



**Metropolitan Transportation Authority**

# **Finance Committee Meeting July 2020**

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## **Committee Members**

**L. Schwartz, Chair**

N. Brown

R. Glucksman

R. Herman

D. Jones

L. Lacewell

K. Law

H. Mihaltzes

R. Mujica

J. Samuelsen

V. Tessitore

N. Zuckerman

# **Finance Committee Meeting**

**2 Broadway - 20th Floor Board Room**

**New York, NY 10004**

**Wednesday, 7/22/2020**

**10:00 AM - 5:00 PM ET**

## **1. SUMMARY OF ACTIONS**

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## **2. PUBLIC COMMENTS PERIOD**

## **3. APPROVAL OF MINUTES – JUNE 24, 2020**

*Finance Committee Minutes - Page 5*

## **4. 2020 COMMITTEE WORK PLAN**

*2020 Work Plan - Page 6*

## **5. BUDGETS/CAPITAL CYCLE**

### **Finance Watch**

*Finance Watch - Page 13*

## **6. MTA HEADQUARTERS & ALL-AGENCY ITEMS**

### **Action Item**

*2020 State PWEF Assessment - Page 23*

### **Procurements**

*MTAHQ Procurement Report - Page 24*

*MTAHQ Competitive Procurements - Page 27*

## **7. METRO-NORTH RAILROAD & LONG ISLAND RAIL ROAD**

*MNR Procurement - Page 36*

## **8. NEW YORK CITY TRANSIT, and MTA BUS OPERATIONS (No Items)**

*NYCT Procurements - Page 37*

## **9. BRIDGES AND TUNNELS**

*B & T Procurements - Page 42*

## **10. FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY (No Items)**

## **11. MTA CONSOLIDATED REPORTS**

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*Subsidy, Interagency Loan and Stabilization Fund Transactions - Page 55*

*Debt Service - Page 65*

*Positions - Page 67*

*Farebox Ratios - Page 70*

*MTA Ridership Report - Page 71*

*Fuel Hedge - Page 95*

## **12. REAL ESTATE AGENDA**

### **Action Items**

*Real Estate Action Items - Page 98*

### **Report and Information Items**

*Real Estate Info Items - Page 128*

**FINANCE COMMITTEE**

**JULY 2020**

<b>Action</b>		<b>Amount</b>	<b>Short Description</b>
PWEF			The MTA Division of Management and Budget, assisted by MTA Capital Program Management, should prepare the usual annual staff summary authorizing the payment of this assessment to the State. The State levies an assessment of the value of construction-contract awards to cover its cost of enforcing prevailing-wage legislation.
<b>Agency</b>	<b>Vendor Name</b>	<b>Total Amount</b>	<b>Summary of Action</b>
MTAHQ	CorVel Healthcare Corporation	\$18,180,187	Various Services to Support the MTA Agencies: Medical Bill Review Services, Workers Compensation Preferred Provider Organization and Pharmacy Management Services
MTAHQ	International Business Machines Corporation	\$40,000,000	Comprehensive Vulnerability and Patch Management Services
MTAHQ	Various	\$15,000,000	Cybersecurity Services Retainer (13 awards)
MNR	Sperry Rail, Inc.	\$9,400,000	Ultrasonic Rail Testing and Joint Bar Detection Services for MNR and LIRR
NYCT	Motive Power, Inc.	\$233,000,000	Purchase of 25 Diesel-Battery Hybrid Locomotives with the Option for 45 Additional Hybrid Locomotives
NYCT	Cad Railway Industries Ltd.	\$27,957,413	Conversion and Upgrade of Ten R77E Locomotives
B&T	Ahern Painting Contractors, Inc.	\$10,734,434	Modification for additional structural steel repairs and painting at the Verrazano-Narrows Bridge
B&T	Tully Construction Co., Inc.	\$4,627,000	Modification for additional design-build services for installation of fire standpipe and upgrade of fire protection systems at the Robert F. Kennedy Bridge
<b>MTA Real Estate</b>	<b>Vendor Name</b>	<b>Amount</b>	<b>Short Description</b>
MTA	Multi-Site	TBD All	Board resolution authorizing property acquisitions by negotiation or eminent domain
	M.K.K. Properties, Inc.		
	1801 Park Avenue Acquisition LLC		
	1815 Park Avenue Acquisition LLC		
	Part of: 160 East 125th Owner LLC		
	Part of: 160 East 125th Owner LLC		
	F. & D. 2327Ave., LLC		
	Lucky Machine Wash Corp		
	II Macedonian Pentacostal Church		
	Pecora Group Development LLC		
	Pecora Group Development LLC		
	Pecora Group Development LLC		
	Pecora Group Development LLC		
	II Macedonian Pentacostal Church		
	Pecora Group Development LLC		
MTA	One Penn Plaza LLC an affiliate of Vornado Realty Trust	approx. \$30 million cost	Amendment and Extension of the Back of House lease for space located in 1 Penn plaza which supports Penn Station operations
NYCT	NYC Parks	not available	Acquisition of easements to build new NYCTA electrical substation
LIRR	Glen Garden Corp and Vorea Borden LLC	\$250,000 PE & \$32,200/month TE	Permanent & Temporary Easement with Vorea Borden LLC and Glen Garden Corp for the LIRR Long Island City Yard Flood Mitigation
MTA	NA	NA	Modification of existing board policies governing the licensing the MTA agency property to permit broad direct marketing for vacant retail space
MTA	NA	NA	Modification to Existing Board Policy Governing the Licensing of Retail Space in Grand Central Terminal
MTA	NA	NA	Modification of existing board policies governing the licensing of MTA agency properties to permit renewal of agreements under specified conditions
LIRR			Letter Agreement and Master Lease Amendent with Vornado Realty to Facilitate Concourse Improvements at Pennsylvania Station

Minutes of the MTA Finance Committee Meeting  
June 2020  
2 Broadway, 20th Floor Board Room  
New York, NY 10004

Because of the ongoing COVID-19 public health crisis, the MTA Chairman convened a one-day, virtual Board and Committee meeting session on June 24, 2020, which included the following committees:

- Joint Long Island Rail Road and Metro-North Railroad Committees
- New York City Transit and MTA Bus Committee
- Bridges and Tunnels Committee
- Finance Committee
- Capital Program Oversight Committee

To see a summary of the meeting and the actions taken by the Finance Committee, please refer to the June 24, 2020 Board minutes in the July Board Book available here on the Board materials website: <https://new.mta.info/transparency/board-and-committee-meetings/july-2020>.

# 2020 Finance Committee Work Plan

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## I. RECURRING AGENDA ITEMS

BudgetWatch  
FinanceWatch  
Approval of Minutes  
Procurements (if any)  
Action Items (if any)  
MTA Consolidated Reports

### Responsibility

MTA Div. Mgmt/Budget  
MTA Finance  
Board Secretary  
Procurement  
Agency  
MTA Div. Mgmt/Budget

## II. SPECIFIC AGENDA ITEMS

### Responsibility

### **September 2020**

2021 Preliminary Budget/July Financial Plan 2021-2024  
(materials previously distributed)

MTA Div. Mgmt/Budget

#### *Action Item:*

Resolution to Authorize the Execution, Filing and Acceptance of  
Federal Funds

MTA Grant Mgmt.

#### *Other:*

DRAFT MTA Financial Statements 2<sup>nd</sup> Quarter for the Six-Months  
Ended June 2020  
Agency Reports on Fare Evasion

MTA Comptroller  
Agency Representatives

### **October 2020**

2021 Preliminary Budget/July Financial Plan 2021-2024  
(materials previously distributed)

MTA Div. Mgmt/Budget

#### *Other:*

Annual Review of MTA's Derivative Portfolio -  
Including Fuel Hedge  
MTA 2020 Semi-Annual Investment Report  
Agency Reports on Fare Evasion

MTA Finance  
MTA Treasury  
Agency Representatives

### **November 2020**

2021 Final Proposed Budget/November Financial Plan 2021-2024  
(Joint Session with MTA Board)

MTA Div. Mgmt/Budget

#### *Other:*

Station Maintenance Billing Update  
Review and Assessment of the Finance Committee Charter  
Agency Reports on Fare Evasion

MTA Comptroller  
MTA CFO  
Agency Representatives

### **December 2020**

Adoption of 2021 Budget and 2021-2024 Financial Plan

MTA Div. Mgmt/Budget

#### *Action Items:*

Authorization to issue New Money Bonds for planned active credits  
for Capital Program cashflow needs in 2021  
Approval of Supplemental Resolutions Authorizing Refunding Bonds  
MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes

MTA Finance  
MTA Finance  
MTA Treasury

*Other:*  
Draft 2021 Finance Committee Work Plan  
Agency Reports on Fare Evasion  
MTA Div. Mgmt/Budget  
Agency Representatives

**January 2021**

*Other:*  
Special Report: Finance Department 2019 Year-End Review  
DRAFT MTA Financial Statements 3<sup>rd</sup> Quarter for the Nine-Months  
Ended September 2020  
Agency Reports on Fare Evasion  
MTA Finance  
MTA Comptroller  
Agency Representatives

**February 2021**

*Action Items:*  
2020 TBTA Operating Surplus  
Mortgage Recording Tax – Escalation Payments to Dutchess,  
Orange and Rockland Counties  
B&T/MTA  
MTA Treasury, MTA  
Div. Mgmt/Budget

*Other:*  
February Financial Plan 2021-2024  
Agency Reports on Fare Evasion  
MTA Div. Mgmt/Budget  
Agency Representatives

**March 2021**

*Action Items:*  
All-Agency Real Property Disposition Guidelines and All-Agency  
Personal Property Disposition Guidelines  
All-Agency Annual Procurement Report  
MTA Real Estate/MTA  
Corporate Compliance  
MTA Proc., Agencies

*Other:*  
MTA Prompt Payment Annual Report 2020  
Agency Reports on Fare Evasion  
MTA BSC/MTA Finance  
Agency Representatives

**April 2021**

*Other:*  
Annual Report on Variable Rate Debt  
Agency Reports on Fare Evasion  
MTA Finance  
Agency Representatives

**May 2021**

*Other:*  
MTA Annual Investment Report  
DRAFT MTA Financial Statements Fiscal Year-End Twelve-Months  
Ended December 2021  
Station Maintenance Billings  
Annual Pension Fund Report (Audit Committee Members to be invited)  
Annual FMTAC Meeting  
Annual FMTAC Investment Performance Report  
Agency Reports on Fare Evasion  
MTA Treasury  
MTA Comptroller  
MTA Comptroller  
MTA Labor  
MTA RIM  
MTA RIM  
Agency Representatives

**June 2021**

*Action Item:*  
PWEF Assessment  
MTA Capital Program Mgmt/  
MTA Div. Mgmt/Budget

*Other:*

DRAFT MTA Financial Statements 1<sup>st</sup> Quarter for the  
Three-Months Ended March 2020  
Agency Reports on Fare Evasion

MTA Comptroller  
Agency Representatives

**July 2021**

2022 Preliminary Budget/July Financial Plan 2022-2025  
(Joint Session with MTA Board)

MTA Div. Mgmt/Budget

*Other:*

Agency Reports on Fare Evasion

Agency Representatives

**III. DETAILS**

**September 2020**

2021 Preliminary Budget/July Financial Plan 2021-2024

Public comment will be accepted on the 2021 Preliminary Budget.

*Action Item:*

Resolution to Authorize the Execution, Filing and Acceptance of Federal Funds

The MTA Office of Grant Management will hold a public hearing in accordance with Federal law and then request the Board's approval of a resolution that would authorize the Chairman or a designated officer to execute the applications and accept grants of financial assistance from the Federal government.

*Other:*

DRAFT MTA Financial Statements for the Six-Months Ended, June 2020

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the Six-Months ended, June 30, 2020.

Agency Reports on Fare Evasion

Fare Evasion statistics to be reported by Agency Representatives.

**October 2020**

2021 Preliminary Budget/July Financial Plan 2021-2024

Public comment will be accepted on the 2020 Preliminary Budget.

*Other:*

Update on Business Service Center

The Business Service Center will provide an update on its initiatives and upcoming project milestones. Operational performance metrics will also be shared.

Annual Review of MTA's Derivative Portfolio – Including Fuel Hedge

The Finance Department will provide an update on MTA's portfolio of derivative contracts.



### MTA 2020 Semi-Annual Investment Report

The MTA Treasury Division should be prepared to answer questions on this report.

### Agency Reports on Fare Evasion

Fare Evasion statistics to be reported by Agency Representatives.

### **November 2020**

#### 2021 Final Proposed Budget/November Financial Plan 2021-2024 (Joint Session with MTA Board)

The Chief Financial Officer and MTA Budget Division will present an updated forecast for 2021, a Final Proposed Budget for 2021, and an updated Financial Plan for 2021-2024.

#### *Other:*

#### Station Maintenance Billing Update

The MTA Comptroller Division will provide a report on the collection and audit status of station maintenance billings issued as of June 1, 2020.

#### Review and Assessment of the Finance Committee Charter

MTA Chief Financial Officer will present the most updated Finance Committee Charter to the Finance Committee members for them to review and assess its adequacy. The annual assessment is required under the current Committee Charter.

### Agency Reports on Fare Evasion

Fare Evasion statistics to be reported by Agency Representatives.

### **December 2020**

#### Adoption of 2021 Budget and 2021-2024 Financial Plan

The Committee will recommend action to the Board on the Final Proposed Budget for 2021 and 2021-2024 Financial Plan.

#### *Action Items:*

#### Approval of Supplemental Resolutions Authorizing New Money Bonds.

Board approval to allow for the issuance of new money bonds to fund existing approved bond financed capital projects under the Transportation Revenue Bond Obligation Resolution, the Dedicated Tax Fund Obligation Resolution, and in the case of Bridge & Tunnel Capital Projects, the Triborough Bridge and Tunnel Authority Senior and Subordinate Obligation Resolutions.

#### Approval of Supplemental Resolutions Authorizing Refunding Bonds

Board action required to allow for the refunding to fixed-rate bonds from time to time provided that such refundings comply with the Board approved refunding policy.

#### Approval of MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes.

Board approval required to allow for the reimbursement of capital expenditures at a later date from the proceeds of tax-exempt bond sales.

*Other:*

**Draft 2021 Finance Committee Work Plan**

The MTA Chief Financial Officer will present a proposed 2021 Finance Committee Work Plan that will address major issues, SBP and budget process issues, and reports required by statute.

**Agency Reports on Fare Evasion**

Fare Evasion statistics to be reported by Agency Representatives.

**January 2021**

*Other:*

**Special Report: Finance Department 2020 Year-End Review**

The MTA Finance Department will present a report that summarizes financing activities for 2020.

**DRAFT MTA Financial Statements for the Nine-Months Ended, September 2020**

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the nine-months ended, September 30, 2020.

**Agency Reports on Fare Evasion**

Fare Evasion statistics to be reported by Agency Representatives.

**February 2021**

*Action Items:*

**2020 TBTA Operating Surplus**

MTA Bridges and Tunnels should be prepared to answer questions on a staff summary requesting (1) transfer of TBTA 2020 Operating Surplus and Investment Income, (2) advances of TBTA 2020 Operating Surplus, and (3) the deduction from 2020 TBTA Operating Revenue, funds which shall be paid into the Necessary Reconstruction Reserve.

**Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties**

By State statute, each of these counties is entitled to a share of MTA's MRT-2 tax receipts. The amount may be no less than they received in 1987 (even if the taxes collected fall below the 1987 levels), but there are proportional upward adjustments if taxes collected in the particular county exceed the 1987 totals. Such upward adjustments are expected to be required this year, based on the 2009 experience thus far. The MTA Budget and Treasury Division will be prepared to answer questions on the related Staff Summary authorizing the payments.

*Other:*

**February Financial Plan 2021-2024**

The MTA Division of Management and Budget will present for information purposes a revised 2021-2024 Financial Plan reflecting any technical adjustments from the Adopted Budget and the incorporation of certain "below-the-line" policy actions into the baseline.

**Agency Reports on Fare Evasion**

Fare Evasion statistics to be reported by Agency Representatives.

## **March 2021**

### *Action Items:*

#### All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines

Board approval of above guidelines as required annually by Public Authorities Law Sections 2895-2897. MTA Real Estate and MTA Corporate Compliance should be prepared to answer questions regarding these guidelines.

#### All-Agency Annual Procurement Report

The Agencies and the MTA Procurement Division should be prepared to answer questions on this voluminous State-required report.

### *Other:*

#### MTA Annual Prompt Payment Status Report

The Senior Director of the MTA Business Service Center should be prepared to discuss a report, to be included in the Agenda materials, that reviews MTA-wide success in meeting mandated prompt-payment deadlines (including the interest penalties incurred as a result of late payment).

#### Agency Reports on Fare Evasion

Fare Evasion statistics to be reported by Agency Representatives.

## **April 2021**

### *Other:*

#### Annual Report on Variable Rate Debt

The MTA Finance Department will present a report that summarizes the performance of the MTA's various variable-rate debt programs, including a discussion of the savings (compared to long-term rates) achieved through variable rate debt and a discussion on the current policy and limits on the use of variable rate debt.

#### Agency Reports on Fare Evasion

Fare Evasion statistics to be reported by Agency Representatives.

## **May 2021**

### *Action Item:*

#### MTA Annual Investment Report

The MTA Treasury Division should be prepared to answer questions on this State-required report.

### *Other:*

#### DRAFT MTA Financial Statements for the Twelve-Months Ended, December 2020

Included for information is a copy of the Independent Accountant's Audit Report of MTA Financial Statements for the Twelve-Months ended, December 31, 2020.

#### Station Maintenance Billings

Under the Public Authorities Law, the Board is required to certify to the City and the counties in the

Metropolitan Transportation District the total costs to MTA for operating and maintaining Commuter Railroad passenger stations. The City and county assessments are both now determined through a formula.

#### Annual Pension Fund Report

The MTA Labor Division, representatives of the various pension fund boards, and their pension consultants should be prepared to answer questions on a report, to be included in the Agenda materials, that reviews the 2020 investment performance and other experience of the various MTA pension funds. Among other matters, this report should (i) make recommendations on appropriate

investment-earnings assumptions in light of the experience of the past three years; (ii) discuss the implications for asset allocations in light of such recommendations; (iii) discuss the effect on (under) funding of the systems in light of such performance and recommendation; (iv) provide appropriate comparisons with other public pension systems; and (v) solicit the opinions of the Board Operating Committees on these recommendations in light of their effects on Agency budgets.

#### Annual Meeting of the First Mutual Transportation Assurance Company

The MTA's Captive Insurance Company will hold its statutorily required annual meeting in which it will review the prior year's operations as well as submit its financial statements and actuarial report for final approval. The MTA Risk and Insurance Management Divisions, along with the FMTAC's outside investment managers, should be prepared to answer questions on reports.

#### Agency Reports on Fare Evasion

Fare Evasion statistics to be reported by Agency Representatives.

### **June 2021**

#### *Action Item:*

#### PWEF Assessment

The MTA Division of Management and Budget, assisted by MTA Capital Program Management, should prepare the usual annual staff summary authorizing the payment of this assessment to the State. The State levies an assessment of the value of construction-contract awards to cover its cost of enforcing prevailing-wage legislation.

#### *Other:*

#### DRAFT MTA Financial Statements for the Three-Months Ended, March 2021

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the Three-Months ended, March 31, 2021.

#### Agency Reports on Fare Evasion

Fare Evasion statistics to be reported by Agency Representatives.

### **July 2021**

#### 2022 Preliminary Budget/July Financial Plan 2022-2025 (JOINT Session with MTA Board)

The Chief Financial Officer and MTA Budget Division will present an updated forecast for 2021, a Preliminary Budget for 2022, and a Financial Plan for 2022-2025.

#### *Other:*

#### Agency Reports on Fare Evasion

Fare Evasion statistics to be reported by Agency Representatives.

# FinanceWatch

July 22, 2020

## **Rating Action**

On July 7, 2020, S&P Global Ratings downgraded MTA's Transportation Revenue Bonds from 'A-' to 'BBB+' with a negative outlook, under its Mass Transit Enterprise Ratings criteria.

## **Financing Activity**

### **MTA Special Obligation Taxable Refunding Bonds, Series 2014**

On July 1, 2020, MTA liquidated the escrow securing the MTA Special Obligation Taxable Refunding Bonds, Series 2014. Proceeds from the liquidation of all securities held in escrow including any cash balances, were applied to the redemption of the remaining outstanding Series 2014 bonds.

## **Upcoming Transactions**

### **\$500,000,000 Transportation Revenue Bond Anticipation Notes, Series 2020B-S**

In August 2020, MTA expects to issue \$500.000 million of MTA Transportation Revenue Bond Anticipation Notes, Series 2020B-S to generate new money proceeds to finance existing approved transit and commuter projects related to the State funding commitment for the 2015-2019 Capital Program. The Series 2020B-S Notes will be priced through a competitive method of sale. Nixon Peabody LLP and D. Seaton and Associates will serve as co-bond counsel and Public Resources Advisory Group and Rockfleet Financial Services will serve as co-financial advisors.

### **\$600,000,000 MTA Transportation Revenue Bonds, Series 2020D**

In August 2020, MTA expects to issue approximately \$600.000 million of Transportation Revenue Bonds, Series 2020D to generate new money proceeds to finance existing approved transit and commuter projects. This transaction will be led by book-running senior manager J.P. Morgan together with special co-senior managers: Drexel Hamilton, LLC, a Service Disabled Veteran-Owned firm; Stern Brothers & Co., a WBE firm; and Rice Financial Products Company, a MBE firm. Nixon Peabody LLP and D. Seaton and Associates will serve as co-bond counsel and Public Resources Advisory Group and Rockfleet Financial Services, Inc. will serve as co-financial advisors.

## **Fuel Hedging Program**

### **\$3,858,825 Diesel Fuel Hedge**

On June 30, 2020, MTA executed a 2,819,748 gallon ultra-low sulfur diesel fuel hedge with Merrill Lynch at an all-in price of \$1.369/gallon. Two of MTA's existing approved commodity counterparties participated in bidding on the transaction: Goldman, Sachs & Co./ J Aron, and Merrill Lynch. The hedge covers the period from June 2021 through May 2022.

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - Adopted Budget**

**Debt Service**

**June 2020**

(\$ in millions)

	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>% Var</b>	<b>Explanation</b>
<i>Dedicated Tax Fund:</i>					
NYC Transit	\$34.2	\$34.2	\$0.1		
Commuter Railroads	7.3	7.1	0.2		
<b>Dedicated Tax Fund Subtotal</b>	<b>\$41.5</b>	<b>\$41.2</b>	<b>\$0.3</b>	<b>0.7%</b>	
<i>MTA Transportation Revenue:</i>					
NYC Transit	\$81.8	\$80.0	\$1.9		
Commuter Railroads	61.2	56.8	4.4		
MTA Bus	2.3	0.2	2.1		
SIRTOA	1.0	0.0	1.0		
<b>MTA Transportation Revenue Subtotal</b>	<b>\$146.3</b>	<b>\$136.9</b>	<b>\$9.3</b>	<b>6.4%</b>	Timing of debt service deposits and lower than budgeted variable rates.
<i>2 Broadway COPs:</i>					
NYC Transit	\$0.4	\$0.4	\$0.0		
Bridges & Tunnels	0.1	0.1	0.0		
MTA HQ	0.0	0.0	0.0		
Commuter Railroads	0.1	0.1	0.0		
<b>2 Broadway COPs Subtotal</b>	<b>\$0.6</b>	<b>\$0.6</b>	<b>\$0.0</b>	<b>0.0%</b>	
<i>TBTA General Resolution (2):</i>					
NYC Transit	\$16.7	\$17.8	(\$1.1)		
Commuter Railroads	7.5	8.0	(0.5)		
Bridges & Tunnels	27.0	23.2	3.7		
<b>TBTA General Resolution Subtotal</b>	<b>\$51.1</b>	<b>\$49.0</b>	<b>\$2.1</b>	<b>4.1%</b>	Lower than budgeted variable rates.
<i>TBTA Subordinate (2):</i>					
NYC Transit	\$4.7	\$4.7	\$0.0		
Commuter Railroads	2.1	2.1	0.0		
Bridges & Tunnels	1.7	1.7	0.0		
<b>TBTA Subordinate Subtotal</b>	<b>\$8.5</b>	<b>\$8.5</b>	<b>\$0.0</b>	<b>0.0%</b>	
<i>Debt Service from Lockbox Revenues:</i>					
NYC Transit	\$2.2	\$0.0	\$2.2		
Commuter Railroads	0.6	0.0	0.6		
MTA Bus	0.0	0.0	0.0		
SIRTOA	0.0	0.0	0.0		
<b>Debt Service from Lockbox Subtotal</b>	<b>\$2.9</b>	<b>\$0.0</b>	<b>\$2.9</b>	<b>100.0%</b>	Lower than budgeted debt service related to the timing of Lockbox related debt.
<b>Total Debt Service</b>	<b>\$250.9</b>	<b>\$236.3</b>	<b>\$14.7</b>	<b>5.8%</b>	
<i>Debt Service by Agency:</i>					
NYC Transit	\$140.1	\$137.0	\$3.1		
Commuter Railroads	78.8	74.1	4.7		
MTA Bus	2.4	0.2	2.2		
SIRTOA	1.0	0.0	1.0		
Bridges & Tunnels	28.7	25.0	3.7		
MTAHQ	0.0	0.0	0.0		
<b>Total Debt Service</b>	<b>\$250.9</b>	<b>\$236.3</b>	<b>\$14.7</b>	<b>5.8%</b>	

**Notes:**

(1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.

(2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.

(3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

Totals may not add due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - Adopted Budget**

**Debt Service  
June 2020 Year-to-Date**

(\$ in millions)

	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>% Var</b>	<b>Explanation</b>
<i>Dedicated Tax Fund:</i>					
NYC Transit	\$176.3	\$185.9	(\$9.6)		
Commuter Railroads	36.5	38.6	(2.1)		
<b>Dedicated Tax Fund Subtotal</b>	<b>\$212.8</b>	<b>\$224.5</b>	<b>(\$11.7)</b>	<b>-5.5%</b>	Non-receipt of May BAB subsidy.
<i>MTA Transportation Revenue:</i>					
NYC Transit	\$469.3	\$489.8	(\$20.5)		Lower than budgeted variable rates; lower than budgeted debt service related to timing and structure of issuances; offset by non-receipt of May BAB subsidy.
Commuter Railroads	351.2	343.4	7.7		
MTA Bus	13.4	1.1	12.2		
SIRTOA	5.4	0.1	5.3		
<b>MTA Transportation Revenue Subtotal</b>	<b>\$839.2</b>	<b>\$834.5</b>	<b>\$4.7</b>	<b>0.6%</b>	
<i>2 Broadway COPs:</i>					
NYC Transit	\$2.7	\$2.0	\$0.7		
Bridges & Tunnels	0.4	0.3	0.1		
MTA HQ	0.0	0.0	0.0		
Commuter Railroads	0.8	0.6	0.2		
<b>2 Broadway COPs Subtotal</b>	<b>\$3.9</b>	<b>\$2.9</b>	<b>\$1.0</b>	<b>24.9%</b>	
<i>TBTA General Resolution (2):</i>					
NYC Transit	\$100.0	\$99.2	\$0.8		Lower than budgeted variable rates; lower than budgeted debt service related to timing and structure of TBTA issuances; offset by non-receipt of May BAB subsidy.
Commuter Railroads	44.7	44.4	0.4		
Bridges & Tunnels	156.2	140.3	15.8		
<b>TBTA General Resolution Subtotal</b>	<b>\$300.9</b>	<b>\$283.9</b>	<b>\$17.0</b>	<b>5.7%</b>	
<i>TBTA Subordinate (2):</i>					
NYC Transit	\$28.1	\$28.0	\$0.1		
Commuter Railroads	12.8	12.8	0.0		
Bridges & Tunnels	10.2	10.2	0.0		
<b>TBTA Subordinate Subtotal</b>	<b>\$51.1</b>	<b>\$51.0</b>	<b>\$0.2</b>	<b>0.3%</b>	
<i>Debt Service from Lockbox Revenues:</i>					
NYC Transit	\$11.1	\$0.0	\$11.1		Lower than budgeted debt service related to the timing of Lockbox related debt.
Commuter Railroads	2.9	0.0	2.9		
MTA Bus	0.2	0.0	0.2		
SIRTOA	0.1	0.0	0.1		
<b>Debt Service from Lockbox Subtotal</b>	<b>\$14.3</b>	<b>\$0.0</b>	<b>\$14.3</b>	<b>100.0%</b>	
<b>Total Debt Service</b>	<b>\$1,422.3</b>	<b>\$1,396.8</b>	<b>\$25.5</b>	<b>1.8%</b>	
<i>Debt Service by Agency:</i>					
NYC Transit	\$787.5	\$804.9	(\$17.4)		
Commuter Railroads	449.0	439.9	9.1		
MTA Bus	13.6	1.1	12.5		
SIRTOA	5.5	0.1	5.4		
Bridges & Tunnels	166.8	150.8	16.0		
MTAHQ	0.0	0.0	0.0		
<b>Total Debt Service</b>	<b>\$1,422.3</b>	<b>\$1,396.8</b>	<b>\$25.5</b>	<b>1.8%</b>	

**Notes:**

(1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.

(2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.

(3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

Totals may not add due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY  
VARIABLE RATE: WEEKLY MODE  
RATE RESETS REPORT (Trailing 6-Weeks)**

Issue		TRB 2005E-1	TRB 2005E-2	TRB 2005E-3	TRB 2002G-1g				
Remarketing Agent		PNC Capital	BofA Merrill	PNC Capital	Goldman				
Liquidity Provider		PNC	BofA Merrill	PNC	TD Bank				
Liquidity/Insurer		LoC	LoC	LoC	LoC				
Par Outstanding (\$m)		87.62	65.72	65.72	33.78				
Swap Notional (\$m)		52.58	39.43	39.43	29.13				
Date	SIFMA	Spread to		Spread to		Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA
5/27/2020	0.14%	0.13%	-0.01%	0.13%	-0.01%	0.13%	-0.01%	0.11%	-0.03%
6/3/2020	0.11%	0.11%	0.00%	0.11%	0.00%	0.11%	0.00%	0.08%	-0.03%
6/10/2020	0.11%	0.13%	0.02%	0.12%	0.01%	0.13%	0.02%	0.11%	0.00%
6/17/2020	0.12%	0.14%	0.02%	0.14%	0.02%	0.14%	0.02%	0.10%	-0.02%
6/24/2020	0.13%	0.13%	0.00%	0.13%	0.00%	0.13%	0.00%	0.10%	-0.03%
7/1/2020	0.09%	0.09%	0.00%	0.10%	0.01%	0.09%	0.00%	0.06%	-0.03%

**Transportation Revenue Bonds**

**Dedicated Tax Fund Bonds**

Issue		TRB 2012A-2	TRB 2012G-2	TRB 2015E-4	DTF 2002B-1	DTF 2008A-2b	DTF 2008B-3c				
Remarketing Agent		Clarity	TD Securities	PNC Capital	US Bank	PNC Capital	PNC Capital				
Liquidity Provider		Bank of Montreal	TD Bank	PNC	Tokyo Mitsubishi	PNC Bank	PNC Bank				
Liquidity/Insurer		LoC	LoC	LoC	LoC	LoC	LoC				
Par Outstanding (\$m)		50.00	125.00	70.35	150.00	84.86	44.74				
Swap Notional (\$m)		None	125.00	None	None	83.47	None				
Date	SIFMA	Spread to		Spread to		Spread to		Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA
5/27/2020	0.14%	0.20%	0.06%	0.12%	-0.02%	0.13%	-0.01%	0.12%	-0.02%	0.12%	-0.02%
6/3/2020	0.11%	0.20%	0.09%	0.07%	-0.04%	0.11%	0.00%	0.09%	-0.02%	0.09%	-0.02%
6/10/2020	0.11%	0.20%	0.09%	0.07%	-0.04%	0.13%	0.02%	0.10%	-0.01%	0.10%	-0.01%
6/17/2020	0.12%	0.20%	0.08%	0.12%	0.00%	0.14%	0.02%	0.11%	-0.01%	0.11%	-0.01%
6/24/2020	0.13%	0.20%	0.07%	0.10%	-0.03%	0.13%	0.00%	0.12%	-0.01%	0.12%	-0.01%
7/1/2020	0.09%	0.19%	0.10%	0.08%	-0.01%	0.09%	0.00%	0.08%	-0.01%	0.08%	-0.01%

**TBTA General Revenue Bonds**

Issue		TBTA 2005A	TBTA 2018E		
Remarketing Agent		TD Securities	BofA Merrill		
Liquidity Provider		TD Bank	BofA Merrill		
Liquidity/Insurer		LoC	LoC (Taxable)		
Par Outstanding (\$m)		102.07	148.47		
Swap Notional (\$m)		21.78	None		
Outstanding (\$m)	SIFMA	Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA
5/26/2020	0.14%	0.14%	0.00%	0.18%	0.04%
6/2/2020	0.11%	0.10%	-0.01%	0.15%	0.04%
6/9/2020	0.11%	0.10%	-0.01%	0.17%	0.06%
6/16/2020	0.12%	0.11%	-0.01%	0.18%	0.06%
6/23/2020	0.13%	0.11%	-0.02%	0.16%	0.03%
6/30/2020	0.09%	0.08%	-0.01%	0.15%	0.06%

Report Date 7/1/2020



**METROPOLITAN TRANSPORTATION AUTHORITY  
VARIABLE RATE: FLOATING RATE NOTES (SIFMA)  
RATE RESETS REPORT (Trailing 6-Weeks)**

**Transportation Revenue Bonds**

Issue		TRB 2012A-3		TRB 2012G-3		TRB 2014D-2		TRB 2015A-2	
Remarketing Agent		N/A		N/A		N/A		N/A	
Initial Purchase Date		03/01/22		2/1/2025		11/15/2022		6/1/2020	
Liquidity/Insurer		None		None		None		None	
Par Outstanding (\$m)		50.00		75.00		165.00		250.00	
Swap Notional (\$m)		None		75.00		None		None	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
5/27/2020	0.14%	0.64%	0.50%	0.57%	0.43%	0.56%	0.42%	0.72%	0.58%
6/3/2020	0.11%	0.61%	0.50%	0.54%	0.43%	0.53%	0.42%	0.69%	0.58%
6/10/2020	0.11%	0.61%	0.50%	0.54%	0.43%	0.53%	0.42%	0.69%	0.58%
6/17/2020	0.12%	0.62%	0.50%	0.55%	0.43%	0.54%	0.42%	0.70%	0.58%
6/24/2020	0.13%	0.63%	0.50%	0.56%	0.43%	0.55%	0.42%	0.71%	0.58%
7/1/2020	0.09%	0.59%	0.50%	0.52%	0.43%	0.51%	0.42%	0.67%	0.58%

**Dedicated Tax Fund Bonds**

**TBTA General Revenue Bonds**

Issue		DTF 2002B-3d		DTF 2008A-2a		TBTA 2003B-2	
Remarketing Agent		N/A		N/A		N/A	
Initial Purchase Date		11/01/20		06/01/22		11/15/24	
Liquidity/Insurer		None		None		None	
Par Outstanding (\$m)		15.90		69.63		36.23	
Swap Notional (\$m)		None		68.53		34.21	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
5/27/2020	0.14%	1.14%	1.00%	0.59%	0.45%	0.39%	0.25%
6/3/2020	0.11%	1.11%	1.00%	0.56%	0.45%	0.36%	0.25%
6/10/2020	0.11%	1.11%	1.00%	0.56%	0.45%	0.36%	0.25%
6/17/2020	0.12%	1.12%	1.00%	0.57%	0.45%	0.37%	0.25%
6/24/2020	0.13%	1.13%	1.00%	0.58%	0.45%	0.38%	0.25%
7/1/2020	0.09%	1.09%	1.00%	0.54%	0.45%	0.34%	0.25%

Report Date 7/1/2020

**METROPOLITAN TRANSPORTATION AUTHORITY  
VARIABLE RATE: FLOATING RATE NOTES (LIBOR)  
RATE RESETS REPORT (Trailing 6-Weeks)**

**Transportation Revenue Bonds**

Issue		TRB 2002D-2a-2		TRB 2002D-2b	
Remarketing Agent		N/A		N/A	
Initial Purchase Date		4/6/2021		4/1/2021	
Liquidity/Insurer		None		None	
Par Outstanding (\$m)		50.00		100.00	
Swap Notional (\$m)		50.00		100.00	
Date	69% of 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR
5/27/2020	0.26%	0.94%	0.68%	0.56%	0.30%
6/3/2020	0.12%	0.80%	0.68%	0.42%	0.30%
6/10/2020	0.12%	0.80%	0.68%	0.42%	0.30%
6/17/2020	0.12%	0.80%	0.68%	0.42%	0.30%
6/24/2020	0.12%	0.80%	0.68%	0.42%	0.30%
7/1/2020	0.12%	0.80%	0.68%	0.42%	0.30%

Issue		TRB 2002G-1f		TRB 2002G-1h		TRB 2005D-1		TRB 2011B	
Remarketing Agent		N/A		N/A		N/A		N/A	
Initial Purchase Date		7/1/2021		2/1/2022		7/1/2021		11/1/2022	
Liquidity/Insurer		None		None		None		None	
Par Outstanding (\$m)		33.80		45.16		131.38		99.56	
Swap Notional (\$m)		29.14		38.94		131.38		92.46	
Date	67% of 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR
5/27/2020	0.25%	0.90%	0.65%	1.07%	0.82%	0.90%	0.65%	0.80%	0.55%
6/3/2020	0.12%	0.77%	0.65%	0.94%	0.82%	0.77%	0.65%	0.67%	0.55%
6/10/2020	0.12%	0.77%	0.65%	0.94%	0.82%	0.77%	0.65%	0.67%	0.55%
6/17/2020	0.12%	0.77%	0.65%	0.94%	0.82%	0.77%	0.65%	0.67%	0.55%
6/24/2020	0.12%	0.77%	0.65%	0.94%	0.82%	0.77%	0.65%	0.67%	0.55%
7/1/2020	0.11%	0.76%	0.65%	0.93%	0.82%	0.76%	0.65%	0.67%	0.55%

Issue		TRB 2012G-4	
Remarketing Agent		N/A	
Initial Purchase Date		11/1/2022	
Liquidity/Insurer		None	
Par Outstanding (\$m)		71.93	
Swap Notional (\$m)		71.93	
Date	67% of 1M LIBOR	Rate	Spread to 1M LIBOR
5/27/2020	0.25%	0.80%	0.55%
6/3/2020	0.12%	0.67%	0.55%
6/10/2020	0.12%	0.67%	0.55%
6/17/2020	0.12%	0.67%	0.55%
6/24/2020	0.12%	0.67%	0.55%
7/1/2020	0.11%	0.67%	0.55%

**TBTA General Revenue Bonds**

Issue		TBTA 2005B-4a		TBTA 2008B-2	
Remarketing Agent		N/A		NA	
Initial Purchase Date		2/1/2021		11/15/2021	
Liquidity/Insurer		None		None	
Par Outstanding (\$m)		105.80		63.65	
Swap Notional (\$m)		105.80		None	
Date	67% of 1M LIBOR	Rate	Spread to 1M LIBOR	Rate	Spread to 1M LIBOR
5/27/2020	0.25%	0.95%	0.70%	0.75%	0.50%
6/3/2020	0.12%	0.82%	0.70%	0.62%	0.50%
6/10/2020	0.12%	0.82%	0.70%	0.62%	0.50%
6/17/2020	0.12%	0.82%	0.70%	0.62%	0.50%
6/24/2020	0.12%	0.82%	0.70%	0.62%	0.50%
7/1/2020	0.11%	0.81%	0.70%	0.61%	0.50%

Report Date 7/1/2020

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**VARIABLE RATE: DAILY MODE**  
**RATE RESETS REPORT (Trailing 10 Days)**

**Transportation Revenue Bonds**

**TBTA General Revenue Bonds**

Issue		TRB 2005D-2	TRB 2012G-1	TRB 2015E-1	TRB 2015E-3	TBTA 2001C	TBTA 2002F						
Dealer		Morgan Stanley	Barclays Capital	US Bancorp	BofA Merrill	Goldman	Citigroup						
Liquidity Provider		Helaba	Barclays	US Bank	BofA Merrill	State Street	Citibank						
Type of Liquidity		LoC	LoC	LoC	LoC	LoC	LoC						
Par Outstanding (\$m)		87.60	84.45	77.43	154.85	95.37	154.10						
Swap Notional (\$m)		87.60	84.45	77.43	None	10.00	154.10						
Date	SIFMA	Spread		Spread		Spread		Spread		Spread			
		Rate	to SIFMA	Rate	to SIFMA	Rate	to SIFMA	Rate	to SIFMA	Rate	to SIFMA		
6/24/2020	0.13%	0.14%	0.01%	0.14%	0.01%	0.13%	0.00%	0.12%	-0.01%	0.12%	-0.01%	0.13%	0.00%
6/25/2020	0.13%	0.15%	0.02%	0.15%	0.02%	0.15%	0.02%	0.14%	0.01%	0.12%	-0.01%	0.12%	-0.01%
6/26/2020	0.13%	0.15%	0.02%	0.15%	0.02%	0.15%	0.02%	0.15%	0.02%	0.12%	-0.01%	0.13%	0.00%
6/27/2020	0.13%	0.15%	0.02%	0.15%	0.02%	0.15%	0.02%	0.15%	0.02%	0.12%	-0.01%	0.13%	0.00%
6/28/2020	0.13%	0.15%	0.02%	0.15%	0.02%	0.15%	0.02%	0.15%	0.02%	0.12%	-0.01%	0.13%	0.00%
6/29/2020	0.13%	0.14%	0.01%	0.14%	0.01%	0.14%	0.01%	0.14%	0.01%	0.12%	-0.01%	0.13%	0.00%
6/30/2020	0.13%	0.13%	0.00%	0.14%	0.01%	0.14%	0.01%	0.13%	0.00%	0.12%	-0.01%	0.09%	-0.04%
7/1/2020	0.09%	0.09%	0.00%	0.05%	-0.04%	0.07%	-0.02%	0.06%	-0.03%	0.03%	-0.06%	0.03%	-0.06%
7/2/2020	0.09%	0.07%	-0.02%	0.03%	-0.06%	0.04%	-0.05%	0.04%	-0.05%	0.02%	-0.07%	0.02%	-0.07%
7/3/2020	0.09%	0.07%	-0.02%	0.03%	-0.06%	0.04%	-0.05%	0.04%	-0.05%	0.02%	-0.07%	0.02%	-0.07%

**TBTA General Revenue Bonds**

**Dedicated Tax Fund Bonds**

Issue		TBTA 2003B-1	TBTA 2005B-2	TBTA 2005B-3	TBTA 2005B-4c	DTF 2008A-1					
Dealer		BofA Merrill	Citigroup	Jefferies	US Bancorp	TD Securities					
Liquidity Provider		BofA Merrill	Citibank	State Street	US Bank	TD Bank					
Type of Liquidity		LoC	LoC	LoC	LoC	LoC					
Par Outstanding (\$m)		110.00	188.30	188.30	82.50	154.49					
Swap Notional (\$m)		0.00	188.30	188.30	82.50	152.00					
Date	SIFMA	Spread		Spread		Spread		Spread		Spread	
		Rate	to SIFMA	Rate	to SIFMA	Rate	to SIFMA	Rate	to SIFMA	Rate	to SIFMA
6/24/2020	0.13%	0.11%	-0.02%	0.13%	0.00%	0.13%	0.00%	0.13%	0.00%	0.13%	0.00%
6/25/2020	0.13%	0.13%	0.00%	0.12%	-0.01%	0.12%	-0.01%	0.15%	0.02%	0.14%	0.01%
6/26/2020	0.13%	0.14%	0.01%	0.13%	0.00%	0.13%	0.00%	0.15%	0.02%	0.14%	0.01%
6/27/2020	0.13%	0.14%	0.01%	0.13%	0.00%	0.13%	0.00%	0.15%	0.02%	0.14%	0.01%
6/28/2020	0.13%	0.14%	0.01%	0.13%	0.00%	0.13%	0.00%	0.15%	0.02%	0.14%	0.01%
6/29/2020	0.13%	0.13%	0.00%	0.13%	0.00%	0.13%	0.00%	0.14%	0.01%	0.12%	-0.01%
6/30/2020	0.13%	0.12%	-0.01%	0.09%	-0.04%	0.13%	0.00%	0.14%	0.01%	0.11%	-0.02%
7/1/2020	0.09%	0.05%	-0.04%	0.03%	-0.06%	0.09%	0.00%	0.07%	-0.02%	0.02%	-0.07%
7/2/2020	0.09%	0.03%	-0.06%	0.02%	-0.07%	0.05%	-0.04%	0.04%	-0.05%	0.02%	-0.07%
7/3/2020	0.09%	0.03%	-0.06%	0.02%	-0.07%	0.05%	-0.04%	0.04%	-0.05%	0.02%	-0.07%

Report Date 7/3/2020

**METROPOLITAN TRANSPORTATION AUTHORITY  
 VARIABLE RATE: TERM RATE MODE (SOFR)  
 RATE RESETS REPORT (Trailing 10 Days)**

**TBTA General Revenue Bonds**

<b>Issue</b>		<b>TBTA 2018D</b>	
<b>Dealer</b>		<b>U.S. Bank</b>	
<b>Liquidity Provider</b>		<b>None</b>	
<b>Type of Liquidity</b>		<b>FRN</b>	
<b>Par Outstanding (\$m)</b>		<b>125.00</b>	
<b>Swap Notional (\$m)</b>		<b>None</b>	
<b>Date</b>	<b>67% of SOFR</b>	<b>Rate</b>	<b>Spread to SOFR</b>
6/24/2020	0.05%	0.55%	0.50%
6/25/2020	0.06%	0.56%	0.50%
6/26/2020	0.05%	0.55%	0.50%
6/27/2020	0.05%	0.55%	0.50%
6/28/2020	0.05%	0.55%	0.50%
6/29/2020	0.05%	0.55%	0.50%
6/30/2020	0.07%	0.57%	0.50%
7/1/2020	0.07%	0.57%	0.50%
7/2/2020	0.07%	0.57%	0.50%
7/3/2020	0.07%	0.57%	0.50%

Report Date 7/3/2020

Type of Credit

Underlying Ratings (Moody's/S&P / Fitch/ Kroll)	Series	BPA Sale Date	Series Original Final Maturity	Principal Iss. Amount	Outstanding			Total Outstanding	TIC <sup>1</sup>	Notes
					Fixed Amount	Variable Amount	Synthetic Fixed Amount			
<b>MTA Transportation Revenue Bonds (A2/BBB+/A+/AA+)</b>	2002D	5/30/02	11/1/2032	400.000	174.725	-	200.000	374.725	4.55	
	2002G	11/20/02	11/1/2026	400.000	-	15.515	97.215	112.730	3.90	
	2003A	5/14/03	11/15/2032	475.340	69.695	-	-	69.695	4.49	
	2003B	8/13/03	11/15/2032	751.765	47.590	-	-	47.590	5.10	
	2005B	7/1/05	11/15/2035	750.000	122.735	-	-	122.735	4.80	
	2005D	11/2/05	11/1/2035	250.000	-	-	218.975	218.975	4.43	
	2005E	11/2/05	11/1/2035	250.000	-	87.605	131.445	219.050	3.44	
	2005G	12/7/05	11/1/2026	250.000	20.510	-	-	20.510	4.34	
	2006B	12/20/06	11/15/2036	717.730	72.645	-	-	72.645	4.52	
	2008B	2/21/08	11/15/2030	487.530	93.310	-	-	93.310	2.48	
	2009A	10/15/09	11/15/2039	502.320	375.815	-	-	375.815	3.79	
	2010A	1/13/10	11/15/2039	363.945	363.945	-	-	363.945	4.44	
	2010B	2/11/10	11/15/2039	656.975	586.380	-	-	586.380	4.29	
	2010C	7/7/10	11/15/2040	510.485	422.440	-	-	422.440	4.27	
	2010D	12/7/10	11/15/2040	754.305	17.550	-	-	17.550	5.15	
	2010E	12/29/10	11/15/2040	750.000	750.000	-	-	750.000	4.57	
	2011A	7/20/11	11/15/2046	400.440	11.945	-	-	11.945	4.95	
	2011B	9/14/11	11/1/2041	99.560	-	7.105	92.455	99.560	3.77	
	2011C	11/10/11	11/15/2028	197.950	105.580	-	-	105.580	3.99	
	2011D	12/7/11	11/15/2046	480.165	31.970	-	-	31.970	4.57	
	2012A	3/15/12	11/15/2042	150.000	50.000	100.000	-	150.000	2.13	
	2012B	3/15/12	11/15/2039	250.000	190.605	-	-	190.605	3.85	
	2012C	5/3/12	11/15/2047	727.430	389.615	-	-	389.615	4.22	
	2012D	8/20/12	11/15/2032	1,263.365	666.265	-	-	666.265	3.51	
	2012E	7/20/12	11/15/2042	650.000	294.545	-	-	294.545	3.91	
	2012F	9/28/12	11/15/2030	1,268.445	861.610	-	-	861.610	3.17	
	2012G	11/13/12	11/1/2032	359.450	-	-	356.375	356.375	4.25	
	2012H	11/15/12	11/15/2042	350.000	208.570	-	-	208.570	3.70	
	2013A	1/24/13	11/15/2043	500.000	272.415	-	-	272.415	3.79	
	2013B	4/2/13	11/15/2043	500.000	291.355	-	-	291.355	4.08	
	2013C	6/11/13	11/15/2043	500.000	302.705	-	-	302.705	4.25	
	2013D	7/11/13	11/15/2043	333.790	189.765	-	-	189.765	4.63	
	2013E	11/15/13	11/15/2043	500.000	323.655	-	-	323.655	4.64	
	2014A	2/28/14	11/15/2044	400.000	203.860	-	-	203.860	4.31	
	2014B	4/17/14	11/15/2044	500.000	388.585	-	-	388.585	4.38	
	2014C	6/26/14	11/15/2036	500.000	295.995	-	-	295.995	3.32	
	2014D	11/4/14	11/15/2044	500.000	295.455	165.000	-	460.455	3.17	
	2015A	1/22/15	11/15/2045	850.000	774.175	-	-	774.175	4.11	
	2015B	3/19/2015	11/15/2055	275.055	254.945	-	-	254.945	4.29	
	2015C	8/18/2015	11/15/2035	550.000	550.000	-	-	550.000	3.68	
	2015D	9/17/2015	11/15/2035	407.695	357.030	-	-	357.030	3.67	
	2015E	9/10/2015	11/15/2050	650.000	-	496.190	-	496.190	1.59	
	2015F	12/17/2015	11/15/2036	330.430	298.690	-	-	298.690	3.21	
	2016A	2/25/2016	11/15/2056	782.520	726.985	-	-	726.985	3.54	
	2016B	6/30/2016	11/15/2037	673.990	634.840	-	-	634.840	2.90	
	2016C	7/28/2016	11/15/2056	863.860	575.230	-	-	575.230	3.52	
	2015X-1 (RRIF LOAN - PTC)	9/20/2016	11/15/2037	146.472	134.727	-	-	134.727	2.38	
	2016D	10/26/2016	11/15/2035	645.655	565.940	-	-	565.940	2.87	
	2017A	3/16/2017	11/15/2057	325.585	320.270	-	-	320.270	3.77	
	2017B	9/28/2017	11/15/2028	662.025	662.025	-	-	662.025	1.98	
	2017C	12/14/2017	11/15/2040	2,021.462	2,172.935	-	-	2,172.935	3.12	
	2017D	12/21/2017	11/15/2047	643.095	643.095	-	-	643.095	3.51	
	2018A	1/23/2018	11/15/2048	472.310	472.310	-	-	472.310	1.91	
	2018B BANS	6/19/2018	5/15/2021	1,600.000	800.000	-	-	800.000	1.95	
	2018B	8/23/2018	11/15/2028	207.220	191.800	-	-	191.800	2.71	
	2018C BANS	10/10/2018	9/1/2021	900.000	900.000	-	-	900.000	2.29	
	2019A	2/6/2019	11/15/2048	454.150	454.150	-	-	454.150	4.16	
	2015X-2 (RRIF LOAN - PTC)	5/1/2019	11/15/2037	300.000	284.062	-	-	284.062	2.38	
	2019B	5/14/2019	11/15/2052	177.185	177.185	-	-	177.185	3.83	
	2019B BANS	5/22/2019	5/15/2022	1,200.000	1,000.000	-	-	1,000.000	1.67	
	2019C BANS	7/12/2019	7/1/2020	300.000	-	-	-	-	0.00	
	2019C	8/14/2019	11/15/2049	422.430	422.430	-	-	422.430	3.39	
	2019D BANS	9/6/2019	9/1/2022	1,200.000	1,000.000	-	-	1,000.000	1.33	
	2019E BANS	10/16/2019	9/1/2020	600.000	600.000	-	-	600.000	1.45	
	2019D	11/7/2019	11/15/2048	241.745	241.745	-	-	241.745	3.62	
	2019F BANS	12/10/2019	11/15/2022	200.000	200.000	-	-	200.000	1.45	
	2020A BANS	1/8/2020	2/1/2023	1,500.000	1,500.000	-	-	1,500.000	1.32	
	2020A	1/16/2020	11/15/2054	924.750	924.750	-	-	924.750	3.46	
	2020B	3/27/2020	11/15/2046	162.660	162.660	-	-	162.660	3.85	
	2015X-3 (RRIF LOAN - PTC)	4/20/2020	11/15/2037	244.398	244.398	-	-	244.398	2.38	
	2020C	5/14/2020	11/15/2055	1,725.000	1,725.000	-	-	1,725.000	5.17	
	<b>Total</b>			<b>41,360.681</b>	<b>28,463.211</b>	<b>871.415</b>	<b>1,096.465</b>	<b>30,431.091</b>	<b>3.25</b>	
										<b>WATIC</b>
<b>TBTA General Revenue Bonds</b>	2001C	12/19/01	1/1/2032	148.200	-	85.370	10.000	95.370	2.29	
	2002F	11/13/02	1/1/2032	246.480	-	-	154.095	154.095	3.59	
(Aa3/AA-/AA-/AA)	2003B	12/10/03	1/1/2033	250.000	-	112.020	34.205	146.225	2.17	

MTA DEBT OUTSTANDING (\$ in Millions)

7/8/2020


Type of Credit

Underlying Ratings (Moody's/S&P / Fitch/ Kroll)	Series	BPA Sale Date	Series Original Final Maturity	Principal Iss. Amount	Outstanding			Total Outstanding	TIC <sup>1</sup>	Notes	
					Fixed Amount	Variable Amount	Synthetic Fixed Amount				
	2005A	5/11/05	11/1/2041	150.000	-	80.290	21.780	102.070	2.20		
	2005B	7/7/05	1/1/2032	800.000	-	-	564.900	564.900	3.86		
	2008B	3/27/08	11/15/2038	252.230	103.120	63.650	-	166.770	3.30		
	2009A	2/18/09	11/15/2038	475.000	65.050	-	-	65.050	3.25		
	2009B	9/17/09	11/15/2039	200.000	200.000	-	-	200.000	3.63		
	2010A	10/28/10	11/15/2040	346.960	288.505	-	-	288.505	3.45		
	2011A	10/13/11	1/1/2028	609.430	49.680	-	-	49.680	3.59		
	2012A	6/6/12	11/15/2042	231.490	167.055	-	-	167.055	3.69		
	2012B	8/23/12	11/15/2032	1,236.898	989.810	-	-	989.810	2.66		
	2013B	1/29/13	11/15/2030	257.195	216.830	-	-	216.830	2.25		
	2013C	4/18/13	11/15/2043	200.000	145.955	-	-	145.955	3.71		
	2014A	2/6/14	11/15/2044	250.000	191.085	-	-	191.085	4.28		
	2015A	5/15/15	11/15/2050	225.000	192.950	-	-	192.950	4.18		
	2015B	11/16/15	11/15/2045	65.000	60.240	-	-	60.240	3.88		
	2016A	1/28/16	11/15/2046	541.240	505.575	-	-	505.575	3.24		
	2017A	1/19/17	11/15/2047	300.000	300.000	-	-	300.000	3.71		
	2017B	1/19/2017	11/15/2038	902.975	902.975	-	-	902.975	3.48		
	2017C	11/17/2017	11/15/2042	720.990	720.990	-	-	720.990	2.81		
	2018A	2/1/2018	11/15/2048	351.930	351.930	-	-	351.930	3.84		
	2018B	8/30/2018	11/15/2031	270.090	270.090	-	-	270.090	2.75		
	2018C	8/30/2018	11/15/2038	159.280	159.280	-	-	159.280	3.66		
	2018D	10/4/2018	11/15/2038	125.000	-	125.000	-	125.000	1.67		
	2018E Taxable	12/12/2018	11/15/2032	148.470	-	148.470	-	148.470	2.38		
	2019A	5/23/2019	11/15/2049	150.000	150.000	-	-	150.000	3.71		
	2019B Taxable	9/25/2019	11/15/2044	102.465	102.465	-	-	102.465	3.49		
	2019C	12/3/2019	11/15/2048	200.000	200.000	-	-	200.000	3.04		
	2020A	5/27/2020	11/15/2054	525.000	525.000	-	-	525.000	3.64		
				10,441.323	6,858.585	614.800	784.980	8,258.365	3.26		
									WATIC		
<b>TBTA Subordinate Revenue Bonds (A1/A+/A+/AA-)</b>	2002E	11/13/02	11/15/2032	756.095	70.585	-	-	70.585	5.34		
	2013A	01/29/13	11/15/2032	653.965	728.415	-	-	728.415	3.13		
	2013D Taxable	12/19/13	11/15/2025	313.975	137.370	-	-	137.370	3.89		
				1,724.035	936.370	-	-	936.370	3.41		
									WATIC		
<b>MTA Dedicated Tax Fund Bonds (NAF/AA/AA/NAF)</b>	2002B	9/5/02	11/1/2022	440.000	-	165.900	-	165.900	1.93		
	2004B	3/10/04	11/15/2028	500.000	33.460	-	-	33.460	4.51		
	2008A	6/25/08	11/1/2031	352.915	-	4.965	304.000	308.965	4.09		
	2008B	8/7/08	11/1/2034	348.175	209.880	44.740	-	254.620	2.94		
	2009C	4/30/09	11/15/2039	750.000	750.000	-	-	750.000	4.89		
	2010A	3/25/10	11/15/2040	502.990	422.825	-	-	422.825	3.91		
	2011A	3/31/11	11/15/2021	127.450	22.530	-	-	22.530	2.99		
	2012A	10/25/12	11/15/2032	959.466	935.445	-	-	935.445	3.07		
	2016A	3/10/16	11/15/2036	579.955	569.645	-	-	569.645	2.98		
	2016B	5/26/16	11/15/2056	588.305	574.765	-	-	574.765	3.37		
	2017A	2/23/17	11/15/2047	312.825	306.785	-	-	306.785	3.97		
	2017B	5/17/17	11/15/2057	680.265	679.250	-	-	679.250	3.56		
	2019A BANS	3/19/19	3/1/2022	750.000	750.000	-	-	750.000	1.86		
				6,892.346	5,254.585	215.605	304.000	5,774.190	3.36		
									WATIC		
				<b>All MTA Total</b>	<b>60,418.385</b>	<b>41,512.751</b>	<b>1,701.820</b>	<b>2,185.445</b>	<b>45,400.016</b>	<b>3.27</b>	
<b>MTA Special Obligation Bonds<sup>2</sup></b>	2014 Taxable	8/14/14	7/1/2026	348.910	-	-	-	-	0.00		
<b>Aaa</b>				348.910	-	-	-	-	0.00		
									WATIC		
<b>MTA Hudson Rail Yards Trust Obligations<sup>3</sup></b>	2016A	9/22/16	11/15/2056	1,057.430	682.430	-	-	682.430	4.28		
<b>(A2/NAF/NAF/A-)</b>	2020A	3/27/20	11/15/2046	162.660	162.660	-	-	162.660	4.28		
				1,220.090	845.090	-	-	845.090	4.28		
				<b>Grand Total</b>	<b>61,987.385</b>	<b>42,357.841</b>	<b>1,701.820</b>	<b>2,185.445</b>	<b>46,245.106</b>	<b>3.29</b>	

Notes

- (1) Fixed Rate TICs calculated as of issuance of Fixed Rate Bonds. Floating Rate TICs calculated from inception including fees. Any Unhedged Variable Rate Bonds that have been fixed to maturity are carried at the new Fixed Rate TIC. Synthetic Fixed Rate TICs include average swap rates plus current variable rate fees and estimated basis adjustments for life of swap. Synthetic Fixed Rate TICs do not include benefit of any upfront payments received by MTA. Variable Rate TICs include average remarketed plus current variable rate fees.
- (2) On July 1, 2020, the escrow securing the Series 2014 bonds was liquidated. All of the proceed from the liquidation and any cash balances, were applied to the redemption of the remaining outstanding bonds.
- (3) Assumes that no fee purchase options are exercised thru maturity. If all of the fee purchase options are exercised within 10 years, the All-in TIC would be 2.74%.

# Staff Summary

<b>Subject</b> 2020 State PWEF Assessment
<b>Department</b> Chief Financial Officer
<b>Department Head Name</b> Robert E. Foran
<b>Department Head Signature</b>
<b>Project Manager Name</b> David E. Keller 

<b>Date</b> July 6, 2020
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	7/22	X		
2	Board	7/22	X		

Internal Approvals			
Order	Approval	Order	Approval
2	Legal		
1	Chief Financial Officer		

**Purpose:** To authorize actions relating to the payment of the State assessment on the MTA and its constituent agencies for the Public Work Enforcement Fund for calendar 2020.

**Discussion:** Chapter 511 of the Laws of 1995, as amended, requires State agencies and authorities to pay to the State Comptroller an assessment based upon 1/10 of 1% of the value of public work (construction) contracts entered into (excluding rolling stock contracts). The assessments are deposited in the State Public Work Enforcement Fund to reimburse the State Department of Labor for its costs in enforcing the State's prevailing-wage law. The State and the MTA have entered into a simple annual estimate-and-settlement procedure agreement. Payments are made each year based upon the estimated amount of public works contracts and are adjusted to reflect the actual experience from the prior year. The 2020 payment, therefore, is based upon a 2020 estimate and an adjustment for 2019.

Based on the actual average spending rates, it is assumed that in calendar year 2020, MTA's constituent agencies are projected to let \$1,706 billion worth of construction and design-build contracts, which is a \$547 million decrease in contract values from the actual 2019 level of \$2,253 billion.

In 2019, the estimated 2019 assessment of \$2,489,367 was more than the actual assessment of \$2,252,888 by \$236,479. This overpayment, when deducted from the estimated 2020 assessment of \$1,706,141 requires a total payment of \$1,469,662.

**Financial Implications:** The 2020 MTAHQ Budget contains sufficient funds for this payment.

**Recommendation:** The Board should authorize staff to remit the 2020 assessment, including the adjustment for the 2019 overpayment, to the State Department of Labor.

## PROCUREMENTS

The Procurement Agenda this month includes 3 actions for a proposed expenditure of \$73.2 M.



# Staff Summary

UPDATED 7-20-20

Page 1 of 1

<b>Subject</b> Request for Authorization to Award Various Procurements
<b>Department</b> MTA Procurement
<b>Department Head Name</b> Kuvershen Ayer
<b>Department Head Signature</b>
<b>Division Head Name</b>

<b>Date</b> July 20, 2020
<b>Vendor Name</b> Various
<b>Contract Number</b> Various
<b>Contract Manager Name</b> Various
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	07/22/20	X		
2	Board	07/22/20	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Procurement	3	CFO
2	Legal		

**PURPOSE:**

To obtain approval of the Board to award various contracts/contract modifications and purchase orders, as reviewed by the MTA Finance Committee.

**DISCUSSION:**

**MTAHQ proposes to award Competitive procurements in the following categories:**

Schedules Requiring Majority Vote:

Schedule F: Personal Service Contracts

	<u># of</u>	<u>\$ Amount</u>
	<u>Actions</u>	
	3	\$ 73,180,187
<b>SUBTOTAL</b>	<b>3</b>	<b>\$ 73,180,187</b>
<b>TOTAL</b>	<b>3</b>	<b>\$ 73,180,187</b>

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

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

## BOARD RESOLUTION

### METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, in accordance with Section 1265-a and Section 120 of the Public Authorities Law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

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

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

NOW, the Board resolves as follows:

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

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which 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. The Board ratifies each action taken set forth in Schedule D for which ratification is requested.

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

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

7. The Board authorizes the budget adjustments to estimated quantity contracts set forth in Schedule L.

JULY 2020

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**Procurements Requiring Majority Vote:**

**F. Personal Service Contracts**

**(Staff Summaries required for all items greater than \$1M: Sole Source; Other Non-Competitive; Competitive RFP.)**

- |   |  |   |
|---|--|---|
| <p><b>1. CorVel Healthcare Corporation Inc.</b></p> <p><b>Various Services to Support the MTA Agencies: Medical Bill Review Services; Workers Compensation Preferred Provider Organization; and, Pharmacy Management Services</b></p> <p><b>Contract No. 15379</b></p> <p><b>Competitively negotiated – 8 proposals – 60 months</b></p> | <p><b>\$18,180,187</b></p> <p><b>(not-to-exceed)</b></p> | <p><b><u>Staff Summary Attached</u></b></p> |
|---|--|---|

Board approval is sought to award a competitively negotiated, personal service contract to CorVel Healthcare Corporation (CorVel) to provide various services to support MTA's Workers' Compensation, Federal Employers Liability Act (FELA), No-Fault, General and Auto Liability Programs, including: (1) Medical Bill Review and Payment Services, Medicare Secondary Payer Reporting (MSP) and Compliance and Third-Party Claim Administration (collectively referred to as Medical Bill Review Services); (2) Workers' Compensation Preferred Provider Organization (WCPPO); and (3) Pharmacy Management Services, Diagnostic Testing Network, and Durable Medical Equipment Program (collectively referred to as Pharmacy Management Services) for five years beginning January 2021. The five-year cost is \$16,527,443 plus a 10% contingency in the amount of \$1,652,744 for other related services for a total amount not to exceed \$18,180,187.

- |   |  |   |
|---|--|---|
| <p><b>2. IBM Corporation</b></p> <p><b>Comprehensive Vulnerability and Patch Services</b></p> <p><b>Contract No. 900000000003518</b></p> <p><b>Competitively negotiated – 5 proposals – 36 months plus two one-year options</b></p> | <p><b>\$40,000,000</b></p> <p><b>(not-to-exceed)</b></p> | <p><b><u>Staff Summary Attached</u></b></p> |
|---|--|---|

Board approval is requested to award a competitively negotiated, personal services contract to IBM Corp. (IBM) to assess, design and implement a comprehensive Vulnerability and Patch Management Program across all operational and informational MTA technology systems in the not-to-exceed amount of \$40,000,000 for a period of 60 months, inclusive of two (2) one-year options to be exercised at MTA's sole discretion.

JULY 2020

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

- |    |  |                                     |                                      |
|----|--|-------------------------------------|--------------------------------------|
| 3. | <b>Various<br/>Cybersecurity Services<br/>Contract No. 308044<br/>Competitively negotiated – 13 proposals – 60 months</b>  | <b>\$15,000,000<br/>(aggregate)</b> | <b><u>Staff Summary Attached</u></b> |
|    | <b>a. International Business Machines Corp.<br/>b. Dell Marketing LP<br/>c. CherryRoad Technologies Inc.<br/>d. DXC Technology Services LLC<br/>e. QED Inc. d/b/a QED National<br/>f. Spruce Technology Inc.<br/>g. GuidePoint Security LLC<br/>h. Protek IT Services, LLC<br/>i. Verizon Business Group<br/>j. INNO4 LLC<br/>k. Beckage PLLC<br/>l. Maureen Data Systems, Inc.<br/>m. Vgroup Inc.</b> |                                     |                                      |

Board approval is sought to award a competitively negotiated, personal services master contract to a panel of 13 vendors to provide the MTA with IT Cyber Security Subject Matter Expert services. These firms will assist the MTA by providing transportation industry focused expert cyber security services across all operational and informational MTA technology systems on an as-needed basis.

# Staff Summary

## Schedule F: Personal Service Contracts

UPDATED 7-20-20

Page 1 of 3

Item Number: 1					
Dept & Dept Head Name: Finance / Robert E. Foran					
Division & Division Head Name: Risk and Insurance Management / Phyllis Rachmuth					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	Finance	07/22/20	X		
2	Board	07/22/20	X		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
1	Procurement	4	DDCR		
2	Treasury	5	Legal		
3	Risk & Ins. Mgmt.	6	CFO		

SUMMARY INFORMATION	
Vendor Name: CorVel Healthcare Corporation Inc.	Contract Number: 15379
Description: Various Services to Support MTA Agencies: 1) Medical Bill Review Services; (2) Workers' Compensation Preferred Provider Organization (WCPPO); and (3) Pharmacy Management Services	
Total Amount: \$18,180,187 (not to exceed)	
Contract Term (including Options, if any): January 1, 2021 thru December 31, 2025	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

### Narrative

#### I. PURPOSE/RECOMMENDATION

Board approval is sought to award a competitively negotiated, personal service contract to CorVel Healthcare Corporation (CorVel) to provide various services to support MTA's Workers' Compensation, Federal Employers Liability Act (FELA), No-Fault, General and Auto Liability Programs, including: (1) Medical Bill Review and Payment Services, Medicare Secondary Payer Reporting (MSP) and Compliance and Third-Party Claim Administration (collectively referred to as Medical Bill Review Services); (2) Workers' Compensation Preferred Provider Organization (WCPPO); and (3) Pharmacy Management Services, Diagnostic Testing Network, and Durable Medical Equipment Program (collectively referred to as Pharmacy Management Services) for five years beginning January 2021. The five-year cost is \$16,527,443 plus a 10% contingency in the amount of \$1,652,744 for other related services for a total amount not to exceed \$18,180,187.

#### II. DISCUSSION

MTA and its agencies pay medical expenses for employees injured on duty and no fault medical expenses for customers and third parties injured in motor vehicle accidents involving MTA vehicles. MTA and its agencies are legally required to pay these medical bills on behalf of employees and customers under the workers' compensation and no-fault laws, as applicable. Pursuant to these laws, healthcare providers agree to accept pre-determined fees for specific medical services rendered based on New York State fee schedules. Medical expenses incurred due to on-duty injuries to employees of the commuter railroads may be recoverable under FELA, and the commuter railroads pay such medical expenses pursuant to labor agreements and other related practices. Healthcare provider fees are currently monitored and negotiated to ensure that the MTA pays reasonable and customary rates.

These medical bills are routinely submitted by providers in excess of the scheduled allowable amounts. The MTA requires a contractor to negotiate a reduction in and pay medical bills based on New York State schedules and negotiated usual and customary reviews, and to provide nurse and physician reviews of large or unusual bills. These reviews result in additional savings to the MTA. In addition, the contractor provides and administers the Pharmacy Management Services, and acts as the MTA's reporting agent for all MSP reporting. Additionally, the contractor provides third-party claims administration services for Workers' Compensation, no-fault, general and auto liability claims, and maintains an automated central repository for accident and claims-related data.

CorVel, the incumbent, has been providing these services since 2009, and processed over 1.8 million medical bills valued at about \$1.2 billion. During that period, savings of over \$726 million have been realized, or about 61% of the total value of billings. The annual cost of CorVel's services in 2019 represented about 3% of that year's savings levels.

Based on the success of this program, a continuation of services was sought through a competitive Request for Proposal (RFP). The scope of the new RFP added the administration of a WCPPO certified by the New York State Workers' Compensation Board (WCB) and by the New York State Department of Health for workers' compensation claims. Pursuant to Article 10-A of the New York State Workers' Compensation Law, WCPPO-supplied services are to be provided, at a minimum, for the initial diagnosis and treatment of a covered employee for a work-related injury or illness in the thirty (30) day period following such initial diagnosis and treatment.

Following conclusion of collective bargaining, the MTA and various unions agreed to implement a mandatory WCPPO with the goals of achieving (1) improved services for the diagnosis, treatment, and rehabilitation for employees injured on duty; and (2) associated savings. CorVel's network doctors will be used for the initial diagnosis and treatment of work-related injuries or illnesses, as well as diagnoses, treatment and rehabilitation services in the thirty-day period following such initial diagnosis or treatment. It is anticipated that additional savings above those achieved under the existing program would be realized as a result of the implementation of a mandatory PPO Network with more expansive use of a specified preferred rate made available by in-network providers to employers who use the WCPPO. CorVel currently passes similar savings onto MTA based on random usage of its PPO network. Savings are realized as a cost avoidance, and CorVel receives an administrative fee equal to a percentage of the cost avoidance.

The WCPPO serves a large geographic area closely mirroring where the MTA and its affiliate agencies' workforce resides and includes all counties within the New York State portion of the Metropolitan region (throughout New York City, Long Island and upstate New York) and Connecticut. There are over 35,000 represented employees who will be covered by the WCPPO. It is anticipated that non-represented employees will also be covered, and additional represented employees may be added over time.

The RFP was publicly advertised; nine proposals were received from the following suppliers: Conduent State & Local Solutions (Conduent), CorVel, Coventry Healthcare Workers Compensation (Coventry), Genex Services (Genex), Innovative Claims Strategies, MagnaCare, Rising Medical Solutions, and S1 Medical. CorVel submitted two proposals: one relying on its own PPO network and a second proposal submitted jointly with MagnaCare that uses MagnaCare's certified PPO network and relies on CorVel providing bill review and other services. The Selection Committee consisted of leadership from MTA Headquarters, MNR, LIRR, MTA Bus, MTA Bridges and Tunnels, NYCT Law and Labor Relations Departments. Proposals were evaluated based on the following evaluation criteria – responsiveness to the RFP; quality of proposer's solution; WCPPO knowledge and the proposer's solution; pharmacy management; the proposer's experience, qualifications and capabilities; and cost.

After an initial review of the proposals, the Selection Committee recommended that Conduent, CorVel, Coventry, Genex and MagnaCare be invited to give oral presentations. The shortlisted firms had relevant experience, qualifications and capabilities, overall responsiveness, and demonstrated understanding of the general MTA program requirements. After the oral presentations, the Selection Committee recommended that the MTA proceed to negotiate with CorVel, CorVel/MagnaCare, and MagnaCare and request Best And Final Offers (BAFOs) from them. These proposers demonstrated direct experience managing their own certified PPO networks and have extensive experience as large volume bill reviewers within the required geographic area.

Based on the review of the BAFOs submitted by the final three, CorVel was ultimately recommended for award by the Selection Committee. CorVel was ranked technically highest overall by the Selection Committee. CorVel provides an all-inclusive proposal with the majority of the required services performed by CorVel itself, rather than by third parties, thereby mitigating confidentiality concerns. CorVel was preferred based on the qualifications and capabilities of the specific team to be assigned to the MTA account as well as prior experience in the public transportation industry (including the MTA) involving large volumes of workers' compensation, FELA and no-fault claims processing. In its proposal, CorVel demonstrated a clear understanding of the objectives and constraints of the undertaking, including coordination of services and service providers to ensure regulatory compliance and achieve the goals of the programs. CorVel's proposal also demonstrated successful implementation of interfaces with its internal system and Origami, a new claims handling system that all MTA agencies anticipate transitioning to in 2020.

CorVel has a proven track record of competence, willingness, and flexibility to assist with the MTA's risk mitigation and cost-savings efforts. The Selection Committee found that CorVel will continue to provide the MTA with savings through its diagnostic imaging and pharmacy networks, ensuring reduced rates for pharmaceuticals and savings through its review of medical treatment requests in the workers' compensation arena. According to the Selection Committee, CorVel's proposal delivers a review process that will control costs and ensure that claimants receive the medical treatment they need.

Following negotiations, CorVel's proposed pricing for review and evaluation of medical claims, PPO repricing percentage, utilization review rates and other fees were reduced. While CorVel's BAFO proposal is 17% higher than its competitor, its BAFO translates to estimated savings of \$1.9 million or about 10% less than the current contract spend. Current contract pricing includes rates that were deemed fair and reasonable for award and were further reduced pursuant to a cost reduction initiative in 2019. CorVel's BAFO achieves cost savings for the MTA's risk program on top of those achieved by that 2019 initiative. CorVel has stated it is offering the MTA its most favorable customer managed care services pricing for the pending contract award based on the types and volume of services used by CorVel for other customer(s) with similar types and volume contracts. The estimated contract amount for the five-year term is approximately \$16.5 million. The total not-to-exceed amount of \$18,180,187 includes a 10% contingency of \$1,652,744 to cover potential surge in volume of nurse case review management, diagnostic services, durable equipment, return to work coordination services, and as-needed home health care and medical transportation services. Although CorVel is not the lowest cost proposer, the Selection Committee determined that CorVel's proposal provided the best value to the MTA and rated it highest overall with all evaluation criteria taken into consideration. Based on the foregoing, CorVel's BAFO pricing was found to be fair and reasonable.

A responsibility review of CorVel conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and CorVel has been found to be responsible.

### **III. D/M/WBE INFORMATION**

The MTA Department of Diversity and Civil Rights established no MWBE subcontracting goals on this contract because the scope of work falls within the confines of existing collective bargaining agreements and held as highly confidential. CorVel Healthcare has not completed any MTA contracts with goals; therefore, no assessment of the firm's MWDBE performance can be determined at this time.

### **IV. IMPACT ON FUNDING**

The total cost for this contract for the five-year period, is in the not-to-exceed amount of \$18,180,187. This contract will be funded from each agency's operating budget.

### **V. ALTERNATIVES**

1. Do not Approve Award of the Contract. This is not recommended. Failure to provide this review service would prohibit MTA from benefiting from the additional savings afforded by Preferred Provider networks on medical bills as well as efficiencies resulting from uniform review and payment practices that will include industry best practices for evaluating and paying medical bills.
2. Perform the Services In-house. This alternative is neither practical nor cost effective. If these services are performed in-house, MTA would not benefit from the additional cost savings opportunities afforded by Preferred Provider networks.

# Staff Summary

## Schedule F: Personal Service Contracts

Item Number: 2						<b>SUMMARY INFORMATION</b>	
Dept & Dept Head Name: MTA IT / Rafail Portnoy						Vendor Name: IBM Corp.	
Division & Division Head Name: IT Security/ Tariq Habib						Contract Number: 900000000003518	
<b>Board Reviews</b>						Description: Comprehensive Vulnerability and Patch Services	
						Total Amount: \$40,000,000	
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>	Contract Term (including Options, if any): Three (3) Years with two one-year Options	
1	Finance	07/22/20	X			Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
2	Board	07/22/20	X			Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Internal Approvals</b>						Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Order</b>	<b>Approval</b>		<b>Order</b>	<b>Approval</b>		Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Immediate Operating Need	
1	Procurement		4	DDCR		Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
2	IT		5	Legal			
3	Security		6	CFO			

**Narrative**

**I. PURPOSE/RECOMMENDATION**

Board approval is requested to award a competitively negotiated, personal services contract to IBM Corp. (IBM) to assess, design and implement a comprehensive Vulnerability and Patch Management Program across all operational and informational MTA technology systems in the not-to-exceed amount of \$40,000,000 for a period of 60 months, inclusive of two (2) one-year options to be exercised at MTA's sole discretion.

**II. DISCUSSION**

An emergency and immediate operating need was declared by MTA Executive Management to conduct this procurement in an expedited manner to address the heightened alerts due to cybersecurity threats. The MTA plans to strengthen its cybersecurity environment by safeguarding all the Informational Technology (IT) and Operational Technology (OT) assets by first assessing the vulnerabilities, and then patching the assets on an as-needed basis. This will provide efficiencies such as improved automated cyber incident response and enable prioritization of high-risk and advanced threats. IBM will review and analyze existing IT and OT assets, processes and procedures; create an inventory for the software in use at the various MTA sites including cloud sites and implement a comprehensive vulnerability and patch program to maintain a steady state.

In order to provide these essential services, a competitive Request for Proposal (RFP) was issued. Public advertising was waived in order to allow for an expedited procurement process to quickly procure these essential cybersecurity improvements, and letters were sent to nineteen (19) firms considered industry leaders in cybersecurity in order to notify them of the RFP. Five proposals were received. The Selection Committee, consisting of MTA's Director of IT Security, Cybersecurity Monitoring Lead, Technology Solution Lead, and Middleware Technology Architecture Lead, evaluated the proposals based on the criteria set forth in the RFP which included the successful demonstration of the vendor's understanding of the MTA scope of work (SOW), the vendor's experience in cybersecurity transformation, proposed staffing, the expertise of the vendor's project team, and overall cost. After analyzing all proposals, the Selection Committee concluded that only two of the five firms were deemed technically responsive to the RFP. The other three firms failed to provide a detailed process for a comprehensive solution to manage the IT and OT assets. In addition, the Selection Committee determined that these firms did not fully understand the MTA's SOW requirements. The two firms deemed technically responsive were invited to make oral presentations to the Selection Committee. The Selection Committee ultimately determined that IBM was the most technically qualified and best suited firm to provide the services identified in the RFP.



IBM's proposal detailed a clear delivery model that covered all aspects of MTA's vulnerability and patch requirements. IBM demonstrated a solid understanding of MTA's complex OT environment and proposed the best solution to manage all of MTA's assets by utilizing advanced industry solutions. IBM also offered a project team with in-depth experience in all aspects of cybersecurity services. The Selection Committee found that the second proposer's presentation lacked the comprehensive management program needed for the MTA and failed to effectively demonstrate the ability to deliver the patching of OT assets. IBM will provide services pursuant to the four phases of MTA's SOW: (i) assessment, strategies, gap analysis and inventory; (ii) process establishment and solution deployment; (iii) ramping up and addressing alternative host architecture; and, (iv) maintenance process and continuous improvement to manage the program during steady state.

Negotiations yielded an overall price reduction of \$22 million or 36% from IBM's original proposed cost of \$62,498,224 to \$40,000,000. Upon reviewing IBM's negotiated pricing, MTA project management concurred with IBM's approach to IT and OT management and revised its estimate consistent therewith. The cost includes a fixed fee for assessing IT and OT assets, designing the vulnerability program, vulnerability software and patch management software and a per-device rate for patching. Based on the foregoing, IBM's negotiated pricing is considered fair and reasonable.

In connection with a previous contract awarded to IBM, IBM was found to be responsible notwithstanding significant adverse information (SAI) pursuant to the All-Agency Responsibility Guidelines, and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel on July 25, 2016. No new SAI has been found relating to IBM and IBM has been found to be responsible.

### **III. D/M/WBE INFORMATION**

The MTA Department of Diversity and Civil Rights has established goals of 0% for MBE, 0% for WBE and 0% for SDVOB due to the lack of certified firms in the marketplace capable of providing the managed security services required for this contract. IBM has not met the MWDBE goals on previously completed MTA projects, but has made good faith effort towards meeting these goals.

### **IV. IMPACT ON FUNDING**

The total cost for this contract is \$40,000,000 and will be funded by MTA IT's Operating Budget.

### **V. ALTERNATIVES**

1. Perform services in-house – This alternative is not feasible since MTA does not have the bandwidth in the existing workforce as compared to leveraging an external firm's best practices to implement a comprehensive vulnerability and patch program for IT of OT assets.
2. Do not approve award – This alternative is not recommended because the MTA would be vulnerable to cyber threats and unable to identify, detect, address and protect critical infrastructure and services which can result in service disruptions, loss of revenue, loss of reputation, and impact public safety.

# Staff Summary

## Schedule F: Personal Service Contracts

UPDATED 7-20-20

Item Number: 3						<b>SUMMARY INFORMATION</b>	
Dept & Dept Head Name: MTA IT / Rafail Portnoy						Vendor Name: Various	
Division & Division Head Name: IT Security / Tariq Habib						Master Contract No: 0000016555	
<b>Board Reviews</b>						Description: Cybersecurity Services	
						Total Amount: \$15,000,000	
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>	Contract Term (including Options, if any): Five (5) Years	
1	Finance	07/22/20	X			Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
2	Board	07/22/20	X			Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Internal Approvals</b>						Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Order</b>	<b>Approval</b>		<b>Order</b>	<b>Approval</b>		Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Immediate Operating Need	
1	Procurement		4	DDCR		Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
2	IT		5	Legal			
3	Security		6	CFO			

### I. PURPOSE/RECOMMENDATION

Board approval is sought to award a competitively negotiated, personal services master contract to a panel of 13 vendors to provide the MTA with IT Cyber Security Subject Matter Expert services. These firms will assist the MTA by providing transportation industry focused expert cyber security services across all operational and informational MTA technology systems on an as-needed basis. The contracts are for a period of five years with an aggregate budget of \$15,000,000. The contracts will be awarded to the following 13 firms (of which six awards are to New York State-certified M/WBE firms):

1. International Business Machines Corp.	7. GuidePoint Security LLC
2. Dell Marketing LP.	8. Protek IT Services, LLC. (WBE)
3. CherryRoad Technologies Inc.	9. Verizon Business Group
4. DXC Technology Services LLC.	10. INNO4 LLC.
5. Q.E.D, Inc. dba QED National (WBE)	11. Beckage PLLC. (MWBE)
6. Spruce Technology Inc. (MBE)	12. Maureen Data Systems, Inc. (WBE)
	13. V Group Inc. (MWBE)

### II. DISCUSSION

An emergency and immediate operating need was declared by MTA Executive Management to conduct this procurement in an expedited manner to address the heightened alerts due to cybersecurity threats. The MTA, like many organizations, faces significant challenges in managing system risk across its IT environment and its large array of networks and information systems. Information assets within the Operational Technologies (OT) and Information Technology (IT) networks have become increasingly challenging to protect due to advances in the threat landscape, such as easy-to-use cyber-attack frameworks, advanced threat actor persistence and technologic attack evolution, data obfuscation, and social engineering such as phishing attacks. These threats have resulted in a critical necessity to utilize an innovative and forward-thinking implementation of security throughout the MTA to strengthen its cybersecurity environment by safeguarding all the IT and OT assets. This will provide efficiencies such as improved automated cyber incident response and enable prioritization of high-risk and advanced threats.

A competitive Request for Proposal (RFP) was issued in order to procure these essential services. Public advertising was waived in order to allow for an expedited procurement process to quickly procure these essential cybersecurity improvements. The Selection Committee was comprised of representatives from the MTA IT department and included managers with expertise in cyber security. The MTA intends to award multiple contracts in order to have a pool of firms with diverse expertise available to support the MTA's varying cyber security requirements.

Procurement conducted outreach to 121 vendors considered industry leaders in cybersecurity, of which 48 were minority/women-owned/veteran-owned business enterprises. Vendors were provided sample task orders to determine expertise in various types of work. Thirteen proposals were received and all of these firms offered credible proposals that demonstrated expertise in various cybersecurity categories. The Selection Committee deemed all 13 firms qualified to address the various disciplines required.

Following negotiations, the proposed fully-loaded hourly rates range from \$140 to \$475 for advanced cybersecurity titles, \$130 to \$376 for senior cybersecurity titles and from \$100 to \$300 for intermediate cybersecurity titles. The awardees' negotiated rates are consistent with the rates approved by the US government's General Services Administration for similar cybersecurity expertise. In addition, rates are within 10 % of the market average as established by the proposals received. Based on the foregoing, the rates are considered fair and reasonable.

Each contract will be awarded for zero dollars with an aggregate budget of \$15 million. Individual task orders will be awarded pursuant to a competitive mini-RFP process, where practicable, wherein the awardees will submit technical and cost proposals that will be evaluated by a committee prior to the award of any task.

Responsibility reviews of Beckage, CherryRoad, Dell, DXC, GuidePoint, INNO4, Maureen Data Systems, Protek Information, QED, Spruce Technology, V Group and Verizon conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and these ten firms has been found to be responsible. In connection with a previous contract awarded to IBM, IBM was found to be responsible notwithstanding significant adverse information (SAI) pursuant to the All-Agency Responsibility Guidelines, and such responsibility finding was approved by the MTA Chairman/CEO in consultation with the MTA General Counsel on July 25, 2016. No new SAI has been found relating to IBM and IBM has been found to be responsible.

### **III. D/M/WBE INFORMATION**

The MTA Department of Diversity and Civil Rights has established subcontracting goals of 15% for MBE, 15% for WBE and 6% for SDVOB. It should be noted that (6) six of the thirteen (13) firms retained as prime contractors are NYS certified Minority and Women Owned Business Enterprises.

### **IV. IMPACT ON FUNDING**

The total cost for this contract is a not-to-exceed aggregate budget of \$15,000,000; and will be funded by MTA IT's Operating Budget.

### **V. ALTERNATIVES**

1. Perform services in-house – This alternative is not feasible since performing these specialized functions in-house would require additional full- and part-time employees, including associated overhead costs, which would not be cost effective. Currently the MTA does not have the bandwidth within the existing workforce.
2. Do not approve award – This would place the MTA vulnerable to cyber threats and will not be able to identify, detect, address and protect critical infrastructure and services which can result in service disruptions, loss of revenue, loss of reputation, and impact public safety. This alternative is not advisable.

**Schedule G: Miscellaneous Service Contracts**



Item Number: G

<b>Vendor Name (&amp; Location)</b> Sperry Rail, Inc. 5 Research Drive Shelton, CT 06484	<b>Contract Number</b>  287818	<b>AWO/Modification #</b>  _____
<b>Description</b> Ultrasonic Rail Testing & Joint Bar Detection Services	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Contract Term (including Options, if any)</b> Two Years	<b>Total Amount:</b> \$9,400,000 (not-to-exceed)	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Requesting Dept./Div. &amp; Dept./Div. Head Name:</b> Procurement & Material Management, Anthony Gardner, Sr. Director	
<b>Solicitation Type</b>  <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:		

**Discussion:**

Metro-North Railroad, on behalf of itself and Long Island Rail Road (“the Railroads”), requests Board approval to award a two-year competitively solicited, negotiated miscellaneous service contract (Invitation for Bid process, one bid received), to the firm Sperry Rail, Inc. (Sperry) in the not-to-exceed amount of \$9,400,000 (MNR \$3,400,000/ LIRR \$6,000,000). Under the contract, Sperry will provide FRA mandated quarterly ultrasonic rail testing and joint bar detection services that are performed along the right of way throughout both Railroads’ operating territories.

Ultrasonic rail testing equipment scans the rail for defects based on FRA standards for track anomalies, providing detection/evaluation of rail flaws, dimensional measurements, and track material disposition. Joint bar detection is an optical inspection system that performs automated crack detection of joint bars (fish plates); measures rail gap, joints and rail sides; detects missing bolts and corrosion, detects problems with electric bonding and generates joint bar inventory reports. These are key elements that need to be inspected to ensure track safety in support of the railroads’ routine scheduled maintenance program. At this time, Sperry provides the only means available to the railroads to meet FRA requirements.

In accordance with MTA procurement guidelines, an advertisement was placed in October 2019 in the New York State Contract Reporter, the New York Post, El Diario and Daily Challenge, and posted on the Metro-North website. Additionally, the solicitation was forwarded to seven vendors and in December 2019 one bid was received.

Sperry is a recognized industry expert and is the incumbent under the existing joint procurement contract with MNR and LIRR. During the pendency of this two-year agreement the railroads will reach out to encourage greater participation by other vendors. However, our relatively small commuter systems are in competition with the freight railroads, which operate huge nationwide systems, and therefore the freights are able to attract and retain the relatively few vendors in this field of expertise.

Metro-North completed a responsibility review of Sperry Rail, Inc. as defined in the All Agency Responsibility Guidelines in connection with this award recommendation, which yielded no significant adverse information (SAI).

This procurement is to be funded by each Railroad’s Operating Budget.

# Staff Summary

<b>Item Number 1</b>				<b>SUMMARY INFORMATION</b>	
<b>Department, Department Head Name:</b> Procurement & Supply Chain, Louis A. Montanti				<b>Vendor Name</b> Cad Railway Industries, Ltd.	<b>Contract No.</b> R34257
<i>Louis A. Montanti</i>				<b>Description</b> Conversion and Upgrade of Ten R77E Locomotives	
<b>Internal Approvals</b>				<b>Total Amount:</b> \$27,957,413	
<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Contract Term (including Options, if any)</b> Six Years	
1 <del>R7</del>	Matériel	6	President	<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
2 X	Law			<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
3 X	DDCR			<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
4 X	Subways			<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Immediate Operating Need	
5	CFO			<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

**Purpose**

It is requested that the Board approve the award of contract R34257 to Cad Railway Industries, Ltd. (“CADRI”) for the conversion and upgrade of ten R77E locomotives at a total price of \$27,957,413, pursuant to the declaration of an Immediate Operating Need (“ION”), requested by Department of Subways, waiving competitive bidding pursuant to Article III of the All-Agency Procurement Guidelines and New York State Public Authorities Law, Section 1209, subsection 9(a).

**Discussion**

This contract will provide for the upgrade and conversion of 10 NYC Transit R77E single-cab locomotives from third-rail powered direct current (“DC”) propulsion to diesel-electric powered DC propulsion. This upgrade will increase the number of locomotives that will be readily available for critical work within the NYC Transit subway system. Locomotives are required to enable NYC Transit to conduct critical in-house track maintenance and work in support of the Capital Plan by transporting flatcars bearing materials to, and debris from, the work sites, and to provide support for work performed within the transit system by outside contractors. In addition to flatcars, locomotives transport various other work cars throughout the transit system such as vacuum trains, pump trains, and snow throwers. The availability of locomotives is a critical element in NYC Transit’s success in maximizing the efficiency of the work performed in the system during shutdowns and General Orders.

Utilizing the ION procedure, this project was solicited informally, and the contract documents were sent to 20 firms. Following a pre-proposal conference attended by five firms, three submitted proposals: Knoxville Locomotive Works, Inc. (“KLW”); Cad Railway Industries (“CADRI”); and Brookville Equipment Corporation (“BEC”). The technical proposals were evaluated by the Selection Committee (“SC”) in accordance with the evaluation criteria. The criteria included experience in relevant areas such as (1) experience in overhauling, upgrading, and converting existing rail work equipment such as locomotives; (2) provision of the most aggressive and achievable delivery schedule; (3) compliance with technical requirements; (4) management approach, quality assurance program, diversity practices and providing quality drawings and manuals; (5) overall project cost and value to NYC Transit; and other relevant matters such as (6) compliance with, and acceptance or willingness to negotiate NYC Transit’s terms and conditions, and (7) the overall quality of the written proposal.

# Staff Summary

Following the initial review of the technical proposals, the SC determined that KWL's proposal did not meet the minimum submission requirements of the Request for Proposal and, as a result, unanimously recommended that KWL's proposal be eliminated from further consideration. The SC also unanimously determined that while both CADRI and BEC were both technically qualified BEC had a higher technical ranking than CADRI. Based on the fact that both were technically qualified, NYC Transit proceeded with oral presentations with CADRI and BEC, and subsequently entered negotiations with both proposers. Negotiations centered on exceptions/clarifications to the technical specifications, schedule and terms and conditions.

Best and Final Offers ("BAFOs") were received from both CADRI and BEC. After review of the BAFOs in accordance with the evaluation criteria, the Selection Committee, by a majority vote, chose CADRI for award of this contract. The majority determined that since the proposers were both technically qualified, the combination of the lower price and more aggressive delivery schedule offered by CADRI provided the best overall value to NYC Transit.

The final negotiated price is \$27,957,413. The pricing compares favorably to the engineer's estimate of \$26,861,678. BEC's price of \$36,009,423 is 28.8 percent higher than CADRI's price. Based on the foregoing, the pricing has been found to be fair and reasonable.

Founded in 1968, CADRI is a machinery company that specializes in repairing, building, and refurbishing rail cars and locomotives. CADRI is based in Canada, with facilities in Montreal, Toronto, and Calgary. The conversion work on the locomotives for this contract will be performed in Montreal. The delivery schedule for the first locomotive is 22 months after notice of award, with the delivery of all 10 being completed by 11 months later.

A review of CADRI's financial documents by the NYC Transit Controller's Office found that CADRI is financially qualified to perform work under this contract.

### **M/W/DBE Information**

The MTA Department of Diversity and Civil Rights (DDCR) has established a zero percent M/WBE and zero percent SDVOB goals on this contract as, historically, there has been limited M/WBE attainment due to the lack of subcontracting availability. CADRI has not completed any MTA contracts with goals; therefore, no assessment of the firm's M/W/DBE performance can be determined at this time.

### **Impact on Funding**

The contract will be funded with 100 percent MTA funds. Funding is available in the 2015–2019 Capital Program. A WAR certificate will be secured prior to award.

### **Alternatives**

There are no alternatives as not awarding this contract will seriously undermine NYC Transit's fleet plan and its need to make locomotives available for service. There is no reason to believe that conducting another solicitation will result in a better outcome.

### **Recommendation**

It is recommended that the Board approve the award of contract R34257 to CADRI in the amount of \$27,957,413 for the conversion and upgrade of ten R77E locomotives, and related non-car items such as spare parts, special tools, diagnostic test equipment, technical documentation and training.

# Staff Summary

<b>Item Number</b> 2			
<b>Department, Department Head Name:</b> Procurement & Supply Chain, Louis A. Montanti			
<i>Louis A. Montanti</i>			
<b>Internal Approvals</b>			
<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>
1 <del>R7</del>	Materiel		President
2 X	Law		
3 X	DDCR		
4 X	Subways		
5	CFO		

<b>SUMMARY INFORMATION</b>	
<b>Vendor Name</b> Motive Power, Inc.	<b>Contract No.</b> R34255
<b>Description</b> Purchase of 25 Diesel-Battery Hybrid Locomotives with an Option for 45 Additional Hybrid Locomotives	
<b>Total Amount</b> \$233,000,000	
<b>Contract Term (including Options, if any)</b> 10 Years	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	
<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

**Purpose**

It is requested that the Board approve the award of contract R34255 to Motive Power, Inc. (“MPI”) for the purchase of 25 diesel-battery hybrid locomotives at a total price of \$233,000,000, including related non-car items such as spare parts, special tools, diagnostic test equipment, technical documentation and training, pursuant to the declaration of an Immediate Operating Need (“ION”), requested by Department of Subways, waiving competitive bidding pursuant to Article III of the All-Agency General Contract Procurement Guidelines and New York State Public Authorities Law, Section 1209, subsection 9(a). The contract includes an option for the purchase of an additional 45 diesel-battery hybrid locomotives at a total price of \$286,700,000. If the option is exercised, Board approval will be sought.

**Discussion**

Pursuant to subdivision 9(f) of Section 1209 of the Public Authorities Law, an Authorizing Resolution to issue a Request for Proposals (“RFP”) was approved by the Board in June 2017 for the purchase of diesel locomotives. After the Authorizing Resolution, it was determined that a diesel-battery hybrid locomotive would be the best approach for reducing exposure to diesel emissions during NYC Transit tunnel operations, especially during extended periods at a work site.

NYC Transit locomotives are required to conduct critical in-house track maintenance and work in support of the Capital Plan, as they transport flatcars bearing materials to, and debris from, the work sites; and provide support for work performed within the transit system by outside contractors. In addition to flatcars, locomotives transport various other work cars (e.g. crane cars, pump trains, etc.) throughout the transit system. These R34255 locomotives will replace R37, R41, R43, R47, R52, and R77 locomotives (all were built between 1966 and 1983 and are beyond their useful lives of 35 years) in the NYC Transit fleet. The need to address diesel engine exhaust in the tunnels has become a significant priority. As a result, NYC Transit developed a diesel-battery hybrid technical specification. The diesel-battery hybrid propulsion will be configured to optimize battery usage in order to minimize diesel emissions, while also providing the tractive effort required for any job in the NYC Transit operating environment.

## Staff Summary

An extensive market outreach was conducted, including an internationally advertised Request for Information and industry review, which supported the decision to pursue the diesel-battery hybrid locomotive design for the R34255 contract.

The RFP was solicited for the purchase of 20 diesel-battery hybrid locomotives with an option to purchase an additional 50 hybrid units. (Subsequent to the notice of solicitation, the quantities were modified to 25 hybrid units in the base and 45 units in the option.) The RFP package was sent to 19 companies that expressed interest in the diesel-battery hybrid locomotive RFP through the industry review process. Thirteen companies attended site visits at NYC Transit, with six expressing interest in potentially submitting proposals as a prime contractor. Four firms submitted proposals: MPI, a Wabtec Corporation company; CRRC Times Electric USA LLC (“CRRC”); Knoxville Locomotive Works, Inc. (“KLW”); and Clayton Equipment Ltd. (“Clayton”).

The evaluation of the proposals was conducted in accordance with evaluation criteria that reflect the critical needs of the agency. The evaluation criteria included the proposer’s: experience; compliance with the technical specifications; plan for the most aggressive and achievable schedule; ease of maintenance and operation; management approach; quality assurance; diversity practices; experience in providing quality training, manuals, drawings, and aftermarket support; overall project cost and value to NYC Transit; other relevant matters such as compliance with and acceptance of the RFP terms and conditions or willingness to negotiate same; and overall quality of the written proposal.

The process involved the review of the written technical proposals, requests for clarifications, and oral presentations made by all four proposers. After evaluating the four proposals received, the Selection Committee (“SC”) determined that MPI’s proposal was the most compliant, and that CRRC’s, KLW’s, and Clayton’s proposals demonstrated an inability to meet certain basic requirements for a locomotive that can operate in the NYC Transit environment. The SC recognized that each of these three proposers has experience with locomotives of varying applications. However, despite having been given additional opportunities to address NYC Transit’s concerns, CRRC, KLW, and Clayton were unable to adapt their approaches to successfully mitigate the risks in their proposals and address areas of technical noncompliance.

Based on the technical evaluations, the SC unanimously recommended that CRRC, KLW, and Clayton be eliminated from further consideration for the R34255 procurement and that NYC Transit proceed with negotiations with MPI only. Regarding MPI, the SC’s high degree of confidence was based primarily on two facets of its proposal: MPI’s use of its existing R156 locomotive frame and carbody design, and MPI’s proposed use of subcontractors that have NYC Transit service-proven systems (e.g. Alstom propulsion and Kawasaki trucks are currently in operation on NYC Transit revenue subway cars). The SC viewed these as key factors in assessing a lower design risk for MPI’s proposal when compared to the others. Furthermore, during the course of the RFP process at the start of 2019, Wabtec Corporation merged with General Electric (“GE”) Transportation, which established MPI/GE as the largest locomotive manufacturer in the US and as a result, MPI offered a GE propulsion battery (in lieu of the originally proposed battery from Proterra), which mitigates risks associated with a vertical integration of locomotive systems.

NYC Transit’s negotiation team worked with MPI from a technical and pricing perspective in an effort to obtain from MPI the most competitive, technically acceptable proposal. Negotiation sessions centered on all of the pricing elements. Technical negotiations centered on locomotive design and structure, as well as the propulsion and battery technology to be employed in this hybrid locomotive. All aspects of the proposed pricing were thoroughly examined and discussed, including locomotive prices and prices for other non-locomotive items.

Wabtec/GE is a global transportation leader by combining Wabtec’s broad range of freight and transit products with GE Transportation’s equipment, services, and digital solutions in the locomotive industry. The locomotives and the GE propulsion batteries for this contract will be manufactured in Erie, Pennsylvania, a major locomotive manufacturing facility for GE Transportation.

The proposed delivery schedule from MPI for the 25 locomotives in the base contract is expected to be completed within five years from notice of award, with the first two locomotives being delivered within 38 months from notice of award. The timing for the commencement of the option period and the delivery of those locomotives under that option is being finalized and will be memorialized in the executed contract.

The final negotiated price for the Base Order of 25 Locomotives is \$233,000,000. MPI’s total price for the Option is \$286,700,000. The total price of \$519,700,000 for the base and option is \$24,836,433 (4.5 percent) less than the engineer’s estimate of \$544,536,433. Based on the foregoing, the base and option pricing have been found to be fair and reasonable. Option pricing is subject to a price adjustment based on a price index set forth in the contract.

A review of MPI’s financial documents by the NYC Transit Controller’s Office found that MPI is financially qualified to perform work under this contract.



## Staff Summary

### M/W/DBE Information

The MTA Department of Diversity and Civil Rights (DDCR) has established a zero percent M/WBE and zero percent SDVOB goals on this contract as, historically, there has been limited M/WBE attainment due to the lack of subcontracting availability. MPI has not completed any MTA contracts with goals; therefore, no assessment of the firm's M/W/DBE performance can be determined at this time.

### Impact on Funding

The base contract will be funded with 100 percent MTA funds. Funding is available for these 25 diesel hybrid locomotives in the 20152019 Capital Program. A WAR certificate will be secured prior to award. The option for up to 45 additional locomotives, if exercised, will be funded in the 2020–2024 Capital Program.

### Alternatives

There are no alternatives as not awarding this contract will seriously undermine NYC Transit's fleet plan and its ability to retire older locomotives. There is no reason to believe that conducting another solicitation will result in a better outcome.

### Recommendation

It is recommended that the Board approve the award of contract R34255 to MPI for the purchase of 25 diesel-battery hybrid locomotives at a total price of \$233,000,000, including related non-car items such as spare parts, special tools, diagnostic test equipment, technical documentation and training.

## Schedule I: Modifications to Purchase and Public Works Contracts

### Item Number:

<b>Vendor Name (&amp; Location)</b> Ahern Painting Contractors, Inc.	<b>Contract Number</b> VN-32/VN-49X	<b>AWO/Modification #</b> 1
<b>Contract Title:</b> Structural Steel Repairs and Painting at the Verrazzano-Narrows Bridge.		
<b>Contract Term (including Options, if any)</b> July 17, 2019 – November 16, 2021		
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:		
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Engineering & Construction, Joe Keane, P.E.		
	<b>Original Amount:</b>	\$73,267,248
	<b>Prior Modifications:</b>	N/A
	<b>Prior Budgetary Increases:</b>	N/A
	<b>Current Amount:</b>	\$73,267,248
	<b>This Request:</b>	\$10,734,474
	<b>% of This Request to Current Amount:</b>	14.7%
	<b>% of Modifications (including This Request) to Original Amount:</b>	14.7%

### Discussion:

B&T is seeking Board approval under the All Agency General Contract Procurement Guidelines to amend a public works contract, Contract VN-32/VN-49X with Ahern Painting Contractors, Inc. (Ahern) for additional structural steel repairs at the Verrazzano-Narrows Bridge (VNB) in a negotiated amount of \$10,734,474 and extend the date of substantial completion an additional 5 ½ months through April 30, 2022.

The Contract was solicited via a competitive A + B bid (cost + time) method and awarded to Ahern in July 2019 in the amount of \$73,267,248 with a substantial completion duration of two years, four months. The Scope of Work requires Ahern to perform structural steel repairs and painting at the VNB, which include: repairs to subfloor beams, stringers, stiffening truss plates, lower chord, catwalks and other structural members; repair and replacement of traveler runway rail beams, splice plates, drainage pans and appurtenances; cleaning and painting of the suspended spans between the Brooklyn and Staten Island Anchorages; lead abatement and maintenance and protection of traffic. However, the bids received for the Project exceeded the budget, and B&T deemed it in its best interest to reject all bids. The Project's steel repair and painting scopes were modified and quantities reduced, it was rebid as Project VN-32/VN-49X.

The scope of this proposed amendment is to add the previously deleted structural steel repair quantities. Deferring these repairs to the future would result in significantly higher pricing due to the additional cost of including another access platform in the future. The Contractor installed a full access platform under the entire lower level roadway of the main span of the bridge to facilitate its steel repairs and painting work. It is deemed in B&T's best interest to utilize this expanded access to cost effectively perform additional structural steel repair quantities to maintain the VNB's state of good repair. Performing this state of good repair work now results in a cost avoidance realized by B&T of approximately \$5.0M as compared to the pricing of the apparent low bidder under the originally bid project. This critical structural state of good repair work is being accelerated as part of the Moving NY Forward Program.

The additional work includes steel repairs quantities and painting that include: stringer stiffeners; subfloor beams; maintenance walk channel stringer; and associated hardware. Ahern proposed an amount of \$13,030,369 and the negotiated amount of \$10,734,474 is 4.4% below the Engineer's estimate of \$11,222,282 and is fair and reasonable. Funding for this amendment is available in the 2015-2019 Capital Program under Project: D701VN32/ D04376.

In accordance with the All-Agency Responsibility Guidelines, Ahern was deemed a responsible contractor notwithstanding the existence of Significant Adverse Information (SAI) by the MTA Managing Director in consultation with the MTA General Counsel on April 18, 2018. No new SAI has been found relating to the Contractor.

## Schedule I: Modifications to Purchase and Public Works Contracts

**Item Number:**

<b>Vendor Name (&amp; Location)</b> Tully Construction Co., Inc., Flushing, New York	<b>Contract Number</b> RK-21	<b>AWO/Modification #</b>
<b>Description</b> Design-Build Services for Installation of Fire Standpipe and Upgrade of Fire Protection Systems at the RFK Bridge	<b>Original Amount:</b>	\$18,500,000
<b>Contract Term (including Options, if any)</b> March 28, 2017 – June, 2020	<b>Prior Modifications:</b>	\$900,000
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Prior Budgetary Increases:</b>	\$0
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	<b>Current Amount:</b>	\$19,400,000
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Design-Build	<b>This Request:</b>	\$4,627,000
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	<b>% of This Request to Current Amount:</b>	23.9%
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Engineering & Construction, Joe Keane, P.E.	<b>% of Modifications (including This Request) to Original Amount:</b>	29.9%

**Discussion:**

B&T is seeking Board Approval under the All Agency General Contract Procurement Guidelines to amend a Design-Build contract, Contract RK-21, with Tully Construction Co., Inc. (Tully) for additional design-build services and funding in the negotiated amount of \$4,627,000.

Pursuant to competitive negotiations and Board approval, the subject Contract was awarded to Tully Construction Co., Inc. (Tully) on March 28, 2017 in the amount of \$18,500,000 and Substantial Completion to be attained in three years. The Work to be performed under this Contract may briefly be described as the design, construction and construction management of a new dry fire standpipe in specified areas of the Robert F. Kennedy Bridge (RFK) including the Bronx Span, Manhattan Harlem River Lift span, Randall's and Ward's Island viaducts, and the Queens Approach Viaduct; and upgrades to existing fire protection systems including new bollards and other approved barriers to protect both new and existing fire department connections from vehicular damage. A previous amendment was issued to modify the design of the standpipe supports mounted on the barrier.

At the time of Contract RK-21 award in 2017, fire standpipe sections were eliminated from the contract scope due to funding constraints. For reasons of customer safety and to be in compliance with National Fire Prevention Association, Standard NFPA-502 and FDNY requirements, B&T deems it necessary at this time to complete portions of the previously eliminated fire standpipe sections. These critical fire prevention safety enhancements are being accelerated as part of the Moving NY Forward Program. The RK-21 Design-Builder is completing punch list work at the RFK Facility, has satisfactorily completed the Contract work and is committed to completing the proposed additional installations in 2020 with testing to be completed in Spring 2021. It is in the Authority's best interest to amend Contract RK-21 for the additional fire standpipe sections. Efficiencies to be realized include: mobilization cost savings; enhanced coordination; benefit of lessons learned; overall reduction of project schedule and risk; minimizing customer impact due to lane closures; and restoring the facility to normal operations in a manner consistent with the Moving NY Forward initiative. The Design-Builder shall design, furnish, install, test and perform commissioning on additional new dry fire standpipe sections for the Manhattan to Queens Bound Ramp, Manhattan to Bronx Ramp, and the Junction Structure Northbound and Southbound.

Tully submitted a proposal in the amount of \$5,756,359. The negotiated amount is \$4,627,000 which is 14.3% below the Engineer's estimate of \$5,288,341 and is considered fair and reasonable. Funding is available in the 2015-2019 Capital Program under Project RK-21 (Task D04863) in the negotiated amount of \$4,627,000. Tully is a responsible Contractor.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Accrual Statement of Operations by Category**  
**June 2020 Monthly**  
(\$ in millions)

	Non-Reimbursable			Reimbursable			Total		
	Adopted Budget	Actual	-Variance: Fav/(Unfav)- Dollars Percent	Adopted Budget	Actual	-Variance: Fav/(Unfav)- Dollars Percent	Adopted Budget	Actual	-Variance: Fav/(Unfav)- Dollars Percent
<b>Revenue</b>									
Farebox Revenue	\$558.9	\$98.9	(\$460.0) (82.3)	\$0.0	\$0.0	\$0.0	\$558.9	\$98.9	(\$460.0) (82.3)
Toll Revenue	187.2	129.6	(57.6) (30.8)	0.0	0.0	0.0	187.2	129.6	(57.6) (30.8)
Other Revenue	55.7	865.1	809.5 > 100.0	0.0	0.0	0.0	55.7	865.1	809.5 > 100.0
Capital and Other Reimbursements	0.0	0.0	0.0 N/A	191.9	166.0	(25.9) (13.5)	191.9	166.0	(25.9) (13.5)
<b>Total Revenues</b>	<b>\$801.8</b>	<b>\$1,093.7</b>	<b>\$291.9</b> 36.4	<b>\$191.9</b>	<b>\$166.0</b>	<b>(\$25.9)</b> (13.5)	<b>\$993.7</b>	<b>\$1,259.7</b>	<b>\$266.0</b> 26.8
<b>Expenses</b>									
<b>Labor:</b>									
Payroll	\$449.0	\$438.4	\$10.6 2.4	\$64.8	\$50.6	\$14.2 21.9	\$513.8	\$489.0	\$24.8 4.8
Overtime	70.2	81.0	(10.8) (15.4)	17.9	16.2	1.7 9.3	88.0	97.2	(9.1) (10.4)
Health and Welfare	116.2	75.5	40.6 35.0	7.7	7.2	0.5 7.0	123.9	82.7	41.2 33.2
OPEB Current Payments	61.8	(39.4)	101.2 > 100.0	1.0	1.0	0.1 8.7	62.9	(38.4)	101.3 > 100.0
Pension	118.9	127.4	(8.4) (7.1)	9.6	10.5	(0.9) (9.3)	128.6	137.9	(9.3) (7.2)
Other Fringe Benefits	80.7	81.6	(0.9) (1.1)	21.1	15.8	5.2 24.9	101.8	97.4	4.3 4.3
Reimbursable Overhead	(34.1)	(29.7)	(4.4) (12.9)	33.9	29.5	4.4 12.9	(0.2)	(0.2)	0.0 (9.6)
<b>Total Labor Expenses</b>	<b>\$862.6</b>	<b>\$734.8</b>	<b>\$127.9</b> 14.8	<b>\$156.0</b>	<b>\$130.8</b>	<b>\$25.2</b> 16.2	<b>\$1,018.7</b>	<b>\$865.6</b>	<b>\$153.1</b> 15.0
<b>Non-Labor:</b>									
Electric Power	\$38.4	\$23.7	\$14.6 38.2	\$0.0	\$0.0	\$0.0 26.3	\$38.4	\$23.8	\$14.7 38.2
Fuel	14.0	6.1	7.9 56.3	0.0	0.0	0.0 (18.5)	14.0	6.1	7.9 56.3
Insurance	0.7	0.8	(0.2) (21.9)	1.4	1.0	0.3 33.1	2.1	1.8	0.3 15.5
Claims	34.7	36.6	(1.9) (5.6)	0.0	0.0	0.0 N/A	34.7	36.6	(1.9) (5.6)
Paratransit Service Contracts	41.5	18.4	23.0 55.5	0.0	0.0	0.0 N/A	41.5	18.4	23.0 55.5
Maintenance and Other Operating Contracts	64.1	75.9	(11.8) (18.4)	8.9	9.9	(1.0) (11.2)	73.0	85.8	(12.8) (17.5)
Professional Services Contracts	56.1	42.3	13.7 24.5	16.1	16.1	(5.9) (86.6)	66.2	58.4	7.8 11.8
Materials and Supplies	58.2	58.2	(0.1) (0.1)	15.0	9.8	5.1 34.3	73.1	68.1	5.0 6.9
Other Business Expenses	19.5	18.1	1.4 7.0	0.3	(1.6)	1.9 > 100.0	19.8	16.5	3.3 16.7
<b>Total Non-Labor Expenses</b>	<b>\$327.0</b>	<b>\$280.3</b>	<b>\$46.7</b> 14.3	<b>\$35.8</b>	<b>\$35.2</b>	<b>\$0.6</b> 1.7	<b>\$362.9</b>	<b>\$315.5</b>	<b>\$47.3</b> 13.0
<b>Other Expense Adjustments</b>									
Other	\$7.1	\$11.6	(\$4.4) (62.0)	\$0.0	\$0.0	\$0.0 N/A	\$7.1	\$11.6	(\$4.4) (62.0)
General Reserve	0.0	0.0	0.0 N/A	0.0	0.0	0.0 N/A	0.0	0.0	0.0 N/A
<b>Total Other Expense Adjustments</b>	<b>\$7.1</b>	<b>\$11.6</b>	<b>(\$4.4)</b> (62.0)	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b> N/A	<b>\$7.1</b>	<b>\$11.6</b>	<b>(\$4.4)</b> (62.0)
<b>Total Expenses Before Non-Cash Liability Adjs.</b>	<b>\$1,196.8</b>	<b>\$1,026.6</b>	<b>\$170.2</b> 14.2	<b>\$191.9</b>	<b>\$166.0</b>	<b>\$25.9</b> 13.5	<b>\$1,388.7</b>	<b>\$1,192.7</b>	<b>\$196.0</b> 14.1
Depreciation	\$236.6	\$247.0	(\$10.4) (4.4)	\$0.0	\$0.0	\$0.0 N/A	\$236.6	\$247.0	(\$10.4) (4.4)
OPEB Liability Adjustment	0.0	0.0	0.0 100.0	0.0	0.0	0.0 N/A	0.0	0.0	0.0 100.0
GASB 75 OPEB Expense Adjustment	356.6	0.3	356.3 99.9	0.0	0.0	0.0 N/A	356.6	0.3	356.3 99.9
GASB 68 Pension Expense Adjustment	4.0	(2.2)	6.3 > 100.0	0.0	0.0	0.0 N/A	4.0	(2.2)	6.3 > 100.0
Environmental Remediation	0.5	1.4	(0.9) (<100.0)	0.0	0.0	0.0 N/A	0.5	1.4	(0.9) (<100.0)
<b>Total Expenses After Non-Cash Liability Adjs.</b>	<b>\$1,794.5</b>	<b>\$1,273.1</b>	<b>\$521.4</b> 29.1	<b>\$191.9</b>	<b>\$166.0</b>	<b>\$25.9</b> 13.5	<b>\$1,986.4</b>	<b>\$1,439.1</b>	<b>\$547.3</b> 27.6
Less: B&T Depreciation & GASB Adjustments	\$13.0	\$14.4	(\$1.4) (10.7)	\$0.0	\$0.0	\$0.0 0.0	\$13.0	\$14.4	(\$1.4) (10.7)
<b>Adjusted Total Expenses</b>	<b>\$1,781.5</b>	<b>\$1,258.7</b>	<b>\$522.8</b> 29.3	<b>\$191.9</b>	<b>\$166.0</b>	<b>\$25.9</b> 13.5	<b>\$1,973.4</b>	<b>\$1,424.7</b>	<b>\$548.7</b> 27.8
<b>Net Surplus/(Deficit)</b>	<b>(\$979.7)</b>	<b>(\$165.0)</b>	<b>\$814.7</b> 83.2	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b> N/A	<b>(\$979.7)</b>	<b>(\$165.0)</b>	<b>\$814.7</b> 83.2
<b>Total Subsidies</b>	<b>\$597.5</b>	<b>\$132.0</b>	<b>(\$465.5)</b> (77.9)	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b> N/A	<b>\$597.5</b>	<b>\$132.0</b>	<b>(\$465.5)</b> (77.9)
<b>Debt Service</b>	<b>250.9</b>	<b>236.3</b>	<b>14.7</b> 5.8	<b>0.0</b>	<b>0.0</b>	<b>0.0</b> N/A	<b>250.9</b>	<b>236.3</b>	<b>14.7</b> 5.8

Notes: Totals may not add due to rounding

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

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Accrual Statement of Operations by Category**  
 June 2020 Year-to-Date  
 (\$ in millions)

	Non-Reimbursable				Reimbursable				Total			
	Adopted Budget	Actual	-Variance: Fav/(Unfav)-		Adopted Budget	Actual	-Variance: Fav/(Unfav)-		Adopted Budget	Actual	-Variance: Fav/(Unfav)-	
			Dollars	Percent			Dollars	Percent			Dollars	Percent
<b>Revenue</b>												
Farebox Revenue	\$3,200.7	\$1,574.2	(\$1,626.5)	(50.8)	\$0.0	\$0.0	\$0.0	N/A	\$3,200.7	\$1,574.2	(\$1,626.5)	(50.8)
Toll Revenue	1,022.9	734.5	(288.5)	(28.2)	0.0	0.0	0.0	N/A	1,022.9	734.5	(288.5)	(28.2)
Other Revenue	333.6	3,237.6	2,904.0	> 100.0	0.0	0.0	0.0	N/A	333.6	3,237.6	2,904.0	>100.0
Capital and Other Reimbursements	0.0	0.0	0.0	N/A	1,136.1	958.5	(177.6)	(15.6)	1,136.1	958.5	(177.6)	(15.6)
<b>Total Revenues</b>	<b>\$4,557.3</b>	<b>\$5,546.3</b>	<b>\$989.0</b>	<b>21.7</b>	<b>\$1,136.1</b>	<b>\$958.5</b>	<b>(\$177.6)</b>	<b>(15.6)</b>	<b>\$5,693.4</b>	<b>\$6,504.8</b>	<b>\$811.5</b>	<b>14.3</b>
<b>Expenses</b>												
<b>Labor:</b>												
Payroll	\$2,688.4	\$2,652.3	\$36.1	1.3	\$388.5	\$310.0	\$78.5	20.2	\$3,076.9	\$2,962.3	\$114.6	3.7
Overtime	429.4	400.1	29.4	6.8	105.9	101.4	4.6	4.3	535.4	501.4	33.9	6.3
Health and Welfare	704.7	672.6	32.1	4.6	41.7	38.6	3.1	7.3	746.4	711.3	35.2	4.7
OPEB Current Payments	354.6	268.2	86.3	24.4	6.3	5.6	0.6	10.3	360.8	273.8	87.0	24.1
Pension	681.3	742.0	(60.7)	(8.9)	51.8	49.7	2.1	4.1	733.1	791.7	(58.6)	(8.0)
Other Fringe Benefits	476.0	475.7	0.4	0.1	104.0	104.0	26.5	20.3	606.5	579.7	26.8	4.4
Reimbursable Overhead	(209.0)	(179.7)	(29.3)	(14.0)	207.5	178.4	29.1	14.0	(1.5)	(1.3)	(0.2)	(15.9)
<b>Total Labor Expenses</b>	<b>\$5,125.4</b>	<b>\$5,031.2</b>	<b>\$94.2</b>	<b>1.8</b>	<b>\$932.2</b>	<b>\$787.8</b>	<b>\$144.4</b>	<b>15.5</b>	<b>\$6,057.6</b>	<b>\$5,819.0</b>	<b>\$238.6</b>	<b>3.9</b>
<b>Non-Labor:</b>												
Electric Power	\$237.8	\$182.6	\$55.2	23.2	\$0.3	\$0.2	\$0.1	34.6	\$238.1	\$182.8	\$55.3	23.2
Fuel	90.0	59.7	30.4	33.7	0.0	0.0	0.0	94.9	90.1	59.7	30.4	33.8
Insurance	3.6	3.3	0.3	8.0	7.0	4.7	2.3	32.7	8.0	8.0	2.6	24.3
Claims	206.3	219.0	(12.7)	(6.2)	0.0	0.0	0.0	N/A	206.3	219.0	(12.7)	(6.2)
Paratransit Service Contracts	241.2	161.3	79.8	33.1	0.0	0.0	0.0	N/A	241.2	161.3	79.8	33.1
Maintenance and Other Operating Contracts	339.7	341.3	(1.6)	(0.5)	54.3	41.9	12.4	22.9	394.0	383.2	10.8	2.7
Professional Services Contracts	332.5	233.1	99.4	29.9	59.9	61.9	(2.0)	(3.4)	392.3	295.0	97.4	24.8
Materials and Supplies	336.2	259.8	76.4	22.7	83.0	61.1	21.9	26.4	419.2	320.9	98.3	23.5
Other Business Expenses	125.1	79.5	45.6	36.4	(0.5)	1.1	(1.5)	<(100.0)	124.6	80.6	44.0	35.3
<b>Total Non-Labor Expenses</b>	<b>\$1,912.3</b>	<b>\$1,539.6</b>	<b>\$372.7</b>	<b>19.5</b>	<b>\$203.9</b>	<b>\$170.8</b>	<b>\$33.2</b>	<b>16.3</b>	<b>\$2,116.2</b>	<b>\$1,710.3</b>	<b>\$405.9</b>	<b>19.2</b>
<b>Other Expense Adjustments</b>												
Other	\$42.9	\$36.3	\$6.5	15.2	\$0.0	\$0.0	\$0.0	N/A	\$42.9	\$36.3	\$6.5	15.2
General Reserve	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A
<b>Total Other Expense Adjustments</b>	<b>\$42.9</b>	<b>\$36.3</b>	<b>\$6.5</b>	<b>15.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>N/A</b>	<b>\$42.9</b>	<b>\$36.3</b>	<b>\$6.5</b>	<b>15.2</b>
<b>Total Expenses Before Non-Cash Liability Adjs.</b>	<b>\$7,080.6</b>	<b>\$6,607.1</b>	<b>\$473.5</b>	<b>6.7</b>	<b>\$1,136.1</b>	<b>\$958.5</b>	<b>\$177.6</b>	<b>15.6</b>	<b>\$8,216.7</b>	<b>\$7,565.6</b>	<b>\$651.1</b>	<b>7.9</b>
Depreciation	\$1,421.1	\$1,479.8	(\$58.8)	(4.1)	\$0.0	\$0.0	\$0.0	N/A	\$1,421.1	\$1,479.8	(\$58.8)	(4.1)
OPEB Liability Adjustment	0.0	0.0	0.0	100.0	0.0	0.0	0.0	N/A	0.0	0.0	0.0	100.0
GASB 75 OPEB Expense Adjustment	746.2	(12.1)	758.4	> 100.0	0.0	0.0	0.0	N/A	746.2	(12.1)	758.4	>100.0
GASB 68 Pension Expense Adjustment	20.9	(6.3)	27.2	> 100.0	0.0	0.0	0.0	N/A	20.9	(6.3)	27.2	>100.0
Environmental Remediation	3.0	2.7	0.3	10.6	0.0	0.0	0.0	N/A	3.0	2.7	0.3	10.6
<b>Total Expenses After Non-Cash Liability Adjs.</b>	<b>\$9,271.8</b>	<b>\$8,071.2</b>	<b>\$1,200.6</b>	<b>12.9</b>	<b>\$1,136.1</b>	<b>\$958.5</b>	<b>\$177.6</b>	<b>15.6</b>	<b>\$10,407.9</b>	<b>\$9,029.7</b>	<b>\$1,378.1</b>	<b>13.2</b>
Less: B&T Depreciation & GASB Adjustments	\$79.0	\$86.0	(\$7.0)	(8.9)	\$0.0	\$0.0	\$0.0	0.0	\$79.0	\$86.0	(\$7.0)	(8.9)
<b>Adjusted Total Expenses</b>	<b>\$9,192.8</b>	<b>\$7,985.2</b>	<b>\$1,207.6</b>	<b>13.1</b>	<b>\$1,136.1</b>	<b>\$958.5</b>	<b>\$177.6</b>	<b>15.6</b>	<b>\$10,328.9</b>	<b>\$8,943.8</b>	<b>\$1,385.2</b>	<b>13.4</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$4,635.6)</b>	<b>(\$2,438.9)</b>	<b>\$2,196.6</b>	<b>47.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>N/A</b>	<b>(\$4,635.6)</b>	<b>(\$2,438.9)</b>	<b>\$2,196.6</b>	<b>47.4</b>
<b>Total Subsidies</b>	<b>\$4,729.4</b>	<b>\$4,231.4</b>	<b>(\$498.1)</b>	<b>(10.5)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>N/A</b>	<b>\$4,729.4</b>	<b>\$4,231.4</b>	<b>(\$498.1)</b>	<b>(10.5)</b>
<b>Debt Service</b>	<b>1,422.3</b>	<b>1,396.8</b>	<b>25.5</b>	<b>1.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>	<b>1,422.3</b>	<b>1,396.8</b>	<b>25.5</b>	<b>1.8</b>

Notes: Totals may not add due to rounding

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

**METROPOLITAN TRANSPORTATION AUTHORITY  
CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY  
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS  
JUNE 2020  
(\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	JUNE		Reason for Variance	JUNE 2020 YEAR-TO-DATE		
		Favorable (Unfavorable)	%		Favorable (Unfavorable)	%	
Farebox Revenue	NR	\$ (460.0)	(82.3)	Passenger revenue was lower at NYCT, MNR, the LIRR, MTA Bus and SIR by (\$319.6M), (\$62.1M), (\$59.6), (\$18.2M), and (\$0.5M) respectively, and reflects ongoing impacts of the COVID-19 pandemic.	\$ (1,626.5)	(50.8)	Reflects the ongoing impact of the COVID-19 pandemic. The resulting sharp drop in the utilization of services from NYCT, MNR, the LIRR, MTA Bus, and SIR resulted in unfavorable variances of (\$1,162.8M), (\$202.1M), (\$197.5M), (\$62.4M) and (\$1.8M), respectively.
Vehicle Toll Revenue	NR	(57.6)	(30.8)	Toll revenue was significantly lower and indicative of ongoing impacts of the pandemic.	(288.5)	(28.2)	Reflects the ongoing impact of the COVID-19 pandemic, including the NY PAUSE Executive Order.
Other Operating Revenue	NR	809.5	*	The favorable variance reflects funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which has covered part of the net operating costs of NYCT, LIRR, MTA Bus, MNR, and SIR, and, by Agency, caused variances of \$594.1M at NYCT (partially offset by lower Paratransit reimbursement/subsidy and rental/retail revenue); \$88.1M at the LIRR (includes the favorable timing of rental revenue); \$62.1M at MTA Bus (includes lower student reimbursement); \$57.4M at MNR (includes lower GCT retail income and advertising revenue); \$3.6M at SIR, and \$0.7M at B&T. FMTAC was \$4.4M favorable due to a positive shift in the market value of the invested asset portfolio and higher realized income from investments. At MTA HQ, Transit Museum revenue fell short of the budget by (\$0.8M) and was COVID-related.	2,904.0	*	Aid from the CARES Act drove the substantial favorable variances at NYCT, the LIRR, MTA Bus, MNR, and SIR, with outcomes of \$2,057.9M, \$349.3M, \$240.9M, \$204.2M, and \$16.82M, respectively. FMTAC was favorable by \$33.9M for the same reasons noted for the month. B&T was favorable by \$3.7M from higher revenue primarily due to the timing of income from E-ZPass administrative fees. At MTA HQ, lower Transit Museum revenue coupled with unfavorable timing in the recovery of relocation costs and other income fell short of the budget by (\$2.6M).
Payroll	NR	10.6	2.4	Vacancies contributed to the favorable outcomes of \$8.4M at the LIRR, \$2.9M at MTA HQ (including lower Agency billing), \$1.9M at B&T, and \$0.5M at MNR. These variances were partially offset by unfavorable results of (\$1.8M) at MTA Bus due to prior period interagency payments, retro payments, and lower attrition; and (\$1.2M) at NYCT which mainly reflects the impact of "Juneteenth", a new state holiday, and reimbursable project underruns adversely impacting the operating budget (caused by the reassignment of a reimbursable workforce to operations/non-reimbursable work) due to lower capital project activity.	36.1	1.3	The MTA-wide hiring freeze continues to generate substantial vacancy savings at the LIRR (including higher sick pay law claim credits), B&T, and MTA HQ—with variances of \$34.3M, \$10.2M, and \$8.4M, respectively. Partially offsetting these results were unfavorable impacts from the same factors noted for the month, as well as higher cash payout of sick and personal time at MTA Bus (\$8.7M). Also contributing to the unfavorable variance are pandemic-related changes in capital project activity assumptions, which have resulted in the partial reassignment of reimbursable workforce to operations, (\$5.6M) at NYCT, and (\$2.5M) at MNR ( includes the timing or retiree payouts.)
Overtime	NR	(10.8)	(15.4)	The unfavorable outcome was primarily driven by (\$9.7M) at NYCT, which reflects mostly backfill for Juneteenth (a new state holiday), and vacancies, in addition to COVID-19-related measures. Also contributing to the unfavorable outcome was (\$1.4M) at MTA Bus due to higher maintenance requirements to disinfect fleet, implement safety procedures, and provide vacancy/absentee coverage; (\$1.0M) at MTA HQ for MTAPD overruns resulting from increased vacancy/absentee and security coverage requirements; and (\$0.5M) at MNR due to COVID-19 extraordinary cleaning of stations and rolling stock, and timing. Partially offsetting these outcomes were favorable results of \$1.1M at B&T due to timing and lower vacancy/absentee coverage requirements, and programmatic/ routine maintenance; and \$0.8 at the LIRR due to lower programmatic/routine maintenance and scheduled/unscheduled service.) (See overtime variance analysis charts for more details.)	29.4	6.8	Overall savings result mainly from fewer weather-related events, operating on a reduced service schedule, and lower vacancy/absentee coverage needs. Specifically, underruns include \$15.1M at the LIRR from the drivers noted for the month and lower weather-related overtime. At NYCT, underruns were \$11.8M and reflect favorable weather, reduced service requirements, and the impact of improved administering of overtime. Other underruns include \$5.9M at MNR from fewer weather-related events than expected in Maintenance of Way, staggered shift coverage in Maintenance of Equipment, and improved staff availability in Transportation; and \$4.4M at B&T from lower expenses resulting from rescheduled and deferred maintenance work as a result of the pandemic. Partially offsetting these results were overruns from greater enhanced security coverage, quality of life initiatives, COVID-19-related patrols, and vacancy/absentee coverage requirements, (\$5.5M) at MTA HQ for MTAPD; and higher maintenance requirements due to COVID-19 bus disinfections, safety procedures, and aging fleet maintenance/campaign work, (\$2.7M) at MTA Bus. (See overtime variance analysis charts for more detail.)

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS**  
**JUNE 2020**  
**(\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	JUNE		Reason for Variance	JUNE 2020 YEAR-TO-DATE			
		Favorable (Unfavorable)	%		Favorable (Unfavorable)	%		
Health and Welfare	NR	\$ 40.6	35.0	NYCT was \$42.8M favorable mainly due to timing, reflecting a backlog of prescription drug rebates and vacancy savings. Vacancies were also responsible for favorable variances at the LIRR, MTA HQ, and B&T of \$1.5M, \$0.7M, and \$0.5M, respectively. Partially offsetting these results were unfavorable variances of (\$3.7M) at MNR, due to prior period adjustments for higher expenses, and (\$1.3M) at MTA Bus due to higher prescription coverage and hospitalization costs.	24.4	\$ 32.1	4.6	The factors highlighted for the month continue at NYCT, the LIRR, MTA HQ, and B&T with favorable variances of \$21.2M, \$9.8M, \$2.8M, and \$2.3M, respectively. Timing was responsible for the favorable \$0.9M variance at SIR. Partially offsetting these results were unfavorable variances of (\$3.4M) at MTA Bus due to factors highlighted for the month; and (\$1.5M) at MNR due to higher rates.
OPEB - Current Payment	NR	101.2	*	Timing was responsible for an favorable variance of \$101.8M at NYCT. The LIRR was \$1.2M favorable due to fewer retirees. These results were partially offset by unfavorable variances of (\$1.0M) at MTA Bus due to higher prescription drug coverage and medical hospitalization expenses; and (\$0.8M) at MTA HQ due to timing.	86.3	86.3		The factors highlighted for the month continue at NYCT, and the LIRR, with favorable variances of \$86.0M and \$6.2M, respectively. These results were partially offset by unfavorable variances of (\$2.5M) and (\$1.6M) at MTA Bus and MTA HQ, respectively, also due to factors highlighted for the month. MNR was (\$2.2M) unfavorable due to a higher number of retirees.
Pensions	NR	(8.4)	(7.1)	NYCT was (\$8.0M) unfavorable due to an incorrect budget allocation which will be corrected in the July Plan. MNR was (\$0.9M) unfavorable primarily due to higher rates. The LIRR was (\$0.8M) unfavorable due to an over-estimated allocation to the reimbursable budget. Partially offsetting these results was a favorable variance of \$1.2M at MTA HQ mainly due to the impact of hiring restrictions and timing.	(60.7)	(60.7)	(8.9)	NYCT and the LIRR were unfavorable by (\$61.7M) and (3.6M), respectively, due to the same reasons noted for the month. MNR was (\$7.0M) unfavorable primarily due to an adjustment for a higher-than-budgeted Actuarially Defined Contribution (ADC), and an increase to a benefit provision. Partially offsetting these results were favorable variances of \$10.8M at MTA HQ due to the same reasons noted for the month. MTA Bus was \$0.5M lower than the budget.
Other Fringe Benefits	NR	(0.9)	(1.1)	NYCT was (\$4.8M) unfavorable due to a major reduction in capital project activity and related support requirements (impact of reassigning a portion of the reimbursable workforce to the operating/non-reimbursable budget). This result is partially offset by favorable variances of \$1.3M at MTA HQ mainly due to vacancies; \$1.2M at MNR due to a lower employee claim provision and lower rates; and \$0.6M at MTA Bus due to timing.	0.4	0.4	0.1	The factors highlighted for the month continue at MNR, MTA HQ, and MTA Bus with favorable results of \$5.9M, \$5.2M and \$2.6M, respectively. The LIRR is favorable by \$5.2M and reflects lower Railroad Retirement Taxes. B&T was favorable by \$1.5M mainly due to vacancies. These results were partially offset by an unfavorable variance of (\$20.1M) at NYCT due to factors also highlighted for month.
Reimbursable Overhead	NR	(4.4)	(12.9)	The unfavorable outcome reflects reprioritized project assumptions due to the pandemic, (\$8.5M) at NYCT reflects a major reduction in capital project support requirements, and (\$0.5M) at MTA HQ due to lower project activity. These results were partially offset by a favorable timing variance of \$4.4M at the LIRR.	(29.3)	(29.3)	(14.0)	YTD results continue as noted for the month but with unfavorable variances of (\$45.4M) at NYCT, (\$6.4M) at MTA HQ, and includes (\$0.7M) at MNR, also due to lower project activity. A favorable timing outcome of \$22.0M at the LIRR; and higher project activity, \$0.7M at SIR, partially offset the unfavorable variances.
Electric Power	NR	14.6	38.2	This favorable variance primarily reflects lower consumption due to Agencies operating on a reduced service schedule to mitigate the spread of COVID-19 and lower rates, \$7.1M at NYCT, \$3.8M at the LIRR, and \$3.0M at MNR. MTA HQ was \$0.5M favorable due to lower usage and rates at 2 Broadway.	55.2	55.2	23.2	Causes for the YTD variances are consistent with those reported for the month, but with favorable results of \$33.1M at NYCT, \$10.3M at the LIRR, \$8.9M at MNR, \$1.4M at MTA HQ, and also includes \$0.5M at SIR. Favorable results also include \$0.7M at B&T from the impact of timing.
Fuel	NR	7.9	56.3	Lower consumption due to reduced service levels in response to COVID-19 and lower rates were largely responsible for favorable variances of \$5.2M at NYCT, \$1.3M at MTA Bus, \$0.8M at MNR and \$0.5M at the LIRR.	30.4	30.4	33.7	The drivers of the YTD variances for NYCT, MTA Bus, MNR, and the LIRR are mainly the same as those noted for the month with YTD favorable variances of \$18.7M, \$5.9M, \$3.5M and \$2.0M, respectively. Other Agency variances were minor.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS**  
**JUNE 2020**  
**(\$ in millions)**

Generic Revenue or Expense Category	Nonreimb or Reimb	JUNE		Reason for Variance	JUNE 2020 YEAR-TO-DATE		
		Favorable (Unfavorable)	%		Favorable (Unfavorable)	%	
Insurance	NR	\$ (0.2)	(21.9)	NYCT was (\$0.6M) unfavorable. Other agency variances were minor.	\$ 0.3	8.0	MTA Bus was \$1.4M favorable due to timing. Reduced Station Liability and Auto premiums at MNR were responsible for a \$0.8M favorable variance; and the LIRR was \$0.8M favorable due to lower liability insurance. These results were partially offset by unfavorable variances of (\$2.1M) at NYCT and (\$1.1M) at FMTAC due to timing.
Claims	NR	(1.9)	(5.6)	Timing was largely responsible for the unfavorable variance of (\$1.6M) at FMTAC. MTA Bus was (\$0.8M) unfavorable. Other agency variances were minor.	(12.7)	(6.2)	Timing was largely responsible for the unfavorable variance of (\$8.9M) at FMTAC. Expenses were (\$4.7M) unfavorable at MTA Bus due to higher third-party settlements and timing. Partially offsetting these results was a favorable variance of \$0.6M at MNR due to a lower requirement for a claims provision. Other agency variances were minor.
Paratransit Service Contracts	NR	23.0	55.5	Lower expenses reflect reduced trips.	79.8	33.1	Lower expenses reflect reduced trips.
Maintenance and Other Operating Contracts	NR	(11.8)	(18.4)	The overall unfavorable variance was mainly caused by COVID-19 related mitigating and preventative measures, and timing: (\$10.7M) at NYCT; (\$4.6M) at B&T due to the timing of major maintenance and painting projects; and (\$1.5M) at MNR due to the timing of BL-20 locomotive overhauls, COVID-19 extraordinary cleaning of stations and rolling stock, utilities, and miscellaneous maintenance and operating contracts. Partially offsetting these results were favorable variances of \$2.9M at MTA HQ mainly due to the timing of real estate rentals, maintenance and repairs, including Gowanus HOV, facility maintenance, and security; and \$1.8M at the LIRR due to lower joint facility maintenance, and the timing of maintenance contracts, partially offset by COVID-19 third-party cleaning efforts. Other Agency variances were minor.	(1.6)	(0.5)	The overall unfavorable variance was mainly caused by COVID-19 mitigating and preventative measures and the timing of auto purchases at NYCT (\$24.9M). Partially offsetting these results were favorable variances of \$8.7M at the LIRR and \$7.2M at MTA HQ mainly for the same reasons noted for the month. Additionally, MTA Bus was \$4.9M favorable due to the timing of facility maintenance, security and new bus technology expenses; MNR was \$1.5M favorable primarily due to the transfer of 2019 ferry expenses to the reimbursable budget in recognition of the Federal Transit Administration grant for ferry service operations, and overall lower spending, partially offset by COVID-19 costs to clean and disinfect stations and rolling stock; and SIR was \$0.8M favorable due to timing of maintenance work.
Professional Service Contracts	NR	13.7	24.5	Restrained spending and timing was the main factor for the overall favorable variance, resulting in lower costs of: \$10.0M at MTA HQ for support of MTA Transformation and consolidated Enterprise Asset Management (EAM) activities; MTA IT services and data communications, and MTA IT data center charges; \$1.9M at MTA Bus for interagency charges and new bus technology; \$1.0M at the LIRR primarily due to the timing of communication contracts, signage installation, rolling stock decommissioning, and lower marketing services; and \$0.7M at B&T for bond issuance costs, professional services, advertising and marketing costs, and planning studies.	99.4	29.9	The drivers of the YTD variances for MTA HQ, MTA Bus, B&T and the LIRR were mainly the same as those noted for the month, but with YTD favorable variances of \$69.4M, \$9.9M, \$4.5M, and \$1.2M, respectively. Additionally, NYCT was \$11.0M favorable largely due to the timing of IT-related expenses; and MNR was \$3.5M favorable primarily for lower consulting and engineering services.
Materials & Supplies	NR	(0.1)	(0.1)	NYCT was (\$4.2M) unfavorable due to a communications equipment chargeback from reimbursable work. MNR was (\$2.8M) unfavorable due to timing, and obsolete material reserves and inventory adjustments. These were partially offset by a favorable outcome at the LIRR of \$5.5M, mostly due to the retiming of fleet modifications and Reliability Centered Maintenance (RCM) activity, and lower running repairs. MTA Bus was \$1.3M favorable from lower general maintenance requirements due to the pandemic and the timing of radio equipment expenses.	76.4	22.7	The factors highlighted for the month mostly continue, with favorable variances of \$44.8M at the LIRR (excepting running repairs; but also including the timing of right of way material) and \$8.0M at MTA Bus. Other favorable contributors include \$14.9M at NYCT due to reduced maintenance activity resulting from the pandemic; \$7.8M at MNR due to the factors noted for the month, and the timing of rolling stock maintenance events, and lower rolling stock material usage due to the reduced service schedule; and \$0.9M at B&T due to timing.



**METROPOLITAN TRANSPORTATION AUTHORITY  
CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY  
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS  
JUNE 2020  
(\$ in millions)**

Generic Revenue or Expense Category	JUNE		JUNE 2020 YEAR-TO-DATE		Reason for Variance
	Nonreimb or Reimb	Favorable (Unfavorable)	Favorable (Unfavorable)	%	
Other Business Expenses	NR	\$ 1.4	\$ 45.6	36.4	The factors highlighted for the month continue at MTA HQ, NYCT, B&T, MNR, and FMTAC with variances of \$16.4M, \$13.6M, \$7.5M, \$3.0M, and \$0.9M, respectively. The LIRR was favorable by \$2.9M due to lower credit/debit card fees. MTA Bus was favorable by \$1.0M mostly due to the timing of Automatic Fare Collection (AFC) fees.
Other Expense Adjustments	NR	(4.4)	6.5	15.2	Reflects favorable timing difference.
Depreciation	NR	(10.4)	(58.8)	(4.1)	Timing differences in project completions and assets reaching beneficial use resulted in unfavorable variances of (\$10.0M) at NYCT, (\$1.9M) at the LIRR, and (\$1.4M) at B&T, and favorable variances of \$2.2M at MTA HQ and \$0.6M at MTA Bus.
OPEB Liability Adjustment	NR	0.0	0.0	*	The GASB adjustment reflects the value associated with the unfunded accrued liability for post-employment health benefits.
GASB 75 Pension Adjustment	NR	356.3	758.4	*	Reflects the impact of a Generally Accepted Accounting Principles (GAAP) change in OPEB liability (GASB 75) resulted in favorable variances of \$336.5M at NYCT, \$9.6M at MNR, \$8.3M at MTA Bus and \$1.9M at SIR.
GASB 68 Pension Adjustment	NR	6.3	27.2	*	Reflects Agencies' adjustments to account for net pension liability. MTA Bus and MNR were favorable by \$3.8M and \$3.0M, respectively, partially offset by an unfavorable variance of (\$0.6M) at NYCT.
Environmental Remediation	NR	(0.9)	0.3	10.6	The LIRR was \$1.0M favorable. Other Agency variances were minor.
Capital & Other Reimbursements	R	(25.9)	(177.6)	(15.6)	Unfavorable variances: (\$42.3M) at NYCT and (\$1.1M) at MTA HQ. Favorable variances: \$10.1M at the LIRR, \$5.4M at MNR, and \$2.2M at MTA C&D.
Payroll	R	14.2	78.5	20.2	Favorable variances: \$12.7M at NYCT and \$1.1M at MNR. Unfavorable variance: (\$0.5M) at the LIRR. Other Agency variances are minor.
Overtime	R	1.7	4.6	4.3	Favorable variance: \$3.9M at NYCT. Unfavorable variances: (\$1.5M) at the LIRR and (\$0.9M) at MTA HQ. (See overtime variance analysis charts for more detail)
Health and Welfare	R	0.5	3.1	7.3	Favorable variance: \$0.5M at NYCT. Unfavorable variance: (\$0.5M) at the LIRR.

**Reimbursable revenue and expense activity are primarily influenced by the nature and timing of project activity. Accordingly, variances reflect the impact of the aforementioned influences as well as changes in reimbursement and vacancy assumptions, refinements to project scheduling, as well as project delays/accelerations. At MTAHQ, impacts reflect reimbursable directed patrol (police coverage) requirements. The following lists the major contributors of the variance by Agency.**

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS**  
**JUNE 2020**  
**(\$ in millions)**

Generic Revenue or Expense Category	JUNE		JUNE 2020 YEAR-TO-DATE		Reason for Variance
	Nonreimb or Reimb	Favorable (Unfavorable)	Favorable (Unfavorable)	%	
OPEB Current Payment	R	\$ 0.1	\$ 0.6	10.3	Favorable variance: \$0.6M at NYCT. Other agency variances were minor.
Pensions	R	(0.9)	2.1	4.1	Favorable variances: \$3.6M at the LIRR, \$1.2M at MNR and \$1.0M at MTA C&D. Unfavorable variance: (\$3.9M) at NYCT. Other Agency variances were minor.
Other Fringe Benefits	R	5.2	26.5	20.3	Favorable variance: \$27.2M at NYCT, \$1.6M at MNR, \$0.6M at SIR and \$0.5M at MTA C&D. Unfavorable variance: (\$3.8M) at the LIRR.
Reimbursable Overhead	R	4.4	29.1	14.0	Favorable variances: \$45.4M at NYCT, \$6.4M at MTA HQ, and \$0.7M at MNR. Unfavorable variances: (\$22.0M) at the LIRR, (\$0.7M) at SIR, and (\$0.5M) at MTA Bus.
Electric Power	R	0.0	0.1	34.6	Agency variances were minor.
Fuel	R	0.0	0.0	94.9	No variance.
Insurance	R	0.5	2.3	32.7	Favorable variance: \$1.4M at the LIRR and \$0.9M at MNR.
Claims	R	0.0	0.0	0.0	No variance.
Paratransit Service Contracts	R	0.0	0.0	-	No variance.
Maintenance and Other Operating Contracts	R	(1.0)	12.4	22.9	Favorable variances: \$14.1M and \$2.4M at NYCT. Unfavorable variance: (\$3.8M) at the LIRR. Other Agency variances were minor.
Professional Service Contracts	R	(5.9)	(2.0)	(3.4)	Unfavorable variances: (\$12.4M) at MNR, (\$6.8M) at NYCT and (\$1.5M) at the LIRR. Favorable variances: \$17.6M at MTA HQ and \$1.1M at MTA C&D.
Materials & Supplies	R	5.1	21.9	26.4	Favorable variances: \$12.1M at NYCT, \$6.0M at MNR, and \$3.6M at the LIRR.
Other Business Expenses	R	1.9	(1.5)	*	Unfavorable variance: (\$1.7M) at NYCT.
Subsidies	NR	(465.5)	(498.1)	(10.5)	The YTD variance of (\$498.1M) mainly reflected unfavorable results for City Subsidy for MTA Bus (\$198.7M), due to timing, and lower Urban Taxes (\$121.0M), due to weak real estate activity in NYC. Also contributing to the unfavorable variance were lower PBT (\$107.2M), Mansion Tax (\$94.6M), FHV Surcharge (\$65.1M), MTA Aid (\$63.9M) and Internet Marketplace Tax (\$56.2M), all reflecting the economic impact of COVID-19. Lower PMT Replacement funds (48.9M) were due to timing, and lower MRT-1 (\$14.3M) reflected weak overall mortgage activity in the MCTD. This was offset by favorable PMT of \$121.5M and CDOT of \$24.5M, both mostly timing-related, and MRT-2 of \$7.6M due to stronger-than-expected residential mortgage activity in the MCTD.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS**  
**JUNE 2020**  
**(\$ in millions)**

Generic Revenue or Expense Category	JUNE		JUNE 2020 YEAR-TO-DATE	
	Nonreimb or Reimb	Favorable (Unfavorable)	Reason for Variance	Favorable (Unfavorable)
Debt Service	NR	\$ 14.7	Reflects primarily timing of debt service deposits and lower than budgeted variable rates.	\$ 25.5
		% 5.8		% 1.8

Reflects primarily lower variable rates and lower than budgeted debt service related to the timing and structure of financing activities; all of which were offset by the timing (non-receipt) of the scheduled May 2020 BAB subsidies which will be reflected in July results.

# All agencies – Non-Reimbursable Overtime Variance

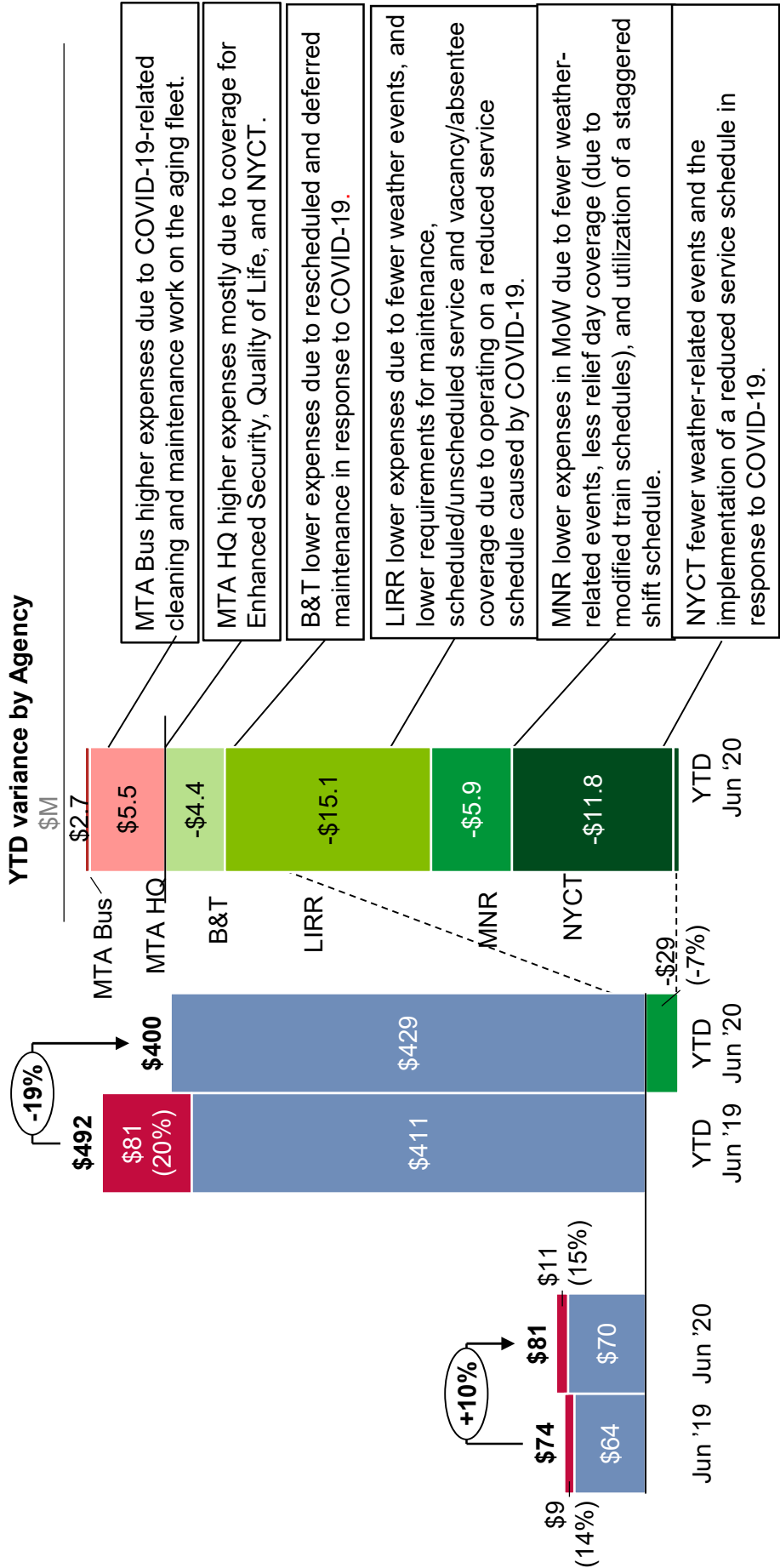
## June 2020 and YTD budget vs. variance

\$M



## Overview

- For the month, costs exceeded the budget by \$11M, or 15% due primarily to the observance of Juneteenth (June 19<sup>th</sup>, a new state holiday), vacancy coverage, and COVID-19 mitigating efforts at NYCT; and enhanced security, quality of life, and support of subway service shutdowns by the MTAPD.
- The favorable YTD variance mainly reflects fewer weather events, lower costs from operating on a reduced service schedule, and reprioritized maintenance work across agencies, partially offset by the same factors noted above by the MTAPD; and sanitizing and maintaining obsolescent fleet at MTA Bus.

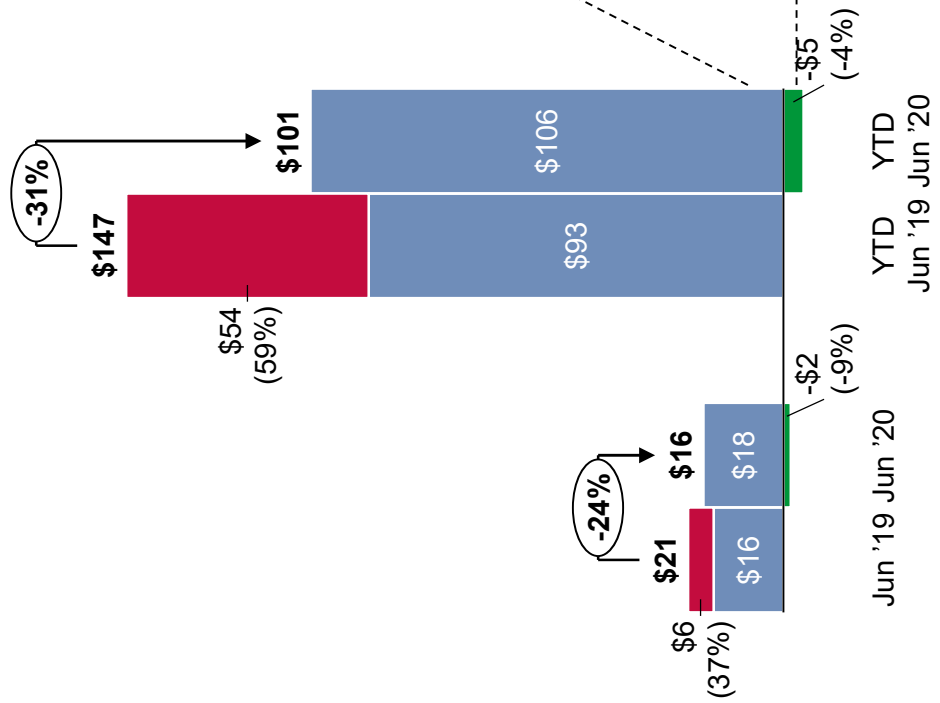


Source: Adopted (restated) budget. Actuals are based on the GL, and reflect actual overtime spending.

# All agencies – Reimbursable Overtime Variance

## June 2020 and YTD budget vs. variance

\$M

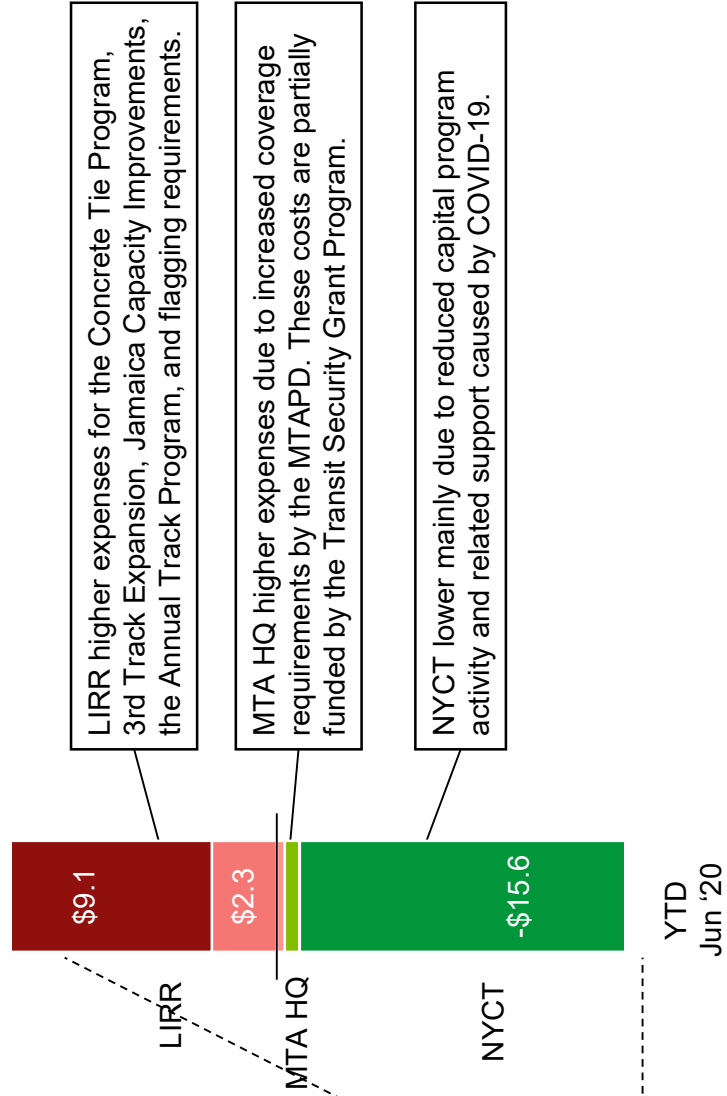


## Overview

- For the month, costs underann the budget by \$2M or 9% mainly due to NYCT.
- YTD overtime costs were \$5M or 4% below budget and mainly reflect the reprioritization and rescheduling of capital project activity at NYCT. Favorable weather conditions allowed for the acceleration of capital work on concrete ties, 3<sup>rd</sup> Track Expansion, Jamaica Capacity Improvements, and the Annual Track Program which increased costs at the LIRR. Higher MTAPD coverage requirements increased costs at MTA HQ.

## YTD variance by Agency

\$M



LIRR higher expenses for the Concrete Tie Program, 3<sup>rd</sup> Track Expansion, Jamaica Capacity Improvements, the Annual Track Program, and flagging requirements.

MTA HQ higher expenses due to increased coverage requirements by the MTAPD. These costs are partially funded by the Transit Security Grant Program.

NYCT lower mainly due to reduced capital program activity and related support caused by COVID-19.

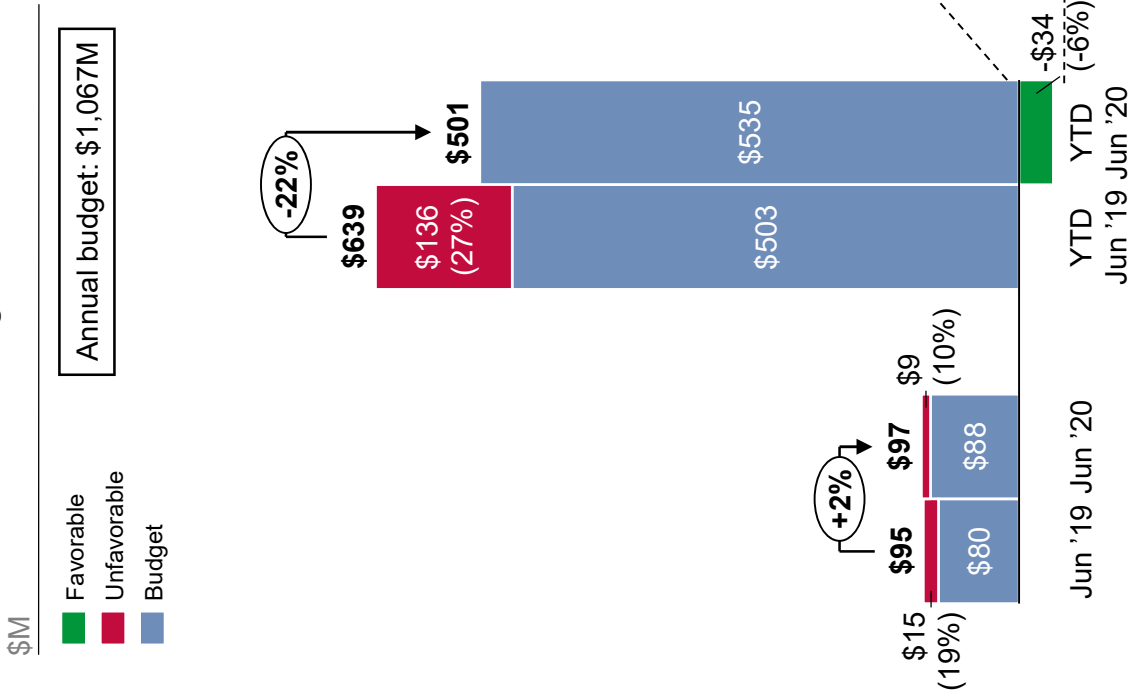
Source: Adopted (restated) budget. Actuals are based on the GL, and reflect actual overtime spending.

# All agencies – Total Overtime Variance

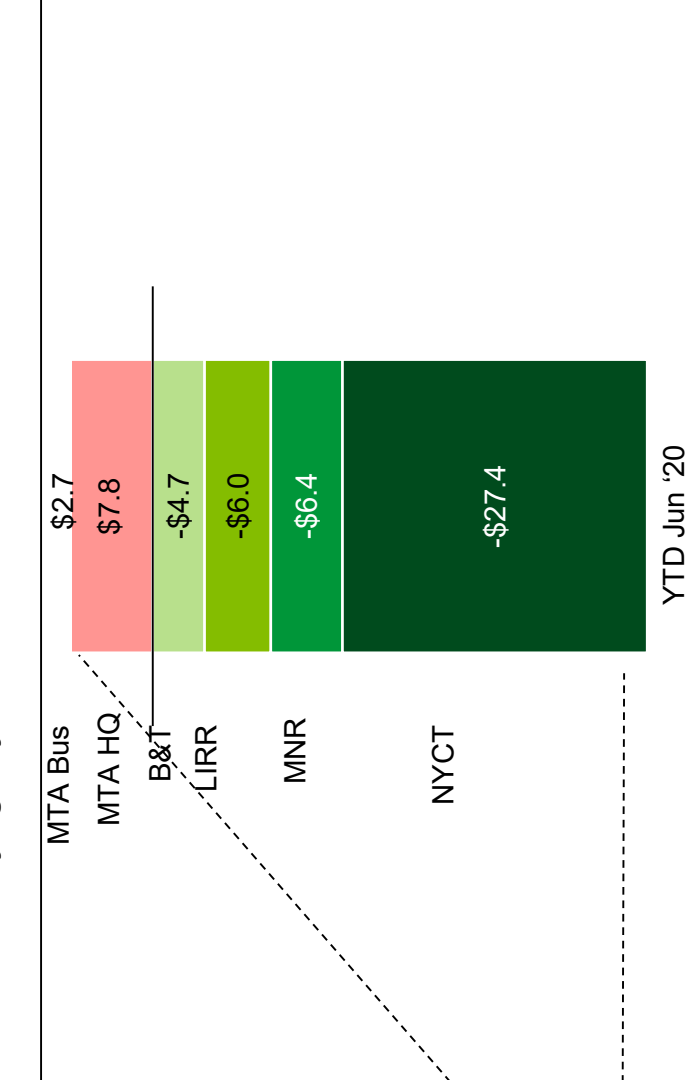
## Overview

- For the month, overtime exceeded the budget by \$9M or 10%, reducing the YTD favorable variance in overtime to \$34M.
- Major drivers of the favorable non-reimbursable YTD variance include: fewer weather-related events, operating on a reduced service schedule, and reprioritized maintenance work across agencies due to the pandemic. This was partially offset by higher costs for enhanced security and quality of life initiatives by the MTAPD, as well as the sanitization and maintenance of obsolescent fleet at MTA Bus.
- The main driver of the favorable reimbursable YTD variance was due to revised capital project activity and related support as a result of the pandemic. This was partially offset by higher expenses for concrete ties, 3rd Track Expansion, Jamaica Capacity Improvements and the Annual Track Program at the LIRR, and higher coverage requirements for MTAPD at MTA HQ.

## June 2020 and YTD budget vs. variance



## YTD variance by Agency



Source: Adopted (restated) budget. Actuals are based on the GL, and reflect actual overtime spending.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Consolidated Subsidies - Accrual Basis**  
**Jun 2020**  
(\$ in millions)

	Current Month			Year-to-Date		
	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance
<b>MMTOA, PBT, Real Estate Taxes and Other</b>						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	-	-	-	2,143.5	2,143.5	(0.0)
Petroleum Business Tax (PBT)	106.3	(42.2)	(148.5)	313.9	206.7	(107.2)
MRT(b)-1 (Gross)	35.3	24.2	(11.1)	158.7	144.3	(14.3)
MRT(b)-2 (Gross)	11.5	12.8	1.3	61.8	69.4	7.6
Other MRT(b) Adjustments	-	-	-	-	-	-
Urban Tax	53.1	26.5	(26.6)	318.6	197.6	(121.0)
Investment Income	0.6	1.2	0.7	1.1	4.0	2.9
	<b>\$206.7</b>	<b>\$22.5</b>	<b>(\$184.2)</b>	<b>\$2,997.5</b>	<b>\$2,765.5</b>	<b>(\$232.0)</b>
<b>PMT and MTA Aid</b>						
Payroll Mobility Tax (PMT)	203.5	(30.2)	(233.7)	616.8	738.3	121.5
Payroll Mobility Tax Replacement Funds	-	-	-	48.9	-	(48.9)
MTA Aid	79.5	24.7	(54.8)	159.1	95.2	(63.9)
	<b>\$283.1</b>	<b>(\$5.5)</b>	<b>(\$288.6)</b>	<b>\$824.7</b>	<b>\$833.6</b>	<b>\$8.8</b>
<b>New Funding Sources</b>						
<b>SAP Support and For-Hire Vehicle Surcharge:</b>						
For-Hire Vehicle (FHV) Surcharge	37.6	2.9	(34.7)	225.8	160.7	(65.1)
Subway Action Plan Account	37.6	2.9	(34.7)	225.8	160.7	(65.1)
Outerborough Transportation Account	-	-	-	-	-	-
Less: Assumed Capital or Member Project	-	-	-	-	-	-
General Transportation Account	-	-	-	-	-	-
Less: Transfer to Committed to Capital	-	-	-	-	-	-
<b>Capital Program Funding Sources:</b>	2.9	0.0	(2.9)	14.3	0.0	(14.3)
Central Business District Tolling Program (CBDTP)	-	-	-	-	-	-
Real Property Transfer Tax Surcharge (Mansion)	31.1	9.7	(21.4)	186.7	92.2	(94.6)
Internet Marketplace Tax	23.5	14.2	(9.4)	141.2	85.0	(56.2)
Less: Transfer to CBDTP Capital Lockbox	(51.8)	(23.9)	27.9	(313.7)	(177.2)	136.5
	<b>\$40.5</b>	<b>\$2.9</b>	<b>(\$37.6)</b>	<b>\$240.1</b>	<b>\$160.7</b>	<b>(\$79.4)</b>
<b>State and Local Subsidies</b>						
State Operating Assistance	-	-	-	187.9	187.9	-
NYC and Local 18b:						
New York City	-	-	-	1.9	1.9	-
Nassau County	-	-	-	11.6	11.6	-
Suffolk County	-	-	-	7.5	7.5	-
Westchester County	-	-	-	7.3	7.3	-
Putnam County	-	-	-	0.4	0.4	-
Dutchess County	-	-	-	0.4	0.4	-
Orange County	-	-	-	0.1	0.1	-
Rockland County	-	-	-	0.0	0.0	-
Station Maintenance	14.6	14.6	(0.0)	86.8	86.2	(0.6)
	<b>\$14.6</b>	<b>\$14.6</b>	<b>(\$0.0)</b>	<b>\$303.9</b>	<b>\$303.3</b>	<b>(\$0.6)</b>
<b>Subtotal: Taxes &amp; State and Local Subsidies</b>	<b>\$544.9</b>	<b>\$34.5</b>	<b>(\$510.4)</b>	<b>\$4,366.3</b>	<b>\$4,063.1</b>	<b>(\$303.2)</b>
<b>Other Funding Agreements</b>						
City Subsidy for MTA Bus Company	39.7	60.6	20.9	268.4	69.7	(198.7)
City Subsidy for Staten Island Railway	3.7	2.9	(0.9)	24.9	4.2	(20.7)
CDOT Subsidy for Metro-North Railroad	9.1	34.0	24.8	69.9	94.3	24.5
	<b>\$52.6</b>	<b>\$97.5</b>	<b>\$44.9</b>	<b>\$363.1</b>	<b>\$168.3</b>	<b>(\$194.9)</b>
<b>Subtotal, including Other Funding Agreements</b>	<b>\$597.5</b>	<b>\$132.0</b>	<b>(\$465.5)</b>	<b>\$4,729.4</b>	<b>\$4,231.4</b>	<b>(\$498.1)</b>
<b>Inter-agency Subsidy Transactions</b>						
B&T Operating Surplus Transfer	74.7	18.6	(56.1)	379.7	158.6	(221.1)
	<b>\$74.7</b>	<b>\$18.6</b>	<b>(\$56.1)</b>	<b>\$379.7</b>	<b>\$158.6</b>	<b>(\$221.1)</b>
<b>GROSS SUBSIDIES</b>	<b>\$672.2</b>	<b>\$150.6</b>	<b>(\$521.6)</b>	<b>\$5,109.1</b>	<b>\$4,389.9</b>	<b>(\$719.2)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Consolidated Subsidiaries - Accrual Basis**  
**Variance Explanations**  
(\$ in millions)

**Month of Jun 2020**

Accrued Subsidiaries	Variance \$	Variance %	Explanations
Petroleum Business Tax (PBT)	(148.5)	> (100%)	The unfavorable accrual variances for the month and YTD were primarily due to the economic impact of the Statewide shutdown from the COVID-19 pandemic, and also due to the timing of booking accruals by MTA Accounting.
MRT(t)-1 (Gross)	(11.1)	-31.5%	MRT-1 transactions were below budget for the month and YTD due to unfavorable MRT-1 activity.
MRT(t)-2 (Gross)	1.3	11.4%	MRT-2 transactions were above budget for the month and YTD due to favorable MRT-2 transactions.
Urban Tax	(26.6)	-50.1%	The unfavorable variances for the month and YTD were primarily due to lower-than-budgeted real estate transactions in New York City.
Payroll Mobility Tax (PMT)	(233.7)	> (100%)	The unfavorable accrual variance for the month was primarily due to the timing of booking accruals by MTA Accounting, and to lower-than-budgeted transactions caused by the economic downturn from the shutdown of the State due to the COVID-19 pandemic. The YTD favorable variance was primarily due to timing of booking accruals.
MTA Aid	(54.8)	-68.5%	The unfavorable accrual variances for the month and YTD were primarily due to the economic impact of the Statewide shutdown from the COVID-19 pandemic; some of the variance was due to the timing of booking accruals by MTA Accounting.
Subway Action Plan Account	(34.7)	-92.3%	Subway Action Plan transactions were unfavorable for the month and YTD due to the economic impact from the Statewide shutdown due to the COVID-19 pandemic.
Real Property Transfer Tax Surcharge (Mansion)	(21.4)	-68.8%	Real Property Transfer Tax Surcharge were unfavorable to the budget for the month and YTD due to lower-than-expected transactions. Most of the variance was real due to a higher forecast than was actualized and also reflect the economic slow down from the national shutdown due to the COVID-19 pandemic.
Internet Marketplace Tax	(9.4)	-39.8%	The unfavorable Internet Marketplace Tax variances for the month and YTD were partially due to timing of transactions for the MNS portion of the tax, and to lower transactions due to the economic slow down from the COVID-19 pandemic.
City Subsidy for MTA Bus Company	20.9	52.7%	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus. Actuals also reflect receipts of CARES Act funds.
City Subsidy for Staten Island Railway	(0.9)	-23.0%	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for Staten Island Railway.
CDOT Subsidy for Metro-North Railroad	24.8	> 100%	The favorable variances for the month and YTD were due primarily to timing.
B&T Operating Surplus Transfer	(56.1)	-75.1%	The unfavorable variances for the month and YTD were attributable to the timing of transfers.

**Year-to-Date Jun 2020**

Accrued Subsidiaries	Variance \$	Variance %	Explanations
Petroleum Business Tax (PBT)	(107.2)	-34.1%	See explanation for the month.
MRT(t)-1 (Gross)	(14.3)	-9.0%	See explanation for the month.
MRT(t)-2 (Gross)	7.6	12.3%	See explanation for the month.
Urban Tax	(121.0)	-38.0%	See explanation for the month.
Payroll Mobility Tax (PMT)	121.5	19.7%	See explanation for the month.
Payroll Mobility Tax Replacement Funds	(48.9)	-100.0%	The unfavorable accrual YTD variance was primarily due to timing.
MTA Aid	(63.9)	-40.1%	See explanation for the month.
Subway Action Plan Account	(65.1)	-28.8%	See explanation for the month.
Real Property Transfer Tax Surcharge (Mansion)	(94.6)	-50.6%	See explanation for the month.
Internet Marketplace Tax	(56.2)	-39.8%	See explanation for the month.
City Subsidy for MTA Bus Company	(198.7)	-74.0%	See explanation for the month.
City Subsidy for Staten Island Railway	(20.7)	-83.1%	See explanation for the month.
CDOT Subsidy for Metro-North Railroad	24.5	35.1%	See explanation for the month.
B&T Operating Surplus Transfer	(221.1)	-58.2%	See explanation for the month.



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Consolidated Subsidiaries - Cash Basis**  
**Jun 2020 Monthly**  
 (\$ in millions)

	New York City Transit			Commuter Railroads			Staten Island Railway			MTA Bus Company			MTA Headquarters			TOTAL		
	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance
<b>MIMTOA, PBT, Real Estate Taxes and Other</b>																		
Metropolitan Mass Transportation Operating Assistance (MIMTOA)	143.7	-	(143.7)	66.9	-	(66.9)	0.5	-	(0.5)	-	-	-	-	-	211.0	-	(211.0)	
Petroleum Business Tax (PBT)	43.0	15.7	(27.3)	7.6	2.8	(4.8)	-	-	-	-	-	22.7	17.6	(5.1)	50.6	18.5	(32.1)	
MRT(b)-1 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22.7	17.6	(5.1)	
MRT(b)-2 (Gross)	-	-	-	-	-	-	-	-	-	-	-	10.6	9.6	(1.0)	10.6	9.6	(1.0)	
Other MRT(b) Adjustments	53.3	11.3	(42.0)	-	-	-	-	-	-	-	-	-	-	-	53.3	11.3	(42.0)	
Urban Tax	0.3	1.6	1.3	0.2	(0.4)	(0.7)	-	-	-	-	-	-	-	-	0.6	1.2	0.7	
Investment Income	\$240.3	\$28.7	(\$211.6)	\$74.7	\$2.3	(\$72.4)	\$0.5	-	(\$0.5)	-	-	\$33.3	\$27.2	(\$6.1)	\$348.8	\$58.2	(\$290.6)	
<b>PMT and MTA Aid</b>																		
Payroll Mobility Tax (PMT)	59.2	60.6	1.4	63.9	51.3	(12.6)	-	-	-	-	-	-	-	-	123.1	112.0	(11.1)	
Payroll Mobility Tax Replacement Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
MTA Aid	55.7	37.2	(18.4)	23.9	16.0	(7.9)	-	-	-	-	-	-	-	-	79.5	53.2	(26.3)	
	\$114.9	\$97.9	(\$17.0)	\$87.7	\$67.3	(\$20.5)	-	-	-	-	-	-	-	-	\$202.6	\$165.2	(\$37.5)	
<b>New Funding Sources</b>																		
SAP Support and For-Hire Vehicle Surcharge:																		
For-Hire Vehicle (FHV) Surcharge	37.6	2.9	(34.7)	-	-	-	-	-	-	-	-	-	-	-	37.6	2.9	(34.7)	
Subway Action Plan Account	37.6	2.9	(34.7)	-	-	-	-	-	-	-	-	-	-	-	37.6	2.9	(34.7)	
Outerborough Transportation Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Less: Assumed Capital or Member Project	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General Transportation Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Less: Transfer to Committed to Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Capital Program Funding Sources:</b>	2.3	2.8	0.5	0.6	-	(0.6)	-	-	-	-	-	-	-	-	2.9	2.8	(0.0)	
Central Business District Tolling Program (CBDTP)	24.9	7.8	(17.1)	6.2	1.9	(4.3)	-	-	-	-	-	-	-	-	31.1	9.7	(21.4)	
Real Property Transfer Tax Surcharge (Mansion)	18.8	14.2	(4.7)	4.7	2.8	(1.9)	-	-	-	-	-	-	-	-	23.5	17.0	(6.5)	
Internet Marketplace Tax	(41.4)	(19.1)	(22.3)	(10.4)	(4.8)	(5.6)	-	-	-	-	-	-	-	-	(51.8)	(23.9)	(27.9)	
Less: Transfer to CBDTP Capital Lockbox	\$39.9	\$5.7	(\$34.2)	\$0.6	-	(\$0.6)	-	-	-	-	-	-	-	-	\$40.5	\$5.7	(\$34.8)	
<b>State and Local Subsidies</b>																		
State Operating Assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
NYC and Local 18:																		
New York City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Nassau County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Suffolk County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Westchester County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Putnam County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dutchess County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Orange County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rockland County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Station Maintenance	-	-	-	\$0.0	-	(\$0.0)	-	-	-	-	-	-	-	-	\$0.0	-	(\$0.0)	
<b>Subsidy Adjustments</b>																		
Subtotal: Taxes & State and Local Subsidies	\$395.1	\$132.3	(\$262.8)	\$163.0	\$69.6	(\$93.4)	\$0.5	-	(\$0.5)	-	-	\$33.3	\$27.2	(\$6.1)	\$592.0	\$225.1	(\$366.9)	
<b>Other Funding Agreements</b>																		
City Subsidy for MTA Bus Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
City Subsidy for Staten Island Railway	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
CDOT Subsidy for Metro-North Railroad	-	-	-	9.1	27.9	18.8	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	\$9.1	\$27.9	\$18.8	-	-	-	-	-	-	-	-	-	-	-	
Subtotal, including Other Funding Agreements	\$395.1	\$132.3	(\$262.8)	\$172.2	\$97.5	(\$74.6)	\$0.5	-	(\$0.5)	-	-	\$33.3	\$27.2	(\$6.1)	\$652.2	\$300.0	(\$352.2)	
<b>Inter-agency Subsidy Transactions</b>																		
B&T Operating Surplus Trans/Ur	32.8	19.9	(12.8)	41.5	19.8	(21.8)	-	-	-	-	-	-	-	-	74.3	39.7	(34.6)	
	\$32.8	\$19.9	(\$12.8)	\$41.5	\$19.8	(\$21.8)	-	-	-	-	-	-	-	-	\$74.3	\$39.7	(\$34.6)	
<b>GROSS SUBSIDIES</b>	\$427.9	\$152.2	(\$275.6)	\$213.7	\$117.3	(\$96.4)	\$0.5	-	(\$0.5)	-	-	\$33.3	\$27.2	(\$6.1)	\$726.4	\$337.7	(\$388.7)	

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Consolidated Subsidiaries - Cash Basis**  
**Jun 2020 Year-to-Date**  
(\$ in millions)

	New York City Transit			Commuter Railroads			Staten Island Railway			MTA Bus Company			MTA Headquarters			TOTAL		
	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance
<b>MMTQA, PBT, Real Estate Taxes and Other</b>																		
Metropolitan Mass Transportation Operating Assistance (MMTQA)	283.9	-	(283.9)	132.2	-	(132.2)	1.0	-	(1.0)	-	-	-	-	-	417.1	-	(417.1)	
Petroleum Business Tax (PBT)	286.0	228.2	(57.8)	46.9	40.2	(6.7)	-	-	-	-	-	-	-	-	313.0	266.4	(44.6)	
MIRT(B)-1 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	153.4	156.6	3.2	
MIRT(B)-2 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61.4	69.4	7.9	
Other MIRT(B) Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Urban Tax	349.2	231.6	(117.6)	-	-	-	-	-	-	-	-	-	-	-	349.2	231.6	(117.6)	
Investment Income	0.7	2.0	1.3	0.5	(0.6)	(1.1)	-	-	-	-	-	-	-	-	1.1	1.4	0.3	
	<b>\$899.8</b>	<b>\$461.8</b>	<b>(\$438.0)</b>	<b>\$179.6</b>	<b>\$39.6</b>	<b>(\$140.0)</b>	<b>\$1.0</b>	-	<b>(\$1.0)</b>	-	-	-	<b>\$214.9</b>	<b>\$226.0</b>	<b>\$1,295.2</b>	<b>\$727.4</b>	<b>(\$567.8)</b>	
<b>PMT and MTA Aid</b>																		
Payroll Mobility Tax (PMT)	402.4	418.6	16.1	428.6	354.1	(74.5)	-	-	-	-	-	-	-	-	831.0	772.7	(58.3)	
Payroll Mobility Tax Replacement Funds	34.2	-	(34.2)	14.7	-	(14.7)	-	-	-	-	-	-	-	-	48.9	-	(48.9)	
MTA Aid	111.4	87.6	(23.7)	47.7	37.6	(10.2)	-	-	-	-	-	-	-	-	159.1	125.2	(33.9)	
	<b>\$548.0</b>	<b>\$506.2</b>	<b>(\$41.8)</b>	<b>\$491.0</b>	<b>\$391.7</b>	<b>(\$99.3)</b>	-	-	-	-	-	-	-	-	<b>\$1,038.9</b>	<b>\$897.9</b>	<b>(\$141.1)</b>	
<b>New Funding Sources</b>																		
<b>SAP Support and For-Hire Vehicle Surcharge:</b>																		
For-Hire Vehicle (FHV) SFranchise	225.8	160.7	(65.1)	-	-	-	-	-	-	-	-	-	-	-	225.8	160.7	(65.1)	
Subway Action Plan Account	225.8	160.7	(65.1)	-	-	-	-	-	-	-	-	-	-	-	225.8	160.7	(65.1)	
Outerborough Transportation Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Less: Assumed Capital or Member Project	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General Transportation Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Less: Transfer to Committed to Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>11.5</b>	<b>0.0</b>	<b>(11.5)</b>	<b>2.9</b>	-	<b>(2.9)</b>	-	-	-	-	-	-	-	-	<b>14.3</b>	<b>0.0</b>	<b>(14.3)</b>	
<b>Capital Program Funding Sources:</b>																		
Central Business District Tolling Program (CBDTP)	149.4	86.4	(63.0)	37.3	21.6	(15.8)	-	-	-	-	-	-	-	-	186.7	108.0	(78.8)	
Real Property Transfer Tax Surcharge (Mansion)	113.0	68.0	(45.0)	28.2	17.0	(11.2)	-	-	-	-	-	-	-	-	141.2	85.0	(56.2)	
Internet Marketplace Tax	(250.9)	(154.4)	(96.6)	(62.7)	(38.6)	(24.1)	-	-	-	-	-	-	-	-	(313.7)	(193.0)	(120.7)	
Less: Transfer to CBDTP Capital Lockbox	<b>\$237.2</b>	<b>\$160.7</b>	<b>(\$76.5)</b>	<b>\$2.9</b>	-	<b>(\$2.9)</b>	-	-	-	-	-	-	-	-	<b>\$240.1</b>	<b>\$160.7</b>	<b>(\$79.4)</b>	
<b>State and Local Subsidies</b>																		
State Operating Assistance	39.5	-	(39.5)	7.3	-	(7.3)	0.1	-	(0.1)	-	-	-	-	-	47.0	-	(47.0)	
NYC and Local 18b:																		
New York City	-	35.0	35.0	-	2.9	2.9	-	-	-	-	-	-	-	-	-	35.0	35.0	
Nassau County	-	-	-	3.8	1.9	(1.9)	-	-	-	-	-	-	-	-	2.9	2.9	-	
Suffolk County	-	-	-	3.7	3.7	-	-	-	-	-	-	-	-	-	3.8	1.9	(1.9)	
Westchester County	-	-	-	0.2	0.1	(0.1)	-	-	-	-	-	-	-	-	3.7	3.7	-	
Putnam County	-	-	-	0.2	0.1	(0.1)	-	-	-	-	-	-	-	-	0.2	0.1	(0.1)	
Dutchess County	-	-	-	0.1	0.0	(0.1)	-	-	-	-	-	-	-	-	0.2	0.1	(0.1)	
Orange County	-	-	-	0.0	0.0	(0.0)	-	-	-	-	-	-	-	-	0.1	0.0	(0.1)	
Rockland County	-	-	-	0.0	0.0	(0.0)	-	-	-	-	-	-	-	-	0.0	0.0	(0.0)	
Station Maintenance	-	-	-	0.0	0.0	(0.0)	-	-	-	-	-	-	-	-	0.0	0.0	(0.0)	
	<b>\$39.5</b>	<b>\$35.0</b>	<b>(\$4.5)</b>	<b>\$18.1</b>	<b>\$8.7</b>	<b>(\$9.5)</b>	<b>\$0.1</b>	-	<b>(\$0.1)</b>	-	-	-	-	-	<b>\$57.8</b>	<b>\$43.7</b>	<b>(\$14.1)</b>	
<b>Subsidy Adjustments</b>																		
Subtotal: Taxes and State and Local Subsidies	\$1,724.5	\$1,163.7	(\$560.8)	\$691.5	\$440.0	(\$251.6)	\$1.2	-	(\$1.2)	-	-	-	\$214.9	\$226.0	\$2,632.0	\$1,829.6	(\$802.4)	
<b>Other Funding Agreements</b>																		
City Subsidy for MTA Bus Company	-	-	-	-	-	-	-	291.2	258.0	(33.2)	-	-	-	-	291.2	258.0	(33.2)	
City Subsidy for Staten Island Railway	-	-	-	69.9	83.0	13.2	-	-	-	-	-	-	-	-	69.9	83.0	13.2	
CDOT Subsidy for Metro-North Railroad	-	-	-	\$69.9	\$83.0	\$13.2	-	-	-	-	-	-	-	-	\$91.1	\$94.0	(\$20.1)	
	<b>\$1,724.5</b>	<b>\$1,163.7</b>	<b>(\$560.8)</b>	<b>\$761.4</b>	<b>\$523.0</b>	<b>(\$238.4)</b>	<b>\$1.2</b>	-	<b>(\$1.2)</b>	-	-	-	<b>\$214.9</b>	<b>\$226.0</b>	<b>\$2,993.1</b>	<b>\$2,170.7</b>	<b>(\$822.4)</b>	
<b>Inter-agency Subsidy Transactions</b>																		
B&T Operating Surplus TransUser	146.7	100.3	(46.4)	202.1	140.5	(61.6)	-	-	-	-	-	-	-	-	348.9	240.9	(108.0)	
	<b>\$146.7</b>	<b>\$100.3</b>	<b>(\$46.4)</b>	<b>\$202.1</b>	<b>\$140.5</b>	<b>(\$61.6)</b>	-	-	-	-	-	-	-	-	<b>\$348.9</b>	<b>\$240.9</b>	<b>(\$108.0)</b>	
<b>GROSS SUBSIDIES</b>	<b>\$1,871.2</b>	<b>\$1,264.0</b>	<b>(\$607.2)</b>	<b>\$963.5</b>	<b>\$663.5</b>	<b>(\$300.0)</b>	<b>\$1.2</b>	-	<b>(\$1.2)</b>	-	-	-	<b>\$214.9</b>	<b>\$226.0</b>	<b>\$3,342.0</b>	<b>\$2,411.5</b>	<b>(\$930.4)</b>	

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Consolidated Subsidies - Cash Basis**  
**Variance Explanations**

(\$ in millions)

**Month of Jun 2020**

Cash Subsidies	Variance \$	Variance %	Explanations
Metropolitan Mass Transportation Operating Assistance (MMTOA)	(211.0)	-100.0%	The unfavorable cash variances for the month and YTD were primarily due to timing of payments from the State.
Petroleum Business Tax (PBT)	(32.1)	-63.4%	The unfavorable cash variances for the month and YTD were primarily due to lower-than-budgeted receipts that reflect the economic impact of the Statewide shutdown from the COVID-19 pandemic.
MRT(b)-1 (Gross)	(5.1)	-22.5%	The variance was unfavorable to the budget for the month due to lower-than-expected MRT-1 cash receipts. YTD receipts were on target.
MRT(b)-2 (Gross)	(1.0)	-9.4%	The variance was unfavorable to the budget for the month due to lower-than-expected MRT-2 cash receipts. YTD receipts were above the budget.
Urban Tax	(42.0)	-78.8%	Urban Tax receipts for the month and YTD were unfavorable due to weaker-than-expected real estate activity in NYC.
Payroll Mobility Tax (PMT)	(11.1)	-9.1%	Payroll Mobility Tax cash receipts were unfavorable for the month and YTD due to lower-than-budgeted tax receipts, reflecting the impact of the economic downturn from the COVID-19 pandemic.
MTA Aid	(26.3)	-33.1%	The unfavorable cash variances for the month and YTD were primarily due to lower-than-budgeted receipts caused by the economic impact of the Statewide shutdown due to the COVID-19 pandemic.
Subway Action Plan Account	(34.7)	-92.3%	Subway Action Plan cash receipts were lower for the month and YTD mostly due to the economic slow down from the Statewide shutdown caused by the COVID-19 pandemic.
Real Property Transfer Tax Surcharge (Mansion)	(21.4)	-68.8%	Real Property Transfer Tax Surcharge were unfavorable to the budget for the month and YTD due to lower-than-expected transactions. Most of the variance was real due to a higher forecast than was actualized and also reflect the economic slow down from the national shutdown due to the COVID-19 pandemic.
Internet Marketplace Tax	(6.5)	-27.8%	The unfavorable Internet Marketplace Tax variances for the month and YTD were partially due to timing of transactions for the NYS portion of the tax, and to lower transactions due to the economic slow down from the COVID-19 pandemic.
City Subsidy for MTA Bus Company	(8.1)	-15.8%	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus. Actuals also reflect receipts of CARES Act funds.
CDOT Subsidy for Metro-North Railroad	18.8	> 100%	The favorable variances for the month and YTD were primarily due to timing.
B&T Operating Surplus TransUser	(34.6)	-46.6%	The unfavorable variances for the month and YTD were attributable to the timing of transfers.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Consolidated Subsidies - Cash Basis**  
**Variance Explanations**

(\$ in millions)

**Year-to-Date Jun 2020**

Cash Subsidies	Variance \$	Variance %	Explanations
Metropolitan Mass Transportation Operating Assistance (MMTOA)	(417.1)	-100.0%	See explanation for the month.
Petroleum Business Tax (PBT)	(44.6)	-14.2%	See explanation for the month.
MRT(b)-1 (Gross)	3.2	2.1%	See explanation for the month.
MRT(b)-2 (Gross)	7.9	12.9%	See explanation for the month.
Urban Tax	(117.6)	-33.7%	See explanation for the month.
Payroll Mobility Tax (PMT)	(58.3)	-7.0%	See explanation for the month.
Payroll Mobility Tax Replacement Funds	(48.9)	-100.0%	The YTD variance was due to timing of transfer of funds from the State.
MTA Aid	(33.9)	-21.3%	See explanation for the month.
Subway Action Plan Account	(65.1)	-28.8%	See explanation for the month.
Real Property Transfer Tax Surcharge (Mansion)	(78.8)	-42.2%	See explanation for the month.
Internet Marketplace Tax	(56.2)	-39.8%	See explanation for the month.
State Operating Assistance	(47.0)	-100.0%	See explanation for the month.
New York City	35.0	> (100%)	New York City 18-b YTD receipts were favorable due to timing of receipts of funds from NYC. This was a delayed payment that should have been received in December 2019.
Suffolk County	(1.9)	-50.0%	The unfavorable YTD variance was due to the timing of receipt of payment.
Putnam County	(0.1)	-50.0%	The unfavorable YTD variance was due to the timing of receipt of payment.
Dutchess County	(0.1)	-50.0%	The unfavorable YTD variance was due to the timing of receipt of payment.
Orange County	(0.0)	-50.0%	The unfavorable YTD variance was due to the timing of receipt of payment.
Rockland County	(0.0)	-66.7%	The unfavorable YTD variance was due to the timing of receipt of payment.
City Subsidy for MTA Bus Company	(33.2)	-11.4%	See explanation for the month.
CDOT Subsidy for Metro-North Railroad	13.2	18.9%	See explanation for the month.
B&T Operating Surplus Transfer	(108.0)	-31.0%	See explanation for the month.

MTA Subsidy, Interagency Loan and Stabilization Fund Transactions - Cash Basis  
(millions)

	<u>Current Month Stabilization Fund</u>			<u>Year to Date Stabilization Fund</u>		
	<u>Commuter</u>	<u>Transit</u>	<u>Total</u>	<u>Commuter</u>	<u>Transit</u>	<u>Total</u>
	<u>(General Fd)</u>	<u>(TA Stab)</u>		<u>(General Fd)</u>	<u>(TA Stab)</u>	
From Date:	06/01/20	06/01/20	06/01/20	01/01/20	01/01/20	01/01/20
To Date:	06/30/20	06/30/20	06/30/20	06/30/20	06/30/20	06/30/20
<b>Opening Balance</b>	-\$500.838	\$113.618	-\$387.221	\$71.557	\$116.264	\$187.821
<b>RECEIPTS</b>						
Interest Earnings	-0.058	0.018	-0.040	-0.598	1.999	1.401
NYCT Employee Health Contribution GASB Account - Fd #	0.000	0.000	0.000	0.000	0.000	0.000
NYCT NYCTERS Savings GASB Account - Fund #1116	0.000	0.000	0.000	0.000	0.000	0.000
MTA BC GASB Employee Health Contribution Account - F	0.000	0.000	0.000	0.000	0.000	0.000
Fuel Hedge Reserve	0.000	0.000	0.000	0.000	0.000	0.000
Real Estate Advertising Revenue	0.000	0.000	0.000	0.000	45.000	45.000
<b>New York State</b>						
State and regional mass transit taxes - MMTOA	0.000	0.000	0.000	0.000	0.000	0.000
MTTF New York State	0.000	0.000	0.000	31.485	178.415	209.900
Total Dedicated Taxes Received	0.000	0.000	0.000	31.485	178.415	209.900
Less DTF Debt Service	0.000	0.000	0.000	24.377	117.041	141.418
Net Dedicated Taxes for Operations	0.000	0.000	0.000	7.108	61.374	68.482
Payroll Mobility Tax	0.000	0.000	0.000	138.000	162.000	300.000
MTA Aid Trust Taxes	0.000	0.000	0.000	0.000	0.000	0.000
New York City Operating Assistance	0.000	0.000	0.000	0.000	35.000	35.000
Operating Assistance - 18b	0.000	0.000	0.000	0.000	0.000	0.000
NYC School Fares	0.000	0.000	0.000	0.000	0.000	0.000
NYC Subway Action Plan	0.000	0.000	0.000	0.000	35.706	35.706
NYS Subway Action Plan	0.000	0.000	0.000	0.000	162.516	162.516
NYS School Fares	0.000	0.000	0.000	0.000	0.000	0.000
Additional Mass Transp Operating Assistance	0.000	n/a	0.000	0.000	n/a	0.000
Total - New York State	\$0.000	\$0.000	\$0.000	\$145.108	\$456.597	\$601.705
<b>Local</b>						
Dutchess County	\$0.000	n/a	\$0.000	\$0.095	n/a	\$0.095
Operating Assistance - 18b	0.000	n/a	0.000	0.000	n/a	0.000
Station Maintenance						
Nassau County	0.000	n/a	0.000	2.896	n/a	2.896
Operating Assistance - 18b	0.000	n/a	0.000	0.000	n/a	0.000
Station Maintenance						
New York City	0.000	0.000	0.000	0.000	0.000	0.000
Operating Assistance - 18b	n/a	11.287	11.287	0.000	231.584	231.584
Urban - Real Property & Mortgage Recording Tax	n/a	0.000	0.000	n/a	0.000	0.000
Additional Assistance New York City						
Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
Orange County	0.000	n/a	0.000	0.037	n/a	0.037
Operating Assistance - 18b	0.000	n/a	0.000	0.000	n/a	0.000
Station Maintenance						
Putnam County	0.000	n/a	0.000	0.095	n/a	0.095
Operating Assistance - 18b	0.000	n/a	0.000	0.000	n/a	0.000
Station Maintenance						
Rockland County						

	Current Month Stabilization Fund (millions)			Year to Date Stabilization Fund		
	Commuter (General Fd)	Transit (TA Stab)	Total	Commuter (General Fd)	Transit (TA Stab)	Total
	06/01/20 06/30/20	06/01/20 06/30/20	06/01/20 06/30/20	01/01/20 06/30/20	01/01/20 06/30/20	01/01/20 06/30/20
From Date:						
To Date:						
Operating Assistance - 18b Station Maintenance	0.000 0.000	n/a n/a	0.000 0.000	0.007 0.000	n/a n/a	0.007 0.000
Operating Assistance - 18b Station Maintenance	0.000 0.000	n/a n/a	0.000 0.000	1.879 0.000	n/a n/a	1.879 0.000
Operating Assistance - 18b Station Maintenance	0.000 0.000	n/a n/a	0.000 0.000	3.671 0.000	n/a n/a	3.671 0.000
<b>Total - Local</b>	<b>\$0.000</b>	<b>\$11.287</b>	<b>\$11.287</b>	<b>\$8.681</b>	<b>\$231.584</b>	<b>\$240.265</b>

From Date:  
To Date:

**MTA Bridges and Tunnels-Surplus Transfers**

	Current Month Stabilization Fund (millions)			Year to Date Stabilization Fund		
	Commuter (General Fd)	Transit (TA Stab)	Total	Commuter (General Fd)	Transit (TA Stab)	Total
	06/01/20 06/30/20	06/01/20 06/30/20	06/01/20 06/30/20	01/01/20 06/30/20	01/01/20 06/30/20	01/01/20 06/30/20
	24,945	3,973	28,919	145,711	84,382	230,093
Total Subsidy and Other Receipts	\$24,945	\$15,260	\$40,206	\$299,499	\$772,563	\$1,072,062

**MTA Sources for Interagency Loans**  
 Retro Payment Reserve - Fund#1302  
 Inter Agency Loan  
 MTA Capital Program - Non-Resolution Funds  
 MRT-2 Corporate Account  
 Transfer from fund 1030 (NYCTA Op Fund)  
 Total Loans

**Total Receipts and Loans Received**

	\$0,000	\$0,000	\$0,000	\$0,000	\$800,000	\$800,000
	\$24,887	\$15,278	\$40,165	\$298,902	\$1,619,561	\$1,918,463

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	Current Month Stabilization Fund (millions)			Year to Date Stabilization Fund		
	Commuter (General Fd)	Transit (TA Stab)	Total	Commuter (General Fd)	Transit (TA Stab)	Total
	06/01/20 06/30/20	06/01/20 06/30/20	06/01/20 06/30/20	01/01/20 06/30/20	01/01/20 06/30/20	01/01/20 06/30/20
<b>Brought forward from prior page</b>						
Opening Balance	-\$500.838	\$113.618	-\$387.221	\$71.557	\$116.264	\$187.821
Total Receipts and Loans Received	24.887	15.278	40.165	298.902	1,619.561	1,918.463
Total Cash and Receipts Available	-\$475.951	\$128.895	-\$347.056	\$370.459	\$1,735.825	\$2,106.284
<b>DISBURSEMENTS</b>						
Revenue Supported Debt Service	56.735	80.125	136.860	342.713	489.887	832.600
<b>Agency Operations</b>						
MTA Long Island Railroad	0.000	0.000	0.000	341.978	0.000	341.978
MTA Metro-North Rail Road	13.394	0.000	13.394	230.537	0.000	230.537
MTA New York City Transit	0.000	0.000	0.000	0.000	1,195.000	1,195.000
MTA NYCT for SIRTOA	0.000	0.000	0.000	0.000	0.000	0.000
MTA Bond Admin Cost	0.936	1.886	2.822	2.247	4.054	6.301
MNR Repayment of 525 North Broadway loan	0.000	0.000	0.000	0.000	0.000	0.000
MTA NYS Subway Action Plan	0.000	0.000	0.000	0.000	0.000	0.000
Retro Payment Reserve - Fund#1300	0.000	0.000	0.000	0.000	0.000	0.000
Committed to Capital - PAYGO	0.000	0.000	0.000	0.000	0.000	0.000
Total Debt Service and Operations	\$71.065	\$82.011	\$153.077	\$917.475	\$1,688.941	\$2,606.417
<b>Repayment of Interagency Loans</b>						
Payback - Trans Non-bond - Fd#1028	0.000	0.000	0.000	0.000	0.000	0.000
Transfer to Fund 1030 (NYCTA Op Fund)	0.000	0.000	0.000	0.000	0.000	0.000
Transfer to Fund 1052 (MTA Bus Co Stab Fund)	0.000	0.000	0.000	0.000	0.000	0.000
NYCT Employee Health Contribution GASB Account - Fd #	0.000	0.000	0.000	0.000	0.000	0.000
MTA BC GASB Employee Health Contribution Account - F	0.000	0.000	0.000	0.000	0.000	0.000
MRT-2 Corporate Account	0.000	0.000	0.000	0.000	0.000	0.000
2012 OPEB Loan	0.000	0.000	0.000	0.000	0.000	0.000
Total Loans Payback	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Disbursements	\$71.065	\$82.011	\$153.077	\$917.475	\$1,688.941	\$2,606.417
<b>STABILIZATION FUND BALANCE</b>	-\$547.016	\$46.884	-\$500.132	-\$547.016	\$46.884	-\$500.132
<b>Ending Loan Balances</b>						
B&T Necessary Reconstruction Reserve	0.000	0.000	0.000	0.000	0.000	0.000
MTA Capital Program - Non-Resolution Funds	0.000	0.000	0.000	0.000	0.000	0.000
MRT-2 Corporate Account	0.000	0.000	0.000	0.000	0.000	0.000
2012 OPEB Loan	0.000	0.000	0.000	0.000	0.000	0.000
	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>End of Month NYCT Operating Fund borrowing from MTA Invest Pool not included in Ending Loan Balances</b>						
above	n/a	-\$474.339	-\$474.339	n/a	-\$474.339	-\$474.339
<b>Total Loan Balances (including negative Operating and negative Stabilization Fund Balances)</b>						
	\$547.016	-\$521.223	\$25.794	\$547.016	-\$521.223	\$25.794



**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - Adopted Budget**

**Debt Service**

**June 2020**

(\$ in millions)

	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>% Var</b>	<b>Explanation</b>
<i>Dedicated Tax Fund:</i>					
NYC Transit	\$34.2	\$34.2	\$0.1		
Commuter Railroads	7.3	7.1	0.2		
<b>Dedicated Tax Fund Subtotal</b>	<b>\$41.5</b>	<b>\$41.2</b>	<b>\$0.3</b>	<b>0.7%</b>	
<i>MTA Transportation Revenue:</i>					
NYC Transit	\$81.8	\$80.0	\$1.9		
Commuter Railroads	61.2	56.8	4.4		
MTA Bus	2.3	0.2	2.1		
SIRTOA	1.0	0.0	1.0		
<b>MTA Transportation Revenue Subtotal</b>	<b>\$146.3</b>	<b>\$136.9</b>	<b>\$9.3</b>	<b>6.4%</b>	Timing of debt service deposits and lower than budgeted variable rates.
<i>2 Broadway COPs:</i>					
NYC Transit	\$0.4	\$0.4	\$0.0		
Bridges & Tunnels	0.1	0.1	0.0		
MTA HQ	0.0	0.0	0.0		
Commuter Railroads	0.1	0.1	0.0		
<b>2 Broadway COPs Subtotal</b>	<b>\$0.6</b>	<b>\$0.6</b>	<b>\$0.0</b>	<b>0.0%</b>	
<i>TBTA General Resolution (2):</i>					
NYC Transit	\$16.7	\$17.8	(\$1.1)		
Commuter Railroads	7.5	8.0	(0.5)		
Bridges & Tunnels	27.0	23.2	3.7		
<b>TBTA General Resolution Subtotal</b>	<b>\$51.1</b>	<b>\$49.0</b>	<b>\$2.1</b>	<b>4.1%</b>	Lower than budgeted variable rates.
<i>TBTA Subordinate (2):</i>					
NYC Transit	\$4.7	\$4.7	\$0.0		
Commuter Railroads	2.1	2.1	0.0		
Bridges & Tunnels	1.7	1.7	0.0		
<b>TBTA Subordinate Subtotal</b>	<b>\$8.5</b>	<b>\$8.5</b>	<b>\$0.0</b>	<b>0.0%</b>	
<i>Debt Service from Lockbox Revenues:</i>					
NYC Transit	\$2.2	\$0.0	\$2.2		
Commuter Railroads	0.6	0.0	0.6		
MTA Bus	0.0	0.0	0.0		
SIRTOA	0.0	0.0	0.0		
<b>Debt Service from Lockbox Subtotal</b>	<b>\$2.9</b>	<b>\$0.0</b>	<b>\$2.9</b>	<b>100.0%</b>	Lower than budgeted debt service related to the timing of Lockbox related debt.
<b>Total Debt Service</b>	<b>\$250.9</b>	<b>\$236.3</b>	<b>\$14.7</b>	<b>5.8%</b>	
<i>Debt Service by Agency:</i>					
NYC Transit	\$140.1	\$137.0	\$3.1		
Commuter Railroads	78.8	74.1	4.7		
MTA Bus	2.4	0.2	2.2		
SIRTOA	1.0	0.0	1.0		
Bridges & Tunnels	28.7	25.0	3.7		
MTAHQ	0.0	0.0	0.0		
<b>Total Debt Service</b>	<b>\$250.9</b>	<b>\$236.3</b>	<b>\$14.7</b>	<b>5.8%</b>	

**Notes:**

(1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.

(2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.

(3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

Totals may not add due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY  
FEBRUARY FINANCIAL PLAN - Adopted Budget**

**Debt Service  
June 2020 Year-to-Date**

(\$ in millions)

	<b>Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>% Var</b>	<b>Explanation</b>
<i>Dedicated Tax Fund:</i>					
NYC Transit	\$176.3	\$185.9	(\$9.6)		
Commuter Railroads	36.5	38.6	(2.1)		
<b>Dedicated Tax Fund Subtotal</b>	<b>\$212.8</b>	<b>\$224.5</b>	<b>(\$11.7)</b>	<b>-5.5%</b>	Non-receipt of May BAB subsidy.
<i>MTA Transportation Revenue:</i>					
NYC Transit	\$469.3	\$489.8	(\$20.5)		Lower than budgeted variable rates; lower than budgeted debt service related to timing and structure of issuances; offset by non-receipt of May BAB subsidy.
Commuter Railroads	351.2	343.4	7.7		
MTA Bus	13.4	1.1	12.2		
SIRTOA	5.4	0.1	5.3		
<b>MTA Transportation Revenue Subtotal</b>	<b>\$839.2</b>	<b>\$834.5</b>	<b>\$4.7</b>	<b>0.6%</b>	
<i>2 Broadway COPs:</i>					
NYC Transit	\$2.7	\$2.0	\$0.7		
Bridges & Tunnels	0.4	0.3	0.1		
MTA HQ	0.0	0.0	0.0		
Commuter Railroads	0.8	0.6	0.2		
<b>2 Broadway COPs Subtotal</b>	<b>\$3.9</b>	<b>\$2.9</b>	<b>\$1.0</b>	<b>24.9%</b>	
<i>TBTA General Resolution (2):</i>					
NYC Transit	\$100.0	\$99.2	\$0.8		Lower than budgeted variable rates; lower than budgeted debt service related to timing and structure of TBTA issuances; offset by non-receipt of May BAB subsidy.
Commuter Railroads	44.7	44.4	0.4		
Bridges & Tunnels	156.2	140.3	15.8		
<b>TBTA General Resolution Subtotal</b>	<b>\$300.9</b>	<b>\$283.9</b>	<b>\$17.0</b>	<b>5.7%</b>	
<i>TBTA Subordinate (2):</i>					
NYC Transit	\$28.1	\$28.0	\$0.1		
Commuter Railroads	12.8	12.8	0.0		
Bridges & Tunnels	10.2	10.2	0.0		
<b>TBTA Subordinate Subtotal</b>	<b>\$51.1</b>	<b>\$51.0</b>	<b>\$0.2</b>	<b>0.3%</b>	
<i>Debt Service from Lockbox Revenues:</i>					
NYC Transit	\$11.1	\$0.0	\$11.1		Lower than budgeted debt service related to the timing of Lockbox related debt.
Commuter Railroads	2.9	0.0	2.9		
MTA Bus	0.2	0.0	0.2		
SIRTOA	0.1	0.0	0.1		
<b>Debt Service from Lockbox Subtotal</b>	<b>\$14.3</b>	<b>\$0.0</b>	<b>\$14.3</b>	<b>100.0%</b>	
<b>Total Debt Service</b>	<b>\$1,422.3</b>	<b>\$1,396.8</b>	<b>\$25.5</b>	<b>1.8%</b>	
<i>Debt Service by Agency:</i>					
NYC Transit	\$787.5	\$804.9	(\$17.4)		
Commuter Railroads	449.0	439.9	9.1		
MTA Bus	13.6	1.1	12.5		
SIRTOA	5.5	0.1	5.4		
Bridges & Tunnels	166.8	150.8	16.0		
MTAHQ	0.0	0.0	0.0		
<b>Total Debt Service</b>	<b>\$1,422.3</b>	<b>\$1,396.8</b>	<b>\$25.5</b>	<b>1.8%</b>	

**Notes:**

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Totals may not add due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Total Positions by Function and Agency**  
**June 2020**

Function/Agency	Adopted Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Administration</b>	<b>4,394</b>	<b>3,978</b>	<b>416</b>
NYC Transit	1,264	1,105	159
Long Island Rail Road	509	449	60
Metro-North Railroad	472	426	46
Bridges & Tunnels	78	69	9
Headquarters	1,908	1,791	117
Staten Island Railway	28	20	8
Capital & Development	19	16	3
Bus Company	116	102	14
<b>Operations</b>	<b>31,431</b>	<b>30,184</b>	<b>1,247</b>
NYC Transit	23,670	22,617	1,053
Long Island Rail Road	2,710	2,652	58
Metro-North Railroad	2,213	2,140	73
Bridges & Tunnels	102	80	22
Headquarters	-	-	-
Staten Island Railway	131	116	15
Capital & Development	-	-	-
Bus Company	2,605	2,579	26
<b>Maintenance</b>	<b>32,656</b>	<b>31,342</b>	<b>1,314</b>
NYC Transit	22,525	21,664	861
Long Island Rail Road	4,406	4,184	222
Metro-North Railroad	3,973	3,782	191
Bridges & Tunnels	395	372	23
Headquarters	-	-	-
Staten Island Railway	209	202	7
Capital & Development	-	-	-
Bus Company	1,148	1,138	10
<b>Engineering/Capital</b>	<b>2,251</b>	<b>1,761</b>	<b>490</b>
NYC Transit	1,450	1,172	278
Long Island Rail Road	227	186	41
Metro-North Railroad	127	100	27
Bridges & Tunnels	253	173	80
Headquarters	-	-	-
Staten Island Railway	16	9	7
Capital & Development	143	99	44
Bus Company	35	22	13
<b>Public Safety</b>	<b>2,474</b>	<b>2,152</b>	<b>322</b>
NYC Transit	657	621	36
Long Island Rail Road	-	-	-
Metro-North Railroad	-	-	-
Bridges & Tunnels	650	559	91
Headquarters	1,154	960	194
Staten Island Railway	-	-	-
Capital & Development	-	-	-
Bus Company	13	12	1
<b>Total Positions</b>	<b>73,206</b>	<b>69,417</b>	<b>3,789</b>

Note: Totals may differ due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Total Positions by Function and Agency**  
**June 2020**

Category	Adopted Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Total Positions</b>	<b>73,206</b>	<b>69,417</b>	<b>3,789</b>
NYC Transit	49,566	47,179	2,387
Long Island Rail Road	7,852	7,471	381
Metro-North Railroad	6,785	6,448	337
Bridges & Tunnels	1,478	1,253	225
Headquarters	3,062	2,751	311
Staten Island Railway	384	347	37
Capital & Development	162	115	47
Bus Company	3,917	3,853	64
<b>Non-reimbursable</b>	<b>65,264</b>	<b>63,554</b>	<b>1,710</b>
NYC Transit	44,259	43,680	579
Long Island Rail Road	6,496	6,146	350
Metro-North Railroad	5,941	5,776	166
Bridges & Tunnels	1,391	1,166	225
Headquarters	2,963	2,660	303
Staten Island Railway	334	307	27
Capital Construction Company	-	-	-
Bus Company	3,879	3,819	60
<b>Reimbursable</b>	<b>7,942</b>	<b>5,863</b>	<b>2,079</b>
NYC Transit	5,307	3,499	1,808
Long Island Rail Road	1,355	1,325	31
Metro-North Railroad	844	672	172
Bridges & Tunnels	87	87	-
Headquarters	99	91	8
Staten Island Railway	50	40	10
Capital & Development	162	115	47
Bus Company	38	34	4
<b>Total Full Time</b>	<b>72,996</b>	<b>69,279</b>	<b>3,717</b>
NYC Transit	49,375	47,056	2,319
Long Island Rail Road	7,852	7,471	381
Metro-North Railroad	6,784	6,447	337
Bridges & Tunnels	1,478	1,253	225
Headquarters	3,062	2,751	311
Staten Island Railway	384	347	37
Capital & Development	162	115	47
Bus Company	3,899	3,839	60
<b>Total Full-Time Equivalent</b>	<b>210</b>	<b>138</b>	<b>72</b>
NYC Transit	191	123	68
Long Island Rail Road	-	-	-
Metro-North Railroad	1	1	-
Bridges & Tunnels	-	-	-
Headquarters	-	-	-
Staten Island Railway	-	-	-
Capital & Development	-	-	-
Bus Company	18	14	4

Note: Totals may differ due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**February Financial Plan - 2020 Adopted Budget**  
**Total Positions by Function and Occupational Group**  
**June 2020**

FUNCTION/OCCUPATIONAL GROUP	Adopted Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Administration</b>	<b>4,394</b>	<b>3,978</b>	<b>416</b>
Managers/Supervisors	1,515	1,332	184
Professional, Technical, Clerical	2,740	2,506	234
Operational Hourlies	139	140	(1)
<b>Operations</b>	<b>31,431</b>	<b>30,184</b>	<b>1,247</b>
Managers/Supervisors	3,813	3,516	297
Professional, Technical, Clerical	997	949	48
Operational Hourlies	26,621	25,720	901
<b>Maintenance</b>	<b>32,656</b>	<b>31,342</b>	<b>1,314</b>
Managers/Supervisors	5,803	5,518	285
Professional, Technical, Clerical	1,911	1,620	291
Operational Hourlies	24,942	24,203	739
<b>Engineering/Capital</b>	<b>2,251</b>	<b>1,761</b>	<b>490</b>
Managers/Supervisors	648	517	131
Professional, Technical, Clerical	1,592	1,236	356
Operational Hourlies	11	8	3
<b>Public Safety</b>	<b>2,474</b>	<b>2,152</b>	<b>322</b>
Managers/Supervisors	703	565	138
Professional, Technical, Clerical	141	116	25
Operational Hourlies	1,630	1,471	159
<b>Total Positions</b>	<b>73,206</b>	<b>69,417</b>	<b>3,789</b>
Managers/Supervisors	12,482	11,448	1,035
Professional, Technical, Clerical	7,381	6,427	954
Operational Hourlies	53,343	51,542	1,801

Note: Totals may differ due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**Farebox Recovery and Operating Ratios**  
**2020 Adopted Budget and Actuals**

**FAREBOX RECOVERY RATIOS**

	<b>2020 Adopted Budget Full Year</b>	<b>2020 Actual Jun YTD</b>
New York City Transit	36.2%	21.0%
Staten Island Railway	8.0%	4.9%
Long Island Rail Road	27.9%	15.0%
Metro-North Railroad	41.6%	19.9%
MTA Bus Company	22.0%	12.1%
<b>MTA Total Agency Average</b>	<b>34.5%</b>	<b>19.5%</b>

**FAREBOX OPERATING RATIOS**

	<b>2020 Adopted Budget Full Year</b>	<b>2020 Actual Jun YTD</b>
New York City Transit	53.4%	29.0%
Staten Island Railway	13.4%	7.6%
Long Island Rail Road	43.7%	25.0%
Metro-North Railroad	56.3%	27.2%
MTA Bus Company	29.0%	13.5%
<b>MTA Total Agency Average</b>	<b>50.6%</b>	<b>27.2%</b>

*Farebox recovery ratio has a long-term focus. It includes costs that are not funded in the current year, except in an accounting-ledger sense, but are, in effect, passed on to future years. Those costs include depreciation and interest on long-term debt. Approximately 20% (and sometimes more) of MTA costs are not recovered in the current year from farebox revenues, other operating revenues or subsidies. That is why MTA operating statements generally show deficits. In addition, the recovery ratio allocates centralized MTA services to the Agencies, such as Security, the costs of the Inspector General, Civil Rights, Audit, Risk Management, Legal and Shared Services.*

*Farebox operating ratio focuses on Agency operating financial performance. It reflects the way MTA meets its statutory and bond-covenant budget-balancing requirements, and it excludes certain costs that are not subject to Agency control, but are provided centrally by the MTA.*

*In the agenda materials for the Meeting of the Metro-North and Long Island Committees, the calculations of the farebox operating and recovery ratios for the LIRR and MNR use a revised methodology to put the railroads on a more comparable basis. Those statistics, which are included in the respective financial and ridership reports of both Agencies, differ from the statistics presented in this table.*



**Metropolitan Transportation Authority**

State of New York

New York City Transit  
Long Island Rail Road  
Metro-North Railroad  
Bridges and Tunnels  
Bus Company

## Report on Revenue Passengers and Vehicles Ridership Data Through May, 2020

NOTE: Ridership data are preliminary and subject to revision as well as adjustments warranted by annual audit review.

**Prepared by:**  
**MTA Division of Management & Budget**

**Thursday, July 2, 2020**

## Revenue Passengers in May

	2018		2019		2020	
		% Change		% Change		% Change
<b>MTA New York City Transit</b>						
MTA New York City Subway	202,154,565		200,610,929	-0.76%	15,603,373	-92.22%
MTA New York City Bus	150,320,833		150,789,403	0.31%	15,313,766	-89.84%
	51,833,732		49,821,526	-3.88%	289,607	-99.42%
<b>MTA Staten Island Railway</b>	420,153		408,805	-2.70%	23,455	-94.26%
<b>MTA Long Island Rail Road</b>	7,716,073		7,974,945	3.35%	515,918	-93.53%
<b>MTA Metro-North Railroad</b>						
<b>East of Hudson</b>						
Harlem Line	7,549,186		7,564,517	0.20%	508,635	-93.28%
Hudson Line	7,406,943		7,419,623	0.17%	497,247	-93.30%
New Haven Line	2,385,749		2,384,975	-0.03%	173,611	-92.72%
<b>West of Hudson</b>						
Port Jervis Line	1,505,105		1,520,684	1.04%	108,831	-92.84%
Pascack Valley Line	3,516,089		3,513,964	-0.06%	214,805	-93.89%
	142,243		144,894	1.86%	11,388	-92.14%
	82,221		85,297	3.74%	7,326	-91.41%
	60,022		59,597	-0.71%	4,062	-93.18%
<b>MTA Bus Company</b>	11,008,565		10,805,557	-1.84%	119,687	-98.89%
<b>MTA Bridges &amp; Tunnels</b>	28,226,943		29,249,471	3.62%	14,953,990	-48.87%
<b>Total All Agencies</b>	<b>228,848,542</b>		<b>227,364,753</b>	<b>-0.65%</b>	<b>16,771,068</b>	<b>-92.62%</b>
<small>(Excludes Bridges &amp; Tunnels)</small>						
Weekdays:	22		22		20	
Holidays:	1		1		1	
Weekend Days:	8		8		10	
Days	31		31		31	



## Revenue Passengers Year-to-Date Through May

	2018	2019	% Change	2020	% Change
<b>MTA New York City Transit</b>					
MTA New York City Subway	938,619,131	932,543,547	-0.65%	485,159,962	-47.97%
MTA New York City Bus	698,370,395	700,480,354	0.30%	370,080,873	-47.17%
	240,248,736	232,063,193	-3.41%	115,079,089	-50.41%
<b>MTA Staten Island Railway</b>	1,917,680	1,864,755	-2.76%	925,955	-50.34%
<b>MTA Long Island Rail Road</b>	35,754,489	36,925,140	3.27%	17,855,284	-51.64%
<b>MTA Metro-North Railroad</b>					
<b>East of Hudson</b>	34,805,236	35,166,460	1.04%	17,023,994	-51.59%
Harlem Line	34,141,893	34,492,644	1.03%	16,649,399	-51.73%
Hudson Line	11,201,089	11,218,216	0.15%	5,497,535	-50.99%
New Haven Line	6,803,893	6,970,639	2.45%	3,360,780	-51.79%
<b>West of Hudson</b>	16,136,911	16,303,789	1.03%	7,791,084	-52.21%
Port Jervis Line	663,343	673,816	1.58%	374,595	-44.41%
Pascack Valley Line	380,841	390,824	2.62%	219,328	-43.88%
	282,502	282,992	0.17%	155,267	-45.13%
<b>MTA Bus Company</b>	50,049,992	50,082,322	0.06%	25,053,648	-49.98%
<b>MTA Bridges &amp; Tunnels</b>	126,893,129	132,538,288	4.45%	93,528,380	-29.43%
<b>Total All Agencies</b>	<b>1,061,146,528</b>	<b>1,056,582,224</b>	<b>-0.43%</b>	<b>546,018,843</b>	<b>-48.32%</b>
(Excludes Bridges & Tunnels)					
Weekdays:	105	105		104	
Holidays:	4	4		4	
Weekend Days:	42	42		44	
Days	151	151		152	

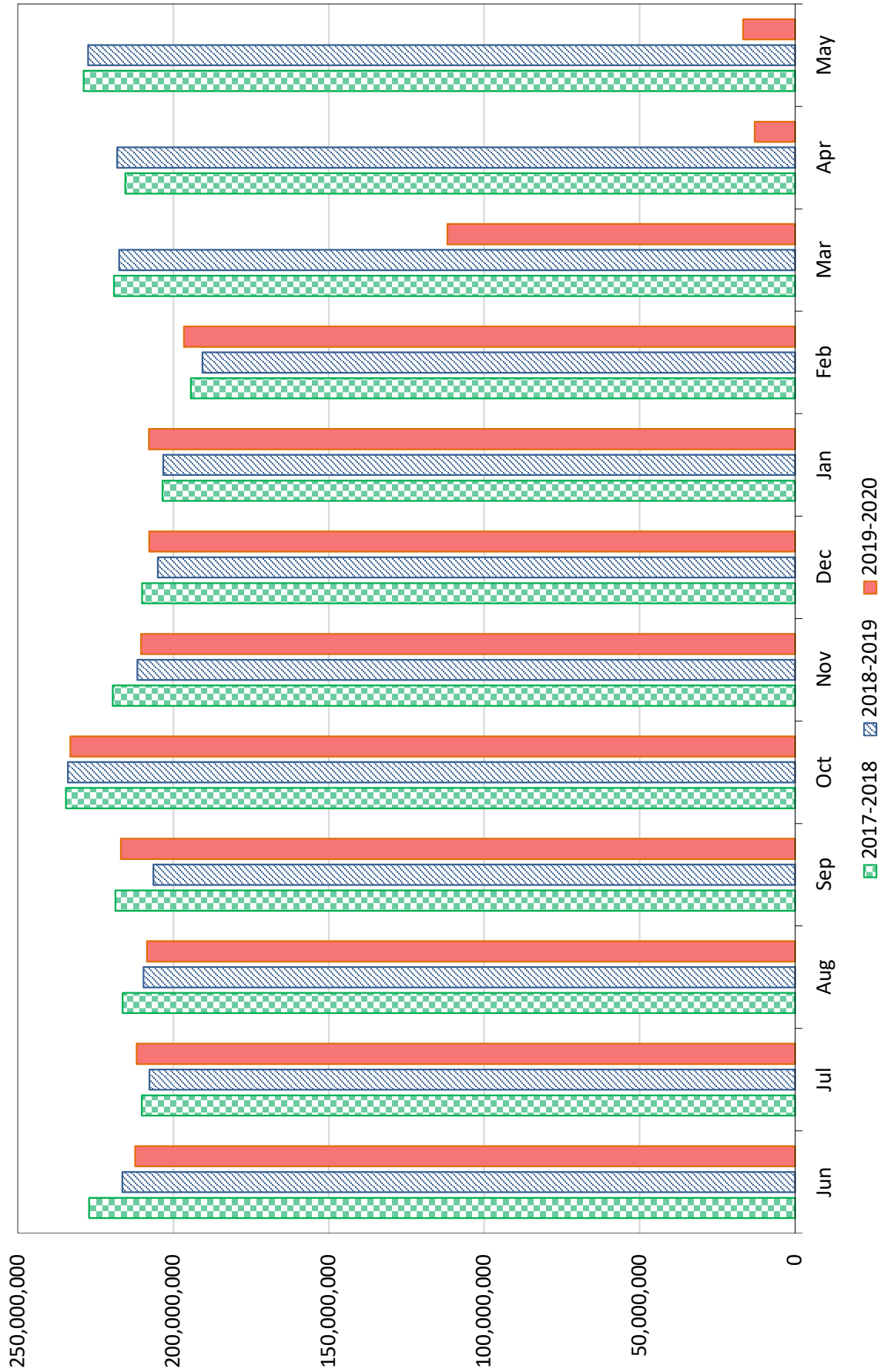
## 12 Month Average Revenue Passengers in May

	2018	2019	% Change	2020	% Change
<b>MTA New York City Transit</b>					
MTA New York City Subway	191,305,144	186,945,505	-2.28%	150,610,069	-19.44%
MTA New York City Bus	142,236,985	140,180,863	-1.45%	113,943,987	-18.72%
	49,068,160	46,764,641	-4.69%	36,666,082	-21.59%
<b>MTA Staten Island Railway</b>	387,425	372,457	-3.86%	280,141	-24.79%
<b>MTA Long Island Rail Road</b>	7,409,015	7,578,601	2.29%	6,002,940	-20.79%
<b>MTA Metro-North Railroad</b>					
<b>East of Hudson</b>					
Harlem Line	7,209,775	7,242,822	0.46%	5,706,492	-21.21%
Hudson Line	7,075,337	7,105,122	0.42%	5,594,761	-21.26%
New Haven Line	2,310,769	2,289,009	-0.94%	1,803,865	-21.19%
<b>West of Hudson</b>	1,414,981	1,443,982	2.05%	1,147,412	-20.54%
Port Jervis Line	3,349,587	3,372,130	0.67%	2,643,484	-21.61%
Pascack Valley Line	134,438	137,700	2.43%	111,731	-18.86%
	79,258	80,335	1.36%	66,196	-17.60%
	55,180	57,365	3.96%	45,535	-20.62%
<b>MTA Bus Company</b>	10,128,584	10,123,384	-0.05%	7,950,275	-21.47%
<b>MTA Bridges &amp; Tunnels</b>	26,262,402	27,327,867	4.06%	24,198,802	-11.45%
<b>Total All Agencies</b>	<b>216,439,943</b>	<b>212,262,768</b>	<b>-1.93%</b>	<b>170,549,917</b>	<b>-19.65%</b>
(Excludes Bridges & Tunnels)					
Weekdays:	22	22		20	
Holidays:	1	1		1	
Weekend Days:	8	8		10	
Days	31	31		31	

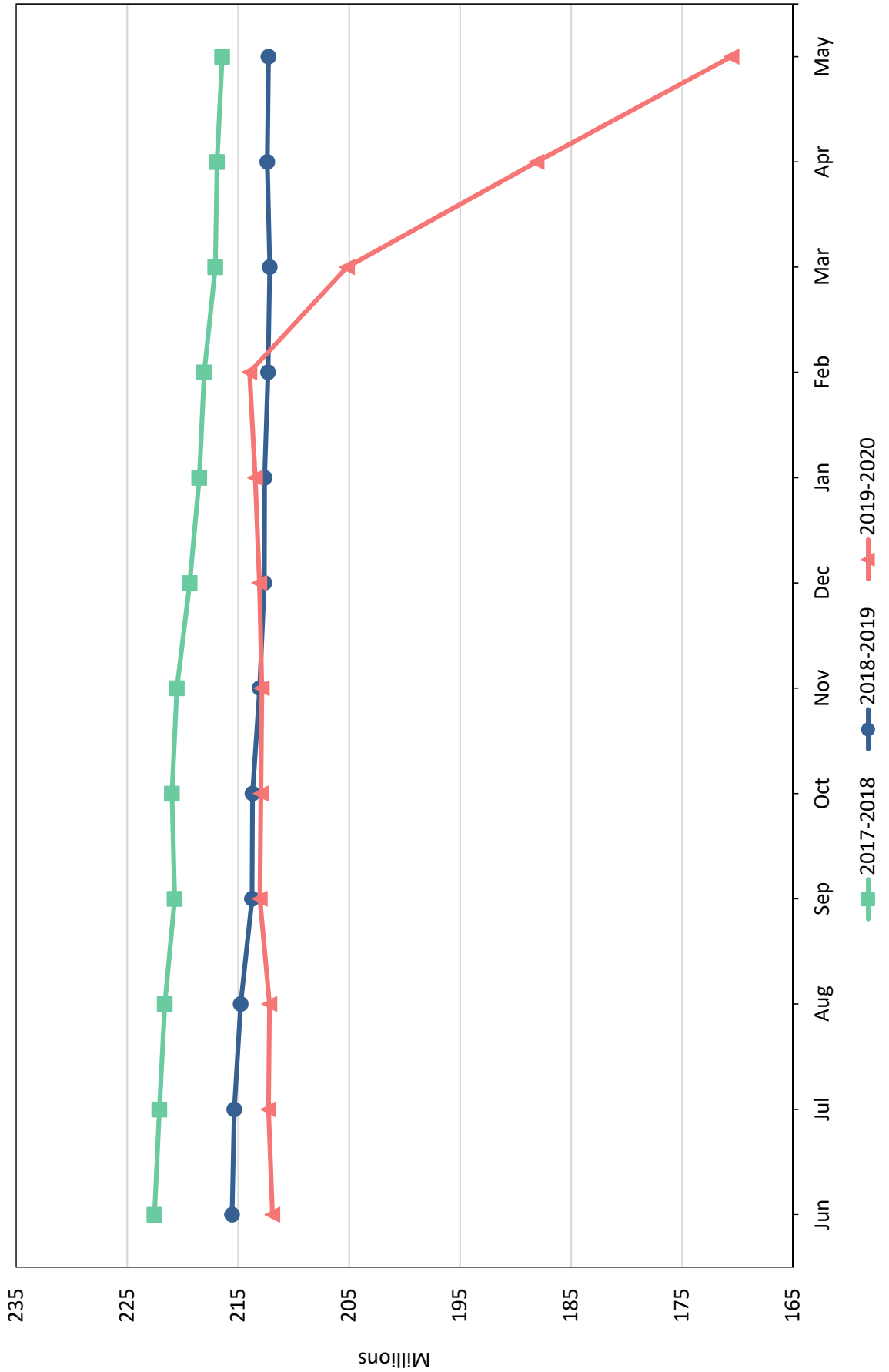
### Average Weekday Revenue Passengers in May

	2018	2019	% Change	2020	% Change
<b>MTA New York City Transit</b>					
MTA New York City Subway	7,693,437	7,583,647	-1.43%	594,432	-92.16%
MTA New York City Bus	5,743,481	5,717,721	-0.45%	583,034	-89.80%
	1,949,956	1,865,926	-4.31%	11,398	-99.39%
<b>MTA Staten Island Railway</b>	17,399	16,779	-3.56%	984	-94.14%
<b>MTA Long Island Rail Road</b>	310,397	319,369	2.89%	21,012	-93.42%
<b>MTA Metro-North Railroad</b>					
<b>East of Hudson</b>					
Harlem Line	295,061	294,109	-0.32%	19,749	-93.29%
Hudson Line	288,585	287,513	-0.37%	19,180	-93.33%
New Haven Line	93,972	93,426	-0.58%	6,829	-92.69%
<b>West of Hudson</b>					
Port Jervis Line	58,284	58,598	0.54%	4,113	-92.98%
Pascack Valley Line	136,329	135,489	-0.62%	8,239	-93.92%
	6,476	6,596	1.85%	569	-91.38%
	3,744	3,884	3.74%	366	-90.58%
	2,732	2,712	-0.73%	203	-92.52%
<b>MTA Bus Company</b>	419,462	408,562	-2.60%	4,960	-98.79%
<b>MTA Bridges &amp; Tunnels</b>	945,637	966,452	2.20%	514,300	-46.78%
<b>Total All Agencies</b>	<b>8,735,756</b>	<b>8,622,466</b>	<b>-1.30%</b>	<b>641,137</b>	<b>-92.56%</b>
(Excludes Bridges & Tunnels)					
Weekdays:	22	22		20	
Holidays:	1	1		1	
Weekend Days:	8	8		10	
Days	31	31		31	

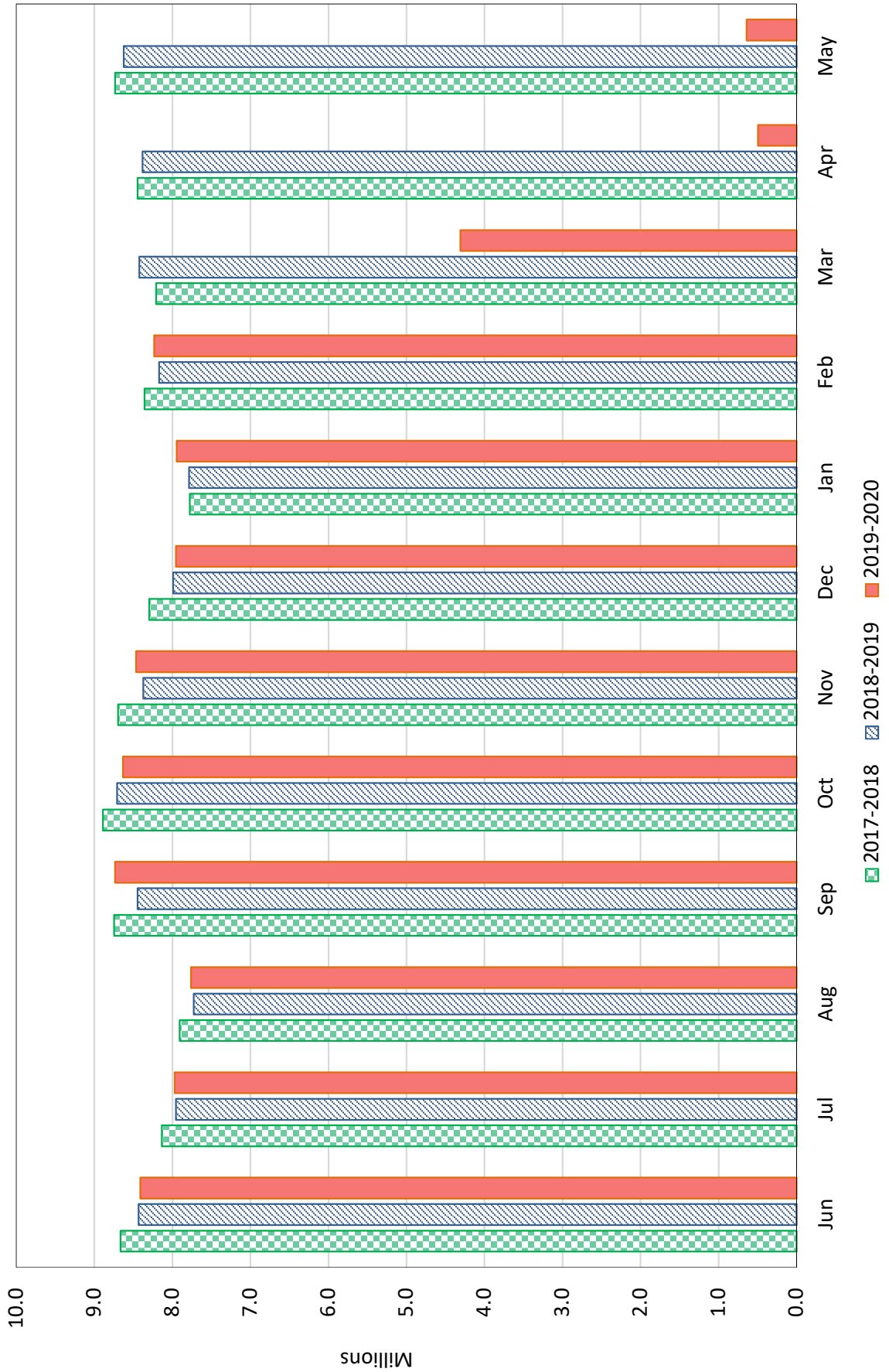
# Metropolitan Transportation Authority Revenue Passengers



# Metropolitan Transportation Authority Revenue Passengers - 12 Month Averages



# Metropolitan Transportation Authority Average Weekday Passengers



# Metropolitan Transportation Authority

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	227,061,370	216,408,417	-4.69%	212,300,561	-1.90%
July	210,140,452	207,692,129	-1.17%	211,804,095	1.98%
August	216,298,894	209,534,089	-3.13%	208,448,482	-0.52%
September	218,609,547	206,414,792	-5.58%	216,825,176	5.04%
October	234,499,549	233,935,642	-0.24%	233,100,272	-0.36%
November	219,487,402	211,577,176	-3.60%	210,390,296	-0.56%
December	210,035,572	205,008,747	-2.39%	207,711,277	1.32%
January	203,484,027	203,198,087	-0.14%	207,806,255	2.27%
February	194,360,061	190,604,530	-1.93%	196,597,761	3.14%
March	219,058,081	217,387,798	-0.76%	111,852,694	-48.55%
April	215,395,817	218,027,056	1.22%	12,991,065	-94.04%
<b>May</b>	<b>228,848,542</b>	<b>227,364,753</b>	<b>-0.65%</b>	<b>16,771,068</b>	<b>-92.62%</b>
<b>Year-to-Date</b>	<b>1,061,146,528</b>	<b>1,056,582,224</b>	<b>-0.43%</b>	<b>546,018,843</b>	<b>-48.32%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	222,545,846	215,552,197	-3.14%	211,920,447	-1.68%
July	222,099,593	215,348,170	-3.04%	212,263,110	-1.43%
August	221,625,899	214,784,436	-3.09%	212,172,643	-1.22%
September	220,719,879	213,768,207	-3.15%	213,040,175	-0.34%
October	220,975,821	213,721,214	-3.28%	212,970,561	-0.35%
November	220,529,159	213,062,029	-3.39%	212,871,654	-0.09%
December	219,371,613	212,643,127	-3.07%	213,096,865	0.21%
January	218,506,588	212,619,298	-2.69%	213,480,879	0.41%
February	218,070,850	212,306,337	-2.64%	213,980,315	0.79%
March	217,068,795	212,167,147	-2.26%	205,185,723	-3.29%
April	216,907,908	212,386,417	-2.08%	188,099,391	-11.44%
<b>May</b>	<b>216,439,943</b>	<b>212,262,768</b>	<b>-1.93%</b>	<b>170,549,917</b>	<b>-19.65%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	8,666,226	8,432,101	-2.70%	8,412,193	-0.24%
July	8,134,147	7,954,086	-2.21%	7,970,300	0.20%
August	7,908,074	7,725,838	-2.30%	7,761,197	0.46%
September	8,748,522	8,447,398	-3.44%	8,734,905	3.40%
October	8,889,258	8,709,735	-2.02%	8,631,718	-0.90%
November	8,696,449	8,372,431	-3.73%	8,464,327	1.10%
December	8,298,078	7,989,712	-3.72%	7,955,513	-0.43%
January	7,777,663	7,786,364	0.11%	7,945,071	2.04%
February	8,357,451	8,170,633	-2.24%	8,234,000	0.78%
March	8,207,563	8,422,686	2.62%	4,308,937	-48.84%
April	8,446,832	8,383,870	-0.75%	494,070	-94.11%
<b>May</b>	<b>8,735,756</b>	<b>8,622,466</b>	<b>-1.30%</b>	<b>641,137</b>	<b>-92.56%</b>

# MTA New York City Transit

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	200,591,083	190,346,850	-5.11%	187,197,319	-1.65%
July	185,271,335	182,215,116	-1.65%	185,786,569	1.96%
August	190,438,818	183,617,094	-3.58%	182,893,941	-0.39%
September	193,418,747	181,832,606	-5.99%	191,382,235	5.25%
October	207,541,739	206,105,827	-0.69%	205,768,638	-0.16%
November	194,193,319	186,463,618	-3.98%	186,074,116	-0.21%
December	185,587,561	180,221,398	-2.89%	183,058,046	1.57%
January	180,082,272	179,078,762	-0.56%	183,591,692	2.52%
February	172,152,646	168,500,761	-2.12%	174,031,352	3.28%
March	193,734,798	192,056,205	-0.87%	99,775,885	-48.05%
April	190,494,850	192,296,890	0.95%	12,157,660	-93.68%
<b>May</b>	<b>202,154,565</b>	<b>200,610,929</b>	<b>-0.76%</b>	<b>15,603,373</b>	<b>-92.22%</b>
<b>Year-to-Date</b>	<b>938,619,131</b>	<b>932,543,547</b>	<b>-0.65%</b>	<b>485,159,962</b>	<b>-47.97%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	197,156,588	190,451,458	-3.40%	186,683,044	-1.98%
July	196,737,555	190,196,773	-3.32%	186,980,665	-1.69%
August	196,294,149	189,628,296	-3.40%	186,920,402	-1.43%
September	195,468,940	188,662,785	-3.48%	187,716,204	-0.50%
October	195,664,154	188,543,125	-3.64%	187,688,105	-0.45%
November	195,228,888	187,898,984	-3.75%	187,655,647	-0.13%
December	194,165,580	187,451,803	-3.46%	187,892,034	0.23%
January	193,343,531	187,368,177	-3.09%	188,268,112	0.48%
February	192,923,435	187,063,854	-3.04%	188,728,994	0.89%
March	191,994,789	186,923,971	-2.64%	181,038,968	-3.15%
April	191,791,812	187,074,141	-2.46%	166,027,365	-11.25%
<b>May</b>	<b>191,305,144</b>	<b>186,945,505</b>	<b>-2.28%</b>	<b>150,610,069</b>	<b>-19.44%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	7,630,605	7,387,753	-3.18%	7,385,681	-0.03%
July	7,129,419	6,948,786	-2.53%	6,971,875	0.33%
August	6,941,224	6,754,630	-2.69%	6,787,585	0.49%
September	7,701,788	7,396,837	-3.96%	7,676,091	3.78%
October	7,838,635	7,651,409	-2.39%	7,595,551	-0.73%
November	7,647,522	7,333,470	-4.11%	7,431,166	1.33%
December	7,291,265	6,980,243	-4.27%	6,977,537	-0.04%
January	6,837,308	6,819,989	-0.25%	6,975,412	2.28%
February	7,368,302	7,190,656	-2.41%	7,250,063	0.83%
March	7,221,603	7,407,083	2.57%	3,804,485	-48.64%
April	7,437,683	7,371,887	-0.88%	460,639	-93.75%
<b>May</b>	<b>7,693,437</b>	<b>7,583,647</b>	<b>-1.43%</b>	<b>594,432</b>	<b>-92.16%</b>



# MTA New York City Subway

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	149,360,780	142,709,768	-4.45%	141,384,305	-0.93%
July	137,447,659	136,167,499	-0.93%	139,505,934	2.45%
August	141,721,056	136,806,572	-3.47%	137,210,300	0.30%
September	143,012,669	134,989,959	-5.61%	143,268,789	6.13%
October	153,378,108	154,116,408	0.48%	155,315,738	0.78%
November	144,404,634	140,711,661	-2.56%	140,724,722	0.01%
December	139,148,517	136,188,140	-2.13%	139,837,187	2.68%
January	134,683,435	134,544,724	-0.10%	138,446,295	2.90%
February	127,432,835	126,359,734	-0.84%	130,902,123	3.59%
March	143,982,923	143,723,256	-0.18%	73,623,295	-48.77%
April	141,950,369	145,063,237	2.19%	11,795,394	-91.87%
<b>May</b>	<b>150,320,833</b>	<b>150,789,403</b>	<b>0.31%</b>	<b>15,313,766</b>	<b>-89.84%</b>
<b>Year-to-Date</b>	<b>698,370,395</b>	<b>700,480,354</b>	<b>0.30%</b>	<b>370,080,873</b>	<b>-47.17%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	145,454,816	141,682,734	-2.59%	140,070,408	-1.14%
July	145,254,502	141,576,054	-2.53%	140,348,611	-0.87%
August	145,089,337	141,166,514	-2.70%	140,382,255	-0.56%
September	144,634,777	140,497,954	-2.86%	141,072,158	0.41%
October	144,863,069	140,559,479	-2.97%	141,172,102	0.44%
November	144,643,960	140,251,732	-3.04%	141,173,190	0.66%
December	143,947,217	140,005,034	-2.74%	141,477,277	1.05%
January	143,480,146	139,993,474	-2.43%	141,802,408	1.29%
February	143,227,460	139,904,049	-2.32%	142,180,941	1.63%
March	142,610,627	139,882,410	-1.91%	136,339,277	-2.53%
April	142,499,445	140,141,816	-1.65%	125,233,624	-10.64%
<b>May</b>	<b>142,236,985</b>	<b>140,180,863</b>	<b>-1.45%</b>	<b>113,943,987</b>	<b>-18.72%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	5,698,402	5,569,036	-2.27%	5,609,231	0.72%
July	5,330,092	5,232,455	-1.83%	5,278,407	0.88%
August	5,197,367	5,068,468	-2.48%	5,136,088	1.33%
September	5,713,700	5,524,451	-3.31%	5,771,557	4.47%
October	5,808,527	5,734,634	-1.27%	5,747,781	0.23%
November	5,698,053	5,556,889	-2.48%	5,636,153	1.43%
December	5,468,971	5,280,965	-3.44%	5,339,212	1.10%
January	5,122,325	5,144,107	0.43%	5,270,001	2.45%
February	5,479,225	5,423,877	-1.01%	5,484,495	1.12%
March	5,388,832	5,567,422	3.31%	2,819,708	-49.35%
April	5,564,686	5,576,744	0.22%	446,725	-91.99%
<b>May</b>	<b>5,743,481</b>	<b>5,717,721</b>	<b>-0.45%</b>	<b>583,034</b>	<b>-89.80%</b>

# MTA New York City Bus

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	51,230,303	47,637,082	-7.01%	45,813,014	-3.83%
July	47,823,676	46,047,617	-3.71%	46,280,635	0.51%
August	48,717,762	46,810,522	-3.91%	45,683,641	-2.41%
September	50,406,078	46,842,647	-7.07%	48,113,446	2.71%
October	54,163,631	51,989,419	-4.01%	50,452,900	-2.96%
November	49,788,685	45,751,957	-8.11%	45,349,394	-0.88%
December	46,439,044	44,033,258	-5.18%	43,220,859	-1.84%
January	45,398,837	44,534,038	-1.90%	45,145,397	1.37%
February	44,719,811	42,141,027	-5.77%	43,129,229	2.34%
March	49,751,875	48,332,949	-2.85%	26,152,590	-45.89%
April	48,544,481	47,233,653	-2.70%	362,266	-99.23%
<b>May</b>	<b>51,833,732</b>	<b>49,821,526</b>	<b>-3.88%</b>	<b>289,607</b>	<b>-99.42%</b>
<b>Year-to-Date</b>	<b>240,248,736</b>	<b>232,063,193</b>	<b>-3.41%</b>	<b>115,079,089</b>	<b>-50.41%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	51,701,752	48,768,724	-5.67%	46,612,636	-4.42%
July	51,483,053	48,620,720	-5.56%	46,632,054	-4.09%
August	51,204,812	48,461,783	-5.36%	46,538,147	-3.97%
September	50,834,163	48,164,830	-5.25%	46,644,047	-3.16%
October	50,801,085	47,983,646	-5.55%	46,516,004	-3.06%
November	50,584,928	47,647,252	-5.81%	46,482,457	-2.44%
December	50,218,363	47,446,770	-5.52%	46,414,757	-2.18%
January	49,863,385	47,374,703	-4.99%	46,465,703	-1.92%
February	49,695,974	47,159,805	-5.10%	46,548,054	-1.30%
March	49,384,163	47,041,561	-4.74%	44,699,690	-4.98%
April	49,292,367	46,932,325	-4.79%	40,793,741	-13.08%
<b>May</b>	<b>49,068,160</b>	<b>46,764,641</b>	<b>-4.69%</b>	<b>36,666,082</b>	<b>-21.59%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	1,932,203	1,818,717	-5.87%	1,776,450	-2.32%
July	1,799,327	1,716,331	-4.61%	1,693,468	-1.33%
August	1,743,857	1,686,163	-3.31%	1,651,497	-2.06%
September	1,988,088	1,872,386	-5.82%	1,904,534	1.72%
October	2,030,108	1,916,775	-5.58%	1,847,770	-3.60%
November	1,949,469	1,776,581	-8.87%	1,795,013	1.04%
December	1,822,294	1,699,278	-6.75%	1,638,325	-3.59%
January	1,714,982	1,675,882	-2.28%	1,705,411	1.76%
February	1,889,077	1,766,779	-6.47%	1,765,568	-0.07%
March	1,832,772	1,839,661	0.38%	984,777	-46.47%
April	1,872,997	1,795,143	-4.16%	13,914	-99.22%
<b>May</b>	<b>1,949,956</b>	<b>1,865,926</b>	<b>-4.31%</b>	<b>11,398</b>	<b>-99.39%</b>

# MTA Bus

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	10,415,892	10,147,168	-2.58%	9,625,988	-5.14%
July	9,835,319	9,978,075	1.45%	10,170,305	1.93%
August	10,182,683	10,270,251	0.86%	10,005,056	-2.58%
September	10,293,093	10,049,613	-2.37%	10,394,220	3.43%
October	10,942,815	11,325,167	3.49%	10,952,595	-3.29%
November	10,230,691	10,030,732	-1.95%	9,814,745	-2.15%
December	9,592,517	9,597,279	0.05%	9,386,745	-2.19%
January	9,359,616	9,726,639	3.92%	9,814,828	0.91%
February	9,153,050	9,024,999	-1.40%	9,290,692	2.94%
March	10,383,080	10,358,653	-0.24%	5,719,195	-44.79%
April	10,145,682	10,166,474	0.20%	109,247	-98.93%
<b>May</b>	<b>11,008,565</b>	<b>10,805,557</b>	<b>-1.84%</b>	<b>119,687</b>	<b>-98.89%</b>
<b>Year-to-Date</b>	<b>50,049,992</b>	<b>50,082,322</b>	<b>0.06%</b>	<b>25,053,648</b>	<b>-49.98%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	10,323,175	10,106,190	-2.10%	10,079,952	-0.26%
July	10,309,237	10,118,086	-1.85%	10,095,971	-0.22%
August	10,283,542	10,125,383	-1.54%	10,073,872	-0.51%
September	10,233,133	10,105,093	-1.25%	10,102,589	-0.02%
October	10,242,389	10,136,956	-1.03%	10,071,541	-0.65%
November	10,227,050	10,120,293	-1.04%	10,053,542	-0.66%
December	10,184,527	10,120,690	-0.63%	10,035,998	-0.84%
January	10,144,487	10,151,275	0.07%	10,043,347	-1.06%
February	10,133,135	10,140,604	0.07%	10,065,488	-0.74%
March	10,100,521	10,138,569	0.38%	9,678,867	-4.53%
April	10,123,602	10,140,301	0.16%	8,840,764	-12.82%
<b>May</b>	<b>10,128,584</b>	<b>10,123,384</b>	<b>-0.05%</b>	<b>7,950,275</b>	<b>-21.47%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	396,805	393,029	-0.95%	373,241	-5.03%
July	377,376	377,060	-0.08%	376,848	-0.06%
August	369,341	374,172	1.31%	366,361	-2.09%
September	412,007	409,993	-0.49%	417,340	1.79%
October	416,050	422,384	1.52%	405,778	-3.93%
November	405,862	395,161	-2.64%	393,555	-0.41%
December	383,636	376,372	-1.89%	360,593	-4.19%
January	359,321	371,720	3.45%	375,796	1.10%
February	394,753	384,844	-2.51%	388,497	0.95%
March	390,793	401,957	2.86%	217,801	-45.81%
April	399,312	390,950	-2.09%	4,380	-98.88%
<b>May</b>	<b>419,462</b>	<b>408,562</b>	<b>-2.60%</b>	<b>4,960</b>	<b>-98.79%</b>

# MTA Staten Island Railway

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	403,043	381,443	-5.36%	347,928	-8.79%
July	333,078	331,968	-0.33%	332,218	0.08%
August	353,616	340,994	-3.57%	312,876	-8.25%
September	401,445	363,488	-9.46%	364,231	0.20%
October	449,023	443,826	-1.16%	403,075	-9.18%
November	419,045	386,701	-7.72%	339,080	-12.31%
December	372,172	356,308	-4.26%	336,326	-5.61%
January	390,355	381,600	-2.24%	360,943	-5.41%
February	340,527	318,372	-6.51%	321,294	0.92%
March	389,114	378,259	-2.79%	200,586	-46.97%
April	377,531	377,719	0.05%	19,677	-94.79%
<b>May</b>	<b>420,153</b>	<b>408,805</b>	<b>-2.70%</b>	<b>23,455</b>	<b>-94.26%</b>
<b>Year-to-Date</b>	<b>1,917,680</b>	<b>1,864,755</b>	<b>-2.76%</b>	<b>925,955</b>	<b>-50.34%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	377,343	385,625	2.19%	369,664	-4.14%
July	377,816	385,533	2.04%	369,685	-4.11%
August	378,268	384,481	1.64%	367,342	-4.46%
September	377,995	381,318	0.88%	367,404	-3.65%
October	382,057	380,885	-0.31%	364,008	-4.43%
November	384,056	378,189	-1.53%	360,039	-4.80%
December	383,706	376,867	-1.78%	358,374	-4.91%
January	384,626	376,138	-2.21%	356,653	-5.18%
February	385,655	374,292	-2.95%	356,896	-4.65%
March	384,911	373,387	-2.99%	342,090	-8.38%
April	386,930	373,403	-3.50%	312,253	-16.38%
<b>May</b>	<b>387,425</b>	<b>372,457</b>	<b>-3.86%</b>	<b>280,141</b>	<b>-24.79%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	16,675	16,213	-2.77%	15,914	-1.84%
July	14,161	13,786	-2.64%	13,757	-0.21%
August	13,787	13,382	-2.94%	13,226	-1.17%
September	17,744	17,089	-3.69%	17,810	4.22%
October	18,590	17,847	-4.00%	17,309	-3.01%
November	18,097	17,020	-5.95%	16,582	-2.57%
December	16,611	15,600	-6.09%	15,119	-3.08%
January	16,387	16,270	-0.71%	16,201	-0.43%
February	16,166	15,575	-3.66%	16,298	4.64%
March	15,963	16,281	1.99%	8,574	-47.34%
April	16,226	15,726	-3.08%	764	-95.14%
<b>May</b>	<b>17,399</b>	<b>16,779</b>	<b>-3.56%</b>	<b>984</b>	<b>-94.14%</b>

# MTA Long Island Rail Road

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	7,943,275	7,940,642	-0.03%	7,736,345	-2.57%
July	7,455,744	7,752,358	3.98%	7,990,885	3.08%
August	7,816,201	7,858,108	0.54%	7,921,403	0.81%
September	7,413,822	7,227,262	-2.52%	7,540,043	4.33%
October	7,818,376	8,172,734	4.53%	8,108,240	-0.79%
November	7,376,934	7,477,649	1.37%	7,215,882	-3.50%
December	7,329,341	7,589,318	3.55%	7,667,200	1.03%
January	6,882,948	7,166,693	4.12%	7,171,719	0.07%
February	6,476,251	6,544,351	1.05%	6,640,007	1.46%
March	7,412,001	7,515,113	1.39%	3,274,069	-56.43%
April	7,267,217	7,724,038	6.29%	253,571	-96.72%
<b>May</b>	<b>7,716,073</b>	<b>7,974,945</b>	<b>3.35%</b>	<b>515,918</b>	<b>-93.53%</b>
<b>Year-to-Date</b>	<b>35,754,489</b>	<b>36,925,140</b>	<b>3.27%</b>	<b>17,855,284</b>	<b>-51.64%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	7,476,758	7,408,796	-0.91%	7,561,576	2.06%
July	7,462,987	7,433,514	-0.39%	7,581,453	1.99%
August	7,452,666	7,437,006	-0.21%	7,586,728	2.01%
September	7,438,060	7,421,459	-0.22%	7,612,793	2.58%
October	7,460,138	7,450,989	-0.12%	7,607,418	2.10%
November	7,459,420	7,459,382	-0.00%	7,585,605	1.69%
December	7,429,903	7,481,047	0.69%	7,592,095	1.48%
January	7,423,616	7,504,692	1.09%	7,592,514	1.17%
February	7,419,771	7,510,367	1.22%	7,600,485	1.20%
March	7,393,810	7,518,960	1.69%	7,247,065	-3.62%
April	7,402,856	7,557,028	2.08%	6,624,526	-12.34%
<b>May</b>	<b>7,409,015</b>	<b>7,578,601</b>	<b>2.29%</b>	<b>6,002,940</b>	<b>-20.79%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	317,303	328,561	3.55%	332,647	1.24%
July	318,758	319,177	0.13%	316,692	-0.78%
August	299,106	301,170	0.69%	312,767	3.85%
September	322,174	327,002	1.50%	327,418	0.13%
October	313,326	316,919	1.15%	314,314	-0.82%
November	322,271	326,138	1.20%	328,359	0.68%
December	315,487	324,193	2.76%	315,927	-2.55%
January	289,965	302,167	4.21%	302,533	0.12%
February	299,493	302,804	1.11%	305,557	0.91%
March	298,352	313,393	5.04%	131,992	-57.88%
April	303,688	310,439	2.22%	10,320	-96.68%
<b>May</b>	<b>310,397</b>	<b>319,369</b>	<b>2.89%</b>	<b>21,012</b>	<b>-93.42%</b>

# MTA Metro-North Rail Road

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	7,708,077	7,592,314	-1.50%	7,392,981	-2.63%
July	7,244,976	7,414,612	2.34%	7,524,118	1.48%
August	7,507,575	7,447,642	-0.80%	7,315,206	-1.78%
September	7,082,441	6,941,823	-1.99%	7,144,447	2.92%
October	7,747,597	7,888,088	1.81%	7,867,724	-0.26%
November	7,267,413	7,218,476	-0.67%	6,946,473	-3.77%
December	7,153,981	7,244,445	1.26%	7,262,961	0.26%
January	6,768,836	6,844,393	1.12%	6,867,074	0.33%
February	6,237,588	6,216,047	-0.35%	6,314,416	1.58%
March	7,139,088	7,079,568	-0.83%	2,882,959	-59.28%
April	7,110,538	7,461,935	4.94%	450,910	-93.96%
<b>May</b>	<b>7,549,186</b>	<b>7,564,517</b>	<b>0.20%</b>	<b>508,635</b>	<b>-93.28%</b>
<b>Year-to-Date</b>	<b>34,805,236</b>	<b>35,166,460</b>	<b>1.04%</b>	<b>17,023,994</b>	<b>-51.59%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	7,212,001	7,200,128	-0.16%	7,226,211	0.36%
July	7,211,998	7,214,264	0.03%	7,235,336	0.29%
August	7,217,274	7,209,270	-0.11%	7,224,300	0.21%
September	7,201,751	7,197,552	-0.06%	7,241,185	0.61%
October	7,227,083	7,209,259	-0.25%	7,239,488	0.42%
November	7,229,745	7,205,181	-0.34%	7,216,821	0.16%
December	7,207,896	7,212,720	0.07%	7,218,364	0.08%
January	7,210,329	7,219,016	0.12%	7,220,254	0.02%
February	7,208,854	7,217,221	0.12%	7,228,452	0.16%
March	7,194,763	7,212,261	0.24%	6,878,734	-4.62%
April	7,202,709	7,241,544	0.54%	6,294,482	-13.08%
<b>May</b>	<b>7,209,775</b>	<b>7,242,822</b>	<b>0.46%</b>	<b>5,706,492</b>	<b>-21.21%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	304,839	306,545	0.56%	304,710	-0.60%
July	294,434	295,276	0.29%	291,128	-1.40%
August	284,615	282,483	-0.75%	281,258	-0.43%
September	294,809	296,476	0.57%	296,246	-0.08%
October	302,657	301,176	-0.49%	298,766	-0.80%
November	302,697	300,641	-0.68%	294,665	-1.99%
December	291,078	293,304	0.76%	286,336	-2.38%
January	274,683	276,218	0.56%	275,130	-0.39%
February	278,737	276,754	-0.71%	273,584	-1.15%
March	280,851	283,972	1.11%	146,084	-48.56%
April	289,923	294,868	1.71%	17,968	-93.91%
<b>May</b>	<b>295,061</b>	<b>294,109</b>	<b>-0.32%</b>	<b>19,749</b>	<b>-93.29%</b>

# MTA Metro-North East-of-Hudson

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	7,563,718	7,449,782	-1.51%	7,251,906	-2.66%
July	7,111,253	7,271,157	2.25%	7,378,992	1.48%
August	7,363,555	7,298,723	-0.88%	7,177,390	-1.66%
September	6,953,276	6,812,970	-2.02%	7,010,975	2.91%
October	7,610,678	7,737,800	1.67%	7,720,112	-0.23%
November	7,134,492	7,083,292	-0.72%	6,817,377	-3.75%
December	7,025,175	7,115,092	1.28%	7,130,980	0.22%
January	6,638,414	6,714,444	1.15%	6,736,774	0.33%
February	6,120,024	6,097,880	-0.36%	6,197,254	1.63%
March	6,997,930	6,941,075	-0.81%	2,783,357	-59.90%
April	6,978,582	7,319,622	4.89%	434,767	-94.06%
<b>May</b>	<b>7,406,943</b>	<b>7,419,623</b>	<b>0.17%</b>	<b>497,247</b>	<b>-93.30%</b>
<b>Year-to-Date</b>	<b>34,141,893</b>	<b>34,492,644</b>	<b>1.03%</b>	<b>16,649,399</b>	<b>-51.73%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	7,074,674	7,065,842	-0.12%	7,088,632	0.32%
July	7,075,828	7,079,167	0.05%	7,097,618	0.26%
August	7,082,044	7,073,765	-0.12%	7,087,507	0.19%
September	7,067,855	7,062,073	-0.08%	7,104,008	0.59%
October	7,091,979	7,072,666	-0.27%	7,102,534	0.42%
November	7,094,513	7,068,399	-0.37%	7,080,374	0.17%
December	7,073,245	7,075,892	0.04%	7,081,698	0.08%
January	7,075,583	7,082,228	0.09%	7,083,559	0.02%
February	7,074,353	7,080,383	0.09%	7,091,840	0.16%
March	7,060,637	7,075,645	0.21%	6,745,364	-4.67%
April	7,068,386	7,104,065	0.50%	6,171,626	-13.13%
<b>May</b>	<b>7,075,337</b>	<b>7,105,122</b>	<b>0.42%</b>	<b>5,594,761</b>	<b>-21.26%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	298,274	299,766	0.50%	297,676	-0.70%
July	287,756	288,441	0.24%	284,517	-1.36%
August	278,338	275,994	-0.84%	274,990	-0.36%
September	288,358	289,713	0.47%	289,580	-0.05%
October	296,430	294,628	-0.61%	292,337	-0.78%
November	296,048	293,879	-0.73%	287,876	-2.04%
December	284,646	286,846	0.77%	280,048	-2.37%
January	268,461	270,017	0.58%	268,914	-0.41%
February	272,565	270,550	-0.74%	267,433	-1.15%
March	274,432	277,384	1.08%	267,556	-48.97%
April	283,647	288,396	1.67%	17,234	-94.02%
<b>May</b>	<b>288,585</b>	<b>287,513</b>	<b>-0.37%</b>	<b>19,180</b>	<b>-93.33%</b>

# MTA Metro-North Harlem Line

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	2,470,479	2,389,946	-3.26%	2,306,822	-3.48%
July	2,288,211	2,304,551	0.71%	2,341,310	1.60%
August	2,373,087	2,313,467	-2.51%	2,259,549	-2.33%
September	2,277,688	2,178,843	-4.34%	2,251,014	3.31%
October	2,493,758	2,499,505	0.23%	2,497,758	-0.07%
November	2,329,438	2,283,471	-1.97%	2,201,824	-3.58%
December	2,295,482	2,280,113	-0.67%	2,290,563	0.46%
January	2,206,702	2,193,301	-0.61%	2,209,020	0.72%
February	2,030,072	1,993,046	-1.82%	2,031,200	1.91%
March	2,306,324	2,269,246	-1.61%	921,624	-59.39%
April	2,272,242	2,377,648	4.64%	162,080	-93.18%
<b>May</b>	<b>2,385,749</b>	<b>2,384,975</b>	<b>-0.03%</b>	<b>173,611</b>	<b>-92.72%</b>
<b>Year-to-Date</b>	<b>11,201,089</b>	<b>11,218,216</b>	<b>0.15%</b>	<b>5,497,535</b>	<b>-50.99%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	2,318,188	2,304,058	-0.61%	2,282,082	-0.95%
July	2,319,093	2,305,420	-0.59%	2,285,146	-0.88%
August	2,321,166	2,300,452	-0.89%	2,280,652	-0.86%
September	2,316,482	2,292,215	-1.05%	2,286,667	-0.24%
October	2,323,996	2,292,693	-1.35%	2,286,521	-0.27%
November	2,324,588	2,288,863	-1.54%	2,279,717	-0.40%
December	2,317,677	2,287,582	-1.30%	2,280,588	-0.31%
January	2,319,150	2,286,465	-1.41%	2,281,898	-0.20%
February	2,318,582	2,283,380	-1.52%	2,285,077	0.07%
March	2,310,860	2,280,290	-1.32%	2,172,776	-4.71%
April	2,312,503	2,289,074	-1.01%	1,988,145	-13.15%
<b>May</b>	<b>2,310,769</b>	<b>2,289,009</b>	<b>-0.94%</b>	<b>1,803,865</b>	<b>-21.19%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	98,262	97,358	-0.92%	96,166	-1.22%
July	93,957	92,748	-1.29%	91,477	-1.37%
August	90,521	88,413	-2.33%	87,791	-0.70%
September	95,366	94,010	-1.42%	94,214	0.22%
October	97,945	96,017	-1.97%	95,502	-0.54%
November	97,707	95,921	-1.83%	94,355	-1.63%
December	94,202	93,368	-0.89%	91,213	-2.31%
January	89,982	89,065	-1.02%	89,107	0.05%
February	91,261	89,304	-2.14%	88,741	-0.63%
March	91,275	91,674	0.44%	46,417	-49.37%
April	93,309	94,550	1.33%	6,469	-93.16%
<b>May</b>	<b>93,972</b>	<b>93,426</b>	<b>-0.58%</b>	<b>6,829</b>	<b>-92.69%</b>



# MTA Metro-North Hudson Line

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	1,500,113	1,502,130	0.13%	1,477,997	-1.61%
July	1,441,958	1,488,856	3.25%	1,532,186	2.91%
August	1,491,491	1,497,490	0.40%	1,503,699	0.41%
September	1,405,569	1,406,474	0.06%	1,459,394	3.76%
October	1,552,398	1,596,154	2.82%	1,618,125	1.38%
November	1,406,098	1,438,493	2.30%	1,385,835	-3.66%
December	1,378,250	1,427,547	3.58%	1,430,933	0.24%
January	1,297,102	1,333,515	2.81%	1,346,677	0.99%
February	1,201,364	1,223,780	1.87%	1,250,484	2.18%
March	1,387,849	1,396,017	0.59%	564,119	-59.59%
April	1,412,473	1,496,643	5.96%	90,669	-93.94%
<b>May</b>	<b>1,505,105</b>	<b>1,520,684</b>	<b>1.04%</b>	<b>108,831</b>	<b>-92.84%</b>
<b>Year-to-Date</b>	<b>6,803,893</b>	<b>6,970,639</b>	<b>2.45%</b>	<b>3,360,780</b>	<b>-51.79%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	1,394,568	1,415,149	1.48%	1,441,971	1.90%
July	1,397,861	1,419,057	1.52%	1,445,582	1.87%
August	1,401,964	1,419,557	1.25%	1,446,099	1.87%
September	1,402,071	1,419,632	1.25%	1,450,509	2.17%
October	1,410,307	1,423,279	0.92%	1,452,340	2.04%
November	1,411,262	1,425,978	1.04%	1,447,952	1.54%
December	1,408,124	1,430,086	1.56%	1,448,234	1.27%
January	1,408,989	1,433,121	1.71%	1,449,331	1.13%
February	1,408,563	1,434,989	1.88%	1,451,556	1.15%
March	1,407,881	1,435,670	1.97%	1,382,231	-3.72%
April	1,411,210	1,442,684	2.23%	1,265,067	-12.31%
<b>May</b>	<b>1,414,981</b>	<b>1,443,982</b>	<b>2.05%</b>	<b>1,147,412</b>	<b>-20.54%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	58,857	60,030	1.99%	60,208	0.30%
July	57,741	58,534	1.37%	58,597	0.11%
August	56,083	56,351	0.48%	57,157	1.43%
September	57,773	59,169	2.42%	59,743	0.97%
October	59,944	60,349	0.68%	60,759	0.68%
November	58,142	59,367	2.11%	58,187	-1.99%
December	55,793	57,447	2.96%	56,118	-2.31%
January	52,360	53,603	2.37%	53,669	0.12%
February	53,458	54,239	1.46%	53,841	-0.73%
March	54,318	55,656	2.46%	28,717	-48.40%
April	57,126	58,707	2.77%	3,578	-93.90%
<b>May</b>	<b>58,284</b>	<b>58,598</b>	<b>0.54%</b>	<b>4,113</b>	<b>-92.98%</b>

# MTA Metro-North New Haven Line

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	3,593,126	3,557,706	-0.99%	3,467,087	-2.55%
July	3,381,084	3,477,750	2.86%	3,505,496	0.80%
August	3,498,977	3,487,766	-0.32%	3,414,142	-2.11%
September	3,270,019	3,227,653	-1.30%	3,300,567	2.26%
October	3,564,522	3,642,141	2.18%	3,604,229	-1.04%
November	3,398,956	3,361,328	-1.11%	3,229,718	-3.92%
December	3,351,443	3,407,432	1.67%	3,409,484	0.06%
January	3,134,610	3,187,628	1.69%	3,181,077	-0.21%
February	2,888,588	2,881,054	-0.26%	2,915,570	1.20%
March	3,303,757	3,275,812	-0.85%	1,297,614	-60.39%
April	3,293,867	3,445,331	4.60%	182,018	-94.72%
<b>May</b>	<b>3,516,089</b>	<b>3,513,964</b>	<b>-0.06%</b>	<b>214,805</b>	<b>-93.89%</b>
<b>Year-to-Date</b>	<b>16,136,911</b>	<b>16,303,789</b>	<b>1.03%</b>	<b>7,791,084</b>	<b>-52.21%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	3,361,917	3,346,635	-0.45%	3,364,579	0.54%
July	3,358,874	3,354,690	-0.12%	3,366,891	0.36%
August	3,358,915	3,353,756	-0.15%	3,360,756	0.21%
September	3,349,301	3,350,226	0.03%	3,366,832	0.50%
October	3,357,677	3,356,694	-0.03%	3,363,673	0.21%
November	3,358,663	3,353,558	-0.15%	3,352,705	-0.03%
December	3,347,444	3,358,224	0.32%	3,352,876	-0.16%
January	3,347,444	3,362,642	0.45%	3,352,330	-0.31%
February	3,347,207	3,362,014	0.44%	3,355,206	-0.20%
March	3,341,896	3,359,686	0.53%	3,190,357	-5.04%
April	3,344,673	3,372,308	0.83%	2,918,414	-13.46%
<b>May</b>	<b>3,349,587</b>	<b>3,372,130</b>	<b>0.67%</b>	<b>2,643,484</b>	<b>-21.61%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	141,155	142,379	0.87%	141,302	-0.76%
July	136,059	137,159	0.81%	134,443	-1.98%
August	131,734	131,230	-0.38%	130,041	-0.91%
September	135,219	136,534	0.97%	135,623	-0.67%
October	138,540	138,262	-0.20%	136,076	-1.58%
November	140,199	138,592	-1.15%	135,334	-2.35%
December	134,652	136,032	1.02%	132,717	-2.44%
January	126,119	127,349	0.98%	126,138	-0.95%
February	127,846	127,007	-0.66%	124,851	-1.70%
March	128,839	130,054	0.94%	66,422	-48.93%
April	133,213	135,139	1.45%	7,187	-94.68%
<b>May</b>	<b>136,329</b>	<b>135,489</b>	<b>-0.62%</b>	<b>8,239</b>	<b>-93.92%</b>

# MTA Metro-North West-of-Hudson

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	144,359	142,532	-1.27%	141,075	-1.02%
July	133,723	143,455	7.28%	145,126	1.16%
August	144,020	148,919	3.40%	137,816	-7.46%
September	129,165	128,853	-0.24%	133,472	3.58%
October	136,919	150,288	9.76%	147,612	-1.78%
November	132,921	135,184	1.70%	129,096	-4.50%
December	128,806	129,353	0.42%	131,981	2.03%
January	130,422	129,949	-0.36%	130,300	0.27%
February	117,564	118,167	0.51%	117,162	-0.85%
March	141,158	138,493	-1.89%	99,602	-28.08%
April	131,956	142,313	7.85%	16,143	-88.66%
<b>May</b>	<b>142,243</b>	<b>144,894</b>	<b>1.86%</b>	<b>11,388</b>	<b>-92.14%</b>
<b>Year-to-Date</b>	<b>663,343</b>	<b>673,816</b>	<b>1.58%</b>	<b>374,595</b>	<b>-44.41%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	137,327	134,286	-2.21%	137,579	2.45%
July	136,170	135,097	-0.79%	137,718	1.94%
August	135,230	135,505	0.20%	136,793	0.95%
September	133,896	135,479	1.18%	137,178	1.25%
October	135,104	136,593	1.10%	136,955	0.26%
November	135,233	136,782	1.15%	136,447	-0.24%
December	134,652	136,827	1.62%	136,666	-0.12%
January	134,746	136,788	1.52%	136,695	-0.07%
February	134,502	136,838	1.74%	136,612	-0.17%
March	134,126	136,616	1.86%	133,371	-2.38%
April	134,323	137,479	2.35%	122,857	-10.64%
<b>May</b>	<b>134,438</b>	<b>137,700</b>	<b>2.43%</b>	<b>111,731</b>	<b>-18.86%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	6,565	6,779	3.26%	7,034	3.76%
July	6,678	6,835	2.35%	6,611	-3.28%
August	6,277	6,489	3.38%	6,268	-3.41%
September	6,451	6,763	4.84%	6,666	-1.43%
October	6,227	6,548	5.15%	6,429	-1.82%
November	6,649	6,762	1.70%	6,789	0.40%
December	6,432	6,458	0.40%	6,288	-2.63%
January	6,222	6,201	-0.34%	6,216	0.24%
February	6,172	6,204	0.52%	6,151	-0.85%
March	6,419	6,588	2.63%	4,529	-31.26%
April	6,276	6,472	3.12%	734	-88.66%
<b>May</b>	<b>6,476</b>	<b>6,596</b>	<b>1.85%</b>	<b>569</b>	<b>-91.38%</b>

# MTA Metro-North Port Jervis Line

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	85,413	81,196	-4.94%	82,228	1.27%
July	80,558	84,014	4.29%	88,994	5.93%
August	86,210	87,725	1.76%	86,334	-1.59%
September	78,687	75,815	-3.65%	79,121	4.36%
October	85,570	88,977	3.98%	86,807	-2.44%
November	78,105	79,372	1.62%	74,909	-5.62%
December	75,712	76,092	0.50%	76,628	0.70%
January	75,689	75,588	-0.13%	75,406	-0.24%
February	68,119	68,805	1.01%	68,166	-0.93%
March	79,180	77,829	-1.71%	58,741	-24.53%
April	75,632	83,305	10.15%	9,689	-88.37%
<b>May</b>	<b>82,221</b>	<b>85,297</b>	<b>3.74%</b>	<b>7,326</b>	<b>-91.41%</b>
<b>Year-to-Date</b>	<b>380,841</b>	<b>390,824</b>	<b>2.62%</b>	<b>219,328</b>	<b>-43.88%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	82,215	78,907	-4.02%	80,421	1.92%
July	81,608	79,195	-2.96%	80,836	2.07%
August	81,089	79,321	-2.18%	80,720	1.76%
September	80,354	79,082	-1.58%	80,995	2.42%
October	81,105	79,365	-2.15%	80,814	1.83%
November	80,969	79,471	-1.85%	80,442	1.22%
December	80,472	79,503	-1.20%	80,487	1.24%
January	80,371	79,494	-1.09%	80,472	1.23%
February	80,103	79,551	-0.69%	80,419	1.09%
March	79,576	79,439	-0.17%	78,828	-0.77%
April	79,445	80,078	0.80%	72,693	-9.22%
<b>May</b>	<b>79,258</b>	<b>80,335</b>	<b>1.36%</b>	<b>66,196</b>	<b>-17.60%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	3,885	3,861	-0.62%	4,098	6.14%
July	4,022	4,003	-0.47%	4,055	1.30%
August	3,758	3,824	1.76%	3,927	2.69%
September	3,929	3,977	1.22%	3,951	-0.65%
October	3,892	3,878	-0.36%	3,782	-2.48%
November	3,907	3,971	1.64%	3,939	-0.81%
December	3,780	3,798	0.48%	3,651	-3.87%
January	3,613	3,608	-0.14%	3,598	-0.26%
February	3,574	3,611	1.04%	3,577	-0.94%
March	3,601	3,701	2.78%	2,671	-27.84%
April	3,596	3,789	5.37%	441	-88.37%
<b>May</b>	<b>3,744</b>	<b>3,884</b>	<b>3.74%</b>	<b>366</b>	<b>-90.58%</b>

# MTA Metro-North Pascack Valley Line

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	58,946	61,336	4.05%	58,847	-4.06%
July	53,165	59,441	11.80%	56,132	-5.57%
August	57,810	61,194	5.85%	51,482	-15.87%
September	50,478	53,038	5.07%	54,351	2.48%
October	51,349	61,311	19.40%	60,805	-0.83%
November	54,816	55,812	1.82%	54,187	-2.91%
December	53,094	53,261	0.31%	55,353	3.93%
January	54,733	54,361	-0.68%	54,894	0.98%
February	49,445	49,362	-0.17%	48,996	-0.74%
March	61,978	60,664	-2.12%	40,861	-32.64%
April	56,324	59,008	4.77%	6,454	-89.06%
<b>May</b>	<b>60,022</b>	<b>59,597</b>	<b>-0.71%</b>	<b>4,062</b>	<b>-93.18%</b>
<b>Year-to-Date</b>	<b>282,502</b>	<b>282,992</b>	<b>0.17%</b>	<b>155,267</b>	<b>-45.13%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	55,112	55,379	0.48%	57,158	3.21%
July	54,562	55,902	2.46%	56,882	1.75%
August	54,141	56,184	3.77%	56,073	-0.20%
September	53,542	56,398	5.33%	56,182	-0.38%
October	53,999	57,228	5.98%	56,140	-1.90%
November	54,263	57,311	5.62%	56,005	-2.28%
December	54,179	57,325	5.81%	56,179	-2.00%
January	54,375	57,294	5.37%	56,224	-1.87%
February	54,399	57,287	5.31%	56,193	-1.91%
March	54,550	57,177	4.82%	54,543	-4.61%
April	54,878	57,401	4.60%	50,163	-12.61%
<b>May</b>	<b>55,180</b>	<b>57,365</b>	<b>3.96%</b>	<b>45,535</b>	<b>-20.62%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	2,680	2,918	8.88%	2,936	0.62%
July	2,656	2,832	6.63%	2,556	-9.75%
August	2,519	2,665	5.80%	2,341	-12.16%
September	2,522	2,786	10.47%	2,715	-2.55%
October	2,335	2,670	14.35%	2,647	-0.86%
November	2,742	2,791	1.79%	2,850	2.11%
December	2,652	2,660	0.30%	2,637	-0.86%
January	2,609	2,593	-0.61%	2,617	0.93%
February	2,598	2,593	-0.19%	2,574	-0.72%
March	2,818	2,887	2.45%	1,858	-35.65%
April	2,680	2,683	0.11%	293	-89.07%
<b>May</b>	<b>2,732</b>	<b>2,712</b>	<b>-0.73%</b>	<b>203</b>	<b>-92.52%</b>

# MTA Bridges & Tunnels

Revenue Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	27,133,265	28,546,822	5.21%	28,792,254	0.86%
July	27,530,620	28,561,622	3.74%	28,857,383	1.04%
August	28,271,494	29,280,095	3.57%	29,442,733	0.56%
September	26,559,138	27,175,132	2.32%	27,785,633	2.25%
October	27,068,258	28,301,034	4.55%	28,109,963	-0.68%
November	25,955,869	26,584,637	2.42%	26,913,543	1.24%
December	25,737,055	26,946,779	4.70%	26,955,736	0.03%
January	23,731,837	25,004,686	5.36%	25,368,494	1.45%
February	22,742,698	23,532,562	3.47%	24,540,667	4.28%
March	25,672,596	27,332,093	6.46%	18,934,838	-30.72%
April	26,519,055	27,419,476	3.40%	9,730,391	-64.51%
<b>May</b>	<b>28,226,943</b>	<b>29,249,471</b>	<b>3.62%</b>	<b>14,953,990</b>	<b>-48.87%</b>
<b>Year-to-Date</b>	<b>126,893,129</b>	<b>132,538,288</b>	<b>4.45%</b>	<b>93,528,380</b>	<b>-29.43%</b>

12 Month Averages	2017-2018	2018-2019	% Change	2019-2020	% Change
June	25,520,339	26,380,199	3.37%	27,348,320	3.67%
July	25,541,238	26,466,116	3.62%	27,372,967	3.43%
August	25,595,492	26,550,166	3.73%	27,386,520	3.15%
September	25,638,482	26,601,499	3.76%	27,437,395	3.14%
October	25,725,634	26,704,230	3.80%	27,421,473	2.69%
November	25,794,452	26,756,627	3.73%	27,448,881	2.59%
December	25,833,110	26,857,438	3.97%	27,449,628	2.20%
January	25,856,375	26,963,508	4.28%	27,479,945	1.92%
February	25,949,869	27,029,330	4.16%	27,563,954	1.98%
March	26,039,618	27,167,622	4.33%	26,864,183	-1.12%
April	26,136,636	27,242,657	4.23%	25,390,092	-6.80%
<b>May</b>	<b>26,262,402</b>	<b>27,327,867</b>	<b>4.06%</b>	<b>24,198,802</b>	<b>-11.45%</b>

Average Weekday Passengers	2017-2018	2018-2019	% Change	2019-2020	% Change
June	922,040	966,001	4.77%	968,921	0.30%
July	911,478	942,183	3.37%	947,365	0.55%
August	921,318	959,355	4.13%	957,941	-0.15%
September	911,981	926,287	1.57%	943,165	1.82%
October	895,418	930,095	3.87%	923,527	-0.71%
November	894,676	908,936	1.59%	925,033	1.77%
December	888,990	913,378	2.74%	897,981	-1.69%
January	798,165	855,261	7.15%	862,855	0.89%
February	860,306	870,031	1.13%	879,793	1.12%
March	833,828	907,709	8.86%	652,651	-28.10%
April	900,145	926,113	2.88%	356,124	-61.55%
<b>May</b>	<b>945,637</b>	<b>966,452</b>	<b>2.20%</b>	<b>514,300</b>	<b>-46.78%</b>

# Fuel Hedge Program

# Current ULSD Hedges

Date	Gallons Hedged	Percent of Expected Gallons Purchased	Weighted Average Hedge Price for Each Month	2019 Adopted Budget (February Plan) Forecasted Commodity Price	2020 Adopted Budget (February Plan) Forecasted Commodity Price
July-20	2,986,096	48	2.02	2.19	1.84
August-20	3,090,973	51	1.99	2.19	1.84
September-20	2,889,700	51	1.95	2.19	1.84
October-20	3,006,631	53	1.92	2.19	1.84
November-20	2,718,540	51	1.91	2.19	1.84
December-20	2,620,591	53	1.92	2.19	1.84
January-21	2,662,196	50	1.90	2.12	1.82
February-21	2,703,685	50	1.87	2.12	1.82
March-21	2,851,182	50	1.81	2.12	1.82
April-21	2,763,744	50	1.74	2.12	1.82
May-21	2,995,075	50	1.68	2.12	1.82
June-21	2,852,867	50	1.64	2.12	1.82
July-21	2,879,669	46	1.61	2.12	1.82
August-21	2,508,096	42	1.60	2.12	1.82
September-21	2,140,630	37	1.57	2.12	1.82
October-21	1,902,805	33	1.54	2.12	1.82
November-21	1,551,232	29	1.49	2.12	1.82
December-21	1,239,445	25	1.42	2.12	1.82
January-22	1,113,331	21	1.37	2.09	1.81
February-22	901,084	17	1.29	2.09	1.81
March-22	712,624	12	1.27	2.09	1.81
April-22	460,439	8	1.32	2.09	1.81
May-22	249,369	4	1.37	2.09	1.81



# Annual Impact as of July 2, 2020

	<u>(\$ in millions)</u>		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b><u>Ultra Low Sulfur Diesel</u></b>			
Current Prices vs. 2020 Adopted Budget	\$35.970	\$33.662	\$26.883
Impact of Hedge	<u>(27.910)</u>	<u>(11.539)</u>	<u>0.240</u>
<b>Net Impact: Fav/(Unfav)</b>	\$8.059	\$22.122	\$27.123
<b><u>Compressed Natural Gas</u></b>			
Current Prices vs. 2020 Adopted Budget	(\$7.233)	(\$27.589)	(\$22.706)
Impact of Hedge	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
<b>Net Impact: Fav/(Unfav)</b>	(\$7.233)	(\$27.589)	(\$22.706)
<b><u>Summary</u></b>			
Current Prices vs. 2020 Adopted Budget	\$28.737	\$6.073	\$4.177
Impact of Hedge	<u>(27.910)</u>	<u>(11.539)</u>	<u>0.240</u>
<b>Net Impact: Fav/(Unfav)</b>	\$0.826	(\$5.467)	\$4.417

**JULY 2020**  
**MTA REAL ESTATE**  
**FINANCE COMMITTEE AGENDA ITEMS**

**1. ACTION ITEMS**

**METROPOLITAN TRANSPORTION AUTHORITY**

- a. Modification of existing board policies governing the licensing of MTA agency properties to permit renewal of agreements under specified conditions
- b. Modification of existing board policies governing the licensing the MTA agency property to permit broad direct marketing for vacant retail space
- c. Eminent domain resolution for the acquisition of property interests for phase 2 of the Second Avenue Subway
- d. Modification to existing board policy governing the licensing of retail space in Grand Central Terminal

**MTA NEW YORK CITY TRANSIT**

- e. Acquisition of easements at NYC Parks' Grand Canal court playground in lower Manhattan to facilitate the construction of a substation in support of the communications based train control program

**MTA LONG ISLAND RAIL ROAD**

- f. Permanent and temporary easements with Vorea Borden LLC and Glen Garden Corporation to facilitate improvement to the Long Island City Yard flood mitigation
- g. Revised lease amendment and extension agreement with Vornado Realty for the back of house office space in One Penn Plaza
- h. Letter agreement and master lease amendment with Vornado Realty to facilitate concourse improvements at Pennsylvania Station

**2. INFORMATION ITEMS**

- a. Annual report on retail development at Grand Central Terminal

- b. Roof antenna license in Yonkers, NY
- c. Agreements for MTAPD radio project

<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&amp;T</u>
<u>MTA Construction and Development Company</u>	<u>MTA Construction and Development</u>	<u>MTA C&amp;D</u>
<u>MTA Bus Company</u>	<u>MTA Bus Company</u>	<u>MTA Bus</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).*

# **METROPOLITAN TRANSPORTATION AUTHORITY**

# Staff Summary

<b>Subject</b> <b>AMENDMENT OF NEGOTIATED LICENSE POLICY FOR EXISTING TENANTS</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>ARTURO ESPINOZA</b>

<b>Date</b> <b>JULY 22, 2020</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/20	X		
2	Board	7/22/20	X		

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

**AGENCY:** All Agencies

**PURPOSE:** Amendment of Existing Policy Governing Licensing of Agency Properties

**ACTION REQUESTED:** Approval of an amended policy to (i) renew expiring licenses for existing licensees and (ii) to enter into new license agreements with tenants whose leases are expiring

**COMMENTS:**

The MTA Real Estate Department Policies and Procedures for the Licensing of Real Property, adopted by the MTA Board in 1995, and amended in 2011, includes a policy that authorizes MTA Real Estate to award a new license agreement for up to a ten-year term to an existing tenant in good standing for the space it currently occupies pursuant to a prior public offering (or, in appropriate circumstances, a similar replacement space), without Board approval. This is conditioned upon the total compensation to be paid by the licensee being fair and reasonable and in line with comparable market rents, whose thresholds are commemorated in the policy. Under MTA Real Estate’s licensing policies, a license must be terminable by the MTA upon not more than 60 days’ notice without compensation by the MTA including repayment of any unamortized tenant improvement costs.

That policy, when first adopted in 1995, was based on a consultant’s advice that renewing existing tenants without a request for proposals would increase revenue to the MTA, maintain existing passenger amenities, and would free staff time to market other spaces.

The goal of this revision is to enable the MTA Real Estate to move quickly to renew tenants in good standing, at rent thresholds higher than allowed under existing policy. In addition, the policy would now be limited to licenses, as leases are dispositions of property which are specifically prescribed under the Public Authorities Law. MTA Real Estate intends to deploy this revised policy to: (i) keep existing tenants in place by negotiating license renewals, or alternatively, negotiate and convert expiring leases into new licenses; (ii) avoid further losses of retail revenue through terminations; and (iii) continue uninterrupted valuable customer amenities. The existing policy, however, sets an annual rental cap of \$30,000 for such renewal licenses, which, if adjusted by CPI to the current year, would only be \$37,000.00 annually. These values are restrictive to quickly renewing leases [and do not represent current market rent valuations].

To insure maximum flexibility, now and after COVID-19, MTA Real Estate looked at pre-COVID annual rentals at the high ridership stations for guidance (e.g. Times Square, Jay St - Metrotech) and recommends that the annual threshold be increased to \$500,000.00.

# Staff Summary

## FINANCE COMMITTEE MEETING AMENDMENT TO NEGOTIATED LICENSE POLICY (Cont'd.)

MTA Real Estate recommends adoption of this amendment of its existing policy within the MTA Real Estate Department's Policies and Procedures for Licensing Property as it relates to existing tenants.

# Staff Summary

<b>Subject</b> <b>MODIFICATION TO POLICIES AND PROCEDURES FOR THE LICENSING OF REAL PROPERTY FOR VACANT SPACES</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JOHN N. LIEBER</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>ARTURO ESPINOZA</b>

<b>Date</b> <b>JULY 22, 2020</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/20	X		
2	Board	7/22/20	X		

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

**AGENCY:** All Agencies

**PURPOSE:** To obtain MTA Board approval for a temporary modification to Real Estate Policies and Procedures for the Licensing of Real Property, as adopted November 29, 2011.

**EXPIRATION:** The modification will expire August 1, 2022.

**COMMENTS:**

The reduction of the MTA's ridership as a result of the COVID-19 pandemic has had a direct impact on retail tenants within the MTA portfolio that depend on consistent subway and commuter rail ridership to generate sales revenue. Many of the tenants in the NYCT portfolio, in particular those who were already at or near the end of their tenancies have already surrendered their spaces due to the continued uncertainty about future ridership and the retail economy in general. For NYCT the number of customer amenities has decreased from 144 primary retail locations to 117. This is in addition to the over 90 vacancies MTA Real Estate has been addressing through RFP issuance and license negotiation.

The goal of the proposed policy amendment is to address the increased vacancies in our retail portfolio and restore customer amenities and non-farebox revenue. Although New York State is slowly re-opening and ridership is expected to increase, it is contemplated that the severe disruption of the MTA's retail operations will take a long time to overcome. The MTA needs to confront the challenge of attracting new tenants under uncertain conditions.

MTA Real Estate's existing policies and procedures for awarding licenses for retail spaces were designed for conventional market conditions. Under the current, extraordinary conditions, it is believed that they will hamper a speedy retail re-occupancy plan. Offering retail license agreements through competitive requests for proposals is time-consuming. MTA Real Estate believes that directly marketing and negotiating new licenses will speed re-occupation of vacant spaces.

MTA Real Estate's Board-approved licensing policies and procedures already recognize and allow for certain defined "Circumstances" where it is appropriate to award a license without competition where a request for proposals likely would not generate enough competition or revenue to justify the time and effort, though the Board's approval is required. Those Circumstances include (1) where an earlier request for proposals was unsuccessful; (2) the market value rental is below \$5,000 a year; (3) the property is located such that only a single adjacent owner can make use of the property; (4) the property is to be licensed to municipalities for municipal purposes, or to nonprofits for beautification purposes; or (5) the license is a fiber optic or other pole, pipe or wire agreement where occupancy will be non-exclusive.

It is proposed that the Board adopt an additional, temporary Circumstance #6 to allow the award of license agreements by negotiation and without a formal public offering for vacant retail spaces. The spaces eligible would not exceed 500

# Staff Summary

## FINANCE COMMITTEE MEETING MODIFICATION TO POLICIES AND PROCEDURES (Cont'd.)

square feet in size, thereby limiting MTA Real Estate's latitude to smaller, travel/convenience retail in our operating environment and smaller licensed spaces in Grand Central Terminal. It is further recommended that this temporary modification expire on August 1, 2022 (the "Temporary Modification Outside Date") and apply to (a) existing vacant spaces, (b) spaces in which an existing licensee or lessee has already given notice to terminate, or any licensee or lessee that gives notice to terminate between now and Temporary Modification Outside Date.

Temporarily suspending the request for proposal requirement will save substantial time in marketing and consummating new occupancies. MTA Real Estate will still publicly advertise the inventory of vacant retail spaces on the MTA website, keep inquiries in a database, and direct its outside broker to help market the spaces. As currently practiced, MTA Real Estate will employ a governance rigor including performing due diligence, such as credit and background investigations, on all licensees, and selection of the most financially responsible proposers.

Under this proposed temporary modification, the new license term (or extension, as applicable) will not exceed ten years, including any option term (e.g., one 5-year new initial term and one 5-year option term). As with our standard license agreements, those awarded will be terminable by the MTA upon not more than 60 days' notice without compensation paid by the MTA including repayment of any unamortized tenant improvements. Offering a term agreement incentivizes the licensee to invest in improvements to the space thereby rendering the space more marketable in the long-term and providing a superior amenity to the public.

The compensation structure in the agreements may include fixed base rent or a percentage rent derived from the licensee's gross sales, or a combination of the two. An independent valuation will be obtained to assist in determining the rent in the option term for agreements with fixed rent structures. For agreements with percentage rent structures, the rent collected as a percent of gross sales during the initial term will form the basis of a fixed, Minimum Annual Guarantee ("MAG") rent for the option term. MTA Real Estate will ensure that a consistent methodology is applied in these valuations.

The terms of the negotiated transaction will be presented to the MTA Board for approval, if required.

Based on the foregoing, MTA Real Estate recommends adoption of the modification to the MTA Real Estate Policies and Procedures for the Licensing of Real Property on the terms and conditions set forth above.



# Staff Summary

<b>Subject</b> <b>ACQUISITION OF PROPERTY INTERESTS FOR PHASE 2 OF THE SECOND AVENUE SUBWAY PROJECT</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JOHN N. LIEBER</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>HELENE CINQUE/ ROBAIR REICHENSTEIN</b>

<b>Date</b> <b>JULY 22, 2020</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/20	X		
2	Board	7/22/20	X		

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

**AGENCY:** Metropolitan Transportation Authority (“MTA”) and MTA New York City Transit (“NYCT”)  
**SELLER:** Various sellers, see attached schedule  
**LOCATION:** Various locations, see attached schedule  
**ACTIVITY:** Acquisition of property interests through negotiated agreement or eminent domain  
**ACTION REQUESTED:** Authorization to acquire various property interests through negotiated agreement or eminent domain  
**SPACE:** Various spaces  
**COMPENSATION:** Various, all to be determined

**COMMENTS:**

In connection with the construction of NYCT’s Second Avenue Subway Project (“SAS”), a number of permanent and temporary acquisitions will be required, for both entrances and for ancillary facilities. These acquisitions will be required in and around the station areas along the entire length of the alignment.

The properties listed on the attachment to this staff summary include certain of the properties that are currently targeted for some type of acquisition for Phase 2 of the project, the portion running approximately from 96<sup>th</sup> Street and 2<sup>nd</sup> Avenue northwards to 125<sup>th</sup> Street, then westwards along 125<sup>th</sup> Street to just past Lenox Avenue.

MTA will endeavor to acquire all property interests for the project through negotiated agreements. But for a project of this magnitude, MTA may not be able to reach agreements with all property owners and will be compelled to acquire some property interests by eminent domain. Thus, Board approval is being sought for MTA to begin taking steps, to satisfy the requirements of Eminent Domain Procedure Law in order to preserve MTA’s rights and lessen the potential for future delays to the project 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 agreement will be presented to the Finance Committee and MTA Board for further approval.

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

## **BOARD RESOLUTION**

WHEREAS, the MTA is undertaking the construction of the second phase of the MTA New York City Transit Second Avenue Subway Project ("SAS");

WHEREAS, in connection with SAS, a number of permanent and temporary acquisitions of real property interest will be required set forth on the attachment to this Resolution, for both entrances and for ancillary facilities, in and around the station areas along the entire length of the alignment;

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

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 Authority is authorized to proceed with the acquisition of fee 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.

See attachment for list of properties.

This resolution shall take effect immediately upon its adoption.

# Staff Summary

## FINANCE COMMITTEE MEETING ACQUISITION OF PROPERTY INTERESTS FOR PHASE 2 OF THE SECOND AVENUE SUBWAY PROJECT (Cont'd.)

### Acquisition of Various Property Interests in Support of the MTA New York City Transit's Second Avenue Subway Project by Negotiated Purchase or Condemnation

<b>Block</b>	<b>Lot(s)</b>	<b>Type of Interest</b>	<b>Property Address</b>	<b>Reputed Owner</b>
1909	44	Permanent Full Taking	120 West 125 <sup>th</sup> Street, NY, NY	M.K.K. Properties, Inc. c/o Alvin & Rosa Hudgins
1773	1 67	Permanent Full Taking	1801-1805 Park Avenue, NY, NY 100-110 East 125 <sup>th</sup> Street, NY, NY/ 101-109 East 124 <sup>th</sup> Street, NY, NY	1801 Park Avenue Acquisition LLC 1801 Park Avenue Acquisition LLC
	69		1815 Park Avenue, NY, NY	1815 Park Avenue Acquisition LLC c/o The Durst Organization
1773	Part of Lot 20	Permanent Full Taking	142-168 East 125 <sup>th</sup> St/ 2051-2061 Lexington Avenue, NY, NY	160 East 125 <sup>th</sup> Owner LLC
	Part of Lot 27	Permanent Full Taking	149-167 East 124 <sup>th</sup> Street, NY, NY	160 East 125 <sup>th</sup> Owner LLC c/o Extell Development
1773	Part of Lot 27	Permanent Partial Taking & Permanent Subsurface Easement	149-167 East 124 <sup>th</sup> Street, NY, NY	160 East 125 <sup>th</sup> Owner LLC c/o Extell Development
1784	23	Permanent Full Taking	2327 Second Avenue, NY, NY	F. & D. 2327Ave., LLC
1784	122	Permanent Full Taking	2325 Second Avenue, NY, NY	Lucky Machine Wash Corp
1784	24	Permanent Full Taking	2329 Second Avenue, NY, NY	Il Macedonian Pentecostal Church
1784	25	Permanent Full Taking	2331 Second Avenue, NY, NY	Pecora Group Development LLC c/o Frank Pecora
1784	26	Permanent Full Taking	2333 Second Avenue, NY, NY	Pecora Group Development LLC c/o Frank Pecora
1784	27	Permanent Full Taking	2335 Second Avenue, NY, NY	Pecora Group Development LLC c/o Frank Pecora
1784	28	Permanent Full Taking	2337 Second Avenue, NY, NY	Pecora Group Development LLC c/o Frank Pecora
1784	120	Permanent Full Taking	N/A East 119 <sup>th</sup> Street, NY, NY	Il Macedonian Pentecostal Church
1784	128	Permanent Full Taking	246 East 120 <sup>th</sup> Street, NY, NY	Pecora Group Development LLC c/o Frank Pecora

# Staff Summary

<b>Subject</b> <b>GRAND CENTRAL TERMINAL RETAIL LICENSING PROGRAM MODIFICATION</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JOHN N. LIEBER</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>DAVID FLORIO</b>

<b>Date</b> <b>JULY 22, 2020</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/20	X		
2	Board	7/22/20	X		

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

AGENCY: Metropolitan Transportation Authority (“MTA”) and MTA Metro-North Railroad (“Metro-North”)

PURPOSE: To obtain MTA Board approval for a modification to Real Estate Policies and Procedures for the Licensing of Real Property, as adopted on April 27, 2009

EXPIRATION: The modification will expire August 1, 2022

**COMMENTS:**

By staff summary dated April 27, 2009, the MTA Board approved the attached policy and accompanying resolution, authorizing MTA Real Estate to enter into short term license agreements in Grand Central Terminal for up to two years. The policy was created to address retail vacancies that were occurring in the Terminal before Requests for Proposals (RFPs) were awarded and a new tenant would take possession. The policy sought to keep retail space occupied and maintain customer amenities in order to continue to generate revenue.

With the advent of COVID-19, the overall retail market has suffered and many of our tenants, and proposed tenants with whom we were negotiating, are wavering on remaining in the Terminal as their leases and licenses expire.

MTA Real Estate recognizes these current, retail market challenges and the significant impact it has on businesses, especially the retail tenants at Grand Central Terminal. In an effort to avoid vacant or “dark” spaces during a time when responses to RFPs are unknown, MTA Real Estate requests the following:

1. Modification of the existing policy to increase the maximum term of new short-term license agreements in Grand Central Terminal to three (3) years (including authorization to enter into new short-term license agreements with existing lessees occupying space under expiring leases for up to three (3) years); and
2. Authorization to extend existing, short term, license agreements in Grand Central Terminal for up to an additional three (3) years.

MTA Real Estate seeks authorization to amend the current Grand Central Terminal Retail Licensing Program on the terms and conditions stated above.

# Memorandum



## Metropolitan Transportation Authority

State of New York

**Date** April 27, 2009

**To** Members of the Capital Construction, Planning and Real Estate Committee

**From** Roco Krsulic

**Re** **Proposed Policy for Short Term Retail License Agreements for Grand Central Terminal**

A number of existing lease agreements at Grand Central Terminal, which were initially entered into in 1998-2000, are now expiring, and as Real Estate Department previously advised the Committee and Board, the Department is engaged in an aggressive releasing effort. Recently Real Estate Department has encountered circumstances where the newly designated lessees who were selected pursuant to a Request for Proposal process opted to withdraw from further consideration once they have been recommended for award, other lessees chose to vacate their leased locations once their existing lease terms expired rather than await an opportunity to participate in a public solicitation process, and others chose to vacate their leased locations immediately upon learning that they were not being considered for an award of a new lease, and all of the above often results in a dark storefront and a loss of rental revenue to the MTA Metro North.

In an effort to keep retail spaces occupied, continue to generate revenue for the MTA Metro North, and provide passenger amenities in Grand Central Terminal that our commuters and local residents have become accustomed to, the Real Estate Department proposes to institute a policy enabling it to enter into short term License Agreements in certain circumstances as noted above with retail tenants at the Terminal. These License Agreements will be no longer than two (2) years in duration, and will be cancellable by the MTA on short term notice, generally thirty (30) or sixty (60) days. It is anticipated that Licensees will not be required to perform major improvement work within the space. Selection criteria for Licensees will mirror, as closely as possible, those used in the Request for Proposal process. Efforts will be made to solicit, or identify, three (3) or more potential past or current occupants in good standing in Grand Central Terminal or other MTA location for each space where this policy may be applicable. Real Estate will consider the following criteria in evaluating prospective Licensees:

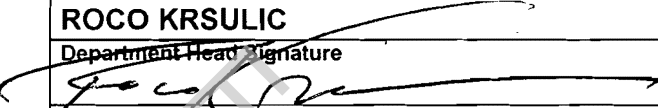
- \* Proposed Compensation
- \* Record as a prior MTA Agency Tenant
- \* Proposed Concept and Use (and the compatibility of the use within the overall tenant mix at GCT)
- \* Business Experience
- \* Financial Qualifications

The Real Estate Department is requesting authorization to negotiate and enter into short term License Agreements with retail tenants in certain circumstances at Grand Central Terminal as described hereinabove without prior approval from the Committee and Board.

Any License Agreement entered into pursuant to this policy will be reported to the Committee the following month as an Information Item, identifying the Licensee, use and compensation paid.

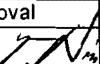


For Reference Purpose Only

# Staff Summary

Subject <b>GCT RETAIL LICENSING POLICY</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>ROCO KRSULIC</b>
Department Head Signature 
Project Manager Name <b>NANCY MARSHALL</b>

Date <b>APRIL 27, 2009</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CCIP/RE Committee	4/27/09	X		
2	Board	4/29/09	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director.	2	Civil Rights 
	Chief of Staff	1	Legal 
	Director of B&FM		
3	Dep Exec Dir of Admin 		

BE IT RESOLVED that the Board hereby authorizes the MTA Director of Real Estate to negotiate and enter into License Agreements on behalf of the MTA Metro-North Railroad for the purpose of retaining retail revenues and high occupancy levels, while providing passenger amenities in Grand Central Terminal.

Each License Agreement shall:

- be in a form approved by the MTA Legal Department
- have no significant impact on operations
- provide appropriate indemnification and insurance protections
- provide for fair compensation to the MTA Metro North
- provide for no longer than 2 year duration, cancellable on short term notice by Licensor

This resolution shall take effect immediately upon its adoption.

# **MTA NEW YORK CITY TRANSIT**



# Staff Summary

<b>Subject</b> <b>ACQUISITION OF EASEMENTS AT NYC PARKS' GRAND CANAL COURT PLAYGROUND IN LOWER MANHATTAN</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JOHN N. LIEBER</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>MICHAEL T. THADATHIL</b>

<b>Date</b> <b>JULY 22, 2020</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/20	X		
2	Board	7/22/20	X		

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

**AGENCY:** MTA New York City Transit ("NYCT")  
**SELLER:** New York City Department of Parks and Recreation ("NYC Parks" or "Parks")  
**PROPERTY:** Permanent perpetual exclusive easement volumes below grade level at NYC Parks' Grand Canal Court playground (Manhattan Block 227, Lot 33)  
**LOCATION:** Intersection of Sixth Avenue with Thompson Street and Canal Street, north of Canal Street Station (Eighth Avenue subway line)  
**PURCHASE PRICE:** TBD  
**ACTION REQUESTED:** Authorization to acquire permanent easements and a temporary construction easement at NYC Parks' Grand Canal Court playground (the "Parks property") pursuant to PAL 1266 (12-a), recently enacted in the 2020-2021 Enacted Budget

**COMMENTS:**

In connection with the installation of its Communications Based Train Control (CBTC) system, NYCT needs to obtain property interests (permanent easements and a temporary easement) at the Parks property (located at intersection of Sixth Avenue, Canal Street, and Thompson Street) in order to build a new electrical substation. This installation and further upgrades (including power and signals) planned for the Eighth Ave subway line tunnel will support increased projected ridership.

NYCT has an existing subsurface easement for the Eighth Ave subway line tunnel along the western extent of the Parks property, which was reserved by the City when the Eighth Ave subway line tunnel was originally constructed. The new proposed subsurface easements would add to the volume of space under the Parks property. However, while the existing easement is part of the 1953 NYCT Master Lease with the City, NYCT will purchase and own the proposed new easements.

# Staff Summary

## FINANCE COMMITTEE MEETING ACQUISITION OF EASEMENTS AT NYC PARKS' GRAND CANAL COURT (Cont'd.)

The Parks property is currently a public playground/basketball court. NYCT's proposed substation will be constructed and located completely below grade. NYCT will require three separate subsurface permanent easement volumes below the Parks property to house the substation and its ancillary facilities (a ventilation flue and ingress/egress stairways). NYCT will also require a temporary construction easement over the entire Parks property during the estimated construction duration (45 months). During construction, public use of the playground will be temporarily discontinued. After NYCT completes construction of the new electrical substation, it will pay to restore the Parks property to its original condition. All impacts to trees will be outside the Parks property on the public sidewalk and NYCT will make a restitution payment to Parks for all such impacts. Future NYCT maintenance access for personnel and equipment to the below grade substation will be through sidewalk hatches located outside the Parks property.

NYCT considered several locations to build the new electrical substation during its design phase. Vacant land is scarce in this densely developed area of lower Manhattan. Purchasing nearby privately owned commercial property would be prohibitively expensive. Constructing the substation under the surrounding streets would require closing off streets in a high traffic area and costly underground utility relocation. After studying the various design options, NYCT determined that constructing under the Parks property was the least disruptive and most cost-effective option.

Recently enacted New York State legislation, included in the 2020-2021 Enacted Budget, added PAL 1266 (12-a) to create a new valuation procedure for transfers to or acquisitions by the MTA of City of New York (the "City") owned real property, or interests in real property, needed by the MTA for certain capital projects in the 2015-2019 and 2020-2024 capital programs. The new legislation was enacted so that the MTA can acquire from the City the real property interests needed for critical MTA capital projects timely, efficiently, and cost-effectively.

The newly enacted PAL 1266 (12-a) requires valuations of the City's real property interests and negotiations with the City to determine fair market value to be conducted after 1) MTA has identified the need for such property interests, and 2) the City has consented to their transfer or acquisition.

MTA has identified to the City the real property interests that MTA needs to build a new electrical substation that will provide additional power to the nearby Eighth Ave subway line tunnel in order to support increased projected ridership with additional trains per hour, and the City has consented to the transfer / sale of said real property interests to the MTA.

The New York State Senate and Assembly in June 2019 approved a bill authorizing this parkland alienation for the MTA acquisition of said real property interests at NYC Parks' Grand Canal Court, and the Governor signed the bill in September 2019. The City Council asked the Legislature to enact the bill.

Pursuant to the newly enacted PAL 1266 (12-a), after the MTA acquires title to the real property interests, the MTA will make a written offer to pay the City the fair market value for the said real property interests, based on an appraisal, and if needed will commence negotiations with the City to determine fair market value.

MTA Real Estate will inform the MTA Board after negotiations with the City have concluded and the fair market value for the said real property interests is determined.

Based on the foregoing, MTA Real Estate requests authorization for NYCT to acquire property interests from NYC Parks on the above described terms and conditions.

# **MTA LONG ISLAND RAIL ROAD**

# Staff Summary

<b>Subject</b> <b>PERMANENT &amp; TEMPORARY EASEMENT WITH VOREA BORDEN LLC AND GLEN GARDEN CORP FOR LIRR LONG ISLAND CITY YARD FLOOD MITIGATION</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JOHN N. LIEBER</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>ANTHONY CAMPBELL</b>

<b>Date</b> <b>JULY 22, 2020</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/20	X		
2	Board	7/22/20	X		

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

**AGENCY:** MTA Long Island Rail Road (“LIRR”)

**GRANTOR:** Glen Garden Corp. (Fee Owner) and Vorea Borden LLC (Ground Lessee) (collectively, “Grantors”)

**LOCATION:** 10-04 Borden Avenue, Long Island City, NY  
 Queens Block 37 Lot 7 (the “Property”)

**ACTIVITY:** Acquisition of permanent & temporary easements for the Long Island City Yard Restoration and Resiliency (“the Project”)

**ACTION REQUESTED:** Authorization to enter into permanent and temporary easement agreements

**TEMPORARY EASEMENT SIZE:** ±11,200 square feet (8,000 square feet (320x25) and 3,200 (320x10) buffer zone) (“TE”)

**PERMANENT EASEMENT SIZE:** ±766.13 square feet (“PE”)

**TEMPORARY EASEMENT TERM:** 6 months (3-month base term and 3 months option term)

**PERMANENT EASEMENT TERM:** Perpetual

**COMPENSATION:** \$250,000.00 for the Permanent Easement and \$32,200 per month for the Temporary Easement

**COMMENTS:**

LIRR Program Management is implementing the Long Island City Yard Restoration and Resiliency Project for the Long Island City Diesel Train Yard. To guard against future flooding, the Project will include retention manholes, sump pumps, and drainage systems to be installed together with a flood wall that will surround yard as needed.

# Staff Summary

**FINANCE COMMITTEE MEETING  
PERMANENT & TEMPORARY EASEMENT WITH VOREA BORDEN LLC AND GLEN GARDEN CORP FOR  
LIRR LONG ISLAND CITY YARD FLOOD MITIGATION (Cont'd.)**

Page 2 of 2

The Property is currently owned by Glen Garden Corp., ground leased to Vorea Borden LLC, is currently used as a parking lot and is slated for a mixed-use development. The LIRR requires a ±766.13 square foot permanent easement and a 11,200 square feet temporary easement on the Property for constructing various elements of the Project.

The cost of this acquisition for the PE is consistent with the fair market value ascribed to the easement by MTA Real Estate's independent appraiser. However, the cost of the TE is 10% above the fair market value ascribed by MTA Real Estate's independent appraiser. The cost of the TE acquisition is viewed as fair and reasonable given the need to fast track this important Project and that this is the last property interest to be acquired for the Project.

Therefore, MTA Real Estate seeks authorization for the LIRR to enter into permanent and temporary easement agreements with Glen Garden Corp and Vorea Borden LLC subject to the terms and conditions above.

# Staff Summary

<b>Subject</b>						<b>Date</b>			
<b>REVISED LEASE AMENDMENT AND EXTENSION AGREEMENT WITH VORNADO REALTY FOR BACK OF HOUSE OFFICE SPACE IN ONE PENN PLAZA</b>						<b>JULY 22, 2020</b>			
<b>Department</b>						<b>Vendor Name</b>			
<b>REAL ESTATE</b>									
<b>Department Head Name</b>						<b>Contract Number</b>			
<b>JOHN N. LIEBER</b>									
<b>Department Head Signature</b>						<b>Contract Manager Name</b>			
<b>Project Manager Name</b>						<b>Table of Contents Ref. #</b>			
<b>ANDREW GREENBERG</b>									
<b>Board Action</b>						<b>Internal Approvals</b>			
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>
1	Finance Committee	7/22/20	X			1	Legal		
2	Board	7/22/20	X			2	Chief Development Officer		
						3	Chief Financial Officer		

**AGENCY:** MTA Long Island Rail Road (“LIRR”), as tenant; provided that MTA Police (“MTAPD”) and MTA Metro-North Railroad (“Metro-North”) will be permitted to co-occupy and use the Demised Premises

**LANDLORD:** One Penn Plaza LLC (“Landlord”), an affiliate of Vornado Realty Trust

**LOCATION:** 1 Penn Plaza, New York, NY (the “Building”)

**USE:** Penn Station Back of House support and operations

**ACTIVITY:** Modification and extension of the back of house lease serving Penn Station to, among other things, modify and reconfigure the demised premises currently leased from the Landlord aligning with the Concourse and Track levels of Penn Station

**ACTION REQUESTED:** Authorization to amend and extend a lease

**EXTENSION TERM:** Approximately 15 years from substantial completion of Landlord’s Work (described below) (August 31, 2036 Expiration Date)

**DEMISED PREMISES:** Approximately 25,936 Rentable Square Feet (“RSF”) based on a 27% loss factor as follows:

- Existing & Reconfigured Premises
- Lower Level 2 (Concourse) – approximately 23,774 RSF
- Track Level Premises
- Lower Level 3 (Track Level) – 2,162 RSF
- Expansion Option Premises (Track Level)
- Lower Level 3 (Track Level) – up to 38,160 RSF

## FINANCE COMMITTEE MEETING

### REVISED LEASE AMENDMENT AND EXTENSION WITH ONE PENN PLAZA LLC (Cont'd)

**SWING SPACE:** Landlord will provide complimentary swing spaces comprising approximately 4,021 RSF on the 26<sup>th</sup> floor, approximately 7,493 RSF of Concourse Level retail space and approximately 6,665 RSF of Concourse Level space, to facilitate the reconfiguration and construction of the Demised Premises.

Landlord will perform and provide up to \$2.6 million (\$143 per sq. ft.) towards the cost of construction of the 18,129 RSF of swing space necessary to allow LIRR to continue to operate Penn Station without interruption during the renovation and re-demising of the LIRR's space. The LIRR is responsible for all costs of constructing the swing space in excess thereof.

**RENT:** Existing & Reconfigured Premises (Lower Level 2 Concourse Rent (23,774RSF))

Years 1-5:	\$69.50 per RSF	\$1,652,293.00 per annum
Years 6-10:	\$76.50 per RSF	\$1,818,711.00 per annum
Years 11-EXP.:	\$83.50 per RSF	\$1,985,129.00 per annum

Track Level Premises (Lower Level 3) Rent (2,162 RSF)

Years 1-5:	\$34.75 per RSF	\$75,129.50 per annum
Years 6-10:	\$38.25 per RSF	\$82,696.50 per annum
Years 11-EXP.:	\$41.75 per RSF	\$90,263.50 per annum

**EXTENSION TERM COMMENCEMENT:** Upon substantial completion of Landlord's Work

**EXTENSION RENT COMMENCEMENT:** Four (4) months following Extension Term Commencement

**RENEWAL OPTIONS:** Three renewal options of five (5) years each exercisable upon no less than eighteen (18) months' prior written notice. Rent for each renewal term will be reset to 100% of Fair Market Value ("FMV") as office space.

**EXPANSION OPTIONS:** Landlord will provide up to a maximum of 38,600 rentable square feet of expansion space on the Lower Level 3 Track Level on same terms and conditions as the other Track Level (Lower Level 3) space included in the Demised Premises.

**REAL PROPERTY TAX ESCALATION:** The LIRR shall be responsible for its proportionate share of the increases in real estate taxes over a 2020 Calendar Base Year.

**OPERATING EXPENSE ESCALATION:** The LIRR shall be responsible for its proportionate share of operating expense increases over a 2020 Calendar Base Year.

**UTILITIES:** Electric shall be sub-metered at 102%.

**SERVICES:** As per the existing Lease

**LANDLORD'S WORK:** Landlord, at Landlord's expense, shall perform the following work prior to the Extension Term Commencement:

Demolish and demise the Demised Premises.

## FINANCE COMMITTEE MEETING

### REVISED LEASE AMENDMENT AND EXTENSION WITH ONE PENN PLAZA LLC (Cont'd)

All Building systems will be brought to the Demised Premises and be fully operational in accordance with agreed upon specifications. Building systems to support providing heat, ventilation and air-conditioning ("HVAC") service in season during Building hours, currently 8am – 8pm Monday – Friday and from 9am – 1pm on Saturday. Landlord shall maintain the Building HVAC systems and the LIRR shall be responsible for all maintenance and repair of the distribution portions of the HVAC systems within the Demised Premises. Condenser water is available for the LIRR's supplemental HVAC at a rate of \$450 per ton, per annum. The Landlord will waive its tap-in fee related thereto. The LIRR reserves the option to provide its own HVAC to service the Premises, including the right to utilize systems from Penn Station.

All exposed structural steel shall be fireproofed.

Deliver to the LIRR a Form ACP-5. If hazardous materials containing asbestos are found in the Demised Premises during Landlord demolition or the LIRR's construction, the Landlord shall manage such hazardous substances as required by law.

The Building shall have a full Class "E" fire system capable of tying in all the LIRR's devices. The Landlord shall provide the LIRR with sufficient points to tie into.

Provide a temporary sprinkler loop.

#### TENANT IMPROVEMENT ALLOWANCE:

Landlord shall provide a Tenant Improvement Allowance of \$50.00 per RSF for the performance of permanent alterations in the Demised Premises following the submission of paid invoices and lien waivers. The LIRR may utilize up to 15% of the Tenant Improvement Allowance for "soft costs" related to its alterations. The LIRR will be responsible for the fit out of the Demised Premises other than Landlord's Work and any cost of such fit out in excess of the Tenant Improvement Allowance.

#### MAINTENANCE AND REPAIRS:

The Landlord, at its sole cost and expense, shall be responsible for the maintenance and repair of the Building systems and all structural components of the Building. The LIRR shall be responsible for all repairs of the distribution portions of the Building systems within and repairs of the Demised Premises. If the LIRR elects, Landlord shall perform such repair at the LIRR's expense.

#### RESTORATION:

No restoration will be required at the end of the lease term for all initial alterations and improvements to the Demised Premises.

#### SUBORDINATION AND NON-DISTURBANCE:

Currently, there is no recorded financing associated with the Building. Landlord will obtain a Subordination Non-Disturbance and Attornment (SNDA) from the fee owner and/or future le

#### SECURITY DEPOSIT:

None

#### COMMENTS:

In February, March and May the Board authorized MTACC (Now MTAC&D) and the LIRR to enter into a Memorandum of Understanding (the "MOU") with the Landlord that will provide for, among other things, widening of and improvements to the 33<sup>rd</sup> Street Penn Concourse and a new entrance from street level into the Concourse on 33<sup>rd</sup> Street (the "Penn Concourse Improvement Project"). This program will renovate and improve LIRR's facilities on the Concourse, improve emergency egress, addresses pedestrian overcrowding and the aging and obsolescence of the operational systems and architectural finishes.



## FINANCE COMMITTEE MEETING

### REVISED LEASE AMENDMENT AND EXTENSION WITH ONE PENN PLAZA LLC (Cont'd)

Page 4 of 4

Essential to the current and any future use of Penn Station is the LIRR's continued use and occupancy of certain below grade space of the Building aligning with the Concourse (Lower Level 2) and Track Level (Lower Level 3) of Penn Station. LIRR currently uses the space to locate (i) essential operational staff who must be located within Penn Station, (2) LIRR train crews and (3) MTAPD for detectives and canine units. The LIRR's current Concourse Level lease commenced January 1, 2007 and expired on December 31, 2019. The MOU, while primarily non-binding, did however contain a binding provision allowing for the LIRR's continued occupancy of its existing space at an escalated (but not punitive holdover) rent until September 2020 to allow the LIRR to negotiate an extension of term and to accommodate the larger Penn Concourse Improvement Project.

On June 24, 2019, the LIRR received Board approval (see attached June 24, 2019 MTA Board approved staff summary ("Original Staff Summary")), as part of the Penn Concourse Improvement Project, to extend and modify the current lease to, among other things, split back of house (BOH) operations between the Concourse Level (Lower Level 2), where it is currently located, and the less expensive Track Level (Lower Level 3). As a result, the LIRR would surrender approximately 11,519 RSF of Concourse (Lower Level 2) space keeping only essential operations on that level with the remainder of the space (approximately 38,848 RSF, as expanded) to be located on the Track Level (Lower Level 3) for a total of approximately 59,363 RSF. During the re-demising and build out of the Demised Premises, the LIRR would continue to occupy its existing space on a holdover basis with no increase in rent, and track level space would be utilized for construction staging swing space, with Landlord providing up to 4,000 square feet of additional swing space on the 26<sup>th</sup> floor at the Building if required.

However, since receiving Board approval, and in connection with the Concourse Improvement Project, the LIRR has sought to reduce the cost of re-locating the BOH and station-related operations facilities (the "BOH Facilities") and has been attempting to identify additional space within Penn Station that could more cost effectively accommodate BOH Facilities originally slated for the Track Level (Lower Level 3). In the course of negotiations over the lease extension terms and the greater Penn Concourse Improvement Project, the Landlord agreed to the LIRR having a reduced and modified Demised Premises from that contemplated under the Original Staff Summary and to have an option to expand the Demised Premises to the size contemplated under the Original Staff Summary if suitable alternative space could not be identified. In turn, during negotiations, the Landlord negotiated for a different time frame and phasing sequence for the re-demising and reconfiguration of the Demised Premises to better accommodate the Landlord's ongoing renovation work at the Building. As part of such altered phasing and other negotiations relating to the Penn Concourse improvement Project, the Landlord has agreed to provide swing space at no cost while it demises and builds out the Demised Premise; and to perform and contribute up to \$2.6 million toward the build out of the swing space necessary for the LIRR to continue operation of Penn Station while its new space is being built out. During its occupancy of the swing space, the LIRR will continue to pay rent at the rates under the existing lease without increase.

Although the LIRR is reducing its size in the Building from what was originally contemplated, it will still maintain its favorable office rental rates as opposed to more costly retail rental rates the Landlord is applying to adjacent space in the Building.

In addition, and even though the LIRR occupies a small percentage of space in the Building, Landlord has agreed to good faith efforts to implement a condominium structure in order for LIRR to avail itself of its tax-exempt status and realize a significant rent reduction equivalent to the base value of real estate taxes embedded in the base rent. All costs to implement the condominium structure will be at the LIRR's cost and expense.

Finally, as part of the agreement, the space may be utilized by Metro-North train crews and operational staff in connection with Metro-North's Penn Access Project.

Based on the foregoing, MTA Real Estate requests authorization for the LIRR to amend and extend the existing lease on the terms and conditions referenced above.

# Staff Summary

<b>Subject</b> LEASE AMENDMENT AND EXTENSION WITH ONE PENN PLAZA LLC
<b>Department</b> REAL ESTATE
<b>Department Head Name</b> JOHN N. LIEBER
<b>Department Head Signature</b> 
<b>Project Manager Name</b> ANDREW GREENBERG

<b>Date</b> JUNE 24, 2019
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	6/24/19	X		
2	Board	6/26/19	X		

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

**AGENCY:** Metropolitan Transportation Authority ("MTA") (on behalf of MTA Long Island Rail Road ("LIRR"), MTA Police ("MTAPD") and MTA Metro-North Railroad ("Metro-North"))

**LANDLORD:** One Penn Plaza LLC, an affiliate of Vornado Realty Trust

**LOCATION:** 1 Penn Plaza, New York, NY (the "Building")

**USE:** Back of House and station-related operations for MTAPD, LIRR and Metro-North

**ACTIVITY:** Reconfiguration, expansion, modification and extension of the lease for Penn Station concourse and track level offices and support areas

**ACTION REQUESTED:** Authorization to amend and extend a lease

**TERM:** Approximately 15 years commencing on substantial completion of Landlord's Work (no sooner than January 1, 2020) through August 31, 2036

**SPACE:** Total of 59,363 Rentable Square Feet ("RSF") as follows:

Existing & Reconfigured Premises

Lower Level 2 (Concourse) – 20,515 Rentable Square Feet ("RSF"), based on a 27% loss factor is comprised of 10,765 RSF of MTA's Existing Premises and 9,750 RSF of Add-On Space. The MTA is surrendering 11,519 RSF ("Recapture Premises").

Expansion Premises

Lower Level 3 (Track Level) – 38,848 RSF, based on a 27% loss factor is comprised of 19,705 RSF of Kmart's premises and 19,143 RSF of existing parking garage premises.

# Staff Summary

## FINANCE COMMITTEE MEETING

### LEASE AMENDMENT AND EXTENSION WITH ONE PENN PLAZA LLC (Cont'd)

RENT:	Existing & Reconfigured Premises Rent (20,515 RSF)	
	Years 1-5:	\$69.50 per RSF      \$1,425,792.50 per annum
	Years 6-10:	\$76.50 per RSF      \$1,569,397.50 per annum
	Years 11-EXP.:	\$83.50 per RSF      \$1,713,002.50 per annum
	Expansion Premises Rent (38,848 RSF)	
	Years 1-5:	\$34.75 per RSF      \$1,349,968.00 per annum
	Years 6-10:	\$38.25 per RSF      \$1,485,936.00 per annum
	Years 11-EXP.:	\$41.75 per RSF      \$1,621,904.00 per annum
	Blended Rent (For Total Premises at 59,363 RSF)	
		<u>Approx. \$/RSF</u> <u>Combined Rent per annum</u>
	Years 1-5:	\$46.76 per RSF      \$2,775,760.50 per annum
	Years 6-10:	\$51.47 per RSF      \$3,055,333.50 per annum
	Years 11-EXP.:	\$56.18 per RSF      \$3,334,906.50 per annum

LEASE COMMENCEMENT: Existing & Reconfigured Premises  
Upon substantial completion of Landlord's Work, but no sooner than January 1, 2020.

Expansion Premises  
Upon the date the MTA gains actual possession of the Kmart premises, parking garage premises, with Landlord's Work substantially completed.

Landlord will provide approximately 4,000 RSF of "swing space" at 1 Penn Plaza to the MTA at \$60.00 per RSF for the duration of the MTA's work within the Expansion Premises.

RENT COMMENCEMENT: Four (4) months following the respective Lease Commencement Dates for the Existing & Reconfigured Premises and the Expansion Premises.

RENEWAL OPTIONS: Three (3) five (5) year terms provided (i) the MTA occupies all of the Premises at that time, (ii) the MTA is not in monetary or material non-monetary default under the lease and (iii) the MTA shall furnish Landlord no less than eighteen (18) months prior written notice, the MTA shall have the right to renew the term of the Lease covering the Premises. The renewal rate for each such term shall be 100% of Fair Market Value ("FMV") as office space.

EXPANSION OPTIONS: None

REAL PROPERTY TAX ESCALATION: The MTA shall be responsible for its proportionate share of the increases in Real Estate Taxes over a 2020 Calendar Base Year. There shall be no increase due prior to the date which is twelve (12) months from the Lease Commencement Date.

OPERATING EXPENSE ESCALATION: The MTA shall be responsible for its proportionate share of actual operating expense increases over a 2020 Calendar Base Year. There shall be no increase due prior to the date which is twelve (12) months from the Lease Commencement Date.

UTILITIES: Electric shall be sub-metered at 102%. The MTA may, at its option, elect to provide its own electricity from Penn Station.

## FINANCE COMMITTEE MEETING

### LEASE AMENDMENT AND EXTENSION WITH ONE PENN PLAZA LLC (Cont'd)

**SERVICES:** As per the existing Lease, including, without limitation, any charges set forth in the Lease.

**LANDLORD'S WORK:**

Landlord, at Landlord's expense, shall perform the following Pre-Commencement Work to both the Existing and Reconfigured Premises and the Expansion Premises, including the MTA's Existing Premises on Lower Level 2 (Concourse):

- Demolish and demise the Premises.
- All Building systems brought to the Premises and fully operational in accordance with agreed upon specifications.
- All exposed structural steel shall be fireproofed.
- Deliver to the MTA a Form ACP-5. If hazardous materials containing asbestos are found in the Premises during Landlord demolition or the MTA construction, Landlord shall manage such hazardous substances as required by law.
- Provide heat, ventilation and air-conditioning ("HVAC") service in season during building hours, currently 8am – 8pm Monday – Friday and from 9am – 1pm on Saturday. Landlord shall maintain the Building HVAC systems and the MTA shall be responsible for all maintenance and repair of the distribution portions of the HVAC systems within the Premises. Condenser water is available for the MTA's supplemental HVAC at a rate of \$450 per ton, per annum. Landlord will waive its tap-in fee related thereto. The MTA reserves the option to provide its own HVAC to service the Premises, including the right to utilize systems from Penn Station.
- The Building shall have a full Class "E" fire system capable of tying in all the MTA's devices. Landlord shall provide MTA with sufficient points for MTA to tie into.
- Provide a temporary sprinkler loop.
- At MTA's option, as part of Landlord's Post- Commencement Work, Landlord shall install a stairwell and elevator connecting Lower Level 2 (Concourse) and Lower Level 3 (Track Level).

**TENANT IMPROVEMENT ALLOWANCE:**

Landlord shall provide the MTA with a Tenant Improvement Allowance of \$50.00 per RSF for the performance of permanent alterations in the Entire Premises following the submission of paid invoices and lien waivers. The MTA shall be permitted to utilize up to 15% of the Tenant Improvement Allowance for "soft costs" related to the MTA's alterations. Landlord and the MTA will determine during lease negotiations which party shall be responsible for the construction of the Premises.

**TENANT'S ADDITIONAL WORK:**

Any of the MTA's plumbing work (i.e. restrooms, showers, etc.) shall be located on the northwest portion (or other location if available based upon the MTA's requirements) of Lower Level 3 (Track Level). Details to be coordinated.

**MAINTENANCE AND REPAIRS:**

Per the existing Lease. Landlord, at its sole cost and expense, shall be responsible for the maintenance and repair of the Building systems and all structural components of the Building. The MTA shall be responsible for all repairs of the distribution portions of the Building systems within and repairs of the Premises. If the MTA shall elect, Landlord shall

## FINANCE COMMITTEE MEETING

### LEASE AMENDMENT AND EXTENSION WITH ONE PENN PLAZA LLC (Cont'd)

perform such repair at the MTA's expense.

#### RESTORATION:

No restoration will be required at the end of the lease term for all initial alterations and improvements to the Premises.

#### SUBORDINATION AND NON-DISTURBANCE:

Currently, there is no recorded financing associated with the Building. Landlord will obtain a SNDA from the fee owner and or future lenders

#### SECURITY DEPOSIT:

None

#### COMMENTS:

In February, March and May the Board authorized MTACC and LIRR to enter into a Memorandum of Understanding (the "MOU") with Landlord that will provide for, among other things, widening of and improvements to the Concourse and a new entrance from street level into the Concourse on 33<sup>rd</sup> Street. This program will renovate and improve LIRR's facilities on the Concourse, improve emergency egress, addresses pedestrian overcrowding and the aging and obsolescence of the operational systems and architectural finishes.

The LIRR's current Concourse Level lease commenced January 1, 2007 and expires on December 31, 2019. The space is currently utilized by: (1) MTAPD for detectives and canine units, (2) LIRR for essential operational staff who must be located within Penn Station, and (3) LIRR train crews. Metro-North train crews (in connection with Metro-North's Penn Access Project) and operational staff will also be incorporated into the space.

The MTA and Landlord, as part of the Concourse Improvement Project, have agreed that the space will be split between the Concourse Level, where it is currently located, and the Track Level. As a result, the MTA will be surrendering approximately 11,519 rsf of Concourse level space keeping only essential operations on that level with the remainder of the space as expanded (approximately 38,848 rsf) to be located on the Track Level. The Track Level space will consist of space to be surrendered by K-Mart and space from Landlord's parking garage that will be combined. Occupancy will be achieved on a staged basis but no sooner than January 1, 2020. During the construction staging period, occupancy of the existing space will continue on a holdover basis with no increase in rent. Although there is no comparable space within the marketplace, the blended rent for the Existing and Expansion space is approximately 33% less than the renewal rent MTA BSC will be paying at 333 West 34<sup>th</sup> Street.

Based on the foregoing MTA Real Estate requests authorization to amend and extend the existing lease on the terms and conditions referenced above.

<b>Subject</b> <b>PENN STATION CONCOURSE IMPROVEMENTS</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JOHN N. LIEBER</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>PETER MATUSEWITCH</b>

<b>Date</b> <b>JULY 22, 2020</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/20	X		
2	Board	7/22/20	X		

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

**AGENCIES:** Metropolitan Transportation Authority ("MTA"), MTA Construction & Development ("MTAC&D"), and MTA Long Island Rail Road ("LIRR" and together with MTA and MTAC&D, the "MTA Parties")

**LOCATION:** The LIRR Main Concourse, running approximately beneath 33rd Street, between Seventh and Eighth Avenues (the "Concourse") and connecting corridors located within a portion of Pennsylvania Station (the "Station").

**ACTIONS REQUESTED:** Authorization to enter into a letter agreement (the "Letter Agreement") with One Penn Plaza LLC ("Vornado") and into an amendment (together with the Letter Agreement, the "Transaction Documents") to the Lease between LIRR and Vornado for Concourse level retail space ("Master Lease") to effectuate portions of the transactions contemplated by the previously authorized Memorandum of Understanding with Vornado (the "MOU") and to further incentivize the creation of a high-quality, transit-oriented retail program on the Concourse level.

**COMMENTS:**

In 2019, the Board authorized MTACC (now MTAC&D) and LIRR to enter into the MOU, which provided for, among other things, a new street level entrance into the Concourse from 33<sup>rd</sup> Street and the widening of, and improvements to, the Concourse, to be delivered in two phases under Development Agreements with Vornado as our developer. The goals of these capital improvements are to improve emergency egress, address pedestrian overcrowding, and improve the passenger experience in the Concourse and Station. The Concourse improvements will also require the reconfiguration and expansion of back-of-house spaces for current LIRR operations and future Metro-North/Penn Access operations.

In May 2019, the Board authorized MTAC&D to enter into the Entrance Development Agreement with Vornado, which was subsequently executed. Vornado then executed a Design-Build agreement with Skanska Civil USA to perform the work. Construction of the new entrance is in progress, on schedule and within budget, with completion expected this December.

MTAC&D has completed preliminary design of the Concourse improvements and Vornado expects design build proposals in July 2020. MTAC&D will seek Board approval to enter into the Concourse Development Agreement with Vornado after a design-build proposer is selected and negotiations are completed (est. Fall 2020).

As contemplated in the MOU, certain real estate actions are necessary to implement the Concourse improvements and further incentivize the creation of a high-quality, transit-oriented retail program on the Concourse. In order to maintain schedule and budget and avoid conflict with Vornado's in-progress development plans for One and Two Penn Plazas, the

# Staff Summary

## FINANCE COMMITTEE MEETING PENN STATION CONCOURSE IMPROVEMENTS

MTA Parties and Vornado desire to enter into the Transaction Documents to effectuate some of those actions. Included with these actions is an amendment to the LIRR back-of-house lease the terms of which are being brought to the Board for approval under a separate staff summary. These real estate actions are to the MTA Parties' benefit even if the Concourse improvements project does not proceed, reflect LIRR's need to acquire real property interests from Vornado and the consideration therefor, and are as follows:

- a. The MTA Parties will acquire an easement from Vornado at One Penn Plaza ("One Penn") for a new elevator to the Concourse at no additional cost. The elevator will improve ADA accessibility to the Concourse.
- b. The MTA Parties will acquire an easement to locate new HVAC equipment and ductwork in One Penn to better service the existing and a widened Concourse at no additional cost to MTA.
- c. Vornado terminated its lease with Kmart in One Penn through a negotiated agreement. Portions of the former Kmart space will be used to widen the Concourse, for HVAC and electrical equipment rooms for the LIRR back-of-house premises and to allow LIRR expansion into Track Level space. Unlike other Vornado leases on the Concourse, the Kmart lease did not provide a termination right to Vornado. Under the MOU, LIRR was responsible for acquiring these portions of Kmart's premises and performing any work necessary to re-configure the remaining Kmart space all at LIRR's cost and risk. Vornado's termination of the Kmart lease (costing Vornado approx. \$34 million) eliminates the risks and immediately makes available those portions of the Kmart premises necessary for the Concourse improvements and LIRR back-of-house expansion. MTA will pay \$10 million to Vornado as MTA's contribution to the termination of Kmart's leasehold. This contribution is roughly in proportion to the percentage of the former Kmart space to be available to LIRR and comparable to the costs that would have been incurred directly to Kmart as contemplated under the MOU.
- d. Vornado will provide and fit-out swing spaces at two locations in One Penn to temporarily house LIRR back-of-house operations while the new LIRR back-of-house operations space adjacent to LIRR's current space is prepared for occupancy and fitted-out. This will provide for less interruption in LIRR operations while the new back of house space is being re-demised. It will also allow for Vornado to meet its schedule of redevelopment of One Penn. Vornado will build out LIRR's temporary swing space and be responsible for the first \$2.6 million of swing space fit-out costs.
- e. MTAC&D will relocate the subway entrance and stairs on the northwest corner of 33<sup>rd</sup> Street and 7<sup>th</sup> Ave to the new elevator easement area to facilitate Vornado's construction of a new pedestrian plaza.
- f. Vornado may reconfigure the West corridor access to One Penn in order to have the ability to provide a more direct connection to the One Penn lobby from the Concourse and 34<sup>th</sup> Street.
- g. LIRR will relinquish its restrictions on the existing East Escalator Well that connects the 34<sup>th</sup> Street Entrance Corridor to the lobby of One Penn and permit Vornado to reduce the width of an egress corridor on the North side of the Concourse to a One Penn elevator bank by two feet so as to create additional retail space on the Concourse. The newly created retail space will be included as income-producing spaces under the Master Lease for which Vornado will have to pay rent to LIRR.
- h. LIRR will permit Vornado to remove at Vornado's expense, and store at LIRR's expense, an artwork ("Corinthian Column" by Andrew Leicester) on the east wall of the 34<sup>th</sup> Street Entrance Concourse so that Vornado may create a retail storefront at that location.
- i. LIRR will permit a modification and simplification of the calculation of percentage rent under the Master Lease such that 10% of income received by Vornado from its retail tenants in the income-producing spaces of the Master Lease will be payable to LIRR.
- j. LIRR will receive a \$7.4 million credit against amounts owed to Vornado for Vornado terminating its lease with Duane Reade on the Concourse required for the new entrance construction.

LIRR has \$170 Million in the capital program to support this project and has executed an MOU with the NYS Dept. of the Budget for the State to provide an additional \$424 million.

Based on the foregoing the MTA Real Estate requests authorization for the MTA Parties to enter into the Transaction Documents based on the above terms and conditions and such other supplemental agreements to effectuate the same.

# **INFORMATION ITEMS**





GRAND CENTRAL

RETAIL PERFORMANCE  
AT  
GRAND CENTRAL TERMINAL

**Calendar 2019 Report/Interim 2020 Report**

# **INTRODUCTION**

## **GENERAL**

In 2019 the MTA Real Estate Department managed approximately 140,000 square feet of retail and restaurants in Grand Central Terminal. The 93 tenants include Grand Central Market, fine dining, fast-casual restaurants, take-out, coffee shops and a diverse portfolio of lifestyle retailers. Through offering broad product categories and price points for all consumer segments, the tenant mix provides services, choice and convenience for commuters, tourists, office workers and residents. As detailed in the following pages, the landscape for retail generally, and Grand Central has dramatically changed in 2020.

In addition to other efforts aimed at sustaining retail in Grand Central Terminal prior to Covid-19, Real Estate recognized the requirement to compete with the various new food offerings recently opened in the immediate neighborhood. Consequently, the need to upgrade the common elements of the Dining Concourse became apparent. A design firm, RSM Design, was engaged to develop a new aesthetic, new tenant store front design, a new method of service and a reimagined customer experience throughout the Dining Concourse common areas. This is an opportune time to plan ahead for such a project while the retail market seeks to recover.

## **2019/2020 CHALLENGES**

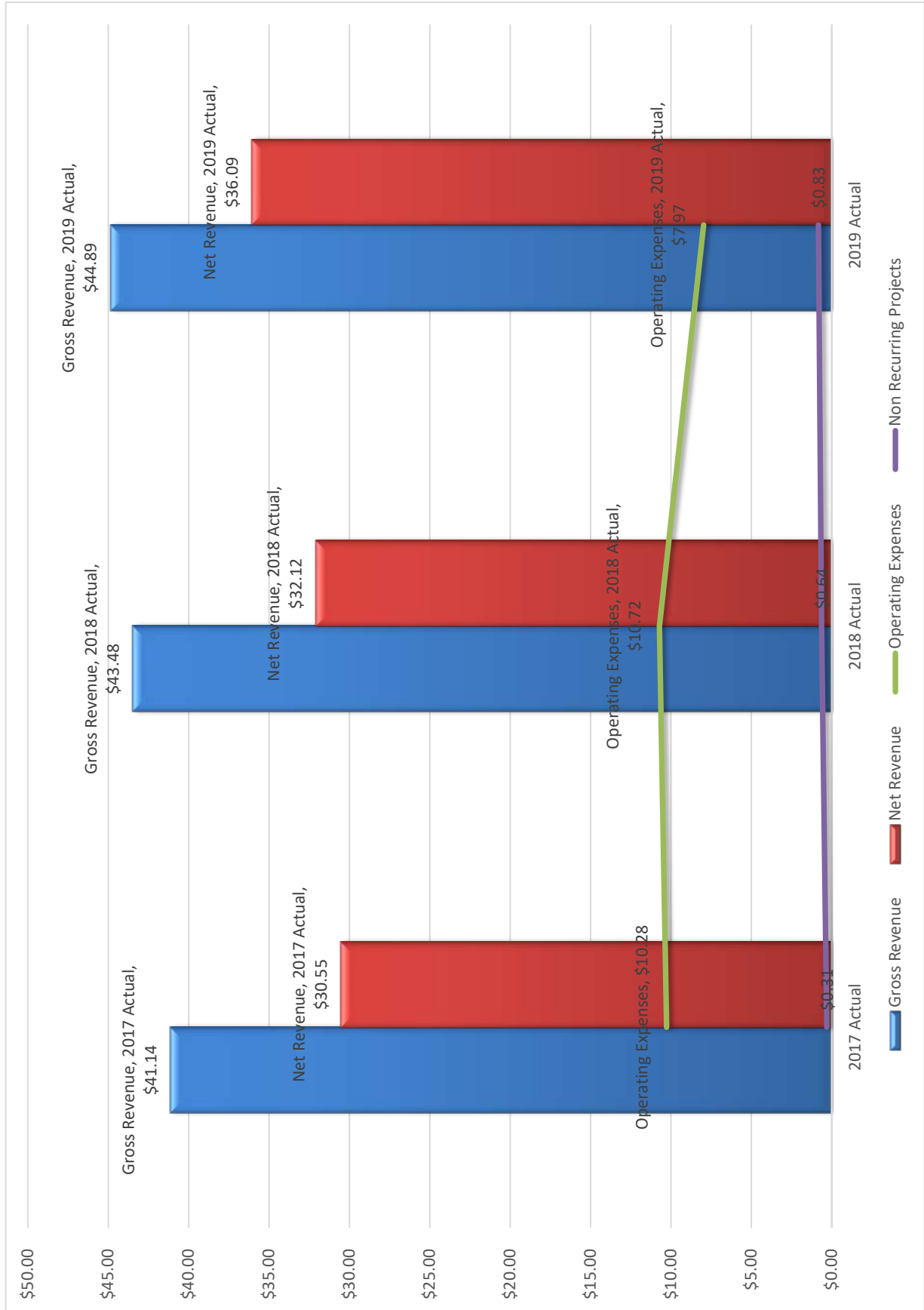
Through 2019, many factors affected retail sales performance in the Midtown East retail and dining sectors. Sustained competition from the internet reduced the brick and mortar sales of many retailers. Grand Central's Dining Concourse encountered additional external competition from the likes of Urban Space and Sweetgreen in addition to the growing trend of companies offering ever improving "in-house" dining amenities for their employees, plus the continued growth of apps like Postmates and Rituals with their wide choices. All these factors combined to result in minimal sales growth for our Dining Concourse tenants.

Prior to COVID-19 we were developing interest from new concepts and brands in both the retail and food categories, while engaging in lease negotiations that were nearing execution in early 2020. The vast majority of these deals were negatively impacted by the onset of the virus and the subsequent economic uncertainty created across all sectors, which included widespread retail store closings with several high-profile retailers filing for bankruptcy. While we experienced a three percent growth in NOI for 2019 over 2018, we now project a steep decline in NOI for 2020 due to both unexpected store closings and previously pending deals now being unlikely to be executed.

We continue to aggressively seek the best methods to continue to lease vacant units and therefore preserve our real estate asset value for the future while providing a revenue stream in the near-term.

# **PROPERTY PERFORMANCE**

**PROPERTY PERFORMANCE (in millions)**



**Financial Summary - 2017 - 2019 Income and Expenses**

	Actual 2017	Actual 2018	Nov Plan 2019	Actual 2019	July Plan 2020	Actual 19 v Nov Plan 19	Variance Actual 19 v Actual 18	July Plan 20 v Actual 19
						Amount	Amount	Amount
						%	%	%
Tenant Revenue	34,400,074	36,495,919	38,663,725	38,610,348	36,645,519	(53,377)	2,114,430	(1,964,829)
Other Income	6,745,666	6,998,257	6,354,685	6,283,662	5,858,825	(71,023)	(704,595)	(424,837)
<b>Total Revenue</b>	<b>41,145,740</b>	<b>43,484,176</b>	<b>45,018,410</b>	<b>44,894,010</b>	<b>42,504,343</b>	<b>(124,400)</b>	<b>1,409,834</b>	<b>(2,389,667)</b>
Operating Expenses	10,284,399	10,724,285	8,357,657	7,970,386	16,873,479	387,271	2,753,899	(8,903,093)
Non Recurring Projects	309,842	641,378	1,500,000	829,685	1,500,000	670,315	(188,307)	(670,315)
<b>Total Expenses</b>	<b>10,594,241</b>	<b>11,365,663</b>	<b>9,857,657</b>	<b>8,800,071</b>	<b>18,373,479</b>	<b>1,057,586</b>	<b>2,565,592</b>	<b>(9,573,408)</b>
<b>Net Income</b>	<b>30,551,499</b>	<b>32,118,513</b>	<b>35,160,753</b>	<b>36,093,939</b>	<b>24,130,864</b>	<b>933,186</b>	<b>3,975,426</b>	<b>(11,963,075)</b>
						<b>3%</b>	<b>12%</b>	<b>-33%</b>

**GUARANTEED MINIMUM AND PERCENTAGE RENT**

Through 2019 we had continued to experience positive growth in tenant revenue with substantial increases in guaranteed minimum rents for new leases:

- Average guaranteed minimum rent for the 11 new leases was \$671 psf, a 155% increase over the previous guaranteed minimum rent for these same spaces.
- Average guaranteed minimum rent for the Terminal was \$262 psf, excluding restaurant/balcony tenants the average was \$382 psf.
- This average exceeded comparable transactions of varying sizes within the GCT neighborhood, according to information provided by our leasing agent, CBRE.
- \$.97 million in percentage rent was paid in 2019 down from 1.49 million in 2018.
- During the first quarter of 2020, the July Plan was prepared using a general estimation of the effect of the COVID-19 pandemic on tenant revenue and initially included an expectation for significant financial impacts through year-end. However, as conditions continued to evolve, an increasing number of tenants have experienced hardships. The initial estimate was based on 1) the current leasing conditions at that time; 2) lease expiration dates; and 3) leasing advice received from our leasing agent.

**GUARANTEED MINIMUM AND PERCENTAGE RENT *continued***

- Due to COVID-19, we are now experiencing a higher level of lease terminations than anticipated. This will likely result in further deterioration of tenant revenue for year 2020 than previously estimated in the July/Mid-year budget update.
- As the time of this writing, market conditions remain turbulent which will likely further influence the outcome of a very large dollar volume of tenant income for at least 2020 and potentially into 2021. Income forecasts will need re-estimating multiple times as the year progresses, and economic conditions continue to evolve.
- In addition to tracking tenant income in the normal P&L/GAAP profile, we will also be monitoring actual cash collections versus each tenant's individual lease obligation in order to properly capture the cash deficit affects which will likely be material.

**LEASING & EVENT ACTIVITY**



**LEASING ACTIVITY THROUGH 2019**

	Leases Signed	Licenses Signed	Leases in Negotiation	Licenses in Negotiation	Leases Terminated	Licenses Terminated
Graybar Passage	Leather Spa	Saskia		Tartinery		
Grand Central Market	Spices & Tease					
42nd Street Passage	Warby Parker					
42nd Street	Neuhaus Boutique					
Biltmore Room	Central Watch					
Dining Concourse	Zaro's Bread Basket					
North End Passage	Star Shoe Repair					
Lexington Passage	Tumi	Aerosoles			Art of Shaving	Devialet
	Jet Set Candy	Love Thy Beast				
	Anaya	Swarovski				
Main Concourse				*Bank of America ATM's		
Vanderbilt Avenue/West Side Restaurant				Cipriani Dolci		
Shuttle Passage				Steakhouse Concept		Coffee Table

\*The Bank of America lease has since been signed in March 2020

**SALES PERFORMANCE BY SECTOR – THROUGH 2019**

<b>Average Comparable Sales Per Square Foot by Retail Area</b>		
	<b>2019</b>	<b>2018</b>
42nd St. Passage	\$2,496	\$2,730
42nd Street Retail	\$845	\$932
Biltmore Room	\$1,948	\$1,702
Dining Concourse	\$3,098	\$3,092
Graybar Passage	\$5,114	\$5,254
Lexington Passage	\$2,415	\$2,469
Main Concourse	\$3,426	\$3,405
Grand Central Market	\$3,436	\$3,610
Restaurants/Balcony	\$991	\$983
Shuttle Passage	\$2,581	\$2,711
All GCT	\$1,912	\$1,956
*All GCT	\$2,523	\$2,602
		-9%
		-10%
		13%
		0%
		-3%
		-2%
		1%
		-5%
		1%
		-5%
		-2%
		-3%

\*Excluding Balcony/Restaurants: Oyster Bar, Agern, Great Northern Food Hall, Cipriani Dolci and The Campbell Bar

**2018-2019 YEAR OVER YEAR END GROSS SALES PERFORMANCE**

	<b><u>2019</u></b>	<b><u>2018</u></b>	
42 <sup>nd</sup> St. Retail	10,500,206	11,608,607	-11%
Main Concourse	8,559,149	7,948,722	7%
Shuttle	32,893,165	37,890,223	-15%
42 <sup>nd</sup> St. Passage	7,722,842	7,937,074	-3%
Graybar	14,060,884	12,312,294	12%
Lexington Passage	18,751,565	21,112,314	-13%
Biltmore	2,705,982	2,293,392	15%
Market	22,774,826	23,921,378	-5%
Dining Concourse	42,904,017	40,719,604	5%
Restaurants	39,370,943	39,709,876	-1%
<b>Total</b>	<b>\$200,243,578</b>	<b>\$205,453,485</b>	<b>-3%</b>

Total reported retail sales for 2019 equaled \$200,243,578 a decrease of \$5,209,907 or 3%.

The decrease is the result of tenants who vacated their space during 2019.

These tenants include:

- PIQ
- Beverage Bar
- LaCrasia Gloves and Creative Accessories
- The Art of Shaving
- InnaSense
- Moleskine

## **EVENTS**

In 2019, Vanderbilt Hall events, including the Holiday Fair, grossed \$1,711,500 versus \$2,159,750 in 2018, its banner year to date.

2019 proved to be a challenging year due to enhanced safety measures. Due to its position as a major transportation hub, GCT requires a level of safety and security not seen at other event venues. Consequently, the additional administrative work and security costs make Vanderbilt Hall more challenging to sell in the marketplace.

Regardless of the challenges, the East Side of Vanderbilt Hall was in use a total of 168 days in 2019. The Pagani event garnered exceptional press as well as over \$100,000 in revenue. With 6 multi-million-dollar Italian sports cars in Vanderbilt, Pagani Automobili made a splash during their first East Coast tour. Fujifilm and Josh Cellars both returned to Vanderbilt Hall for a second year with multi-day events.

2020 started off considerably stronger than 2019 with over \$410,000 contracted by mid-January—an almost \$300,000 increase over 2019's year-to-date revenue. By the end of February, \$520,500 in revenue was contracted. Based on these figures and the conversations and contracts that were in the pipeline, specifically for six-figure events, such as the US Golf Association and Fujifilm, we were projected to reach the budget of \$1.6M. Unfortunately, all event business came to a sudden halt as a result of COVID-19, and the aforementioned events cancelled their activations for 2020 and expressed hesitancy for 2021. By May 2020, there was one (1) cancellation and four (4) postponements. The postponed events have 12 months to reschedule and apply the deposit fee. The likelihood of events taking place in 2020 is uncertain.

We opened the 2020 Holiday Fair vendor application to assess whether we can successfully host the Fair and expect to have a better sense of vendor interest by early August. Looking ahead to 2021, the annual Tournament of Champions has already expressed their likelihood of postponing the event from January to April or May. Unsurprisingly, many event clients have expressed their concerns with foot traffic, social distancing, cleanliness, and occupancy management. Agencies are cautiously waiting to see where NYC nets out in 2020 after each of the opening phases.

# MARKETING

## **MARKETING**

The overarching marketing objective is to position Grand Central Terminal as a world-class, front-of-mind retail, dining and leisure destination. Tactics include a blend of events and activations, public relations and media initiatives, digital and social media, and advertising.

The primary outcomes are to increase tenant mix awareness, visitor numbers, dwell time and average spend per head, per visit, among our three core target segments; locals (office workers and residents), Metro-North riders and tourists (domestic and international).

The marketing report on the following pages describes a strong roster of initiatives through 2019 and the first quarter of 2020. With a new marketing team taking over in 2019, many new marketing tactics and concepts were planned for 2020. In addition to those executed in the first quarter, these included the Grand Easter Egg Hunt of Grand Central in April, Grand Central Botanicals in June, Bastille Day in July, all alongside a diverse range of strategic brand partnerships.

### **COVID-19 Impacts**

The onset of COVID-19 and its subsequent impact in quarter two resulted in the tenant marketing budget being significantly reforecast. The budget is eighty percent funded by tenant contributions and twenty percent funded/matched by landlord contributions. The anticipated major tenant vacancies coupled with the non-payment of contributions (due to COVID-19) meant planned expenditure was reduced by 25% or \$269,862 from the original 2020 plan. Retail marketing events, publications, advertising and collateral were all lines where budget was significantly cut or eliminated, elsewhere vendor contracts were renegotiated to reduce monthly fees.

Tenant marketing priorities for 2020 have been quickly recalibrated to focus on welcoming visitors back to the Terminal, and rebuilding consumer confidence and trust that Grand Central remains a safe place to shop, dine and visit. All retail marketing events will now be zero cost in-kind brand marketing partnerships such as the Steinway & Sons June "Always Moving" activation and GCT Tracks, the Terminal's new Spotify channel created in collaboration with the Lincoln Center, Carnegie Hall and Joe's Pub at the Public Theater. Looking forward into the second half of 2020, further marketing budget cuts will be required in the event of prolonged tenant vacancies and the associated loss of financial contribution.

## MARKETING EVENTS & PROMOTIONS

In 2019, retail marketing events and promotions took place throughout the year, with the objectives of raising awareness of our tenant mix, increasing foot traffic and retail sales, and creating earned media opportunities. Through adopting a diverse range of tactics and themes, each retail and dining category was directly included in an event or promotion.

With the onset of COVID-19 and the slow reduction in retail occupancy, the management team pivoted to focus on communications that kept GCT in the public eye, while also promoting those tenants “essential service” who remained open during the New York State “Pause” order.

In preparation of the phased re-opening a wide-reaching marketing campaign was created to welcome visitors back to GCT. Titled “Always Moving”, the campaign’s primary objectives are to develop and rebuild confidence-based loyalty through informing visitors about our COVID-19 health and safety protocols, while providing information about GCT’s retail and dining reopening’s and tenant mix in addition to “feel good” activations such as live piano music on the main concourse.

The full roster of events is summarized below, including four new event concepts; Mini Market Wednesdays in 2019 and, in early 2020, Happy Birthday, GCT, Valentine’s Under the Stars, and the Valentines Market.

### 2019

- |           |   |
|-----------|---|
| March     | <b>Taste of the Market</b> - Free tastings and \$2 flash sales of full price items each Tuesday.  |
| June      | <b>Taste of the Market</b> - Free tastings and \$2 flash sales of full price items each Tuesday.  |
| August    | <b>Coffee Central</b> - Vanderbilt Hall pop-up coffee fair promoting GCT coffee tenants.  |
| September | <b>Taste of the Dining Concourse</b> - \$5 special offers at multiple tenants each Wednesday.   |
| October   | <b>Taste of the Market</b> - Free tastings and \$2 flash sales of full price items each Tuesday.<br><b>Trick or Treat the Terminal</b> - A family fun day of trick or treating around the Terminal with special offers at multiple tenants.   |
| November  | <b>Mini Market Wednesdays</b> - Free food sampling and offers by Grand Central Market tenants to maintain visibility and awareness during the east escalator construction.<br><b>Thanksgiving Market</b> - Pies, last-minute essentials and preorder collections on the Taxi Stand on Vanderbilt Ave., featuring six tenants. |

## MARKETING EVENTS & PROMOTIONS *continued*

### 2020

- February
- Mini Market Wednesdays** - Free food sampling and offers by Grand Central Market tenants to maintain visibility and awareness during the east escalator construction.
  - Happy Birthday, GCT** - Celebrating GCT's birthday with reduced-fee tours, free historical film screenings and digital history features.
  - Valentine's Market** - Pop-up market in Vanderbilt Hall with convenient last-minute Valentine's gifts, featuring six tenants.
  - Valentine's Under the Stars** - A hugely successful event for one couple to win GCT all to themselves for Valentine's Dinner, to launch the new retail Instagram account. The event created significant earned media value for GCT, generating over 248 million media impressions with a media value equivalency of \$2.6m.
- March
- Taste of the Market** - Free tastings and \$2 flash sales of full-price items each Tuesday. This event only ran for two of the five planned dates due to COVID-19.

### March & COVID-19 Response

In response to the New York State stay at home orders a new "virtual" campaign called "GCT from Home" was quickly created and executed to keep GCT front of mind among our audience while promoting GCT's "essential service" tenants who remained open throughout the stay-at-home orders.

The "GCT from Home" campaign included –

- GCT Coloring in Books** – People were encouraged to draw and share their GCT inspired art on social media using the #sharetGCT hashtag or by tagging Grand Central Terminal. Artwork was then featured directly on GCT social media.
- Heroes Serving Heroes** – Tenants who remained open reduced prices on key items exclusively for essential workers passing through the Terminal.
- Fast Facts Quiz** – Online social media quizzes with fun facts about GCT.
- Grand Central Market** – Ongoing promotion of online ordering and same-day delivery of fresh food from the market, one of very few Manhattan food stores offering same-day delivery.



## **MARKETING EVENTS & PROMOTIONS continued**

March Onward & COVID-19 Response

**Online Shopping** Eblasts encouraging our audience to shop GCT online via direct links tenant's e-commerce platforms.

**Mother's Day, Father's Day & Memorial Day** – Dedicated gift guides and inspiration with how GCT tenants can help you celebrate from home.

**Grand Central Virtual Trivia Night** – A Facebook Live, GCT themed, virtual trivia night hosted by TV celebrity, Lonnie Quinn.

## **DIGITAL MARKETING**

### **Social Media**

Our four social media channels have continued to carry a broad range of content promoting Grand Central's retail, dining and leisure options while also carrying general interest content and news about the Terminal. Despite being "mature" social media accounts, each has continued to see solid follower growth and user engagement.

Between January 2019 and March 2020 Facebook follower growth increased 4.5% to 152,547 followers, Instagram follower growth increased 20% to 124,000, and Twitter follower growth increased 9% to 21,800 followers.

In December 2019 a new Grand Central retail and lifestyle Instagram account, @love.gct, was launched to specifically feature the Terminal's retail and dining options. This was in response to merchandise and food-related content typically underperforming on the primary Instagram account. To increase account awareness and drive new follower growth the highly successful "Valentines Under the Stars" contest was run on the account, attracting over 8,500 new followers in just one week. The account primarily carries retail product, food and lifestyle imagery to portray the diverse range of merchandise and price points available at GCT. Since the onset of the pandemic the account has pivoted to feature GCT's "essential service" tenants who have remained open, while also promoting our tenant's e-commerce platforms. As the phased reopening got underway, the account has featured news and information about tenant reopening's. The channel continues to feature the latest product and lifestyle updates in addition to showcasing the steps taken to ensure the Terminal and its stores are safe to visit.

### **Paid Social Media**

Paid social media campaigns took place across the year, adopting a targeted campaign specific approach to meet the varying objectives of each campaign. Retail, dining, events were all the covered in paid social campaigns.

## **DIGITAL MARKETING continued**

### **Paid Search**

Paid search campaigns were run on Google using keywords connected to Grand Central retail, dining and events in order to improve search engine optimization performance among our target audience segments and increase traffic to the website.

### **E-Blast**

The e-blast subscriber database saw substantial year-on-year growth through 2019, closing the year with 100,000 subscribers, up 42,000 from the end of 2018. This growth is in large part due to lead generation via the new GCT WiFi splash page.

### **Website**

The website remains a primary source of information about Grand Central Terminal and is constantly updated with the latest retail updates, events news and Terminal operating information. In early 2020 a new drop-down “mega menu” was added to optimize website navigation and further improve the user experience. Website traffic continues to be robust with unique monthly visitors averaging 222,000 through 2019 and total page views per month averaging over 514,000. The five most visited pages in 2019 were (in descending order) Shop & Dine, Dining Concourse, Transportation, Plan Your Visit and 2019 Holiday Fair. Mobile overwhelmingly continues to be the device of choice for website users with over 80% of total visits being via mobile.

Since the onset of COVID-19 the website has been used to maintain real-time updates about the Terminal. Modifications included adding an alert banner to the home page and creating a dedicated COVID-19 page with operating information about the Terminal, Metro-North operations and updates about tenant trading hour variances.

## **ADVERTISING**

In addition to paid social media, conventional “out of home” advertising has taken place throughout the year, although the majority of advertising expenditure and activity is pivoted toward November and December to promote holiday retail. Year-round advertising features on phone kiosk panels at the intersections of 43<sup>rd</sup> Street/Lexington Avenue and 42<sup>nd</sup> Street/Fifth Avenue.

A new advertising placement strategy was adopted for the 2019 holiday campaign with more spots being bought across a wider geographic area to better reach our target audience segments. One new tactic included purchasing train platform billboard spots for an eight-week outdoor campaign at ten Metro-North suburban stations, in addition to regional newspaper advertising in the Metro-North service area.

During 2019 Grand Central advertising featured in the following places and publications: *Time Out New York* (print and online), *Playbill* (in print: Hamilton, Moulin Rouge and Wicked) and online, *The Cut*, *New York Magazine*, NY GPS (Chinese language), NYC & Co, *CitiView*, *Where Traveler*, NYC ferries, Metro-North suburban stations, *The Darlen Times*, *Westport News*, *New Canaan Advertiser*, and Yelp.

## **PUBLIC RELATIONS**

Throughout 2019 Goodman Media were retained to help prepare media alerts and press releases to pitch the media with stories about Grand Central retail, dining and events, in addition to placing general-interest stories about Grand Central in travel and tourism media.

Our contract with Goodman Media expired at the end of 2019. Ahead of the expiration an RFP was issued to six prospective agencies, including Goodman Media, with five responses being received. The contract was awarded to Wagstaff Media & Marketing, who were selected for their expertise in market-leading retail and leisure attractions, in addition to their ideas for activations and brand partnerships to better reach international travel and tourism-related media.

## **PUBLICATIONS**

### **Connections Magazine**

Two editions of *Connections* magazine, Grand Central's in-house retail, dining and lifestyle magazine, were published in 2019. The summer edition was published in June and the Holiday edition in early December. Each magazine features the latest news about retail and dining at Grand Central with tenant merchandise being showcased across themed product spreads and social media influencer photoshoots. Other content includes scavenger hunts, GCT staff profiles and general information about the Terminal. The holiday edition of *Connections* can be viewed [here](#). Seventy thousand copies of each issue are printed with distribution spanning MNR train car seat drops, and direct mailing to target audience zip codes, local hotels, and GCT retailers. Due to tenant marketing budget reductions, the 2020 issues of Connection Magazine are suspended.

### **Special Offers Book**

The Grand Central Terminal Special Offers book was printed in the first quarters of 2019 and 2020, with each issue featuring exclusive offers and incentives at over forty GCT shops and restaurants. Ten thousand copies of each issue are printed and distributed at in-Terminal events and activations and sent to local hotel concierges.

## **STRATEGIC BRAND PARTNERSHIPS**

In order to reach new audiences, several new in-kind strategic brand partnerships were formed in the second half of 2019 and early 2020. Through partnering with like-minded brands who share complimentary brand positioning, Grand Central Terminal can directly reach their audiences via their platforms. Brand partners are selected for their alignment with the Grand Central brand and our core target audiences. This tactic provides a more targeted and effective method of reaching new audiences, as opposed to conventional advertising. The following partnerships have been formed:

**Mastercard Priceless Cities** – Created a unique Grand Central Terminal “Priceless” experience available exclusively to Mastercard card holders, reaching a global audience of over five million. The experience consisted of dinner at Agem, cocktails at The Campbell and a private tour of Grand Central.

## **STRATEGIC BRAND PARTNERSHIPS continued**

**Grand Hyatt** – An event partner of “Valentine’s Under the Stars,” Grand Hyatt donated their Presidential Suite to the “Valentines Under the Stars” contest prize package. Additionally, they featured the prize draw and Grand Central Terminal on their social media platforms.

**Steinway & Sons** - An event partner of “Valentine’s Under the Stars,” Steinway & Sons provided a grand piano and pianist to the “Valentines Under the Stars” dinner experience. Additionally, they featured the prize draw and Grand Central Terminal on their social media platforms.

**New York Botanical Garden** – Created two contests (spring and winter) to win dinner at the Grand Central Oyster Bar and tickets to the NYBG Holiday Train show and Bar Car Nights. The contest was promoted via NYBG e-blast enabling lead generation and new subscribers to the Grand Central e-blast database.

## **GRAND CENTRAL BY APPOINTMENT – PERSONAL SHOPPING**

In late 2019, [Grand Central by Appointment](#), a new personal shopping service, was created and launched. Although positioned to appeal to all Grand Central customer segments, the program’s primary objective is to further increase the attractiveness, accessibility and convenience of our lifestyle retail to time-poor Metro-North riders with high disposable incomes. During the current trial stage customers can, following an initial phone consultation, enjoy a free personal shopping experience and view products curated to match their requirements. Following a selection process, Samantha King, the personal shopper, was chosen for her fashion, retail and lifestyle brand expertise and experience. To keep Grand Central by Appointment front of mind it continues to be promoted using three window wrap locations in the Terminal and Samantha King is contributing to the weekly e-blasts. Once retail operations are fully resumed bookings for in-person appointments will once again be available.

# **CAPITAL PROJECTS**

**GCT CAPITAL PROJECTS**

A state of good repair program was undertaken in 2019 to address the vast duct system which allows the Dining Concourse to exhaust properly. This system, installed in 1998, is cleaned twice yearly. Despite that, a concerted effort has been undertaken to address the overall operational efficiency of the duct system. The program has extended into 2020. Part of this effort was the maintenance of the roof top vents. Projects for MNR Operating Capital In 2019 included emergency repair to the roof platforms to ensure that access to them for regular cleaning and maintenance was facilitated so that exhaust from the Dining Concourse was unimpeded.

<b>Project</b>	<b>Amount</b>
Roof platform Emergency	771,939
<b>Total</b>	<b>771,939</b>

# CONCLUSION

Since its restoration and re-opening in 1998, Grand Central Terminal has become a proven and highly successful retail location. A diverse range of retail, food categories and concepts have consistently achieved high-volume sales performance by successfully catering to commuters, office workers, tourist and local residents.

Grand Central Terminal's strong commercial performance coupled with its status of being an iconic globally recognized landmark has consistently provided the Terminal with high rental offerings and proven sales performance for our tenants.

In recent years the Terminal has been on a steady path of increased sales and rental income, with new strategies being implemented to further improve our ability to attract new and exciting uses such as the proposed Dining Concourse refurbishment.

With the onset of COVID-19 in March 2020, we were faced with the temporary closure of almost all our retail and dining operations. To assist tenants in their recovery and help those who lost income from both temporary closure and slow sales upon reopening, the MTA offered rent deferment.

There have been re-openings in recent weeks prior to this writing. While there have also been lease terminations, the opportunity exists to seek new tenants who can successfully meet the needs of the public and operate within the economic climate likely to be effect for the foreseeable future. Through the remainder of 2020 we will seek to enter into shorter term license agreements for some retail and dining uses, so we can preserve our ability to continue the future development of high value rental deals as the market gradually returns to a normal demand environment.

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# Staff Summary

<b>Subject</b> <b>LICENSE IN YONKERS, NY FOR A ROOF ANTENNA – LICENSOR NAME CHANGE</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JOHN N. LIEBER</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>MICHAEL DANIELS</b>

<b>Date</b> <b>JULY 22, 2020</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/20		X	

Internal Approvals			
Order	Approval	Order	Approval

**AGENCY:** MTA New York City Transit (“NYCT”)  
**LICENSOR:** i.Park Westchester LLC  
**LOCATION:** 131 Warburton Avenue, Yonkers, New York  
**ACTIVITY:** Installation, operation and maintenance of a roof top antenna pole and equipment for telecommunications as part of the Buses Radio System (BRS)

**COMMENTS:**

The Board approved the installation of a roof top antenna in support of the BRS on April 22, 2020 (attached). The owner has since changed the limited liability company from National Resources, LLC / Hudson View Associates, LLC to i.Park Westchester LLC.

All other remaining terms and conditions remain unchanged.

# Staff Summary

Subject <b>ROOF ANTENNA LICENSE IN YONKERS, NY</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JOHN N. LIEBER</b>
Department Head Signature
Project Manager Name <b>MICHAEL DANIELS</b>

Date <b>APRIL 22, 2020</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	4/22/20	X		
2	Board	4/22/20	X		

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

AGENCY: MTA New York City Transit ("NYCT")

LICENSOR: National Resources, LLC / Hudson View Associates, LLC

LOCATION: Mutually agreed portion of the roof at 29 Wells Avenue, Yonkers, NY

ACTIVITY: Installation of a roof top antenna pole and equipment for telecommunications as part of the BRS (defined below)

ACTION REQUESTED: Approval of terms and authorization to enter into a license agreement

TERM: Ten (10) years

SPACE: A portion, approved by both parties, of the roof top of the building at the Location

RENT: \$4,000.00/month (\$48,000.00) first year; total license payments for the initial term shall not exceed \$550,206.21

RENT ESCALATION: 3% per annum rent escalations starting in the 2<sup>nd</sup> Year

RENEWAL OPTIONS: Two (2) consecutive 5-year periods

TAX ESCALATION: None

OPERATING EXPENSES: None

ELECTRICITY: At Licensee's sole cost and expense, including installation of meter

TERMINATION: Licensee shall have the right to terminate the agreement on 90 days prior written notice at no cost to Licensee

ASSIGNMENT: Licensee shall have the right to assign the agreement to any MTA entity without Licensor's consent

**COMMENTS:**

This Location is part of the new Buses Radio System ("BRS") 700/800 MHz project to provide digital radio coverage for buses in the Greater NYC service area, which includes routes to Yonkers. This new digital radio system consists of approximately 35 base stations and towers sites placed in strategic locations across Greater NYC and New Jersey.

NYCT has determined this site to be the most appropriate for digital BRS radio coverage.

# Staff Summary

## FINANCE COMMITTEE MEETING ROOF ANTENNA LICENSE (Cont'd.)

The proposed license fee is within market range based on fees charged to the MTA PD where it licenses antenna positions on privately owned telecommunications structures as part of the Police Radio Project.

MTA Real Estate engaged an appraiser at the beginning of the MTA PD radio project with specialized qualifications in infrastructure valuation to estimate the market license fee rates, which the MTA PD should expect to pay to locate antennas and equipment on privately owned structures.

The appraiser found that monthly license fee rates for such occupancies ranged between \$1,400.00 per month to \$4,000.00 per month, depending on demand at the location. The initial monthly license fee of \$4,000.00 per month for this location is within the current month range that MTA PD is currently paying to numerous site owners.

Based on the foregoing, MTA Real Estate requests authorization for NYCT to enter into a license agreement on the above-described terms and conditions.

# Staff Summary

Subject <b>AGREEMENTS FOR MTAPD RADIO PROJECT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JOHN N. LIEBER</b>
Department Head Signature
Project Manager Name <b>MICHAEL DANIELS</b>

Date <b>JULY 22, 2020</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/20		X	

Internal Approvals			
Order	Approval	Order	Approval

AGENCY: Metropolitan Transportation Authority ("MTA") on behalf of the Metropolitan Transportation Authority Police Department ("MTAPD")

ACTIVITY: Amend the number of site agreements required for the installation of antennas

COMMENTS:

The Board approved the installation of antennas at 42 locations on May 21, 2018 (attached). The MTAPD consultant has since determined that the project requires one additional site, increasing the total number of sites to 43.

All remaining terms and conditions remain unchanged.

# Staff Summary

<b>Subject</b> <b>AGREEMENTS FOR MTAPD RADIO PROJECT</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JOHN N. LIEBER</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>MICHAEL DANIELS</b>

<b>Date</b> <b>MAY 21, 2018</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	6/21/18		X	

Internal Approvals			
Order	Approval	Order	Approval
	Legal		
	Chief Development Officer		
	Chief Financial Officer		
	Chief of Staff		

**AGENCY:** Metropolitan Transportation Authority ("MTA") on behalf of the Metropolitan Transportation Authority Police Department ("MTAPD").

**LICENSORS:** Various commercial, State and municipal owners or operators.

**LOCATIONS:** Up to 42 locations.

**ACTIVITY:** Amend down the number of site agreements requiring compensation and increase the number of site agreements requiring no compensation.

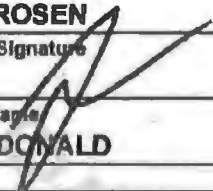
**TERM:** To be negotiated on a case-by case basis.

**COMPENSATION:** Rents, which were based on an independent appraisal, are contingent upon location, with a rent range of \$1,400.00 per month to \$4,000.00 per month. State-owned sites have no rent, but may be subject to a management fee

**COMMENTS:**




MTA Real Estate initially obtained MTA Board approval for this project in a staff summary dated April 28, 2014 (attached) at which time MTAPD and its consultant proposed a radio system for which MTAPD expected to pay to locate antennas on 33 structures with 6 additional sites targeted as state-owned, no-fee sites. As the project has developed over the years, MTAPD and its consultant have determined the project requires six fewer paid sites (reducing the total from 33 to 27) and nine additional free sites (increasing the total from 6 to 15).

# Staff Summary

Subject <b>AGREEMENTS FOR MTAPD RADIO PROJECT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>GEORGE MCDONALD</b>

Date <b>APRIL 28, 2014</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	LIRR & MNR Committee	4/28/14		X	
2	Finance Committee	4/28/14	X		
3	Board	4/30/14	X		

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

Board approval is requested for (1) a Master License Agreement for Construction and Operation of new wireless equipment support structures ("Structures") on MNR property and (2) authorization to enter into agreements with commercial operators of existing Structures for the installation of MTAPD Radio System wireless antennas, wireless ground equipment, and other associated equipment.

## 1) MASTER LICENSE FOR CONSTRUCTION AND OPERATION OF NEW STRUCTURES

**MASTER LICENSEE/SUB-LICENSEE:** Metropolitan Transportation Authority ("MTA") on behalf of the Metropolitan Transportation Authority Police Department ("MTAPD").

**MASTER LICENSEE/SUB-LICENSOR:** PI Telecom Infrastructure, LLC ("Parallel").

**ACTIVITY:** Master license to construct and operate new Structures (the "Master License") and sub-licenses for MTAPD use of such Structures.

**LOCATIONS:** Fifteen properties in Dutchess, Orange, Putnam, Rockland and Westchester Counties controlled by Metro-North Commuter Railroad ("Metro-North"), approximately as shown in Exhibit A, subject to adjustment based on final system design.

**ACTIONS REQUESTED:** Approval of terms.

**TERM:** 40 years.

**COMPENSATION PAYABLE TO MASTER LICENSEE FOR MTAPD OCCUPANCY:** Structures with additional users: MTAPD is required to pay \$1,850 per month (\$22,200 per annum), with 3% annual increases for the first 20 years of the term.  
Structures without additional users (if any): License fees of \$3,500 per month (\$42,000 per annum), with 3% annual increases.

No fees are payable by MTAPD starting in year 21, whether or not co-location (i.e. other use) is permitted.

Such MTAPD license fees were proposed and negotiated based on an assumed capital cost to the Master Licensee per structure. If the final approved construction budget for a structure is higher or lower than the assumed capital cost, such fees will be adjusted by \$50 per each \$5,000 deviation above or below such budget. Licensee will bear the risk of construction costs exceeding the approved budget for each Structure.

# Staff Summary



COMPENSATION  
PAYABLE TO MTA BY  
MASTER LICENSEE:

Construction completion payment: Upon the completion of construction of each Structure, Master Licensee shall make a one-time payment to MTA in the amount of \$10,185, regardless of whether co-location is permitted.

Additional user revenue share: For Structures with additional users, Master Licensee shall remit to MTA a portion of the resulting sublicense fees received by Master Licensee as follows:

- First sublicense: 50% of gross revenues;
- Second sublicense: 60% of gross revenues;
- Third and each additional sublicense thereafter: 70% of gross revenues;

COM...  
PAYABLE TO...  
MASTER LICENSEE

TERM / TERMINATION:

MTA has the right to terminate this agreement at any time with the proviso that Parallel be reimbursed for costs incurred.

COMPENSATION  
PAYABLE TO  
MASTER LICENSEE

## 2) AGREEMENTS WITH COMMERCIAL OPERATORS OF EXISTING STRUCTURES

AGENCY: on behalf of MTAPD.

LICENSORS/LESSORS: Commercial owners and operators of existing Structures in the MTA service area.

LOCATIONS: Up to 79 locations, subject to change based on availability and system design.

ACTION REQUESTED: Authorize LIRR to enter into leases and/or licenses to allow the MTA to install and operate radio equipment on MTA owned Structures.

TERM: To be negotiated on a case-by-case basis.

COMPENSATION: Prevailing market rates to be negotiated on a case by case basis.

### DISCUSSION

The existing two-way radio system utilized by the MTA Police Department requires upgrading to modern standards on the VHF and 700/800 MHz spectra to facilitate reliable and clear voice communications throughout the 12-county Metropolitan Commuter Transportation District and in Metro-North Railroad service areas in Connecticut which encompasses 14 Counties, 2 States and 5,000 square miles. Due to gaps in radio coverage with the existing system, the MTA Police instituted a temporary mitigation measure of two-man patrols in areas with limited radio coverage until the new radio system is in place. The cost of 2-man patrols was identified at \$2.4M which will be eliminated with the new system. This reduction in operating costs will help offset an estimated \$8.9M increase in MTAPD annual operating budget due to radio tower lease costs and maintenance payments. In July 2012, the Board authorized MTA Long Island Rail Road ("LIRR"), on behalf of MTAPD, to proceed with a Request for Proposals for a contractor to design, build, operate and maintain a new MTAPD radio system (the "System RFP"). The system will consist of wireless antennas, wireless ground equipment, radios, and other associated equipment ("System Equipment"). The System RFP will be issued during the 2<sup>nd</sup> quarter of 2014. The system's wireless antennas and associated equipment must be located on monopole or other antenna support structures ("Structures"). The proposed agreements herein provide the requirements for MTA antenna locations.

Preliminary engineering performed by a consultant engaged by LIRR to provide a preliminary design for the System Contract has determined that, to provide coverage throughout the MTA service area, the antennas and ground equipment to be procured by the selected System contractor will need to be installed at approximately 79 locations. The locations and required heights of the antennas have been determined based on a radio frequency promulgation study designed to minimize required infrastructure while optimizing performance. MTA Real Estate, LIRR and the MTAPD have identified Structure availability and have determined there are 64 suitable Structures that already exist (of which 18 are controlled by local, state and federal government entities, 7 are controlled by LIRR, and 39 are controlled by commercial entities). MTA expects that occupancy agreements will be implemented for all 18 government sites.

After extensive review and analysis, it has been determined that there are no suitable existing Structures in the vicinity of 15 required antenna locations in Dutchess, Orange, Putnam, Rockland and Westchester Counties. Accordingly, the only feasible option to provide coverage at such locations is to construct new Structures on property controlled by Metro-North. Such Structures (typically "monopole"-type facilities) will be located approximately as described on Exhibit A. Minor adjustments to such locations may be required as a result of the final design of the radio system.

# Staff Summary

To defray costs and risks for System build out and to maximize benefits to the MTA, MTA customers and MTAPD's strategic partners, the proposed Master License Agreement will transfer the capital cost of construction of the new Structures onto the Master Licensee. This will also enable the MTA to generate additional revenues in the form of co-location fees from other wireless carriers. Co-location of wireless carriers on the new Structures will provide MTA customers and local residents with enhanced access to emergency services and cellular networks in areas where little or no coverage currently exists. In addition, certain regional first responders will be provided with mission critical communications in areas where existing coverage is minimal. This approach will reduce overall costs, satisfy the System strategic goals for antenna structures and provide an important benefit to our customers. This revenue producing business model of shared MTA and third party use of wireless infrastructure has been successful in the context of the other communications MTA has awarded for wireless networks in the subway system and at other locations within the MTA transportation system.

After considering the critical path activities for implementing the MTAPD Radio Project, staff concluded that the most cost effective way to proceed is to award the Master License for the proposed new Structures as soon as possible to ensure that the Master Licensee has sufficient time to complete due diligence on each Structure location and design and build the Structures in time to receive the equipment that will be designed and installed upon award of the System RFP as described above.

## New Structures RFP

In late 2012, MTA Real Estate issued a Request for Expressions of Interest ("RFEI") from companies interested in constructing and operating the new Structures that will need to be constructed on Metro-North-controlled property. Expressions of interest were received from several companies, with three companies submitting complete responses to the RFEI.

In July of 2013, taking into account information from such RFEI responses, MTA Real Estate issued a Request for Proposals to enter into the proposed Master License Agreement (the "Structure RFP"). As amended, the Structure RFP contemplated that the Master Licensee would construct and install Structures at the Master Licensee's cost, recouping a portion of such costs through sub-license fees paid by MTAPD to locate its radio antennas at specified locations on the structures and its ground equipment within the associated compound. To minimize such sub-license fees and maximize the utility of the Structures, the Structure RFP provided that, in addition to sub-licenses with the MTAPD, the selected Master Licensee will be permitted to enter into sub-licenses with wireless communications providers to co-locate antennas on the Structures and equipment within the compound. The net revenue generated from such sub-licenses will be shared with the MTA on the terms described above.

In response to the RFP, Real Estate received responsive proposals from four wireless facility companies: SBA, Global Tower, Crown Castle and Parallel. The proposals were evaluated by representatives of MTA Real Estate, MTA Strategic Initiatives and the MTAPD Radio Project team (the "Selection Committee"). Following evaluation of the initial proposals and the issuance of addenda in response to proposer questions, MTA issued an award for "best and final" offers from Global Tower, Crown Castle and Parallel.

In response to such request for best and final offers, Global Tower withdrew. Crown Castle submitted three best and final offer scenarios, and Parallel submitted two. In reviewing such scenarios, the Selection Committee considered the likelihood and timing of co-locations on the Structures and the associated costs and revenues. The Master Licensee fees that would be payable by MTAPD, and the overall range of potential costs of the project to MTAPD over the projected term. Both firms were deemed technically capable of constructing, operating and maintaining the Structures and associated infrastructure.

The proposals from Parallel and Crown Castle addressed several variables, including, most importantly, whether or not co-location on each structure would be permitted, how much compensation MTAPD would be required to permit Parallel to occupy the structure, and what revenue share was being proposed. Assuming an average Structure construction cost of \$350,000, Parallel's most attractive offer had a worst case downside NPV exposure (no co-locations) of \$362,000 per Structure versus a best case upside NPV exposure (4 co-locations per Structure) of \$617,000 per Structure. Crown Castle's most attractive offer had a worst case downside NPV exposure of negative \$501,000 per Structure versus a best case upside NPV exposure of \$674,000 per Structure. The Selection Committee decided that Crown Castle's moderately higher upside (NPV \$57,000 difference per Structure) did not justify taking on the significantly increased downside exposure (\$139,000 per Structure).



# Staff Summary



Parallel is a national right-of-way management and asset development company based in Jacksonville, Florida. It is a subsidiary of Florida East Coast Industries, which is owned by investment funds managed by Fortress Investment Group LLC. Parallel has significant experience in end-to-end Structure development, operations, maintenance and marketing and with other mass transportation providers and railroads, including the MTA LIRR East Side Access Project.

Construction and operation of the new Structures and related facilities described in this staff summary will be exempt from subpart 17.000 (pursuant to Public Authorities Law Section 1266(8)) and from review under the State Environmental Quality Review Act (pursuant to Public Authorities Law Section 1266(11)). Metro-North has conducted community outreach regarding the proposed new Structures and will continue to do so.

Based on the foregoing, MTA Real Estate requests Board approval to enter the Master License and related sub-licenses with Parallel on behalf of MTA.

## Use of Existing Structures

Because the proposed MTA radio system will require the installation of antennas and other equipment on up to 39 existing privately-owned commercial Structures throughout the MTA operating territory, MTA Real Estate will need to negotiate and enter into an agreement with the operators of such Structures.

MTA Real Estate has contracted with an appraiser with specialized qualifications in infrastructure valuation to estimate the market rent rates that the MTA is expected to pay to locate antennas on 39 of such 39 Structures. The consultant's findings were that monthly rental rates for such occupancies should range from a low of \$1,400.00 per month to a high of \$4,000.00 per month depending on local demand. Thus, the range of estimated aggregate monthly rental payments for the 39 sites would be from \$54,600 per month to \$156,000 per month (or from \$655,200 to \$1.872 million per annum).

Although MTA Real Estate will attempt to coordinate the commencement of such agreements as closely as possible with the System RFP implementation schedule, the current realities of the marketplace may require MTA Real Estate to act quickly and in advance of full system completion.

To facilitate the timely finalization of such transactions, MTA Real Estate requests Board authorization to enter into up to 39 occupancy agreements for existing commercial structures at the best-available negotiated rates without additional Board review and approval of specific transactions, provided such rates are determined to be fair and reasonable based on market rates in the region.

Exhibit A

Listing, Location and Description of Proposed New Structures

	Site	County	Coordinates		Antenna Height AGL (m)	Site Description
			Lat	Long		
1	New Hamburg Station	Dutchess	41 35 16.6	-73 56 52	45.7	Proposed Structure site is located south of New Hamburg Station at the edge of the parking area. Vacant land is occupied by a decommissioned generator located near the bridge.
2	Wassail Station	Dutchess	41 48 52.9	-73 33 45	45.7	Proposed Structure to be located at the station beyond the parking area located east of the station platform. Land is vacant.
3	Harlem Valley Wingdale	Dutchess	41 38 47.8	-73 34 05	45.7	Proposed Structure site is located approx. 1 mile north of the station platforms. Land is located across the tracks from a vacant building (formerly a bar/lounge).
4	Port Jervis Station	Orange	41 48 22.2	-74 41 47	45.7	Proposed Structure site is located west of the station platforms at the "Y" junction within the Port Jervis yard area. Empty trailers and containers nearby.
5	Otisville Station	Orange	41 28 18.8	-74 41 45	45.7	Proposed Structure site is located across from Otisville Station beyond the parking area on vacant land, adjacent to the access road.
6	Salisbury Station	Orange	41 26 12.1	-74 06 00	45.7	Proposed Structure site is located at the north end of the Salisbury Station platform area, beyond existing RR equipment cases. Tower would be installed within the sunken area adjacent to the existing retaining wall.
7	Harriman South Station	Orange	41 17 36.2	-74 08 24	45.7	Proposed Structure site is located adjacent to the existing MTAPD trailer located at the north end of the parking lot. Land area is vacant.
8	Campbell Hall Station	Orange	41 27 05.2	-74 15 59	48.8	Proposed Structure site is located west of the station parking area on vacant land. Tower location would be at the far southwest end of the lot beyond fenced storage area.
9	Rt. 164	Putnam	41 28 39.9	-73 36 33	45.7	Proposed Structure site is located approx. 1/10th mile north of Rt. 164 alongside the MNR tracks. Land is vacant and will require an access road along the tracks.
10	Spring Valley Station	Rockland	41 06 43.2	-74 02 38	45.7	Proposed site is located west of the Spring Valley Station along MNR's defunct Piermont track line. Tower site would be installed on old RR RoW.
11	Pearl River Station	Rockland	41 03 28.4	-74 01 20	45.7	Proposed Structure would be located south of Pearl River Station at the edge of the parking area. Tower would be

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						Installed on vacant land separating the two parking areas.
12	Tarrytown Station	Westchester	41 04 32.0	-73 51 55	45.7	Proposed Structure site is located at the southern end of the Tarrytown yard/storage area.
12	Peekskill Station	Westchester	41 17 09.6	-73 55 50	45.7	Proposed Structure site would be located approx. 1 mile south of Peekskill Station, adjacent to an existing Signal HQ building/lot area. Selected site lies between the MNR track line and active siding.
14	Mt. Kisco Station	Westchester	41 12 40.0	-73 43 38	45.7	Proposed Structure would be located east of Mt. Kisco Station within storage area. Lot area is vacant.
15	CP223 - R, Tarrytown Station	Westchester	40 58 45.4	-73 41 39	45.7	Proposed Structure site would be located adjacent to the existing Structure located along the I95 corridor. Area contains abandoned shacks and equipment cases.