantial completion for the project as a whole and incur additional cost, it would mean East Bronx residents receive the service they have been waiting for on the timeline they were promised. MTA is committed to working with Amtrak to pursue this option and any other avenues to streamlining the project and delivering service.

Current work activities:
Despite these challenges and with the recent mitigation efforts, the design-build contractor was able to complete the following work items:

- Leggett Interlocking was completed July 2025
- Construction of the station entrance foundations at the four stations and steel installation at the Parkchester/Van Nest station
- Three new railroad bridge spans are completed: Bronxdale Ave Bridge (tracks 2 & 4), Bridge River Bridge (track 1), and Eastchester Rd. Bridge (track 3).
- The Pelham Lane Bridge foundations and piers are complete.
- Bronx Interlocking's wayside equipment including a central instrument house (CIH), a remote terminal unit (RTU) and a switch heater unit substation (SHUS) have been installed.

October 2025
Capital Program Committee
Independent Engineering Consultant
Project Review

Business Unit: Integrated Projects
MTA Construction & Development-Metro-North Penn Station Access

Metro-North Penn Station Access

Scope

This Penn Station Access (PSA) Design-Build project provides improved rail access to Penn Station from southern Connecticut, Westchester County, and the East Bronx. The Project is needed to:

- Introduce convenient, direct rail service to the East Bronx, currently underserved by mass transit.
- Reduce travel times to and from Penn Station by providing direct service for Metro-North Railroad (MNR) New Haven Line customers.
- Provide infrastructure improvements that meet the transportation and infrastructure industry standard for sustainability.
- Provide alternative/redundant route to the regional transportation network in case of service interruption.

- Major project scope elements include:
  - Realigning existing tracks and constructing two new passenger tracks, a total of 19 miles of track within the 6-mile project area of the Hell Gate Line.
  - Upgrade signals and communications
  - Upgrade 3rd rail traction power and Overhead Catenary Systems (OCS).
  - Construct four new MNR ADA Accessible stations in the East Bronx:
    - Co-Op City, Morris Park, Parkchester/Van Nest, and Hunts Points
  - Five new interlockings and reconstruction of one existing interlocking:
    - Leggett, Young, Tremont, Pelham Bay, Bronx and Gate (existing)
  - Rehabilitate/reconstruct four rail bridges:
    - Bronx River, Bronxdale Ave, Eastchester Road, and Pelham Lane
  - MNR ’s New Rochelle Yard (NRY) Improvements/Expansion.
- Outreach to Community and Project Stakeholders
  - Extensive Coordination with Amtrak, CSX, NYC Parks Department, NYSDOT, NYCDOT, and the Federal Railroad Administration (FRA).
  - Interagency coordination with Long Island Railroad (LIRR) and MNR.

Metro-North Penn Station Access

Schedule

MTA C&D awarded the Design-Build (DB) contract to Halmar International, LLC/Railworks Joint Venture (HRJV) with a construction duration of 63 months and a substantial completion date of March 2027.

The base contract Notice to Proceed (NTP) was issued on January 3, 2022, and the New Rochelle Yard Improvements option was awarded in December 2022.

- Since the last report in July 2024, the Project Management Team (PMT) has continued to work with Amtrak and the DB to finalize the PSA re-baseline schedule.
- Mitigation measures to offset schedule impacts resulting from previously reported delays attributed to Amtrak and CSX's limited track access, insufficient Amtrak force account support resources, and required Plate C clearance modification work have been proposed.
- The PSA re-baseline schedule forecasts a revenue service/substantial completion date in March 2030, 3 years later than originally planned. This schedule remains contingent upon Amtrak's commitment to provide the necessary track outages, Force Account support resources and improve the turnaround time for the review and approval of submittals. Once the schedule is approved, the IEC will provide an updated Schedule analysis.

Milestone (MS)/Key Dates	Contractual Completion Date (Data Date 1/1/2022)	DB Update #36 (Data Date: 8/1/25)	Mitigated Re-Baseline Schedule Forecast	IEC Forecast	Variance Contractual vs. IEC Forecast (Months)
All Interlockings Complete	February 2027	September 2031	TBD	TBD	NA
All Stations Complete	January 2027	December 2030	TBD	TBD	NA
All Sub-Stations Complete	December 2026	September 2029	TBD	TBD	NA
Revenue Service/Substantial Completion	March 2027	May 2032	March 2030	TBD	-36

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Schedule (continued)

- A significant project achievement, Leggett Interlocking, was placed in service in July 2025. This accomplishment, delivered approximately 8 months later than last forecasted, was delayed due to required Amtrak repairs to the existing Overhead Catenary System (OCS), Amtrak power feed issues, and the additional time necessary to complete testing and commissioning activities.
  - The commissioning of this critical interlocking enables the use of extended single-track outages for construction, allowing work to progress without disrupting Amtrak passenger operations.
- Since Leggett was placed in service, the following Long-Term Outages (LTOs) have occurred:
  - LTO 3.5 (Track 2) allowed for wire transfer work to the new OCS structures.
    - Originally scheduled for November 2024, it was delayed to July 2025 due to required Amtrak feeder repairs and power issues. The 35-day outage was completed in August 2025.
  - LTO 4.0 (Track 1) which allows for the completion of OCS wire transfers, demolition of the existing Track 1, installation of new Tracks 1 and 3 with new OCS wiring, and the commissioning of the new Track 1 in the Van Nest area began slightly later than planned due to Amtrak-related factors, including additional insulation testing and feeder reconfiguration.
    - This 155-day outage is scheduled to complete in January 2026.
- Although some progress has been made, the lingering issues with the quality of the design builder submittals and work quality issues early in the project continue to have an impact on the project's overall schedule.
  - The schedule may face further slippage without the design-builder's and Amtrak's full commitment to the proposed PSA re-baseline schedule.

Metro-North Penn Station Access

Budget

The Penn Station Access DB project is funded through a cost-sharing agreement between the MTA and the National Railroad Passenger Corporation (Amtrak). This agreement was amended in December 2024 to reflect the FRA funding

- While the total project funding remained at $2.867 billion, the agreement was revised to reflect the FRA funds granted.
- The current project budget and Estimate at Completion (EAC) remains at $2.867 billion.

MNR PSA Budget Status	Design Build Contract	Program Budget	Project Forecast EAC	IEC Forecast EAC
Current Status as of 10/2025	$1.888B[1]	$2.867B[2]	TBD	TBD

[1]Includes $133M for the New Rochelle Yard Expansion executed option work.
[2]Does not Include $512M allocated for a new service fleet for PSA under a separate project.

- The DB contract is 39% complete based on expenditures to date, which indicates the project is performing behind schedule.
- The project budget is being re-evaluated to assess potential impacts resulting from the revised schedule duration and associated cost exposures.
- In the opinion of the IEC, based on our review of available contingencies, project reserves, and expenditures to date, the project budget may be at risk as a result of outstanding claims currently in arbitration and potential cost impacts related to the extension of the schedule.
- Following finalization of the re-baseline schedule and resolution of the aforementioned claims, the IEC will provide an updated project budget and schedule analysis.

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Observations

- Since last reported in July 2024, coordination with Amtrak has shown some improvement, largely due to MTA's efforts to formalize Amtrak contractor work rules and facilitate regional planning for track outages and resource allocation.
- Additionally, to effectively advance the construction:
  - MTA C&D/PMC and Amtrak have enhanced their Overhead Catenary System (OCS) capabilities by bringing in additional expert personnel.
  - Amtrak has recently agreed to perform the Overhead Catenary System (OCS) wire transfer work on existing facilities to minimize impacts resulting from infrastructure deficiencies.
    - The IEC supports this decision; however, it notes that the degraded condition of the existing infrastructure may prevent taking full advantage of this opportunity. Subsequent construction work around existing Amtrak infrastructure may continue to require additional repairs and impact construction progress.
- In February 2025, the MTA Board approved the design, manufacturing, testing, and delivery of 13 Dual-Mode Locomotives and related equipment with an option to purchase two additional Dual-Mode Locomotives under a separate project with Siemens Mobility, Inc. ("Siemens").
  - The IEC notes the battery-alternating current configuration for the locomotives replaces the Diesel Engine with Traction Batteries as the locomotive prime mover and replaces the third-rail equipment with AC equipment for operation under catenary.
  - A review of the preliminary schedule indicates that the necessary number of locomotives are forecast to be conditionally accepted in advance of the date required to commence revenue service for PSA.
    - The Request For Proposals (RFP) for the MNR coach cars is in development.

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Observations (Continued)

- The PSA Risk Register has been updated to more accurately reflect the current exposure to the project. An internal Quantitative Cost/Schedule Risk assessment is anticipated with the finalization of the re-baseline schedule to consider the extended duration and re-sequencing of work.

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Risks and Mitigations

- **Limited Force Account Resources.**
  - Risk: The effectiveness of the long-term outage (LTO) and other work dependent on Amtrak forces can be impacted by a lack of Amtrak Force Account to provide protection of multiple operations during day, night, and weekend shifts and will cause schedule delay and increased costs.
    - Mitigation: Weekly coordination (service availability timelines, service level required, and prioritization of construction tasks) is ongoing with Amtrak to maximize coverage with the available crews and shifting select activities to day shifts. Additionally, contract employees are getting qualified on Amtrak's Electric Traction (ET) Operating (AMT2) rules for working in electrified territory to allow a reduction in the minimum approach distances to the OCS, eliminating or reducing the required level of ET protection.
  - Risk: Competing Amtrak Projects/Critical Operations: Demand from other projects or emergency operations can pull Amtrak Force Account support from the PSA Project, resulting in lost time.
    - Mitigation: Amtrak long-term positions are to be assigned only to the PSA work.
- Risk: Testing and Commissioning. Additional time may be required for the Testing & Commissioning (T&C) of critical systems (signals, track and power) prior to placing them in service than what is currently captured in the PSA project schedule. This risk was realized when placing Legget Interlocking In-Service.
  - Partial Mitigation: The PMT met with the DB and Amtrak to develop a T&C responsibility matrix. T&C plans for placing the remaining interlockings in service are being developed.

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Risks and Mitigations (continued)

- Risk: Delays in Property Acquisition for ROW. Potential setbacks in acquiring property rights, lands, etc. required for ROW remain a high risk to the project. This includes relocation of business tenants, acquiring public agencies' (NYC Park Dept, NYC DOT, NY State DOT, ConEd etc.) properties for work within the ROW.
  - Mitigation: Right of Way (ROW) consultants are assisting with eviction / relocation of main tenants (parking lot owners). Relocation costs are included in the ROW budget, but delays may impact the critical path schedule. For public agency properties, temporary permits are being secured.
- Risk: New Rochelle Yard Program requirements for the support facilities may change; potential schedule delays and additional costs may result. This continues to pose a high risk to the project as each building in the yard requires coordination between 3 to 4 different departments within MNR.
  - Mitigation: Under development.
- Risk: Amtrak approval process of design package(s), Construction Work Plans (CWPs) and Site-Specific Safety Work Plan (SSSWPs): Continuing delays due to Amtrak taking longer for reviews and/or approvals on design packages and revisions to CWPs/SWPs.
  - Mitigation: Weekly meetings are being held between MTA C&D, Amtrak and the DB to prioritize the approvals necessary to support the project schedule. Further mitigation is anticipated with the development of the re-baseline schedule.

  The majority of design packages have progressed to a Release for Construction (RFC) designation. MTA continues to work with Amtrak to improve the turn-around time and with HRJV to improve the submission quality.

The IEC agrees with the mitigations as presented above. Full commitment from Amtrak and the Design-builder on the PSA re-baseline schedule is necessary for the success of these mitigations.

Metro-North Penn Station Access

Recommendation

- Based on lessons learned from the cutover of Leggett Interlocking, the IEC recommends MTA C&D ensure sufficient detail and time for Testing & Commissioning (T&C) activities are incorporated into the re-baseline schedule. Allotting adequate time to place each of the remaining interlocking into service reduces the risk of further critical path delay.