

**Minutes of the
Metropolitan Transportation Authority
Finance Committee Meeting
2 Broadway, 20th Floor Board Room
New York, NY 10004
Monday June 24, 2024
2:30 p.m.**

The following Finance Committee Members were present:

Hon. Neal Zuckerman, Chair
Hon. Andrew Albert
Hon. Norman E. Brown
Hon. Marc Herbst

The following Finance Committee Members were absent:

Hon. Jamey Barbas
Hon. Samuel Chu
Hon. David R. Jones
Hon. Meera Joshi
Hon. Haeda B. Mihaltses
Hon. John Samuelsen
Hon. Lisa Sorin
Hon. Vincent Tessitore, Jr.

The following staff members attended:

Kevin Willens, Chief Financial Officer
Lisette Camilo, Chief Administrative Officer
Olga Chernat, Deputy Chief, Financial Services
David Florio, Chief Real Estate Transactions and Operations Officer
Paige Graves, General Counsel
David Keller, Acting Co-Deputy Chief, Management & Budget, Consolidated Analysis
Jaibala Patel, Deputy Chief Financial Officer
Steve Weiss, Acting Co-Deputy Chief, Management & Budget, Agency Analysis

To hear the content of public comments, details of Committee presentations, and Committee Members' comments and questions as well as any part of the Finance Committee meeting, please refer to the video recording of the meeting produced by the MTA, available and maintained on the MTA website:

<https://new.mta.info/transparency/board-and-committee-meetings/june-2024>

1. CALL TO ORDER

Chair Zuckerman called to order the meeting of the Finance Committee.

2. PUBLIC COMMENTS

There were seven public speakers (*attended remotely):

Lisa Daglian, PCAC
Jason Anthony, LIRR ADA task force
Theo Allen*

Charlton D'Souza*, Passengers United
Matty Buchys Hyland*
Kathleen Irwin*, New York State Restaurant Association
Dennis Siry*, Village of Amityville, SCVOA

3. MINUTES

The minutes of the meeting held on May 20, 2024, were not approved as a quorum was not present at the June 2024 Finance Committee meeting.

4. FINANCIAL PERFORMANCE REPORT

Highlights of the Financial Performance Report were presented.

Chair Zuckerman asked Deputy Chief Financial Officer Jai Patel to briefly explain how the pause in congestion pricing affects the MTA's financial plan. Ms. Patel explained areas of the budget the MTA is analyzing which are impacted by the pause including congestion pricing infrastructure, debt service costs, farebox revenues, staffing levels and operating maintenance expenses. Ms. Patel explained each of these would be explained in more detail with the release of next month's July Financial Plan

Finance Summary

David Keller, Acting Co-Deputy Chief, Management & Budget, Consolidated Analysis reported YTD May 2024 preliminary results, compared with the Adopted Budget, were unfavorable by \$83 million, while the month of May was favorable by \$29 million. In March, there was a favorable accounting adjustment of \$43 million, and without this one-time adjustment YTD May results would have been \$125 million unfavorable.

Operating Revenues on a YTD basis were \$35 million, or 1%, favorable. Passenger revenues were \$57 million unfavorable, which was offset by favorable toll revenue of \$34 million and favorable other operating revenue of \$58 million. Mr. Keller reminded the Committee the Adopted Budget includes a provision of \$100 million for 2024 to offset unfavorable passenger revenue results. In May, operating revenues were \$25 million, or 4%, favorable. Passenger revenues were half a million dollars unfavorable, while toll revenue was \$4 million unfavorable and other operating revenue was \$30 million favorable.

Operating Subsidies YTD through May were \$148 million, or 5%, unfavorable. Most of this result is attributable to the Mortgage Recording Tax and the Urban Taxes, which collectively were unfavorable by \$133 million. There were also unfavorable results for the Payroll Mobility Tax, MTA Aid, For-Hire Vehicle Surcharge, and Automated Camera Enforcement. These were partially offset by favorable results for the Petroleum Business Tax, which includes a receipt of \$36 million in early January that was due in December 2023, and favorable Investment Income of \$21 million. Of note, Payroll Mobility Tax, unfavorable by \$29 million YTD through May, will be slightly favorable to budget when reported next month. For May, operating subsidies were \$37 million, or 4% unfavorable. Capital Subsidies YTD through May were \$12 million unfavorable reflecting unfavorable receipts from the Mansion Tax

Operating Expenses YTD through May were favorable by \$45 million (less than 1%) favorable. Without the one-time favorable accounting adjustment of \$43 million in March, YTD May results would have been \$2 million favorable. May expenses were \$56 million (4%) favorable.

Debt Service Expense was \$14 million (1%) unfavorable YTD through May and was \$16 million (8%) favorable for May, reflecting the timing of debt service accruals.

Capital Financing

Olga Chernat, Deputy Chief, Financial Services, reported in July 2024 MTA expects to issue two series of bonds. This week, MTA is pricing Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Refunding Green Bonds, Series 2024C. Proceeds from this transaction will be used to refinance certain outstanding bonds issued as Build America Bonds pursuant to the refunding authorization approved by the Board last month. This transaction will be led by book-running senior manager J.P. Morgan. In addition, later in July, MTA expects to issue Dedicated Tax Fund Bonds, Series 2024A to retire outstanding Triborough Bridge and Tunnel Authority Payroll Mobility Tax Bond Anticipation Notes, Series 2022A.

5. MTA HEADQUARTERS AND ALL-AGENCY ITEMS

Action Items

Secretary's Note: Because a quorum was not present at the June 2024 Finance Committee, Action Items were not voted on to recommend to the Board for approval; Action Items were taken directly to the full Board for approval on Wednesday, June 26, 2024.

Mr. Keller reported one non-procurement item, to pay the New York assessment on the MTA and its constituent agencies for the calendar year 2024 to the Public Work Enforcement Fund. MTA estimates the 2024 assessment to be \$1,608,341. In 2023, the estimated 2023 assessment of \$5,192,127 was more than the actual assessment of \$3,598,150 by \$1,593,977. This true-up of \$1,593,977 when deducted from the estimated 2024 assessment of \$1,608,341, requires a total payment of \$14,365 – which was requested for authorization to pay by the July 1st payment deadline.

Lisette Camilo, Chief Administrative Officer reported one action for MTA Headquarters for an estimated amount of \$5 million. This item is the extension of a miscellaneous service contract awarded to TDX Construction Corporation (“TDX”) for the Small Business Mentoring Program (“SBMP”) Management for a period of up to six months (through March 31, 2025). Funding in the amount of \$5 million will also be added. The purpose of the requested funding and extension are to (1) ensure that the mentoring program continues during the current Request for Proposal process to award a replacement contract; and (2) provide ample transitioning time for vendors and ongoing projects currently managed by the incumbent, TDX, should a new vendor be selected. The current contract price structure will remain consistent and unchanged for this extension. The total estimated cost is consistent with the rate of spend from previous years.

6. INFORMATION ITEMS

Ms. Camillo reported two information items for the Railroad Committee. The first item was the award of a two-year contract for a Continuous Work Platform for Metro-North to Loram Maintenance of Way, Inc. The second item was the award of a contract for Rail Vacuum Services to Loram Maintenance of Way, Inc. for the needs of both Long Island Rail Road and Metro-North.

Ms. Camillo reported four information items for NYC Transit, approved by its respective committee. The first two items were the awards of three-year miscellaneous service contracts to Clever Devices Ltd and Vianova Technologies GmbH for the provision of maintenance and support services related to Digital Information Screen Systems installed on buses. The third item was the exercise of Options 1 and 2 of the Sag Corrector Service Agreement for the Department of Subways awarded to Turtle & Hughes, Inc. to add two additional five-year maintenance periods. The final item was the exercise of Option years for ARRO Inc., Corporate Transportation Group Ltd., and Fejost, LLC d/b/a Sentry Management Solutions for the provision of Broker Car Service for Paratransit Access-A-Ride service, and extend the contract with Bel-Linda, d/b/a Islander Transportation, for the provision of Broker Car Service for Access-A-Ride service on Staten Island for the same period.

7. MTA CONSOLIDATED REPORTS

The Monthly Consolidated Reports were available in the Committee Book.

8. REAL ESTATE AGENDA

David Florio, Chief Real Estate Transactions and Operations Officer reported two transactional action items for consideration and approval and ten information items.

Action Items– Transactional

MTA Metro-North Railroad

1. A lease with Airport Mart, Inc. for retail space in the Hartsdale Station Building

MTA Long Island Rail Road

2. A license with North Ferry Company for the operation of a ferry terminal in Greenport

Information Items

MTA Metro-North Railroad

1. A second amendment to the license with Access One Solutions Inc. for ATMs at Croton-Harmon, Tarrytown, and Yonkers Stations
2. A short-term parking permit between MNR and the Dia Art Foundation for the use of parking spaces at Beacon Station
3. A license between MNR and MLF Properties, Inc. for the reconstruction of a retaining wall in Port Chester

MTA Long Island Rail Road

4. An easement between the LIRR and 166 Archer Avenue Co. LLC in connection with the Jamaica Capacity Improvement Project, Phase II and
5. An easement between the LIRR and the State of New York, Division of Military and Naval Affairs in support of the Jamaica Capacity Improvement Project, Phase II

MTA New York City Transit

6. A temporary access agreement between NYCT and Bennet Property Owner LLC for access to property adjacent to 181st Street subway station in connection with the ADA Elevator Project in Manhattan
7. A construction access agreement between NYCT and DCAS for underpinning of 209 Joralemon Street in Brooklyn in support of ADA improvements at the Borough Hall subway station

8. The addition of property located at 210 Joralemon Street in Brooklyn to the master lease with the City of New York, in support of ADA improvements at the Borough Hall subway station and
9. A lease amendment between NYCT and Jomat, LLC for a parking lot adjacent to PS 248 Transit Learning Center located in Brooklyn

10. The final information item is a report on agreements entered into directly by the Real Estate Department pursuant to board policy.

9. **ADJOURNMENT**

Due to lack of a quorum at the June 2024 Finance Committee, the meeting ended without a motion duly made.

Respectfully submitted,

Joanne S. Feld,
Deputy Director, Finance